

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Hoover Avenue Heating Plant
Boiler Replacement

Action
Requested: Approval to Proceed with Project

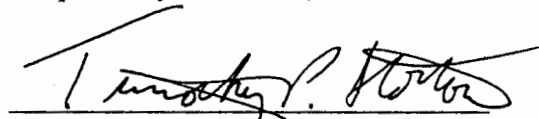
Background:

The Hoover Avenue Heating Plant was built in 1960 to provide steam to many of the Plant and Athletic buildings on South Campus. The current project will replace one boiler that has failed and cannot be repaired with a smaller boiler that matches the steam demand profile and operates more efficiently. 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 \$850,000. Funding will be provided from Utility resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The University of Michigan Department of Architecture, Engineering and Construction will design the project. Construction is scheduled to be completed in Spring 2006.

We recommend that the Regents approve the Hoover Avenue Heating Plant Boiler 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. Slottoy
Executive Vice President and
Chief Financial Officer

September 2005

APPROVED BY THE REGENTS ON

SEP 15 2005