

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
February 19, 2015

ACTION REQUEST

Subject: Medical Sciences Research Building II
Chiller Replacement and Chilled Water Interconnection to Medical Sciences
Research Building III

Action

Requested: Approval to Proceed with Project

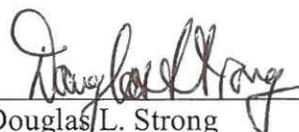
Background:

The chilled water plant on level 2 of the Medical Sciences Research Building II (MSRB II) also serves MSRB I, the Animal Research Facility, the Lawrence D. Buhl Research Center for Human Genetics, and Medical Science Unit II. The plant's four steam absorption chillers were installed in the 1980s and have reached the end of their useful lives. This project will replace three of the four steam absorption chillers with three electric centrifugal chillers, retaining the most reliable steam absorption chiller to provide backup capacity. The project will also replace the cooling towers, located on the roof of Medical Science Unit II, with new cooling towers. The project will also interconnect the chiller plant at MSRB II with the chiller plant at MSRB III, creating a regional chiller system that will result in energy savings, reduced operational and maintenance costs, and increased redundancy and reliability. In addition, the project will provide a new substation in the Animal Research Facility to serve the new electric load, and the obsolete substation that serves MSRB I will be removed. The scope of this project includes the architectural, electrical, and mechanical work necessary to accomplish these improvements. There will be no impact on parking from this project.

The estimated cost of the project is \$14,000,000. Funding will be provided from investment proceeds and General Fund resources. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The architectural and engineering firm Integrated Design Services will design the project. The project is expected to provide an average of 31 on-site construction jobs. Construction is scheduled to be completed in the summer of 2016.

We recommend that the Board of Regents approve the Medical Sciences Research Building II Chiller Replacement and Chilled Water Interconnection to Medical Sciences Research Building III project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Douglas L. Strong
Interim Executive Vice President and
Chief Financial Officer