

Approved by the Board of Trustees
November 16, 2017

Board Meeting
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ROLL CALL

PURCHASE RECOMMENDATIONS

The "Purchase Recommendations" are presented by university and a Summary from "Appropriated Funds" (i.e., from State appropriations to the University) and from "Institutional Funds" is included. The latter term is used here to designate funds received by the University under contracts with the United States Government; contracts with private corporations and other organizations, from foundation grants, and grants from corporations and other donors; and University revolving funds authorized by law. The Summary also indicates a total amount by university.

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 Interim Assistant Vice President for Procurement Services has proposed and the Interim Vice President, Chief Financial Officer and Comptroller recommends the following purchases. Unless otherwise specified, the purchase in each case is recommended on the basis of the lowest acceptable bid.

The President of the University concurs.

PURCHASES RECOMMENDED

University of Illinois System

1 Unit University Libraries

Item Subscription to electronic journals for all three University campus libraries for the period January 1, 2018 through December 31, 2022.

Cost \$19,722,430.00 (estimated)

Renewal Option: None

Vendor Elsevier B.V., Amsterdam, Netherlands

This purchase is exempt from the Illinois Procurement Code because the procurement expenditure is for periodicals, books, subscriptions, database licenses, and other publications procured for use by a university library or academic department, per (30 ILCS 500 / 1-13(b)(3)).

This subscription will provide electronic access to more than 2,000 core journals and books in science, technology, and medicine. This content is essential to research and teaching in the medical, physical, life and social science programs at all three universities.

The consolidation of the three separate university contracts has enabled the campus libraries to cancel duplicate journal subscriptions and requires the processing of a single license agreement instead of three, saving the University approximately \$2,500,000 over the five-year contract period.

A notice will be published in the Illinois Procurement Bulletin for Public Institutions of Higher Education within 14-days of the execution of this contract after receipt of Board of Trustees approval for this purchase.

University of Illinois at Urbana-Champaign

2 Unit Veterinary Medicine

Item One-time purchase to furnish and deliver a TrueBeam Linear Accelerator.

Cost \$2,100,000.00 (actual)

Renewal Option: None

Vendor Varian Medical Systems, Inc., Atlanta, GA

This purchase is exempt from the Illinois Procurement Code because the procurement expenditure is for medical supplies/services necessary for the delivery of care and treatment at the veterinary teaching facility per 30 ILCS 500 / 1-13(b-5).

Approximately 3,100 owners bring veterinary patients to the hospital for the treatment of cancer. The hospital provides a range of cancer diagnostic

and treatment services. These services are state of the art and reflect the current standard of care in veterinary medicine, with the exception of radiation therapy.

Currently, the veterinary hospital utilizes cobalt as the energy source for the treatment of cancer patients requiring therapeutic or palliative radiation therapy. However, cobalt based therapy is no longer the standard of care for treatment of cancerous lesion with radiation, due to the risk of damage to healthy tissue adjacent to the cancerous site.

The proposed purchase will provide contemporary digitalized linear accelerator technology and delivers focused radiation with pinpoint accuracy directly to the lesion. Linear accelerator technology has emerged as the standard of care in U.S. academic veterinary teaching hospitals that offer a comprehensive, multi-disciplinary cancer program.

Negotiations were successful in securing additional discounts resulting in a 25% discount from the suggested retail price.

A notice will be published in the Illinois Procurement Bulletin for Public Institutions of Higher Education within 14-days of the execution of this contract after receipt of Board of Trustees approval for this purchase.

University of Illinois at Chicago

3 Unit Transportation Services/Facilities Management

Item Purchase and delivery of gasoline & diesel fuels for the period December 1, 2017 through November 30, 2020, with the option to renew for two additional one-year periods. Price increases for renewal option periods one and two are on the marginal differential only and, are not to exceed 8% and 10%, respectively. All renewals are subject to continuing need, availability of funds, satisfactory performance, and Board of Trustees' approval.

Cost \$3,776,323.50 (estimated)

Renewal Options:
December 1, 2020 through November 30, 2021 \$1,359,476.46 (estimated)
December 1, 2021 through November 30, 2022 \$1,495,424.11 (estimated)

Vendor G. Cooper Oil Company, Inc., Frankfort, IL

<u>Bids Received</u>	<u>Total Estimated Cost</u>
G. Cooper Oil Company, Inc., Frankfort, IL	\$3,776,323.50
Petroleum Traders Corp, Fort Wayne, IN	\$3,787,020.00
Mansfield Oil Company of Gainsville, Inc. Gainsville, GA	\$3,807,045.00

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code, 30 ILCS 500/20-10.

The vendor will provide and deliver various types of gasoline and diesel fuel for Campus Transportation Services, including 89 ethanol (ETOH) reformulated unleaded gas, 87 unleaded regular gas with 10% ethanol, No. 1 and No. 2 diesel fuels, B11 bio-diesel fuel, and No. 2 ultra-low sulfur diesel-dye (ULSD) off-road fuel.

Pricing is indexed against established benchmarks and renewals are capped at rates favorable to the University. The proposed award is an estimated savings of \$10,696.50 for the initial term compared to the second lowest-priced bidder.

This purchase is subject to award notice, State Purchasing Officer approval and receipt of a waiver review or no-action taken from the Procurement Policy Board.

University of Illinois at Springfield

4 Unit Facilities and Services Administration

Item Historical purchase of utilities for the Springfield campus for the term July 1, 2016 through November 16, 2017.

Cost \$3,830,343.00 (estimated)

Renewal Option: None

Vendor City of Springfield, Illinois (City Water, Light and Power – CWLP),
Springfield IL

This historical purchase was an intergovernmental agreement, exempt from the Illinois Procurement Code pursuant to section 30 ILCS 500/1-10 (b)(1). In May of 2013, the Board approved a purchase of utilities for a three-year

term from the City of Springfield, Illinois. This approval was for the term July 1, 2013 through June 30, 2016. Although use of the utility services continued July 1, 2016 through November 16, 2017, due to multiple retirements, the need to obtain Board approval for this purchase was not previously identified. This item is for the approval of the historical purchases made from July 1, 2016 through November 16, 2017, to provide utility services for the University of Illinois at Springfield.

The University of Illinois at Springfield is required by statute to purchase utilities from City Water, Light and Power, the City of Springfield's public utility. The statute exempts municipal systems from being required to offer alternative retail access to their customers in an effort to protect the City's ability to recapture capital investment that was made on behalf of their residents.

The pricing proposed is considered reasonable and acceptable based upon the historical cost for these services.

5 Unit Facilities and Services Administration

Item Purchase of a utilities for the Springfield campus for the term November 17, 2017 through June 30, 2020.

Cost \$8,500,000.00 (estimated)

Renewal Option: None

Vendor City of Springfield, Illinois (City Water, Light and Power – CWLP), Springfield IL

This purchase is an intergovernmental agreement, exempt from the Illinois Procurement Code pursuant to section 30 ILCS 500/1-10 (b)(1).

The University of Illinois at Springfield is required by statute to purchase utilities from City Water, Light and Power, the City of Springfield's public utility. The statute exempts municipal systems from being required to offer alternative retail access to their customers in an effort to protect the City's ability to recapture capital investment that was made on behalf of their residents.

The pricing proposed is considered reasonable and acceptable based upon the historical cost for these services while factoring in a slight increase to account for the addition of the new student union.

SUMMARY OF PURCHASES	
University of Illinois System	\$19,722,430.00
University of Illinois at Urbana-Champaign	\$2,100,000.00
University of Illinois at Chicago	\$3,776,323.50
University of Illinois at Springfield	\$12,330,343.00
Recommended from Institutional Funds	
Grand Total	\$37,929,096.50