

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
September 19, 2013

ACTION REQUEST

Subject: Ford Nuclear Reactor Renovation

Action

Requested: Approval of Project, Authorization to Appoint an Architect, and Authorization to Change the Name to the "Nuclear Engineering Laboratories"

Background:

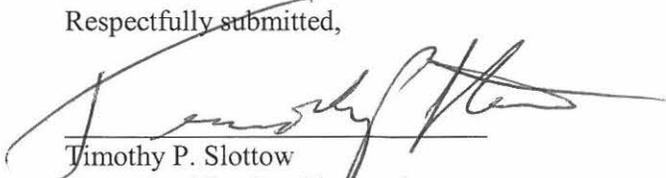
In 2000, the university decided to discontinue operations at the Ford Nuclear Reactor, and in February 2004 the Board of Regents approved the Ford Nuclear Reactor Decommissioning Project. The building is currently in the last stage of decommissioning as a nuclear reactor facility, and we are engaged in the process to demonstrate the building is at or below acceptable radioactivity levels to receive approval from the United States Nuclear Regulatory Commission (NRC) to occupy the facility for other purposes. Since the facility is no longer housing a nuclear reactor, the proposed name of the building is the "Nuclear Engineering Laboratories." The Ford Motor Company, which provided the generous donation for the FNR, is supportive of this name change and proud to have assisted with early research into the peaceful uses of atomic energy.

The four-story, approximately 17,400-gross-square-foot building can accommodate the expansion needs of the Department of Nuclear Engineering and Radiological Sciences (NERS) in the College of Engineering, subsequent to the completion of the NRC decommissioning. The NERS department has consistently maintained top rankings of graduate nuclear engineering programs and is growing in faculty, students, and research. This project includes a full renovation of the building and construction of new space for mechanical equipment. Infill of open areas will add approximately 5,200 gross square feet of new space for flexible research laboratories, testing areas, offices, and support spaces. The scope of this project includes the architectural, mechanical, and electrical work necessary to accomplish these improvements. Although there will be a temporary loss of some adjacent parking spaces during construction, there will be no permanent impact on parking from this project.

The estimated cost of the project is \$11,400,000. Funding will be provided from College of Engineering 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 firm of SmithGroupJJR will design the project. The project is expected to provide an average of 18 on-site construction jobs. Design is scheduled to begin immediately and we will return with a construction schedule when we seek approval of schematic design, or after decommissioning has been completed.

We recommend that the Board of Regents approve the Ford Nuclear Reactor Renovation project as described, authorize commissioning SmithGroupJJR for its design, and authorize naming the facility as the Nuclear Engineering Laboratories.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

September 2013