

ACTION REQUEST

Subject: Regional Chiller Plant for South and West Quadrangles and the Michigan Union

Action

Requested: Approval to Proceed with Project

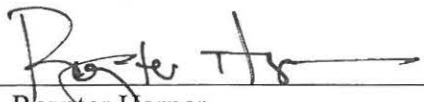
Background:

Regional chiller plants, when compared with chillers serving individual buildings, have been shown to result in energy savings, reduced operation and maintenance costs, increased redundancy and reliability, and reduced proliferation of cooling towers and associated noise. We propose to create a regional chiller plant to serve South Quadrangle, West Quadrangle, and the Michigan Union. The plant will be located in the lower basement of South Quadrangle and connected with cooling towers that will be located on the western wing roof of South Quadrangle. The project includes the additional piping needed to connect the plant to the Michigan Union and West Quadrangle. The plant will be designed to allow for expansion of chiller capacity in the future to serve these three buildings. 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.

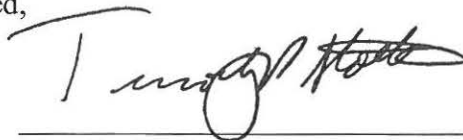
The estimated cost of the project is \$8,500,000. Funding will be provided from Housing resources. This project will be managed and tracked with the South Quadrangle Renovation project approved by the Board of Regents in September 2012. The construction cash flow may be provided, all or in part, by bond 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 in collaboration with Integrated Design Solutions will design the project. The project is expected to provide an average of 19 on-site construction jobs. Construction is scheduled to be completed in the summer of 2014.

We recommend that the Board of Regents approve the Regional Chiller Plant for South and West Quadrangles and the Michigan Union project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



E. Royster Harper
Vice President for Student Affairs



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer