THE UNIVERSITY OF MICHIGAN REGENTS COMMUNICATION

ACTION REQUEST

Subject:Michigan MedicineBrighton Center for Specialty CareCentral Steam Replacement

<u>Action</u> <u>Requested</u>: Approval to Proceed with Project

Background:

The Brighton Center for Specialty Care opened in 2018. As surgical areas were activated, issues emerged with the quality and quantity of steam supplied to the Central Sterile Processing Department (CSPD) and also with building humidification. The building's boilers cannot respond quickly enough to meet the demand of the CSPD sterilizers and washers, creating poor quality steam that negatively impacts the downstream equipment causing premature shutoffs within the CSPD. This project will upgrade the boiler system to increase steam capacity, quality, and reliability. The project will also upgrade the steam distribution system and upgrade building humidification. There will be no impact on parking from this project.

The estimated cost of the project is \$3,200,000. Funding will be provided from Health System 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 engineering firm of Stanley Consultants Limited PC will design the project. The project is expected to provide an average of seven on-site construction jobs. Construction is scheduled to be completed in the fall of 2021.

<u>We recommend</u> that the Board of Regents approve the Michigan Medicine Brighton Center for Specialty Care Central Steam 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,

Variable A. Runge

Marschall S. Runge Executive Vice President for Medical Affairs and Dean, Medical School

Kevin P. Hegarty Executive Vice President and Chief Financial Officer

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