

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNIVERSITY OF ILLINOIS

July 9, 1998



The July meeting of the Board of Trustees of the University of Illinois was held in the Pine Lounge, Illini Union, Urbana, Illinois, on Thursday, July 9, 1998, beginning at 1 p.m.¹

Dr. Jeffrey Gindorf, chair of the Committee on Academic Affairs, was serving as chair *pro tem* for this meeting in Mrs. Gravenhorst's absence. He

¹A retreat and an executive session scheduled for the previous day, July 8, were canceled because too few board members were available.

Prior to the board meeting convening, the Committee on the University Hospital and Clinics met to receive a presentation on the budget for the hospital and clinics for Fiscal Year 1999 and the budget for the Medical Service Plan, from Vice Chancellor Dieter Haussmann. This included plans to reduce staff positions to meet expected reductions in revenue and plans for remodeling some areas in an effort to attract more patients.

Also, the board met as a Committee of the Whole for a presentation of the proposed budget for the University for Fiscal Year 2000. Vice President Manning, Chancellor Aiken, Urbana, Provost Hoffman, Chicago, and Provost Penn, Springfield, presented parts of the budget such as those sections devoted to academic programs, faculty and staff salary needs, and graduate student stipends. Dr. Manning pointed out that the State universities portion of the State higher education budget had been decreasing for the last several years. She noted that there had been no general price increase since 1991. She said that this budget request is for 7.6 percent more than the FY 1999 budget. Next, Vice President Bazzani presented the capital program needs that are listed in the budget, with the request for a new College of Medicine building as the largest request. He explained that the College of Medicine at Chicago is now located in about 10 different locations and needs to be housed mainly in one building. He said the cost of a new building would be \$100 million and that attempts would be made to fund it outside of the higher education budget, since it would be such a large portion of that entire budget. He also mentioned the need for renovation of many facilities and the need for a new classroom building at Chicago.

Following that, the board attended a groundbreaking ceremony for the Spurlock Museum of World Cultures on the Urbana campus.

called the meeting to order and asked the secretary to call the roll. The following members of the board were present: Mr. William D. Engelbrecht, Dr. Jeffrey Gindorf, Mr. Thomas R. Lamont, Mrs. Martha R. O'Malley, Mr. Roger L. Plummer, Ms. Judith R. Reese. The following members of the board were absent: Mrs. Judith Ann Calder, Governor Jim Edgar, Mrs. Susan L. Gravenhorst, Ms. Ada N. Lopez. The following nonvoting student trustees were present: Mr. Michael J. Clark, Chicago campus; Mr. Robert L. Doyle, Springfield campus; Mr. Samuel N. Gallo, Urbana-Champaign campus.

Also present were President James J. Stukel; Dr. Sylvia Manning, vice president for academic affairs; Dr. Michael Aiken, chancellor, University of Illinois at Urbana-Champaign; Dr. David C. Broski, chancellor, University of Illinois at Chicago; Dr. Naomi B. Lynn, chancellor, University of Illinois at Springfield; and the officers of the board, Dr. Craig S. Bazzani, comptroller (and vice president for business and finance); Mr. Thomas R. Bearrows, university counsel; and Dr. Michele M. Thompson, secretary. In addition, the following persons were also in attendance: Mr. Donald K. Coe, university director of public affairs; Mr. Kirk Hard, executive director for governmental relations; Ms. Susan J. Sindelar, executive assistant to the president; and Ms. Marna K. Fuesting, special assistant to the secretary.

PUBLIC COMMENT

In accord with the board's provision for receiving public comment, Dr. Gindorf introduced Mr. Greg Seaphus and indicated that he would be permitted five minutes to make his remarks. In his remarks, Mr. Seaphus admonished the board to work to increase the numbers of women and minorities graduating from the University of Illinois. He said that data he had collected about students at the University indicated that they did not complete degrees at the University because they needed help in developing skills in several areas. He suggested that the University have an ad hoc committee develop performance standards for students. (Material is on file with the secretary.)

BOARD MEETING RECESSED FOR COMMITTEE MEETING

At 1:10 p.m., the board recessed for a meeting of the Committee on Buildings and Grounds.¹

¹The board received a presentation on plans for development of the south campus at Chicago. Chancellor Broski opened the discussion by commenting that this development was essential to UIC and to its goal of attaining membership in the Association of American Universities. The architectural plan was presented to the board again, with a few modifications, and a plan for funding the project was also presented. Mr. Larry Justice, a representative of the developer, Mesirow Stein, and Dr. Bazzani discussed a proposal to be made to the City of Chicago for tax increment financing as part of the funding plan for the project. Dr. Bazzani explained that the University expects one-third of the funding to come from the sale of University land to the developer, and two-thirds to come from the City of Chicago in the form of payments that would normally go to taxing districts. It was explained again that the developer would build residential buildings to be sold to the public, and that the University would build residence halls and academic buildings. Dr. Bazzani also indicated that the University would develop some retail space. He stated that the University's debt service for the portion the University would develop would be about \$54 million, paid at the rate of \$4.5 million per year. Finally, there was brief discussion of preserving some structures in the area.

BOARD MEETING RECONVENED

When the board reconvened at 2:30 p.m., all members noted as present earlier remained so.

BUSINESS PRESENTED BY THE PRESIDENT OF THE UNIVERSITY

President Stukel recognized and introduced observers from the campus senates and from the University Senates Conference.¹

The president then reported several items of good news from the campuses. He began by reporting that Professor Jens Karlsson, assistant professor of mechanical engineering and bioengineering at Chicago, was the third Chicago faculty member in 12 months to receive the prestigious Whitaker Award. He added that Whitaker Awards are given to promising new investigators, performing cutting edge research in biomedical engineering.

Also, the president noted that Professor Charles Sweighauser, professor of physics and astronomy at Springfield, has developed a new telescope suitable for use by people in wheelchairs. He added that this unique telescope has drawn national attention and was featured in an article in *Sky and Telescope* and will be the subject of an article scheduled to appear in *The Chronicle of Higher Education*.

Further, he told the board of two faculty members at the Urbana campus who had been awarded Sloan Research Fellowships. These are Susan Tolman, assistant professor of mathematics, and Yi Lu, assistant professor of chemistry. The president commented that these fellowships are designed to identify those who show the most outstanding promise of making fundamental contributions to new knowledge.

President Stukel then thanked the board for their support and leadership. In doing so he cited several initiatives of the administration including the plans for developing the south campus in Chicago, the application of technology to many functions within the University that have created major changes in the institution, and the University's responsiveness to external forces that have caused major changes within the University. He thanked the board for their support on all of these projects. And, he thanked Trustee Reese for coming to the meeting today, despite an injury.

BUSINESS PRESENTED BY THE CHAIR OF THE BOARD

Dr. Gindorf told the board that he spent two hours the day before with Dr. Burks Oakley, associate vice president for academic affairs, learning what would have been presented at the retreat that was scheduled for the previous day, but canceled due to the unavoidable absence of several board members. He said that he was so impressed with the content of the material that he planned to have some of it presented to a meeting of the Committee on Academic Affairs at the board meeting in September 1998.

¹University Senates Conference: Joan Larsen Klein, associate professor of English, Urbana-Champaign campus; Chicago Senate: Julia E. Cowell, associate professor of public health, mental health, and administrative nursing, College of Nursing; Springfield Senate: Denise D. Green, assistant professor, Library Instructional Services; Urbana-Champaign Senate Council: Heidi C. Von Gunden, associate professor, School of Medicine.

INTRODUCTION AND INSTALLATION OF STUDENT TRUSTEES

Dr. Gindorf invited Mr. Engelbrecht and Mr. Plummer to the podium and asked them to introduce the three new student trustees who will serve for the 1998-99 year. Mr. Engelbrecht introduced Mr. Michael J. Clark, Chicago campus; Mr. Robert L. Doyle, Springfield campus; and Mr. Samuel N. Gallo, Urbana-Champaign campus. Mr. Plummer then read the following to them:

The *Statutes* of the State of Illinois provide that there shall be nonvoting student members of this board, one from each campus of the University. The method of selecting student members has been determined by campus-wide student referendum. The student members serve a term of one year beginning July 1 of each year.

In the installation of voting members of the Board, we tend to emphasize the duality of responsibility of the Trustees: on the one hand, a deep interest and loyal support of the University and, on the other, a stewardship in behalf of the people of Illinois, a difficult interrelationship which as Trustee one must define and carry out for oneself—but in no way an incompatible one.

It is appropriate that the same duality be kept before us in the role of the student trustee. Inevitably, the student member feels a kinship and accountability to the student body; on the other hand, no less than any of us, the view of the University and its service necessarily must be broader than any one student constituency or any one campus. This is a challenging perspective for us to maintain and a learning process for all of us.

As a member of the board, I welcome you to this fellowship of responsibility and invite your interest and contribution to the deliberations of this board.

Afterward, both Mr. Engelbrecht and Mr. Plummer made brief remarks of welcome to the new student trustees and wished them well in their endeavors as board members.

REGULAR AGENDA

The board considered the following reports and recommendations from the president of the University.

By consensus, the board agreed that one vote would be taken and considered the vote on each agenda item nos. 1 through 4 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Appointments to the Faculty, Administrative/Professional Staff, and Intercollegiate Athletic Staff

(1) Positions in the University are classified in the following categories and are designated in the budget by the symbols indicated.

A—Indefinite tenure

B—Ten months' service paid over twelve months

K—Headship—As provided in the *Statutes*, the head of a department is appointed without specified term

N—Term appointment not eligible to be appointed for an indefinite term and not credited toward probationary period

Q—Initial term appointment for a professor or associate professor

Y—Twelve-month service basis

1-7—Indicates the number of years of service which will be credited at the end of the contract period toward completion of the probationary period relating to tenure.

Figures following a symbol indicate percentage of time if the appointment is on a part-time basis (e.g., N75 means one year on three-fourths time).

Appointments to the Faculty

The following new appointments to the faculty at the rank of assistant professor and above, and certain administrative positions, have been approved since the previous meeting of the Board of Trustees.

Chicago

THOMAS P. GEORGE, assistant professor, College of Education, beginning August 21, 1998 (1), at an annual salary of \$43,000.

JAIME E. HOVEY, assistant professor of English, June 1-30, 1998 (N), \$4,778, and continuing August 21, 1998 (2), at an annual salary of \$43,000.

MELISSA J. KOENIG, assistant reference librarian and assistant professor in the Library of the Health Sciences, University Library, beginning August 1, 1998 (NY), at an annual salary of \$33,000.

ANN E. ROBINSON, assistant reference librarian and assistant professor in the Library of the Health Sciences, University Library, beginning August 1, 1998 (NY), at an annual salary of \$33,000.

EVERETT V. SMITH, JR., assistant professor, College of Education, beginning August 21, 1998 (3), at an annual salary of \$45,250.

BONNIE SPRING, professor of psychology, beginning August 21, 1998 (A), at an annual salary of \$100,000.

WENDALL P. SULLIVAN, electronic services librarian and assistant professor in the Library of the Health Sciences, University Library, beginning June 15, 1998 (NY), at an annual salary of \$37,000.

Emeriti Appointments

ELIEZER BEN AYAL, professor emeritus of economics, August 1, 1998

PRESTON M. BROWNING, JR., associate professor emeritus of English, September 1, 1998

FRED J. GRUNDBACHER, professor emeritus of genetics in the Department of Biomedical and Therapeutic Sciences, College of Medicine at Peoria, May 1, 1998

HOWARD H. KERR, professor emeritus of English, August 1, 1998

JAMES W. MOELLER, associate professor emeritus of mathematics, statistics, and computer science, September 1, 1998

Springfield

HILARY A. FROST-KUMPF, assistant professor, Community Arts Management Program, on 100 percent time, at an annual salary of \$38,000, and director, Community Arts Management Program, on zero percent time with an administrative increment of \$1,000, beginning August 16, 1998 (1; N), for a total annual salary of \$39,000.

CAROL MENEGHETTI JESSUP, assistant professor of accountancy, beginning August 16, 1998 (1), at an annual salary of \$55,000.

THOMAS MICHAEL MCCOURT, assistant professor, Communication Program, beginning August 16, 1998 (2), at an annual salary of \$37,000.

CHRISTINE ANNE NELSON, assistant professor, Visual Arts Program, beginning August 16, 1998 (1), at an annual salary of \$36,000.

Urbana-Champaign

- BRIAN W. DIERS, associate professor of soybean breeding and genetics in the Department of Crop Sciences, May 21-August 20, 1998 (N), \$20,667, and continuing August 21, 1998 (A), at an annual salary of \$62,000.
- ROBERT W. MCCHESENEY, associate professor, Institute of Communications Research, beginning January 6, 1999 (A), at an annual salary of \$71,000.
- MARY J. WALLER, assistant professor of business administration, May 29-July 19, 1998 (N), \$15,000, and continuing August 21, 1998 (1), at an annual salary of \$80,000.

Emeriti Appointments

- DOUGLAS A. BERNSTEIN, professor emeritus of psychology, June 21, 1998
- DONALD L. BURKHOLDER, professor emeritus of mathematics, August 21, 1998
- STEPHEN P. COHEN, professor emeritus of political science, July 21, 1998
- GERMAN GURFINKEL, professor emeritus of civil and environmental engineering, May 21, 1998
- WOLFGANG HAKEN, professor emeritus of mathematics, May 21, 1998
- BRUCE L. HUTCHINGS, professor emeritus, School of Architecture, May 21, 1998
- YAMUNA KACHRU, professor emerita of linguistics, May 21, 1998
- DUNCAN H. LAWRIE, professor emeritus of computer science, May 21, 1998
- CHARLES M. LINKE, professor emeritus of finance, July 1, 1998
- DALE R. NELSON, professor emeritus of veterinary clinical medicine, June 1, 1998
- TOSHIRO NISHIDA, professor emeritus of food science and human nutrition, May 21, 1998
- JAMES E. SIMON, associate professor emeritus, School of Architecture, May 21, 1998
- A. ROBERT TWARDOCK, professor emeritus of veterinary biosciences, June 1, 1998
- MARVIN G. WEINBAUM, professor emeritus of political science, June 21, 1998

Administrative/Professional Staff

- MERTON J. ATTWOOD, manager, Willard Airport, Urbana-Champaign, on 100 percent time, and assistant director for commercial airport, on zero percent time, beginning May 15, 1998 (NY100; NY), at an annual salary of \$80,000.
- DENNIS E. BARON, head of the Department of English, Urbana-Champaign, on zero percent time on an academic year service basis with an administrative increment of \$5,000, beginning August 21, 1998 (K). Dr. Baron will continue to hold the rank of professor of English on indefinite tenure on an academic year service basis, on 100 percent time (A), at an annual salary of \$85,000, for a total academic year salary of \$90,000.
- INDER PAUL BATRA, head of the Department of Physics, Chicago, on zero percent time on an academic year service basis with an administrative increment of \$5,000, beginning August 21, 1998 (K). In addition, Dr. Batra will receive an amount equal to two-ninths of his academic year base salary for two months' service during each summer of his appointment as head (\$23,000 during 1998-99). Dr. Batra will also be appointed as professor of physics on indefinite tenure on an academic year service basis, on 100 percent time, beginning August 21, 1998 (A), at an annual salary of \$103,500, for a total annual salary of \$131,500.
- DENNIS R. CAMPION, associate dean for extension and outreach, College of Agricultural, Consumer and Environmental Sciences, Urbana-Champaign, on 100 percent time on a twelve-month service basis at an annual salary of \$140,000, plus an additional administrative increment of \$5,000, paid on a twelve-month service basis, beginning July 21, 1998 (NY100; NY). Dr. Campion will continue to hold the rank of professor of animal sciences on indefinite tenure on a twelve-month service basis, on zero percent time (AY), for a total annual salary of \$145,000.
- JOSEPH E. FINNERTY, associate dean for graduate studies, MBA Program, College of Commerce and Business Administration, Urbana-Champaign, on 100 percent time on an academic year service basis at an annual salary of \$105,000 plus an administrative increment of \$6,000 paid on an academic year service basis, beginning March 6,

1998 (N100; N). In addition, Dr. Finnerty will receive an amount equal to two-ninths of his academic year salary for two months' service during summer 1997-98 (\$24,667). Professor Finnerty will continue to hold the rank of professor of finance on indefinite tenure on an academic year service basis on zero percent time (A), for a total salary of \$135,667.

DARNELL FELIX HAWKINS, head of the Department of African-American Studies, Chicago, on zero percent time on an academic year service basis, beginning September 1, 1998, with an administrative increment of \$5,000 effective January 6, 1999 (K). Dr. Hawkins will continue to hold the rank of professor of African-American Studies, on indefinite tenure on an academic year service basis on 75 percent time (A75), and as professor of sociology, on indefinite tenure on an academic year service basis on 25 percent time (A25), at an annual salary of \$100,000, for a total salary, effective January 6, 1999, of \$105,000.

Intercollegiate Athletic Staff

TIMOTHY T. EATMAN, head varsity coach, Women's Basketball, Division of Intercollegiate Athletics, Chicago, on a twelve-month service basis, multi-year agreement, retroactive to May 18, 1998, through May 17, 2001 (NY), at an annual salary of \$75,000.

On motion of Ms. Reese, these appointments were confirmed.

Promotions in Academic Rank and Change in Tenure, 1998-1999

(2) The chancellors at the respective campuses have recommended the approval of promotions in academic rank and changes in tenure status in accordance with the attached lists. (The lists are filed with the secretary of the board for record.) These changes are to be effective at the beginning of the 1998-99 appointment year.

The numbers recommended for promotion to the various ranks are as follows:

	<i>University Administration</i>		<i>Chicago</i>		<i>Springfield</i>		<i>Urbana-Champaign</i>		<i>Total</i>	
	98-99	97-98	98-99	97-98	98-99	97-98	98-99	97-98	98-99	97-98
Professor, Research Professor, and Clinical Professor <i>Without Change in Tenure</i>	1	(0)	28	(18)	1	(1)	43	(41)	73	(60)
Professor and/or Research Professor <i>On Indefinite Tenure</i>	0	(0)	1	(0)	0	(0)	0	(0)	1	(0)
Associate Professor, Research Associate Professor, and Clinical Associate Professor <i>Without Change in Tenure</i>	0	(0)	19	(13)	0	(1)	2	(0)	21	(14)
Associate Professor <i>On Indefinite Tenure</i>	0	(0)	37	(29)	4	(4)	48	(43)	89	(76)
Total	1	(0)	85	(60)	5	(6)	93	(84)	184	(150)
<i>To Tenure Without Change in Rank</i>	1	(0)	4	(4)	1	(0)	4	(3)	10	(7)

The recommendations from the three campuses have been prepared in accord with provisions of the University of Illinois *Statutes*; however, those from the Springfield campus include faculty originally governed by the *Collective Bargaining Agreement*. Each campus has established formal procedures for the initiation, review, and approval of recommendations for academic promotion in rank with tenure, promotions in rank without change in tenure, and to tenure without change in rank.

The vice president for academic affairs concurs.

I recommend approval.

On motion of Ms. Reese, these recommendations were approved.

Redesignate Schools to Colleges, Springfield

(3) The chancellor at Springfield, upon recommendation of the Springfield Senate, recommends the redesignation of the campus's four educational and administrative units as colleges. These units, currently designated as schools, include: Business and Management, Health and Human Services, Liberal Arts and Sciences, and Public Affairs and Administration.

This action will better align UIS' academic organization with those of the other two University of Illinois campuses. Further, seven of the other eight public institutions in Illinois use the term *college* rather than *school* as the principal designation for their major educational and administrative units. (Exceptions are units such as graduate schools or certain professional schools such as schools of medicine.) Therefore, redesignating UIS' schools as colleges would reflect standard practice in public higher education throughout the State.

The deans of the Schools of Business and Management, Health and Human Services, Liberal Arts and Sciences, and Public Affairs and Administration support this request.

The vice president for academic affairs concurs with the recommendation. The University Senates Conference has indicated that no further senate jurisdiction is involved.

I recommend approval, subject to further action by the Illinois Board of Higher Education.

On motion of Ms. Reese, this recommendation was approved.

Redesignate Building Names, Chicago

(4) The chancellor at Chicago, with the concurrence of the appropriate University officers, recommends that the building located at 1601 West Taylor, which was formerly designated as the Illinois State Psychiatric Institute, be named the School of Public Health and Psychiatric Institute. (The University took possession of the building in April 1998.)

I concur.

On motion of Ms. Reese, this recommendation was approved.

By consensus, the board agreed that one roll call vote would be taken and considered the vote on each agenda item nos. 5 through 19 inclusive. The recommendations were individually discussed but acted upon at one time.

(The record of board action appears at the end of each item.)

Banking Services (UIC Depository, Bursar, and Lockbox Accounts)

(5) The University has solicited proposals relating to banking services for the Chicago campus. The services included in the proposal were deposit of checks, currency, and coin services, the student accounts receivable lockbox, and hospital and medical service plan lockbox operations. Check encoding and courier services are currently provided by Thil-

lens, Incorporated. Thillens provided the best proposal for these specialized services and will be retained as the encoding vendor. The encoding services cost approximately \$11,000 per year.

The University of Illinois at Chicago banking request for proposal was sent to seventeen banking institutions. Responses were received from six, and a number of these proposals offered significant value to the University. Personnel from UIC and the University Office of Cash Management and Investments thoroughly examined the proposals. Interviews and an on-site evaluation of the lockbox operations were conducted with the three finalists. An important part of this request for proposal process was an examination of UIC operating procedures.

LaSalle National Bank submitted the proposal that best met the University's established criteria and offered the most advantageous mix of pricing and technology. This provider will meet UIC's current needs and will allow increased usage of technology. The agreement offers significantly better cost savings than the current provider, and is renewable for additional fiscal years with a five percent maximum annual price increase. The total annual cost is estimated to be \$180,000 compared with a current annual cost of approximately \$250,000.

Accordingly, the vice president and comptroller recommends that authority be given to open bank accounts for the purposes described above with LaSalle National Bank, that the following resolutions be adopted, and that the comptroller be authorized to renew this agreement on an annual basis subject to the availability of funds. The new account would become active on September 1, 1998, or as soon as all necessary documentation can be completed and filed. Upon conclusion of business with the current processor, the relationship will be terminated.

I concur.

Resolutions

Be It Resolved, that the comptroller of the Board of Trustees of the University of Illinois ("University") is authorized, instructed and directed to open and keep bank accounts with LaSalle National Bank ("Bank"), a national banking association located at Chicago, Illinois, in the name and for the use of the University, and to deposit in said Bank to the credit of the University from time to time, any and all moneys and checks, drafts, bills of exchange, interest coupons, and other deposit items and until otherwise ordered said Bank be and hereby is authorized to make payment from the funds of the University on deposit with it upon and according to the check or direction of the University;

Be It Further Resolved, that the comptroller of the Board of Trustees is authorized from time to time upon such terms and conditions as the comptroller may deem advisable, to designate in writing to the Bank those officers, employees, and other agents of the University authorized to sign any and all checks, drafts, and orders, including orders or directions in informal or letter form, against any funds or accounts at any time standing to the credit of the University with the Bank, and that the Bank is authorized to honor any and all individual order of any such person or persons signing the same, without further inquiry or regard to the authority of said person or persons or the use of the checks, drafts, or orders, or the proceeds thereof;

Be It Further Resolved, that the Bank as a designated depository of the University be and it (including its correspondent banks) is hereby requested, authorized, and directed to honor checks, drafts, and other orders for the payment of money drawn in the University's name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signatures, whether reproduced manually, mechanically, or otherwise, of the chair and the secretary of the Board of Trustees, jointly, and the Bank shall be entitled to honor, and to charge the account of the University for, such checks, drafts, or other orders for the payment of money, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such signature or signatures resemble the facsimile specimens of such signa-

ture(s) certified to or filed with the Bank by or on behalf of the University and if said documents are properly issued by the Board of Trustees of the University of Illinois;

Be It Further Resolved, that the comptroller of the Board of Trustees is authorized from time to time to designate in writing to the Bank those officers, employees, and other agents of the University authorized to issue written, telephonic, electronic, or oral instructions with respect to the transfer of funds of the University on deposit with the Bank (or otherwise transferable by the Bank), by wire or otherwise, without any written order for the payment of money being issued with respect to such transfer, and, for and on behalf of the University, to enter into such agreements with the Bank with respect to any such transfer(s) as such officer(s) in (his/her) (their) sole discretion deem(s) advisable.

Be It Further Resolved, that each of the foregoing resolutions shall also be understood to apply in full to any account, transaction, or property at or with any facility or facilities or branch or branches of the Bank;

Be It Further Resolved, that each of the foregoing resolutions shall continue in force until express written notice of its rescission or modification has been received by the Bank.

On motion of Mrs. O'Malley, these recommendations were approved and the foregoing resolutions were adopted by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Renewal of Agreements, University of Illinois Alumni Association and University of Illinois Foundation

(6) Since 1982, the Board of Trustees has designated the Alumni Association and the University of Illinois Foundation as University-related organizations and has authorized basic service agreements for various services. Renewal of the agreements for Fiscal Year 1999 is now sought.

University of Illinois Alumni Association

The agreement provides that the Association will provide management and supervisory services for data gathering, data entry, and maintenance of alumni records on the Foundation Alumni Constituency Tracking System (FACTS) and management services of the activities of the Alumni Career Center. The Association will publish periodicals which will be distributed to alumni, and will provide support to University field activities such as meetings of alumni groups and off-campus communications with alumni.

The University will provide direct support of \$1,620,400¹ for FY 1999. This support will be provided during the course of the year through contractual payments to the Alumni Association for the costs of services rendered, and through funds allocated in the University's Office of Alumni Relations and Alumni Career Center for the maintenance of alumni support functions. The agreement also provides for the Association's use of FACTS to maintain membership records and for access to and joint ownership of such records. Ownership of the periodicals resides with the Association. Also provided is the employer costs of benefits for University employees working in the Office of Alumni Relations and Alumni Career Center.

¹The contract amount for FY 1998 was \$1,473,000.

University of Illinois Foundation

Under the agreement, the Foundation will provide fund-raising services and other assistance to attract private gift funds to support University programs. The Foundation agrees to accept and administer such gifts according to terms specified by the donor, to inform the University of all gifts received for the benefit of the University, and to apply the same in accord with the terms of the gift or, as in the case of all undesignated gifts, as the University may determine. The Foundation also will provide management and supervisory services for the maintenance of donor records on the Foundation Alumni Constituency Tracking System (FACTS). The Foundation assesses a management fee to Foundation gift accounts as a means to support some of its private gift fund-raising operations.

To partially support the annual operating costs of the program and services described, the University will provide support of \$4,387,000¹ for FY 1999. The support will be provided through payments to the Foundation during the course of the year based upon actual costs incurred and through funds allocated to the University Office of Development for the maintenance of donor records and other fund-raising support functions.

Certain routine business and financial services will be provided to the Foundation as needed. The agreement also provides the Foundation with access to the University's FACTS for the purpose of conducting fund-raising activities. Also provided is the employer costs of benefits for University employees working in the Office of Development.

Institutional funds, generated from a management fee assessed to University gift accounts, and State appropriated funds are available to support these agreements for FY 1999. The vice president for business and finance has recommended execution of the agreements as described.

I concur.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Master Development Agreement for Implementing the South Campus Master Plan, Chicago

(7) In September 1996, the University issued requests for proposal whereby the University sought proposals from real estate developers for the development of the south campus. On July 10, 1997, the Board of Trustees approved the selection of the south campus development team, L.L.C. (SCDT) as the master developer of the south campus. The board's action in July 1997 authorized the negotiation of agreements with SCDT to develop a master plan for the south campus and a Master Development Agreement (MDA) for the long-term development of the south campus. The University and the SCDT entered into a master plan agreement dated August 1, 1997, under which the master plan for the south campus is currently being developed. The master plan will be submitted to the board in September for its approval. The University and the SCDT have been engaged in negotiations regarding the MDA since the fall of 1997.

The chancellor at Chicago, with the concurrence of appropriate University officers, recommends authorization for the execution of an MDA with the SCDT for implementing the south campus master plan which shall include, and not materially deviate from the major provisions as follows:

¹The contract amount for FY 1998 was \$4,303,300.

The MDA will be for ten years with the University having the option to extend for five consecutive one-year periods, under the same terms and conditions. The MDA will not become effective until the last of the following occurs:

- a. The governor's approval of Senate Bill 1627, which squares off the south campus boundaries; and,
- b. The city council of the City of Chicago approval of the creation of a Tax Increment Financing (TIF) district for the south campus project area; and,
- c. Mutual agreement of the University and the city upon the terms and conditions for a TIF redevelopment agreement (associated with the creation of the TIF district) for the south campus project area, and city council approval of such agreement; and,
- d. Mutual agreement of the University and the city upon the terms and conditions for revision to the intergovernmental agreement dated May 6, 1994, and the institutional planned development approved by the city council on April 13, 1994, and city council approval of such agreement and planned development; and,
- e. Approval of the south campus master plan by the Board of Trustees of the University of Illinois.

The MDA has three service delivery components. First, the SCDT will, subject to University approval, provide general administration and management (GAM) over all south campus development activities, which shall include, but not be limited to, the TIF process, multi-project financing, community organization liaison, coordination and liaison with governmental entities, and maintenance of a south campus development office at the University of Illinois at Chicago. The University will pay the SCDT a fixed GAM fee for each year of the agreement, subject to annual appropriation, set at \$330,000 for year one of the agreement, adjusted annually based on changes in the CPI, plus reimbursements for third party contracts entered into by the SCDT as authorized by the University.

Second, the SCDT, with specified exceptions, will be the sole providers of south campus project management services including the planning, administration, coordination, and construction management for all project development activities from project initiation through completion of the construction, except for such development projects where the funding source does not allow for the use of the SCDT. Individual University south campus projects will be approved by the Board of Trustees as required by board policy. The projects will be conducted in four phases and the University will pay the SCDT for each phase as follows:

- a. During the project concept plan phase, a fee of \$45,000 per project; and
- b. During the project pre-development plan phase, a fee to be approved by the Board of Trustees when authorizing the initiation of the project pre-development plan phase. The total of the project concept plan fee and the project pre-development plan fee shall be 25 percent of the total development fee to be paid to the SCDT for the project through the project development and construction phases; and
- c. During the project development and construction phases, a fee for all services rendered through completion of the construction, computed as follows:
 - For the first \$150 million in project development costs, the project development and construction fee shall be 4.5 percent of the estimated project development cost determined in the project pre-development plan, less the project concept plan fee and the project pre-development plan fee.
 - When the cumulative total of project development costs exceeds \$150 million, the project development and construction fee shall be reduced to 3.5 percent of the estimated project development costs determined in the project pre-development plan phase, less the project concept plan fee and the project pre-development plan fee.

- d. The University will also pay the SCDT a project savings fee, where applicable. The project savings fee is applicable when the actual project cost is less than the estimated project cost determined in the project pre-development plan phase (adjusted to include University approved change orders, if any, subsequent to the project pre-development plan that change the project scope). The project savings fee shall be calculated as 15 percent of an amount not to exceed 5 percent of the savings that the University realizes between the actual project cost and the estimated project cost.

Third, the SCDT will utilize its own funds to develop private housing on south campus land purchased from the University. The University's obligation to sell land which it does not currently own to the SCDT is contingent upon the University's ability to acquire the remaining land on which the private housing development is planned within a specified cost budget established by the University.

The SCDT will pay the University a base price for the land, plus additional compensation, if applicable. The base price for the land will be based on the acreage to be approved by the board in the south campus master plan for private housing development, the number of private housing units approved for the acreage, and the planned average selling price for the units. For example, the current draft of the south campus master plan provides for a 700-unit private housing development on 26 acres with an average selling price of \$198,000 per dwelling unit. The base price for this land is \$14 million. The South Campus Master Plan that will be presented to the Board of Trustees for its approval may include changes in the amount of acreage devoted to private housing, the approved number of units and/or the average selling price. Any changes in the acreage devoted to private housing, the number of units and/or the average selling price will result in a corresponding change in the base price for land. The SCDT will purchase the property in consecutive phases, the minimum phase being 60 dwelling units. The SCDT will pay the University a pro rata portion of the base price for land in cash at the time of closing on each phase. The University will receive additional compensation, subject to the limitations set forth below, and adjusted according to the changes in the number of units and average selling price as noted above, according to the following formulas:

- If the gross revenue on the base-unit selling price exceeds an amount determined by the planned number of housing units times the initial planned average selling price for the units, (e.g., 700 units times \$198,000 equals \$138.6 million), adjusted for changes in the CPI, the University will receive 75 percent of the excess.
- The University will also receive 25 percent of the net profit on private housing upgrades from the base-unit selling price.

The total compensation to the University including base price for the land and additional compensation is limited to the University receiving 17.6 percent of the total gross sales revenue for the private housing development.

In addition, the MDA acknowledges that if the University requires post construction operation and maintenance service for south campus projects (e.g., management of retail leases, student residences, etc.) the SCDT may provide those services under terms and conditions to be negotiated as amendments to the MDA, if permitted by applicable law at the time such amendments are executed.

Funds for the Fiscal Year 1999 GAM fee are available from the State appropriated funds operating budget of the Chicago campus. Funds for future fiscal year GAM fee payments will be included in the appropriation bill authorization request of the General Assembly, and will be included in the operating budget authorization request to be submitted to the Board of Trustees. Future GAM fee payments are subject to the appropriation of these funds and the Board of Trustees' approval of the budget. Funds for project management services will be budgeted for each capital project submitted to the Board of Trustees for approval. In the event of cancellation or termination of the MDA by the Uni-

versity (subsequent to satisfaction or the University's waiver of the contingent conditions) due to failure of the General Assembly to appropriate funds or the Board of Trustees' specific exclusion of funds for the SCDT in the annual operating budget of the University, then the SCDT shall be paid a one time cancellation fee of \$200,000 as its sole and exclusive remedy. Institutional funds of the Chicago campus will be escrowed in FY 1999 and for the remaining term of the MDA for the purpose of paying any potential cancellation penalty.

The vice president for business and finance recommends approval.

I concur.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

**Supplemental Funding for Upgrade HVAC System,
Library of the Health Sciences, Chicago
(Contract with Capital Development Board)**

(8) In March 1998, the Board of Trustees requested the Capital Development Board to employ the firm of Knight Architects, Engineers, Planners, Inc., Chicago, for the upgrade of the HVAC system in the Library of the Health Sciences at the Chicago campus.

In order to conform to the West Side Chilled Water Upgrade Master Plan, a 200-ton, second chiller and cooling tower with primary and secondary pumps has to be installed in order to supply chilled water to the adjacent Human Resources Building. By connecting these two buildings together with chilled water distribution piping, a substantial increase in redundancy, and an increase of back-up cooling capacity, energy efficiency can be achieved by matching the number of chillers operated to the load, and thereby, operating the chiller(s) more fully. The cost to install an additional chiller, with associated pumps, controls, and the additional architect/engineer fees for additional services needed, will increase the project cost from \$900,100 to \$1.3 million, or by approximately \$400,000. To install this chiller at a later date would require major modifications, disruption, and cost increases.

State statutes provide that the Capital Development Board and the University may contract with each other and other parties on the design and construction of any project to be constructed on University property.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the University now contract with the Capital Development Board in order to finance the work described above at an additional cost of \$400,000 for the upgrade of the HVAC system in the Library of the Health Sciences at the Chicago campus.

University funds are available from the institutional funds operating budget of the Chicago campus.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Contracts for Telecommunications and Security Systems, Outpatient Care Center, Chicago

(9) The president of the University, with the concurrence of the appropriate University officers, recommends the award of the following contracts for installation of telecommunications and security systems at the Outpatient Care Center, Chicago. Competitive bidding procedures in accordance with the Illinois Purchasing Act were followed; and the award is to the lowest responsible bidder in each division on the basis of its base bid plus the indicated alternate.¹

Telecommunications

Hardt Electric, Chicago	Base Bid	\$1 227 783	
	Alt. #1	<u>14 500</u>	
			\$1 242 283

Security

Video and Sound Services, Inc., Northlake	Base Bid	<u>334 800</u>	
<i>Total</i>			\$1 577 083

The work includes installation of copper and fiber optic wiring for telecommunications systems, including an incoming distribution frame and floor distribution frames. Security systems card readers will be installed for after-hours access, and closed circuit television cameras will be provided at building entrances.

Funds are available from the proceeds of the Health Services Facilities System Bond Funds.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Mrs. O'Malley, these contracts were awarded by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Contract for Project/Construction Management Services, Chicago

(10) The president of the University, with the concurrence of the appropriate University officers, recommends the award of a contract to Reed Illinois Corporation, Chicago, to provide the professional project/construction management services required for projects at the Chicago campus. The firm shall provide experienced project management and support staff services during the implementation of major capital projects and to ensure that projects are completed on schedule and within budget. Responsibilities on each project may include one or more of the following: program management, value engineering/estimating, project/construction scheduling, contract reviews, construction phase services, and project close-out services. Principal support shall be provided on an as-needed basis with a maximum of five additional hours of office support. Additional services related to intensive analysis and development of value engineering options, detailed review of cost estimates/requests for proposals and change orders, and full-time, on-site construction observation will also be required based on specific project needs. Approval is requested for a one-year contract with option to extend for three additional one-year terms.

¹Description of Alternate: #1-provide wire mesh dividers with doors and locks inside telephone closets.

The firm’s fee for basic services (one-year contract) is \$277,500 with additional services not to exceed \$112,500. The selection of the firm was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

Projects totaling in excess of \$20 million will be administered under this program.

Funds for these contracts are available from the State appropriated, institutional, or restricted funds budget as designated on a project-by-project basis.

On motion of Mrs. O’Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O’Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Contracts for Spurlock Museum of World Cultures, Urbana

(11) The president of the University, with the concurrence of the appropriate University officers, recommends the award of the following contracts for construction of the Spurlock Museum of World Cultures at the Urbana campus. Competitive bidding procedures in accordance with the Illinois Purchasing Act were followed; and the award in each case is to the lowest responsible bidder on the basis of its base bid plus acceptance of the indicated alternates.²

Division I—General

Williams Brothers Construction,

Inc., Peoria.	Base Bid	\$3 783 000	
	Alt. G-1	20 000	
	Alt. G-2	<u>28 000</u>	
			\$3 831 000

Division II—Plumbing

A & R Mechanical Contractors,

Inc., Urbana.	Base Bid	295 000
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Division III—Heating

Reliable Plumbing & Heating

Company, Savoy.	Base Bid	403 900
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Division IV—Ventilation

Reliable Plumbing & Heating

Company, Savoy.	Base Bid	438 000
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Division V—Electrical

Coleman Electrical Service, Inc.,

Mansfield	Base Bid	<u>832 000</u>
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<i>Total</i>		\$5 799 900
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The project will construct the \$10.8 million Spurlock Museum of World Cultures. The 52,350 gsf facility will preserve and exhibit the collections of the present World Heri-

¹A selection committee consisting of P. Aceveda and M. Donovan (Facilities Management), J. Foerster (Facilities Planning), R. Giles (Chicago Capital Programs), and C. Carey (University Capital Programs) interviewed the following firms for the project/construction management services: Reed Illinois Corporation, Chicago (consultants are MBE/WBE); Sverdrup Facilities, Inc., Chicago; Globetrotters Engineering Corporation, Chicago (MBE); and Rust Environment and Infrastructure, Inc., Oak Brook. The committee recommends the employment of Reed Illinois Corporation, Chicago, as best meeting the criteria.

²Description of Alternates: G-1—Assignment Fee; G-2—Add wood paneling and wood shelving to Conference Room #6.

tage Museum, illustrating the cultural heritage of people throughout the world. The contents of the museum are typically allocated to several kinds of museums: history, ethnography, technology, and art. The facility will contain five to seven galleries; public areas, including a museum store; administration offices; an auditorium; and support space. The museum will be located at the southeast corner of California Avenue and Gregory Place, a prominent location at the eastern edge of campus in an area designated by the Central Campus Master Plan as a cultural outreach area.

Funds are available from private gift funds.

A schedule of the bids received has been filed with the secretary of the board for record.

On motion of Mrs. O'Malley, these contracts were awarded by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Delegation of Authority to Award Contracts for Components of University Electric Distribution Development Project Phases I and II, Chicago

(12) In September 1997, the Board of Trustees approved a plan to issue \$48.2 million in Certificates of Participation financing for University utility infrastructure projects, including the \$12,752,000 University Electric Distribution Development Project Phase I at the Chicago campus. Development in Phase I will provide the electric distribution system for the west side of the campus.

In June 1998, the board approved the first component of this project, the installation of the necessary underground distribution system ductwork to the University buildings. To meet the project construction schedule, it is essential that contracts for construction of the second component, the individual building modifications, be awarded before the September 1998 meeting of the Board of Trustees. Bids are to be received by August 1, 1998.

In addition to this construction component, the University anticipates concluding the final major equipment acquisition for Phases I and II of the University Electric Distribution Development Project. Under Phase I, it is anticipated that Commonwealth Edison will sell to the University the existing building transformers currently operating in the facilities on the west side of the Chicago campus. The project engineer has estimated a value of this equipment at \$3,000,000 and recommends the purchase as an alternate to buying new equipment. Under Phase II, Commonwealth Edison will provide a high voltage interface with the University and the University will need to purchase certain equipment and installation services from Commonwealth Edison for the single point of interconnect with the utility. Also under Phase II, bids for the high voltage switchgear and transformers will be received by July 15, 1998. Due to the extended lead-time required for this equipment and to meet the implementation schedule, the purchase of this equipment is required before the September Board of Trustees meeting.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the comptroller be delegated the authority to execute the necessary documents to:

1. Award contracts to the lowest responsible bidder for each division for the building construction components of the University Electric Distribution Development Project Phase I, provided the total of the bids received does not exceed \$1,250,000.
2. Enter into the necessary agreements in Phase I with Commonwealth Edison to purchase existing electric distribution equipment that currently services the Chi-

cago campus and enter into the necessary equipment purchase and service agreements in Phase II to provide a high voltage interconnection with the Chicago campus.

3. Award purchase contract(s) to the lowest responsible bidder(s) for the major transformer and switchgear equipment (could be more than one supplier) for Phase II of the University Electric Distribution Development Project for a total purchase price of all contracts not to exceed the engineer's estimate of \$7,400,000.

Funds for these commitments are available from the proceeds of the sale of (Utility Infrastructure Project) Series 1997 Certificates of Participation.

A schedule of the bids received will be filed with the secretary of the board for the record.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Delegation of Authority to Award Contracts for Construction of New Student Housing, Springfield

(13) Current and projected housing needs exceed the capacity of existing housing at the Springfield campus. The proposed \$2,500,000 project will construct approximately 20 new housing units for 80 to 100 students.

Since the project needs to continue to meet the housing needs of the campus, it is essential that contracts for construction be awarded before the September 2, 1998, meeting of the Board of Trustees. Bids are to be received in August 1998.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, and subject to approval of the project by the Illinois Board of Higher Education, recommends that the comptroller be delegated the authority to award a contract to the lowest responsible bidders in each division provided the total of the bids received does not exceed \$2,107,000.

A report of the bids received will be presented to the board at a subsequent meeting.

Approval of this action includes approval to utilize Auxiliary Facilities System, 1996 bond funds for this project that were previously assigned to an addition to a parking structure at the Chicago campus.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Delegation of Authority to Award Contracts for Selection of Architect/Engineer for Remodeling of the Henry Administration Building, Urbana

(14) In January 1998, the Office of Admissions and Records (OAR) at the Urbana-Champaign campus moved into the new OAR building on Illinois and Lincoln Streets in Urbana, vacating space in the Henry Administration Building (HAB). Since that time the University administration has conducted space need studies, asbestos surveys, and cre-

ated a master energy plan for the building infrastructure. These studies led to a proposal to move or consolidate several University offices into the building.

OAR vacated approximately 5,500 square feet on the north side of the first floor of HAB and a similar amount of basement space. All of this space requires remodeling to maximize its efficiency for other offices. Additionally, this will be an opportunity to upgrade and replace the aging HVAC and other systems in this portion of the building.

With the internal studies in hand the University administration would move to open the qualification-based selection process to select an architect/engineer to prepare the architectural drawings and construction documents for the remodeling of HAB. After these documents are prepared, construction documents and bids will come to the board for approval.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the comptroller be delegated the authority to execute the necessary documents to award contracts to architectural and engineering firms to engage in planning and construction documents for the repair and renovation of HAB, with cost for this portion of the project not to exceed \$150,000.¹

Funds for this project will be available from the institutional funds budget of the University administration.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Employment of Consultant for the Development and Implementation of a Job Order Contracting (JOC) System, Urbana

(15) The president of the University, with the concurrence of the appropriate University officers, recommends the employment of the Gordian Group, Greenville, South Carolina, for professional consulting services required for the development and implementation of a Job Order Contracting (JOC) system at the Urbana campus.

The proposed JOC system will enhance the present contracting operations for repairs, minor remodeling, and new construction at the Urbana campus. The services and assistance required for the development, implementation, and execution of the proposed JOC system include document development, software development, contract development, contract implementation, and ongoing technical support over the life of the contract. The consultant will also supply customized JOC documentation, technical and marketing support, a comprehensive JOC management information and support system, and specialized training.

The firm will develop and implement the JOC system without any risk to or advance compensation from the University. The firm will be compensated by percentage licensing fees based on the cumulative amount of construction work placed through all awarded job order contracts for a licensing period of five years after the effective starting date of the first such contract, according to the following schedule:

- a. For the first \$6 million in construction work ordered through the JOC system, the firm will receive five percent of the actual amount of such ordered work.
- b. For all construction work over \$6 million ordered through the JOC system, the firm will receive one and one-half percent of the actual amount of such ordered work.

¹A final budget for the project has not yet been established but is expected to be approximately \$1,200,000.

Based on past records of the campus's existing contracts for repairs, minor remodeling, and new construction, it is anticipated that the Urbana campus will order an estimated \$12 million in construction work under the JOC system over the designated five-year licensing period (the associated licensing fee is estimated at \$390,000). Subject to and subsequent to the award and execution of a JOC system construction contract by the University, a minimum of \$150,000 in licensing fees is guaranteed under the contract.

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends the award of a professional services contract to this firm.

Funding for such licensing fees will be identified on a project-by-project basis and may include State appropriated, institutional, or restricted funds available in the campus operating budget during each fiscal year that the five-year licensing period is in effect. The licensing period shall not extend beyond June 30, 2004.

The selection of the consultant for this project was in accordance with the requirements and provisions of Public Act 87-673 (the Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act). The Gordian Group was the only firm that submitted its qualifications and proposal for consideration on this project.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Employment of Architect/Engineer, North Campus Chilled Water Distribution System, Urbana

(16) In October 1997, the Board of Trustees approved a \$15.2 million project to remodel Engineering Hall on the Urbana campus. As part of this remodeling project, it was the intent to provide a central source of air conditioning in this facility. However, this part of the project was never completed.

In December 1997, the firm of GLHN Architects & Engineers, Inc. (GLHN), Tucson, Arizona, completed a campus-wide Master Plan and Feasibility Study. This study provided the framework for how the campus should economically move forward in the development of a long-range solution of supplying chilled water to the numerous facilities of the Urbana campus, including Engineering Hall.

The proposed North Campus Chilled Water Distribution System is a \$2.8 million project that includes the installation of two 24-inch diameter chilled water distribution mains that would extend south along Matthews Avenue from the North Campus Chiller Plant to Green Street and then west to Engineering Hall. The total distance of this piping system is approximately 2,400 feet and will be the base component of a larger campus-wide chilled water system anticipated from the ultimate implementation of the recommendations of the chilled water master plan.

In order for the project to proceed in accordance with the established schedule, and as the firm of GLHN has completed the feasibility analysis and program development of the project, it is in the best interest of the University to employ this firm for the project. Pursuant to the provisions of Public Act 87-673 (Architectural, Engineering, and Land Survey Qualifications-Based Selection Act), the University has interpreted it to be in the "best interest of the State" to select an architectural/engineering firm that has performed prior similar work or successfully completed prior phases of the same project/program. Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends the employment of GLHN for the professional architectural and engineering services required for the North Campus Chilled Water Distribution System at the Urbana campus.

The firm's fee is based on the most direct route and includes an assessment of the use of a non-potable water system for additional campus uses. Accordingly, the fixed fee for professional services through the warranty phase of the project is \$218,206; for construction on-site service on an hourly basis, the total not to exceed \$100,000; and reimbursable expenses, estimated to be \$85,000.

Funds for the project are available from the institutional funds budget of the Urbana Operations and Maintenance Division.

A schedule of the firm's hourly rates has been filed with the secretary of the board for record.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Employment of Architect/Engineer for Division of Intercollegiate Athletics Field Projects, Urbana

(17) The proposed \$1.8 million Division of Intercollegiate Athletics field projects consist of the development of a soccer field (lighted, drained, and irrigated) inside the existing track, relocation of track field events, development of practice soccer field, and lighting of the baseball field.

In order for the projects to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

Accordingly, the President of the University, with the concurrence of the appropriate University officers, recommends that JJR Incorporated, Chicago, be employed for the professional services required. The firm's fee through the warranty phase will be a fixed fee of \$135,000 plus \$10,000 for reimbursable expenses, for a total fee of \$145,000.

Funds are available from the Division of Intercollegiate Athletics.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Employment of Architect/Engineer for Indoor Football Practice Facility, Division of Intercollegiate Athletics, Urbana

(18) The Division of Intercollegiate Athletics desires to construct a facility which would provide indoor practice space for the men's football team, as well as multi-purpose space for other sports and intramural programs. The proposed site for the facility is at the southwest corner of Fourth Street and Peabody Drive adjacent to Memorial Stadium and the Intramural-Physical Education Building, which is in proximity to the existing football offices, locker rooms, and outdoor practice field east of Memorial Stadium.

¹A selection committee consisting of D. Brenner and A. Heinze (Division of Intercollegiate Athletics) and K. Duff (Project Planning and Facilities Management) considered the following firms: JJR Incorporated, Chicago; Shive Hattery, Bloomington; and Clark Engineers, MW, Inc., Peoria. The committee recommends the employment of JJR Incorporated, Chicago, as best meeting the criteria.

The proposed project would provide an 80-yard football field with one end zone, storage, and restrooms. The field would be an Astro-Turf "E" system composed of stone fill below a rubber cushion system under the pad and turf. The building will utilize a centrally located gas-fired air rotation unit for heating and a series of exhaust fans to provide cooling. The lighting utilizes direct high bay fixtures combined with high intensity indirect fixtures and clearstory windows to provide a combination of natural and artificial light throughout the space.

In order for the project to proceed, it is necessary to employ an architect/engineer for the required professional services. The selection of the architect/engineer for this project was in accordance with the requirements and provisions of Public Act 87-673 (Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act).¹

Accordingly, the president of the University, with the concurrence of the appropriate University officers, recommends that the firm of Severns, Reid & Associates, Inc./Isaksen-Glerum Architects, PC/Associated Architects of Urbana be employed for the professional services required. The firm's fee through the construction documents phase will be a fixed fee of \$505,130 plus \$20,100 for reimbursable expenses, for a total fee of \$525,230.

Funds are available from private gift funds.

On motion of Mrs. O'Malley, this recommendation was approved by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Purchases

(19) The president submitted, with his concurrence, a list of purchases recommended by the directors of purchases and the vice president for business and finance.

The purchases were presented in one category—purchases from institutional funds. The term designates funds received by the University under contracts with the United States government, private corporations, and other organizations; grants from foundations, corporations, and other donors; and University revolving funds authorized by law.

The total amount of these purchases from institutional funds was \$8,003,302.

A complete list of the purchases, with supporting information (including the quotations received), was sent to each member of the board in advance of the meeting. A copy is being filed with the secretary of the board for record.

On motion of Mrs. O'Malley, the purchases recommended were authorized by the following vote: Aye, Mr. Engelbrecht, Dr. Gindorf, Mr. Lamont, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Mrs. Calder, Governor Edgar, Mrs. Gravenhorst, Ms. Lopez.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

¹A selection committee consisting of D. Brenner and A. Heinze (Division of Intercollegiate Athletics), J. Schrader and R. Kehe (Project Planning and Facilities Management), and A. Edmonson (University Office for Capital Programs) considered the following firms: BLDD Architects, Decatur; DLK Architecture, Chicago; Griskelis & Smith, Chicago; Hastings & Chiveta, St. Louis; Hurst-Rosche Engineers; Severns, Reid & Associates, Inc./Isaksen-Glerum Architects, PC/Associated Architects of Urbana; Phillips Swager Associates, Peoria; Ross Barney+Jankowski, Chicago; VOA Associates, Chicago; and Wight & Company, Springfield. The selection committee recommends the employment of Severns, Reid & Associates, Inc./Isaksen-Glerum Architects, PC/Associated Architects of Urbana as best meeting the criteria.

SECRETARY'S REPORT

The secretary presented for record appointments to the faculty and changes of status made by the president, resignations, and terminations. A copy of the report is filed with the secretary.

EXECUTIVE SESSION

Chair Gravenhorst, referring to Section Two of the Open Meetings Act, stated: "A motion is now in order to hold an executive session to consider information regarding the appointment, employment, or dismissal of employees or officers, to discuss pending, probable, or imminent litigation, the acquisition of real property, to discuss campus security, and to receive legal advice from counsel."

The motion was made by Ms. Reese and approved by the following vote: Aye, Mrs. Calder, Mr. Engelbrecht, Dr. Gindorf, Mrs. Gravenhorst, Mr. Lamont, Ms. Lopez, Mrs. O'Malley, Mr. Plummer, Ms. Reese; no, none; absent, Governor Edgar.

(The student advisory vote was: Aye, Mr. Clark, Mr. Doyle, Mr. Gallo; no, none.)

Report on Discussions with Governor Edgar

President Stukel reported that conversations continue with Governor Edgar about an offer that the University made to him a few months ago. The president said that the governor has said that he will accept the University's offer; however, he has been invited to spend a semester at the Kennedy School of Government at Harvard University and would like to accept that as well.

Report from Chancellor, Urbana

Chancellor Aiken told the board that the preferred candidate for the position of dean, College of Applied Life Studies, is Tanya M. Gallagher. He said that she will accept this as soon as a position can be found for her husband. He then indicated that the search for a new provost was nearing conclusion. He discussed the top three candidates with the board and circulated a curriculum vitae for the individual to whom he will make an offer. He added that two of the candidates are on lists as finalists for positions at two campuses of the University of California. In response to this information President Stukel stressed to the trustees that the competition for top faculty administrators was extreme and that the University would need to be prepared to meet the demands of the market in terms of salary for new administrators, which would also require adjustment to the salaries of others on campus.

Report from Chancellor, Chicago

Chancellor Broski distributed information about candidates for several dean positions at Chicago. He indicated that he planned to offer the posi-

tion of dean of the College of Architecture and the Arts to the top candidate very soon, and that he also planned to make an offer to the first-ranked candidate on the new list of finalists for the position of dean of the College of Business Administration quite soon. (Material is filed with the secretary of the board for record.)

In addition, the chancellor distributed a copy of the curriculum vitae for a candidate for the position of dean of the College of Health and Human Development Sciences and discussed the candidate's experience.

SPECIAL EXECUTIVE SESSION

At this session, the members of the board, President Stukel, and the secretary, Dr. Thompson, were present, along with Dr. William M. Murphy, associate chancellor for public affairs, Urbana. The president invited Dr. Murphy to report to the board on progress and recommendations of the search committee for an executive director of public affairs. Dr. Murphy is chair of this committee. He reviewed the names of the candidates for the board and noted that the committee (made up of himself, Dean Kim B. Rotzoll, Ms. Susan J. Sindelar, Mr. Robert K. Todd, and Professor Ann Weller) thought any one of these three could perform the job well. He stated that all three are currently in public affairs positions at other universities.

The trustees inquired about why applicants with other experience, outside of academia, were not among the finalists. Dr. Murphy explained that the committee set out to find a more diverse sample for the finalists' list but discovered those applicants from the corporate sector and government did not have records for resourcefulness and creativity in promotion comparable to those from academic institutions. He added that those from the corporate sector had good experience in corporate reorganization, but that that skill is not central to this position. Also, he noted that the corporate sector applicants had good experience in crisis management, but that those from universities also had this in good measure.

There was some discussion about the distinction between marketing and promotion, and Dr. Murphy noted that the corporate candidates had marketing experience but little experience with promotion of an institution or a new initiative.

Further discussion was focused on the individual skills and experience of the three finalists recommended by the committee, and the likelihood that one or all would accept the position at the University of Illinois if it were offered.

President Stukel stated that the crucial question would be how one would develop a unified vision and representation for the University, similar to that expressed in the recently completed report on public affairs at the University by the firm of Jasculca/Terman and Associates.

EXECUTIVE SESSION ADJOURNED

There being no further business, the executive session adjourned at 3:50 p.m.

ANNOUNCEMENTS FROM THE CHAIR *PRO TEM*

Dr. Gindorf called attention to the schedule of meetings for the next three months: September 2-3, Chicago; October 15-16, Urbana; November 18-19, Springfield.

There being no further business, the board adjourned.

MICHELE M. THOMPSON

Secretary

JEFFREY GINDORF

Chair pro tem