

Minutes of the Meeting  
of the  
Oakland University Board of Trustees  
February 11, 1987

Present: Chairman David Handleman, Trustees Donald Bemis,  
Phyllis Law Googasian, Ken Morris, Wallace Riley,  
and Howard Sims

Absent: Trustees Patricia Hartmann and Alex Mair

Chairman Handleman called the meeting to order at 5:10 p.m. in  
Lounge II of the Oakland Center.

Approval of Minutes of the Meeting of January 14, 1987

Chairman Handleman asked for any additions or corrections to the  
proposed minutes for the meeting of January 14, 1987. Trustee  
Riley, seconded by Trustee Morris, moved to approve the minutes  
as proposed. The motion was unanimously carried.

Recommendation to Accept Gifts and Grants to Oakland University

Mr. David Rodwell, Vice President for External Affairs, stated  
that the gifts and grants to Oakland University for the period of  
December 1 through December 20, 1986, totaled \$412,611.12.  
Trustee Googasian, seconded by Trustee Morris, moved to accept  
the gifts and grants. The motion was unanimously carried.

Information Report on Gifts and Grants to Oakland University  
Foundation

Mr. Robert Swanson, Vice President for Developmental Affairs,  
stated that the gifts and grants to the Oakland University Foun-  
dation for the period of December 1 through December 20, 1986,  
totaled \$99,875.88. This was an information item and did not  
require action by the Board.

Faculty Personnel Actions

Mr. Keith Kleckner, Senior Vice President for University Affairs  
and Provost, made the following recommendation:

Appointment

Belen, Jack E., Clinical Assistant Professor of Physical  
Therapy, effective January 1, 1987, through August 14, 1988

Das, Manohar, Assistant Professor of Engineering, effective  
December 15, 1986

Doshi, Nitin C., Clinical Assistant Professor of Health Sciences, effective August 15, 1986, through August 14, 1988

Dvorin, Elena I., Clinical Assistant Professor of Medical Laboratory Sciences, effective January 1, 1987, through August 14, 1988

Mittelstaedt, Mary E., Instructor in Nursing, effective January 1, 1987

Yee, Hugh Y., Clinical Assistant Professor of Medical Laboratory Sciences, effective January 1, 1987, through August 14, 1988

#### Change of Status

Rusek, Andrzej, from Associate Professor of Engineering to Associate Professor of Engineering and Acting Chair, Department of Electrical and Systems Engineering, effective January 5, 1987, through June 25, 1987

#### Leave of Absence

Pillow, Christine, Special Instructor in Physical Therapy, sick leave from December 26, 1986, through February 2, 1987

Trustee Bemis, seconded by Trustee Morris, moved to approve the recommendation. The motion was unanimously carried.

#### Ratification of New Article to the Constitution of the College of Arts and Sciences

Mr. Kleckner stated that the faculty of each major academic unit is governed by a constitution which is drafted by unit faculty, approved by the Academic Senate, and then presented to the Board of Trustees for ratification. Proposed amendments to the constitutions follow the same process. He stated that the College of Arts and Sciences wishes to amend its constitution in order to facilitate the establishment of standing committees of the faculty. Currently, the constitution requires an amendment each time a committee is created or its functions are modified.

Mr. Kleckner made the following recommendation:

RESOLVED, That the Board of Trustees ratifies amending the Constitution of the Faculty of the College of Arts and Sciences by adding new Section v to Article IV as follows:

In addition to the standing committees provided for herein, the Assembly, in consultation with the dean, shall establish such other standing committees as it deems necessary. Motions to establish standing committees must have two readings, on two separate meeting days, before the Assembly and require a two-thirds majority vote of all Assembly members for passage. Motions to abolish or to alter the composition or charge of any standing committee created by the Assembly under this provision must have two readings, on two separate meeting days, before the Assembly and require a two-thirds majority vote of all Assembly members for passage.

Mr. Kleckner added that the present Section v would be redesignated as Section vi if the proposed new Section v is adopted by the Board of Trustees.

Trustee Googasian, seconded by Trustee Sims, moved to accept the recommendation as presented. The motion was unanimously carried.

Approval of Library Addition Preliminary Design and Selection of Architect

Mr. Robert McGarry, Vice President for Finance and Administration and Treasurer of the Board of Trustees, stated that the preliminary design plans for the addition to the Kresge Library have been reviewed in detail and approved by the Library program staff and the University's technical staff. The administration is seeking approval from the Board and will then present the plans to the State. He added that the administration is also requesting that the Board authorize the University to enter into a contract with Rossetti Associates to provide the architectural services for the Library addition at an estimated construction cost of \$6,825,000.

Mr. McGarry then made the following recommendation:

RESOLVED, That the Board of Trustees approves the preliminary design for the library addition as prepared by Rossetti Associates for submission and review by the State; and be it further

RESOLVED, That the Vice President for Finance and Administration is authorized to negotiate a contract with Rossetti Associates for continuing architectural services for final plans, bidding and construction documents, and construction phase services of the project, which agreement is subject to the prior approval of the Board of Trustees and acceptable to the State; and be it further

RESOLVED, That the construction phase of the project will commence only after approval by the Board of Trustees of the proposed construction bids and contracts.

Trustee Bemis requested that Mr. McGarry inform the Board why it is to the University's advantage to contract with the architect as opposed to the manner in which the University engaged in the construction of facilities in the past where the State acted as the institution's agent.

Mr. McGarry stated that the State was usually involved in the entire project. The administration now felt that the needs of the University may be better met by having "hands on" control over the project rather than having the State supervise the project.

Trustee Bemis inquired about the status of the negotiations with the architect regarding fees. Mr. McGarry responded that the architect has requested a fee of \$420,000 for the completion of the project which results in a fee of approximately eight percent (8%). The administration feels that the fee is too high and should be reduced.

Trustee Bemis stated a concern that if the \$420,000 amount was being renegotiated, it should not be presented in the agenda item to the Board.

President Joseph E. Champagne stated that "the administration is trying to negotiate the best possible price," subject to the Board's approval. The amount suggested by the architect is the upper range for any fee. He added that should the negotiations be unsuccessful, the administration would suggest that the architect present the issue to the State.

Trustee Sims suggested that the recommendation be amended by stating that if the University determines that it cannot negotiate an acceptable fee with the architect, then the University may recommend that the State contract directly with the architect.

Trustee Morris stated that the suggestion would "give the University some leverage in the discussions."

Trustee Bemis stated that the University should also have the option of changing architects.

Trustee Riley asked the origin of the \$420,000 figure. President Champagne stated that it was proposed by Rossetti Associates. He added that the Board Finance and Personnel Committee and the State felt that the amount was high.

Mr. John De Carlo, Vice President for Governmental Affairs, Secretary to the Board of Trustees, and General Counsel, read the following amendment to the recommendation:

RESOLVED, That if the University determines that it cannot negotiate an acceptable fee with the architect, then the University may make a request to the State Bureau of Buildings and Facilities that the State should contract directly with the architect, or the University may determine that another architectural firm should be retained.

Trustee Morris, seconded by Trustee Riley, moved to approve the amendment to the previous recommendation made by Mr. McGarry. The motion was unanimously carried.

Trustee Sims, seconded by Trustee Riley, then moved to approve the recommendation as amended. The motion was unanimously carried.

#### Reappointment of CPA Audit Firm

Mr. McGarry stated that Board policy requires that the University's financial statements should be examined each year by an independent public accounting firm. Arthur Andersen & Company has performed the past two audits, and the administration recommends retaining the firm for the 1986/87 audit.

Mr. McGarry made the following recommendation:

RESOLVED, That the Board of Trustees authorizes Arthur Andersen & Company to conduct the audit of the University's financial statements for the year ending June 30, 1987, at a fee of \$34,200.

Trustee Sims, seconded by Trustee Morris, moved to approve the recommendation. The motion was unanimously carried.

#### Prepayment of College Housing Loans

Mr. McGarry stated that the U. S. Department of Education is offering its client institutions the opportunity to prepay, on a discounted basis, loans incurred under the College Housing and Academic Facilities Loan Program. The rate of discount is approximately nine percent (9%). Oakland University's loans total approximately \$4,800,000, and the discounted total would be approximately \$2,600,000. He stated that the University conducted a series of calculations on this offer, and in effect, the University would be paying off \$4,800,000 of "tomorrow's dollars" with \$2,600,000 of "today's dollars." He added that the Citizens Trust Company and Peat, Marwick, Mitchell and Company have recommended that the University enter into the agreement to prepay the loans.

Trustee Bemis asked if the University received schedules from the consulting firms referred to by Mr. McGarry. Mr. McGarry stated that he has received and "examined in great detail" a schedule from Peat, Marwick, Mitchell and Company.

Trustee Bemis asked the total of the present dollar savings. He stated that there would be two figures, one being net savings, and the other present value savings excluding inflationary factors. Mr. McGarry stated that the total "stream of payments" over the term of the three loans is approximately \$7,200,000. Applying the present value formula, the University can "retire" all of the obligations with \$2,600,000.

Trustee Bemis asked if the passage of the resolution would violate any generally accepted accounting standards or rules governing the accounts which would be used for the prepayment of these loans. Mr. McGarry stated that there was nothing that would preclude this action and the use of inter-fund borrowing dollars is not a problem.

Trustee Bemis stated that the Board should be assured that the recommendation is fiscally prudent and in the interest of the institution, and that it is a reasonable action for the Board to take, given the fact that the payments will be made from inter-fund borrowing and pooled cash rather than from an excess of the University's surplus cash account. Mr. McGarry stated that the administration believes that the step is a prudent one, and most of "our sister institutions" are prepaying their loans.

Trustees Bemis and Sims requested that a copy of the schedule from Peat, Marwick, Mitchell and Company be sent to the Trustees.

President Champagne stated that this was an "unusual" action on the part of the U. S. Department of Education. He added that every analysis that has been made indicates that "it is a good deal" for the institution.

Trustee Bemis stated that based on the assurances that the action is in the interest of the University and is not in violation of any accounting standards, he would move approval of the following recommendation:

RESOLVED, That the Board of Trustees authorizes the Vice President for Finance and Administration and Treasurer to the Board of Trustees to enter into an agreement with the United States Department of Education to prepay loans MIC-20-CH-56, Anibal-Fitzgerald/Oakland Center; MIC-20-CH-0198, Hamlin Hall; and MIC-20-CH-0118, Matthews Married Student Housing by February 27, 1987, or as soon thereafter as practical; the prepayment amounts to be determined by the discount rates computed by the United States Department of Education as of January 9, 1987; and be it further

RESOLVED, That funds would be provided from inter-fund borrowing with prepayment to be made by the affected auxiliary activity operations.

Trustee Morris seconded the motion which was voted on and unanimously approved.

Recommendation to Approve Degree Candidates, December 13, 1986

Mr. Kleckner stated that at the request of the Board University Affairs Committee, the administration has tried to accelerate the preparation of the degree candidates list. He added that the list presented at the meeting was for the degree candidates of December 13, 1986.

Trustee Sims, seconded by Trustee Morris, moved to approve the degree candidate list. The motion was unanimously carried.

(The degree candidate list is on file in the Office of the Board of Trustees.)

Sale of Securities

Mr. McGarry stated that on January 5, 1987, Oakland University received 2,866 shares of Lehman Investors Fund stock which was valued at the date of gift at \$50,670. In accordance with the policy established by the Board at their meeting of September 10, 1981, any sale of stock exceeding \$50,000 must first be approved by the Board. He added that the value of the stock on February 9, 1987, was \$56,230.92.

Mr. McGarry made the following recommendation:

RESOLVED, That the Vice President for Finance and Administration is authorized to sell the 2,866 shares of Lehman Investors Fund stock with a book value of \$50,670 which is now being held in the University's name.

Trustee Sims, seconded by Trustee Morris, moved to accept the recommendation. The motion was unanimously carried.

Trustee Riley asked why the recommendation made reference to the book value. Mr. McGarry stated that the book value is the University's value on the date of gift.

Trustee Riley asked if a discount broker would be used. Mr. McGarry stated that it would cost the University more to sell through a discount broker than through its regular broker. A discount broker saves costs on "odd lots of under \$100." He added that the issue of using a discount broker was discussed at the January 14, 1987, meeting and is being investigated. A report on this subject will be presented to the Board in March, 1987.

President Champagne stated that, since the Capital Campaign is generating gifts of stock, the Board should consider the establishment of an investment committee. The University's normal practice has been to sell stock immediately upon receipt. There may be times when a particular issue of stock should be retained. He added that the administration is suggesting that the Board consider the establishment of an investment committee to guide the University in these transactions.

Trustee Sims stated that he does not believe that there are enough funds to justify an investment committee, but if there were, he questioned whether the committee would do a better job than a professional manager.

Chairman Handleman stated that the investment committee would look to a professional manager for recommendations.

Trustee Morris stated that the Finance and Personnel Committee has asked Mr. McGarry to make a study of this issue.

Trustee Sims stated that if a professional manager was involved, the Finance and Personnel Committee could do what the proposed investment committee would do.

President Champagne stated that he would like the Board to adopt a motion authorizing an investigation on the various investment options available to the University. A policy then could be adopted regarding investments.

Trustee Riley asked if this involved only gifts of stock or included money in the fund that should be invested. He added if the University is going to be in the position to invest, then there should be investment counsel.

Trustee Morris moved the following recommendation:

RESOLVED, That the Finance and Personnel Committee should review the issue regarding the propriety of establishing an investment policy and possibly an investment committee of the Board of Trustees and also determine if there are adequate financial resources to warrant this action; and be it further

RESOLVED, That the Finance and Personnel Committee will make a recommendation to the Board of Trustees on this matter.

Trustee Riley seconded the motion which was voted on and unanimously carried.

#### Report on University Congress Overview for 1987

Chairman Handleman congratulated Mr. Keith Faber on his election as President of University Congress and stated that the Board is pleased to hear his statement on the 1987 Executive Goals of University Congress.

Mr. Faber stated that University Congress is the primary student government body at Oakland University. It is a legislative body of 25 voting members (20 elected students, a representative from Area Hall Council and Commuter Council, two faculty members, and one administrative professional member). He stated that there are five standing committees and a Steering Committee. He then introduced Mr. Steve Lundy, Chair of the Steering Committee.

Mr. Faber thanked the Board for the opportunity to make a presentation, and to introduce his Executive Staff and explain the duties of the committees.

He introduced Ms. Rita Young, Chair of the Student Activities Board which is responsible for allocating funds to registered student organizations.

Ms. Melinda Alessi, Chair of the Student Program Board, was then introduced. The Board is the largest student programming organization on campus with six committees providing films, dances, recreational activities, speakers, and entertainers.

Ms. Kelly Martek, Chair of the Legislative Affairs Committee, was introduced. This Committee is responsible for lobbying local, state, and federal legislators on student concerns such as financial aid.

Mr. Jeff Teska, Chair of the Committee and Elections Commission, was introduced. This Committee is responsible for organizing the student delegations to the University-wide committees and conducts the student elections each fall.

Mr. Faber then introduced Ms. Paula Rogers, Chair of the Public Relations Committee. This Committee has concentrated its efforts in the past on publicity for events, but will now focus on both event publicity and the presentation of University Congress' projects and activities throughout the University community.

Mr. Sean Higgins, the Executive Assistant, was introduced. Mr. Higgins acts as chief advisor to the University Congress president, oversees all special programs, and chairs the Congress meetings.

Mr. Jim Prehn, the Financial Assistant, was introduced. Mr. Prehn is responsible for keeping accurate financial records for the Congress and assists the Congress president in the preparation of the budget.

Mr. Faber stated that the goals of University Congress can be divided into three major areas: (1) increase in student input, (2) recognition of University Congress as an organization, and (3) student/community relations. In the past, the student organizations on campus have not had much interaction with Congress except to request funds. The current Congress would like to receive input from the student organizations and develop some interaction between the organizations.

Mr. Faber added that Congress is also starting an "off-campus task force." The major priority is to contact area landlords who are renting to Oakland students regarding student needs. This action is necessary because as the Oakland Technology Park develops, students are being forced out of rental facilities by higher income employees. Congress would like to work with the landlords so that they will continue to rent to students.

Mr. Faber added that Congress is striving for a diversification in programming to reach out to the total student population. Since the average age of an Oakland student is 27 years, Congress would like to make certain that student programming is of interest to the entire student body.

Mr. Faber stated that Congress is developing a Legislative Affairs Speaker Series. Senator Carl Levin who spoke on campus last semester was the first speaker of the Series. He added that Congress is seeking to put together a luncheon with State representatives and senators from the area for student interaction. Congress is also planning an "Open Forum II" where top University administrators will be asked to serve on a panel to receive student questions on various University policies and student concerns.

Mr. Faber stated that Congress is also developing a program called "Oakland Ambassadors" which is designed to encourage students to volunteer for community service. The concept does not involve money or academic credit. Students would volunteer in area schools as tutors and presenters of student leadership workshops. Students may also visit nursing homes and run errands for the elderly.

Mr. Faber stated that with dedication, enthusiasm, and hard work he believes that these goals are definitely within the reach of University Congress for 1987.

Trustee Morris complimented Mr. Faber on his goals for the Congress. He stated that off-campus housing will be a problem and deserves attention. He was "delighted" that Congress would be addressing that issue. He added that the "Oakland Ambassadors" concept is an excellent idea and he wished Congress great success.

President Champagne stated that Mr. Faber is a very aggressive young man and he has no doubt that this Congress will make great progress under his leadership.

Chairman Handleman thanked Mr. Faber for his presentation.

Other Items That May Come Before the Board

Trustee Googasian stated that the first Trustee Leadership in Michigan Conference would be held in Lansing, Michigan, on February 15 and 16, 1987. It will be the first time that the Board representatives from the 15 public four-year institutions, the public community colleges, and the private colleges would meet together. She stated that these institutions share many common problems, and the Conference will be a good learning opportunity. She stated that the Presidents Council will discuss its project on providing liability insurance for public four-year institutions. She urged the Trustees to attend if their schedules permitted.

Trustee Googasian also informed the Board that the Michigan Association of Governing Boards Awards Convocation would be held on Wednesday, April 8, 1987. Two outstanding faculty members and two outstanding students from each of the four-year public institutions will be honored. She added that the event is very important, and she regrets that this year's program will conflict with the Oakland University Board of Trustees meeting. She stated that as co-chair of the event she will attend for Oakland University and regretted her absence from the Board meeting. She also mentioned the 1987 National Association of Governing Boards Conference which is scheduled for March 22 through 24, 1987, in New Orleans. She concluded that each of these program opportunities should be taken advantage of for learning purposes.

President's Report

President Champagne stated that this past month Governor James J. Blanchard has submitted a budget for higher education with a base appropriations increase for each institution of 3.4 percent. In addition, he has allocated \$15,000,000 for an account designated for a "formula." The idea behind the formula is that there will be some increase for those schools that have grown and have not been funded in the past for such growth. He stated that the concept should include Oakland University. In the last 10 years, Oakland has grown by eight percent (8%), whereas the system of higher education as a whole has decreased by 11.5 percent. President Champagne stated that Oakland should be among the group of institutions participating in the \$15,000,000 "formula."

President Champagne stated that this past week two citizens of Michigan were honored in Detroit by Crain's Detroit Business. One citizen was Governor Blanchard who was honored as the "1986 Newsmaker of the Year." The other citizen was an Oakland University student, Ms. Sharon Molnar, who was honored as the "1986 Newsmaker of the Year" scholarship recipient. He stated that it

is a great source of institutional pride that the Governor and one of our students would receive awards. President Champagne then asked that the Board pass a motion to commend Ms. Molnar for her excellence as a student in marketing.

Trustee Morris, seconded by Trustee Sims, moved to commend Ms. Molnar for her excellence as an Oakland University student in marketing. The motion was unanimously carried.

#### Discussion on Source of High Temperature Underground Pipe

Chairman Handleman called on Mr. Michael Harris of Rovanco Corporation who requested an opportunity to address the Board.

Mr. George Grudich, President of Quality Water and Air, a manufacturer's agent, introduced Mr. Michael Harris, Vice President Sales and Marketing of Rovanco Corporation which makes insulated piping systems. Mr. Grudich stated that they were at the Board meeting because of a bid request by the University for the replacement of high temperature water lines. He stated that in the bid request the engineer specified one manufacturer and there was no provision made for any manufacturer other than RIC-WIL. He added that there are other manufacturers who make "competitive or better equipment," yet the contract was limited to one manufacturer. He stated that, in his opinion, the University could save "thousands of dollars" by using Rovanco's product.

Trustee Riley asked if the issue was one of the legality of specifying a product by trade name.

Mr. De Carlo stated that the University has the right to specify a product if, in its best judgment or based on professional counsel, the product is preferred. He added, however, that it was his understanding that there was a provision in the bid document for a substitution in the contract. The product would have to be submitted for evaluation. Mr. De Carlo cited Section 01013 of the specifications:

- a. In some cases, certain definite makes and types of material and equipment are specified in order to establish a standard of quality and performance. Equal materials and equipment by other manufacturers will be considered, providing the proposed substitutions meet the approval of the engineer. It is to be understood that any and all related mechanical, electrical, structural, architectural, etc. costs caused by any substitution will be borne by the Contractor.

Mr. De Carlo stated that in answer to Mr. Riley's question, the University can establish a standard, even if it is only one product. The contract states that substituted materials by other manufacturers will be considered providing the proposed substitution meets the approval of the engineer. He stated that it was his understanding that the University retained professional engineers and they were making a technical recommendation with respect to the product the University should use.

Mr. William Small, Assistant Vice President for Administration and Risk Management, stated that there were 12 bidders and only four did not bid alternates. They were all required to bid on RIC-WIL and then they could propose any alternative product they chose.

Mr. Harris stated that Rovanco makes a system with the same pipe, insulation, jacket, and thickness of epoxy as specified. He stated that the specifications state only one of the three available epoxy systems, which are all the same thickness with the same pipe and jacket, can be bid as a base. Oakland University saw only one product, with no substitution, and an alternate which was, in his opinion, the most inexpensive bid received. Mr. Harris stated that he was present because Rovanco did carry an epoxy coated pipe as specified, and yet its bid was not considered.

Mr. Small stated that the Rovanco bid was never officially before the University administration. The contractor, Stanley-Carter, bid on RIC-WIL, went to Rovanco and two other manufacturers, and then selected Perma-Pipe as the alternate. Since the Rovanco bid was never before the University, that should be an issue between Rovanco and the general contractor.

Mr. Harris stated that, in his opinion, a substitution and an alternate are not the same. There was no provision for equal substitution, there was only a provision for an alternate. He stated that Rovanco makes an epoxy-coated conduit system with the same thickness as RIC-WIL. The coating application process is different. His concern was that there was no provision in the document to allow for any product but RIC-WIL, regardless of price.

Mr. Small stated that the engineering firm of Migdal, Layne & Sachs, Inc. has performed work for the University in the past. He added that they prefer the RIC-WIL 'Imperial' conduit because of the coating which prolongs the life of the pipe. RIC-WIL has a manufacturing process to apply this coating that the University's consulting engineers believe is superior to the other

products on the market and yields a longer life pipe. The University accepted the specification based on the engineer's professional judgment.

Chairman Handleman suggested that Mr. McGarry and his staff meet with Rovanco and discuss the situation as the Board has no expertise in this matter.

Mr. Harris stated that Rovanco wanted an opportunity to show their product and not be barred from future bids. He stated that Rovanco's product has not been shown to Oakland University.

Trustee Sims stated that these gentlemen should direct their attention to the engineer who developed the specifications.

Mr. McGarry stated that the contract being discussed has been entered into, and the RIC-WIL pipe has been ordered and is being manufactured.

Trustee Sims stated that the manufacture of the pipe should not be stopped if it would prejudice the University.

Trustee Riley stated that the problem appears to be that the engineers are recommending only a single-source by brand name.

Mr. Harris stated that what is relevant is that the University is single-sourcing with State funds when there are equivalent products on the market.

In response, Trustee Sims stated that the University asked for the engineer's recommendations on equivalents.

Trustee Bemis stated that it is not a question of whether the University can single-source but rather if it is a good policy. Mr. Harris stated that is what he is questioning.

Trustee Bemis stated that this question is a discussable issue by the Board.

Mr. Grudich stated that the situation involves a \$40,000 cost difference on \$100,000 of pipe due to single-sourcing.

Trustee Sims requested a response from the representative of Migdal, Layne & Sachs, Inc., the University's retained engineering firm.

Mr. Albert Migdal, of Migdal, Layne & Sachs, Inc., apologized that the mechanical engineers were unable to attend the meeting

due to illness. He stated that he is an electrical engineer and that he could only speak on this matter in terms of the bidding procedure. He stated that Migdal, Layne & Sachs, Inc. has been involved with Oakland University for almost 30 years. He added that the firm is familiar with the campus and has placed pipe on University property on other occasions. He added that some products have been placed in the ground and have failed. Perma-Pipe has failed within the last several years. He said that it was his understanding that his firm has used RIC-WIL 'Imperial' because it believes it is superior to any other on the market. He stated that Migdal, Layne & Sachs are only interested in the best interest of their clients. The firm representatives believe that the product specified is the one that should be used at Oakland because of the unusual soil condition on the University's property. He added that the product recommended "has a proven track record of approximately 30 years," and some of the other products are relatively new. For these reasons, the firm has specified RIC-WIL 'Imperial' piping.

Trustee Morris stated that he pleaded a lack of understanding both technically and generally on the subject, yet he agreed that the engineers and those involved in the decision from the University should make a written response to the Board on this subject by the next meeting. The allegation has been made that the University is spending a larger amount of money than necessary. In his opinion, the Board should be protected in this decision, since State money is being spent. He stated that there is an obligation to review the University's action regarding single-sourcing the bids.

Trustee Bemis stated that it is a legitimate question for the Board to decide the parameters on single-sourcing of bids. Since this specific item was just brought before the Board this evening, he stated that he would appreciate a direct response from the administration on this specific subject at the next Board meeting.

Mr. Harris stated that he objected to the reference by Mr. Migdal regarding his product and the length of time it has been on the market. He added that Rovanco's coating is made by 3-M, and that it was reported in Pipeline Digest, April 7, 1986, that Rovanco's coating process was the "most widely used, underground pipe coating in the United States."

Mr. Grudich thanked the Board for reviewing this issue with respect to future bids.

There being no further discussion on this issue, Trustee Googasian, seconded by Trustee Sims, moved to adjourn the meeting. The motion was unanimously carried, and the meeting was adjourned at 6:30 p.m.

Approved,



John De Carlo, Secretary  
Board of Trustees

David Handleman, Chairman  
Board of Trustees

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