Approved by the Board of Trustees

March 28, 2024

**24**

Board Meeting

March 28, 2024

ROLL CALL

PURCHASE RECOMMENDATIONS

Following are purchase recommendations proposed by each university and the System Office. The purchases are to be funded from State appropriations or institutional funds as appropriate. Unless otherwise specified or indicated, purchases are based on the lowest acceptable bid. The vice president/chief financial officer and comptroller has approved all purchases to be funded from State appropriations in accordance with the *Bylaws of the Board of Trustees* and the *General Rules Concerning University Organization and Procedure.*

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The president of the University of Illinois System concurs.

**PURCHASES RECOMMENDED**

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| |  | | --- | | **University of Illinois Urbana-Champaign** | | | |
| 1 | Unit | Utilities Administration |
|  | Item | Furnish and deliver maintenance and repair work for equipment at the Utilities Production Plants for the period of July 1, 2024 through June 30, 2029. |
|  | Cost | $190,000,000 (estimated) |
|  | Vendor | Jamerson & Bauwens Electrical Contractors, Inc.,  Northbrook, IL $10,000,000 (estimated)  Commercial Electric, Inc., Mattoon, IL $10,000,000 (estimated)  A&R Mechanical Contractors, Inc., Urbana, IL $5,000,000 (estimated)  HPC Industrial Services, LLC, Deer Park, TX $5,000,000 (estimated)  Davis-Houk Mechanical, Inc., Urbana, IL $50,000,000 (estimated)  Kennedy Tank and Manufacturing Co., Inc.,  Indianapolis, IN $50,000,000 (estimated)  Progress Group, Inc.,  Schererville, IN $50,000,000 (estimated)  Anchor Mechanical, Inc., Chicago, IL $10,000,000 (estimated) |
|  |  | Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.  The Utilities Production Plants are the only source of heat and chilled water for the University of Illinois Urbana-Champaign campus (UIUC). They are also a significant source of electricity for a portion of the campus electrical demand. It is vital to have contracts in place that allow the University to move quickly to address scheduled and emergency maintenance and repairs as specific needs are identified. The University will not guarantee any minimum utilization or expenditures to any vendor during the proposed contract period, and vendors will be utilized strictly on an as-needed basis.  The maintenance and repair work under this agreement will include but not necessarily be limited to service on gas and coal boilers, gas turbines, heat recovery steam generators, ductwork, chimneys, electrical systems and equipment, chemical systems and equipment, steam turbines, chillers, cooling towers, pumps, piping systems, and plant auxiliary systems.  **Business Enterprise Program (BEP) goal:** Progress Group, Inc., is a BEP certified vendor. |
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| |  | | --- | | **University of Illinois Chicago** | | | |
| 2 | Unit | Office of the Vice Chancellor for Administrative Services |
|  | Item | Purchase of trained, uniformed, unarmed security guard services licensed by the State of Illinois Department of Professional Regulation. Unarmed security guards will staff several locations at UIC, including but not limited to the hospital, health clinics, conference, and entertainment venues on the campus in Chicago as well as UIC locations in Rockford, IL for the period of July 1, 2024 – June 30, 2026 with four (4) two (2) year renewal options. Award contracts to up to three vendors. |
|  | Cost | Initial Term: $37,519,941 (estimated)  Renewal Terms: $167,744,900 (estimated)  July 1, 2026 – June 30, 2028 $39,209,338 (estimated)  July 1, 2028 – June 30, 2030 $40,973,713 (estimated)  July 1, 2030 – June 30, 2032 $42,817,530 (estimated)  July 1, 2032 – June 30, 2034 $44,744,319 (estimated) |
|  | Vendor | Andy Frain Services, Inc. Aurora, IL  Securitas Security Services USA Chicago, IL  Universal Protection Services dba Allied Universal Chicago, IL |
|  |  | Competitive solicitation procedures were followed in accordance with the Illinois Procurement Code (30ILCS 500/20-15).  A request for proposal (RFP) was issued on May 2, 2023. The university received thirteen (13) responsive proposals. The top six (6) scoring vendors were evaluated for Commitment to Diversity and Pricing evaluation. Vendors were required to provide pricing for all security guard post locations included in the RFP. Best and Final Offers (BAFOs) were requested from five vendors, from which the committee determined their award recommendation. The total estimated award amount reflects the BAFOs for hourly rates from the three vendors listed above recommended for award.  The University intends to execute contracts with up to three (3) vendors. By contracting with up to three (3) vendors who have the capacity to provide staffing for all guard posts, the department will have flexibility to ensure proper coverage for all university and university affiliated locations. UIC Police Department in collaboration with the requesting unit will determine which vendor will be used to staff each post. Only one guard will be dispatched per post. The actual amount spent with each vendor will depend on the deployment of that vendor by the UIC Police Department.  **A 25% BEP participation goal** and a 3% VBP participation goal was established for this solicitation for Unarmed Security Services. |
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| 3 | Unit | UI Health Surgical Services |
|  | Item | Purchase of spinal and neural implants and accessories used in spinal fusion, fixation, trauma and discectomy surgical cases for the period of April 1, 2024 through March 31, 2029. |
|  | Cost | $6,130,000 (estimated) |
|  | Vendor | Globus Spine Audubon, Pennsylvania |
|  |  | This purchase is exempt from competitive selection procedures in accordance with the Illinois Procurement Code (30ILCS 500/1-13).  UI Hospital began using spinal implants and fixation devices from Globus Spine during 2019. These products are commonly used by neuro and orthopedic surgeons due to proven, improved fusion rates. These spine surgeries are an important part of the Hospital’s Neurosurgery and Orthopedic service lines. The annual usage has increased significantly since the introduction of these products.  **Business Enterprise Program (BEP) goals** are not established for contracts which are exempt from the requirements of the Illinois Procurement Code. |
|  |  | **RENEWAL OPTIONS RECOMMENDED** |
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| |  | | --- | | **University of Illinois Urbana-Champaign** | | | |
| 4 | Unit | Utilities Administration |
|  | Item | Renewal option for the purchase and delivery of coal, including by-product waste disposal services, for the period July 1, 2024, through June 30, 2025. |
|  | Cost | $7,090,600 (Estimated) |
|  | Vendor | Knight Hawk Coal, LLC. Percy, IL |
|  |  | This will exercise five of five renewal options approved by the Board of Trustees on September 19, 2019, for an estimated $5,860,000 for the period July 1, 2024 through June 30, 2025. Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.  The vendor will continue to provide an estimated 80,000 tons of coal for the Abbott Power Plant to be used as a fuel source in the University boilers. The coal will be burned to produce steam which will be used to heat campus buildings. The vendor will also dispose of approximately 20,000 tons of waste. This includes ash, cinders, gypsum, and other by-products of the coal-burning process. Coal is used as a supplementary or primary fuel depending on the fuel price and equipment availability.  The vendor has demonstrated satisfactory performance in fulfilling the terms and conditions of their contract. After negotiations with the vendor, pricing will remain for FY25.  Pricing for the coal includes transportation costs that are indexed to the price of diesel fuel as posted by the Energy Information Administration. |
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| 5 | Unit | Office of the Vice Chancellor for Administrative Services |
|  | Item | Renewal of existing agreement with Monterrey Security Consultants, Inc. for unarmed security guard services for crime prevention throughout the University campus. For the period of a two (2) year period beginning September 10, 2024 through September 9, 2026. There is (1), two (2) year renewal option remaining. |
|  | Cost | $5,903,843 (estimated) |
|  | Vendor | Monterrey Security Consultants, Inc. Chicago, Illinois |
|  |  | Competitive selection procedures were followed in accordance with the Illinois Procurement Code (30 ILCS 500/20-15).  The UIC Police Department has increased the number of Monterrey Security Consultants, Inc. unarmed security guards that are deployed under this award. This increase was used to provide additional indoor fixed post positions, outdoor roving patrols, and vehicle patrols of the parking garages. The frequency of these services, including the number and type of patrols, have increased over the past three years in parking structures and other outdoor campus areas. The UIC Police Department does not anticipate that they will be able to safely decrease these service levels due to ongoing risk of criminal activity and the perception of safety around the campus.  A new solicitation for unarmed security services, PPA102 Request for Proposal: Unarmed Security Guards was conducted to reflect the current need for adequate funding and staffing levels for this service. The department has recommended awardees, which are being presented to the Board for approval, concurrent to this request. The university will not be able to execute contracts with awardees of PPA102 and transition vendors, prior to the expiration of the current contract. To avoid the loss of services under this contract, the department has requested to exercise the second of the three renewal options for Monterrey Security Consultants, Inc. Awarding the additional option period and increased award authority will allow the UIC Police Department to address operational needs for these services through the completion and award of the new solicitation. Upon award of PPA102, the university will no longer need service under IJW050.  **Business Enterprise Program (BEP) goal** was 25% and the goal for Veteran-owned business participation was 3%. The updated aspirational goal for BEP participation under Renewal 2 is 30%. Monterrey Security Consultants, Inc. is currently meeting their goal, submitted a BEP Utilization Plan, and has been certified as an MBE by the Commission on Equity and Inclusion; they will self-fulfill the BEP Goal. The vendor will continue to utilize Halo Security Group for the Veteran-owned business. |
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| 6 | Unit | Office of the Vice Chancellor for Administrative Services |
|  | Item | Renewal of existing agreement with United Security Services, Inc. for unarmed security guard services for crime prevention throughout the University campus. Services for the period of a two (2) year period beginning September 27, 2024 through September 26, 2026. There is one (1), two (2) year renewal option remaining. |
|  | Cost | $6,500,430 (estimated) |
|  | Vendor | United Security Services, Inc. Chicago, Illinois |
|  |  | Competitive selection procedures were followed in accordance with the Illinois Procurement Code (30 ILCS 500/20-15).  At the request of UI Health, the UIC Police Department has increased the number of United Security Services, Inc., unarmed security guards that are deployed under this award at posts located within the Hospital and Specialty Care Building. This increased deployment provides additional indoor post positions to mitigate threats within those facilities. The UIC Police Department does not anticipate that they will be able to safely decrease these service levels due to hiring challenges and ongoing risks and the perception of safety caused by criminal activity around the medical center.  A new solicitation for unarmed security services, *PPA102 Request for Proposal: Unarmed Security Guards* was conducted to reflect the current need for adequate funding and staffing levels for this service. The department has recommended awardees, which are being presented to the Board for approval, concurrent to this request. The university will not be able to execute contracts with awardees of PPA102 and transition vendors, prior to the expiration of the current contract. To avoid the loss of services under this contract, the department has requested to exercise the second of the three renewal options for United Security Services, Inc. Awarding the additional option period and increased award authority will allow the UIC Police Department to address operational needs for these services through the completion and award of the new solicitation. Upon award of PPA102, the university will no longer need service under IJW050.  **Business Enterprise Program (BEP) goal** was 25% and the goal for Veteran-owned business participation was 3%. The updated aspirational goal for BEP participation under Renewal 2 is 30%. United Security Services, Inc. is currently meeting their goal, has submitted a BEP Utilization Plan, and will continue to utilize Page Security to fulfill the BEP Goal. The vendor will continue to utilize Halo Security Group for the Veteran-owned business. |
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|  |  | **CHANGE ORDER RECOMMENDED** |

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| **University of Illinois Urbana-Champaign** |

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| 7 | Unit | Division of Intercollegiate Athletics |
|  | Item | Provide Golf Course, Restaurant, and Pro Shop Management at Atkins Golf Club as requested for the period March 15, 2021 through March 14, 2025. |
|  | Cost | $1,050,000 (Estimated)   |  |  |  |  | | --- | --- | --- | --- | | **Period** | **Original Amount (est.)** | **Change Order Amount (est.)** | **New Total (est.)** | | 3/15/24 to 3/14/25 | $950,000 | $1,050,000 | $2,000,000 |   Renewals:  March 15, 2025 – March 14, 2028 $2,850,000 (Estimated)  March 15, 2028 – March 14, 2031 $2,850,000 (Estimated) |
|  | Vendor | Troon Golf, LLC, Chicago, IL |
|  |  | This purchase is a concession per 30 ILCS 500/53-25 of the procurement code. Solicitation procedures were followed, and notice of the award was published and reduced to writing on the Illinois Procurement Bulletin.  In 2020 the Atkins family donated over 300 acres of real estate to the University of Illinois and the University of Illinois Foundation. Included in the gift was Stone Creek Golf Club, and its associated buildings and equipment, which has now become Atkins Golf Club at the University of Illinois. Atkins Golf Club is the home of the Illini Men’s and Women’s golf teams.  Troon Golf provides management of the golf course, grounds, restaurant, and management of the pro shop operations for the Atkins Golf Club. The golf facility comprises almost 200 acres, a pro shop with roughly 3,500 square feet, and a restaurant with catering space, offices, and a recruiting lounge. |
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| **University of Illinois System Office** | | |
| 8 | Unit | Office of Medicaid Innovation |
|  | Item | Change Order to the contract for consulting services for Managed Care Organization (MCO) review and analysis |
|  | Cost | $977,600 |
|  | Vendor | McKinsey & Company, Inc. Washington, DC |
|  |  | This is a change order to award a task order to McKinsey & Company, Inc. based on the request for proposal (RFP) 1JWS1805 for Consulting for Strategic/Financial Planning and Related Services.  This change order is to add additional services to provide fact base and analysis to help finalize the future program design and provide inputs (e.g., best practice language).  The first change order allowed an increase the scope of services to allow for phase 2 of the project that will include further research on specific topics prioritized by OMI after phase 1 that is for the setup, alignment and initial research on focus areas is completed.  This change order is to add additional services to provide fact base and analysis to help finalize the future program design and provide inputs (e.g., best practice language).  **A 25% BEP goal was established for this project**. McKinsey & Company, Inc. will use Seventeenth Addition LLC (a certified WBE) for an estimated 25% of the services. |
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| 9 | Unit | Office of the Vice President for Economic Development and Innovation |
|  | Item | Change order for consultant to assist with duties in support of the federal Broadband, Equity, Adoption, and Deployment (BEAD) and Digital Equity (DE) programs, including completion of Illinois’s 5-Year Action Plan and/or Digital Equity Plan. For the period July 1, 2021 through June 30, 2024 with one (1), three (3) year renewal option. |
|  | Cost | $3,900,000 (estimated) |
|  | Vendor | McKinsey & Company, Inc. Washington |
|  |  | This is a change order to a task order awarded to McKinsey & Company, Inc. based on the request for proposal (RFP) 1JWS1805 for Consulting for Strategic/Financial Planning and Related Services.  In June of 2021, the University published its intent to renew the five awards under solicitation 1JWS1805. The first renewal term is from 7/1/2021 through 6/30/2024. The costs of this renewal were estimated at $16 Million. There is still one three-year renewal option remaining.  A task order specific to the BEAD and DE project was sent to the five awardees. Two (2) awardees responded.  McKinsey and Company, Inc. responded to both Task #1 and Task #2 in the task order. Boston Consulting Group responded to Task #2 only. The University needs to add an additional $3.9M for the work McKinsey and Company, Inc. is doing for Task #1.  Through the Illinois Broadband Lab collaboration, the Board of Trustees of the University of Illinois (University) and its Illinois Innovation Network (IIN) assists the Illinois Office of Broadband, housed within the Illinois Department of Commerce and Economic Opportunity (DCEO), with implementation and administration of the Connect Illinois Broadband Grant.  Program and related programming. The collaborative work leverages funding and programs established through the American Rescue Plan Act or Infrastructure Investment and Jobs Act.  This federally funded programming and work include but is not limited to, provisions included in the Infrastructure Investment and Jobs Act, which dedicates $42.5 billion to broadband network expansion and $2.75 billion to establish three digital equity grant programs. Together, these programs promote broadband deployment and digital equity to ensure that all individuals and communities have the skills, technology, and capacity needed to reap the benefits of a 21st digital economy.  Funding specific to this project will be appropriated through the National Telecommunications & Information Administration (part of U.S. Department of Commerce) that will be granted to the Illinois Department of Commerce and Economic Opportunity (IL DCEO). IL DCEO will then relay the funding to the University of Illinois System.  **A 25% aspirational BEP goal** was established for this procurement.  McKinsey & Company, Inc. will use Columbia Telecommunications Corporation dba CTC Technology & for an estimated 12% of the services. |

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| **SUMMARY OF PURCHASES** | |
| University of Illinois Urbana-Champaign | $190,000,000 |
| University of Illinois Chicago | $ 43,649,941 |
| Recommended from Institutional Funds  Grand Total | $233,649,941 |
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| **SUMMARY OF RENEWALS** | |
| University of Illinois Urbana-Champaign | $ 7,090,600 |
| University of Illinois Chicago | $12,404,273 |
| Recommended from Institutional Funds  Grand Total | $19,494,873 |
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| **SUMMARY OF CHANGE ORDERS** | |
| University of Illinois Urbana-Champaign | $ 1,050,000 |
| University of Illinois System Office | $ 4,877,600 |
| Recommended from Institutional Funds  Grand Total | $ 5,927,600 |