

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: S.T. Dana Building - School of Natural Resources and Environment
Phase II Renovation Project

Action Requested: Approval of Budget and Authorization to Issue the Project for Bids and Award a Construction Contract

Background:

At the February 1998 meeting, the Regents approved Phase I of the Dana Building renovation project. Phase I involved the enclosure of the interior courtyard to create 11,000 square feet of program space, and modification of the existing roof and attic to provide 2,250 square feet of mechanical support space. Phase I work was intended as preparation for a more extensive renovation project that was to be carried out in Phase II.

At the March 1999 meeting, the Regents approved Phase II renovation of the Dana Building and authorized appointment of Quinn Evans/Architects as architect in association with William McDonough + Partners, Architects and Planners. Preparation of construction documents is now nearing completion for a project that will renovate, to varying degrees, most of the existing building's 71,500 square feet. In addition, we will be outfitting 23,100 gross square feet of shell space created during Phase I.

Building systems and practices have been planned and evaluated to optimize environmental sustainability. The "greening" of the Dana Building includes reusing and recycling removed building components; use of new materials from sustainable sources where feasible; installation of cooling, ventilating and lighting systems that will dramatically reduce energy consumption over the life of the building; installation of a demonstration photovoltaic solar collection system; construction of demonstration composting toilets; and monitoring activities to achieve sustainability objectives.

The Phase II Renovation Project is budgeted at \$15,000,000. The proposed detailed budget for the project is as follows:

Construction Cost	\$10,030,000
Movable Equipment	1,910,000
Professional Fees (Including Testing, Surveys, etc.)	1,865,000
Contingency	<u>1,195,000</u>
TOTAL	\$15,000,000

The Phase II project has been approved as a FY 2000 Capital Outlay project by the State of Michigan. The State, through the State Building Authority, will fund seventy-five percent of the cost of the project while the University will fund the balance of project costs (twenty-five percent). The University's share may be provided through the issuance of tax-exempt debt secured by a pledge of General Revenues to be paid from student fees and the balance from Central Administration sources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the \$120 million program, secured by a pledge of General Revenues, and authorized by the Regents.

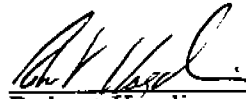
APPROVED BY THE REGENTS ON

MAR 20 2000

Construction of the Dana Building Phase II Renovation Project is proposed to begin in May 2000 and be completed in the Summer 2002. Six stages of construction are proposed, which will allow construction to take place without displacing the School of Natural Resources and Environment during the construction period.

We recommend the Regents approve the project budget and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Robert Kasdin
Executive Vice President

March 2000