

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan-Dearborn
Environmental Interpretive Center

Action Requested: Approval of Revised Budget and
Award of Construction Contract

Background:

At the June 1998 meeting, the Regents approved a proposed budget of \$3,500,000 for the University of Michigan-Dearborn Environmental Interpretive Center for bid and award providing the project was within the budget. The 13,400 gross square foot facility will serve as an introduction and transition to the Environmental Study Area and the resources of the Rouge River Watershed.

Bids were received from six qualified general contractors, and the bids exceeded the original architect's estimate. The lowest bid was for \$2,910,000 in construction costs, and results in the following project budget.

Construction	\$2,910,000
Utilities	60,000
Telecommunications	65,000
Professional Fees	360,000
Construction Contingency	<u>204,000</u>
Subtotal Construction Project	\$3,599,000

In addition, furnishings and equipment costs will total \$463,000.

It is not feasible to reduce the square footage of the building to meet the original budget. Dearborn responded through value engineering to reduce the construction costs prior to bid. The Dearborn Campus is requesting authorization to proceed with a revised total project cost of \$4,062,000.

The Environmental Interpretive Center building is part of the General Campus Renovation Project Phase III (GCRP III) that includes three projects that have been authorized at \$46.9 million. The increased cost can be accommodated within the authorized budget by reducing the project scope of the University Mall renovation segment of GCRP III.

APPROVED BY THE REGENTS ON

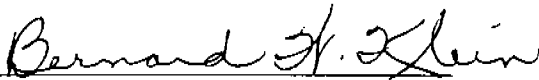
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The state will fund \$3,046,500 (seventy-five percent) and UM-Dearborn will fund \$1,015,500 (twenty-five percent). The UM-Dearborn portion will be funded from gifts, grants, or unrestricted funds. Construction would commence immediately upon award of the contract and be completed in January 2001.


There is sufficient parking on the UM-D campus to accommodate the anticipated increased demand related to this building, and the impact on transportation is insignificant.

We recommend the Regents approve the budget for the UM-Dearborn Environmental Interpretive Center and authorize award of the construction contract to F.J. Jones & Company.

Respectfully Submitted,



Bernard W. Klein, Interim Chancellor
University of Michigan-Dearborn



Robert Kasdin, Executive Vice President
and Chief Financial Officer

December 1999