

UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Palmer Drive  
Central Chillers

Action

Requested: Approval to Proceed with Project

Background:


The Life Sciences Institute Building, the Palmer Drive Commons Building, the Walgreen Drama Center and the anticipated Undergraduate Science Center will be served by a central chiller plant designed to provide approximately 3,000 tons of cooling capacity. Provision will be made to allow for an increase in future capacity up to 6,500 tons to comply with the University Master Energy Plan. Central chillers are an efficient and cost-effective way to provide and maintain air conditioning for these buildings.

This project includes the chiller equipment located in the Commons Building, the cooling towers, and associated infrastructure, such as direct digital controls, electrical substation, tunnels, water supply, and piping to deliver chilled water throughout the complex.

The anticipated cost is \$8,700,000, with funding from Utility Department Central Power Plant Maintenance and Equipment funds and from other central sources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues and authorized by the Regents.

We recommend the Regents approve the Palmer Drive Central Chillers Project as described, and authorize issuing the project for bids and awarding a construction contract providing that bids are within the approved budget.

Respectfully submitted,



Robert Kasdin  
Executive Vice President  
and Chief Financial Officer

November 2000

APPROVED BY THE REGENTS ON

NOV 16 2000