

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
September 20, 2012

ACTION REQUEST

Subject: Chemistry Building and Willard H. Dow Laboratory
Chiller Replacement

Action

Requested: Approval to Proceed with Project

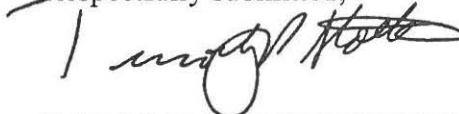
Background:

The chiller plant that serves the Chemistry Building and Willard H. Dow Laboratory is located on the ground floor of the Chemistry Building and was constructed in 1988. One of the plant's three steam absorption chillers failed and was replaced with an electric chiller in 2010. This project will replace the two remaining absorption chillers and associated infrastructure with new electric chillers, pumps, piping, controls, and a new electrical substation. Based on the present costs for steam and electricity, the two new chillers will result in an estimated \$600,000 annual savings compared with the existing chillers. 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 \$7,000,000. Funding will be provided from 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 University of Michigan Department of Architecture, Engineering and Construction will design the project. Construction is scheduled to be completed in the fall of 2013.

We recommend that the Board of Regents approve the Chemistry Building and Willard H. Dow Laboratory Chiller 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,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

September 2012