

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)  
University Hospital Underground Diesel Fuel Storage Tank Replacement Project

Action Requested: Approval to Proceed with Project

Background:

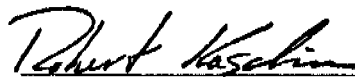
Fuel for University Hospital's four diesel generators is supplied by an existing underground storage tank. A leak in the tank and subsequent soil contamination was detected in the monitoring well system. Further leakage has been mitigated in the short term by 'under-filling' the tank and maintaining a reduced quantity of fuel. Michigan Department of Environmental Quality Underground Storage Tank rules require fuel tank and contaminated soil removal. Since the fuel tank is essential for emergency power at the hospital, it will be replaced with a state of the art system with secondary containment and leak detection.

A new 30,000 gallon tank with requisite spill containment features will be installed underground on the north side of East Medical Center Drive. A temporary tank will be rented during the conversion to maintain an available fuel supply to the generators for emergency operation. The existing tank and contaminated soil will be removed for proper disposal under State rules.

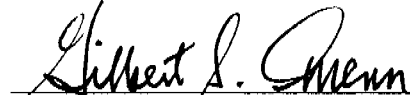
The estimated cost of the project is \$705,000. Funding will be provided from the Hospital and Health Centers' capital fund. The architectural firm of Albert Kahn Associates, Inc. will design the project. Construction is expected to be complete in Fall, 2002.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers' University Hospital Underground Diesel Fuel Storage Tank Replacement Project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Robert Kasdin  
Executive Vice President  
and Chief Financial Officer



Gilbert S. Omenn  
Executive Vice President  
for Medical Affairs

April 2002

APPROVED BY THE REGENTS ON

APR 18 2002