

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents  
March 15, 2007

Subject: Central Power Plant  
Gas Detection System Installation

Action  
Requested: Approval to Proceed with Project

Background:

The Central Power Plant is a natural gas-fired cogeneration plant that produces steam, electricity, compressed air, and domestic hot water serving more than 130 buildings on the Central and Medical campuses. In response to the recommendations of a risk analysis and comprehensive safety review, this project will install natural gas leak detection system within the Central Power Plant. The scope of this project includes the architectural, mechanical and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project.

The estimated cost of the project is \$700,000. Funding will be provided from Utility resources. 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. The University of Michigan Department of Architecture, Engineering and Construction will design the project. Construction is scheduled to be completed in Fall 2007.

We recommend that the Regents approve the Central Power Plant Gas Detection System Installation project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Timothy P. Slottow  
Executive Vice President and  
Chief Financial Officer

March 2007