

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: South University Pavement and Utility Improvements

Action

Requested: Approval to Proceed with Project

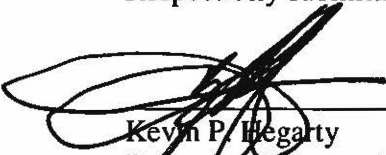
Background:

This project is being coordinated with the City of Ann Arbor to provide infrastructure upgrades and site improvements in and around South University Avenue from South State Street to East University Avenue, where both the city and university have significant utilities. This project will replace three underground water mains estimated to be sixty to one hundred years old with a single new city water main, and replace a deteriorating seventy-year-old university high-voltage underground duct bank with new infrastructure to assure continued safety and reliability. A university-owned utility tunnel that is approximately ninety years old will receive interior concrete restoration, exterior waterproofing, and reinforcement where necessary to withstand the heavy loads of emergency vehicles such as fire trucks to access university facilities. The sanitary sewer will be updated with a structural lining and repaired where necessary, and the storm sewers will be replaced with underground storm water control measures for storage and infiltration. The project will include landscaping, lighting, and other site improvements. By coordinating this scope of work between the city and the university, a long-lasting comprehensive roadway replacement will minimize overall disruption in the community.

The estimated total cost of the project is \$9,000,000. The project has been carefully evaluated by City of Ann Arbor and university personnel, and the entity owning the utility will fund its appropriate share. This will result in the City of Ann Arbor paying approximately one-third of the project cost with approximately two-thirds funded from university Utilities resources. This allocation includes the typical sharing of costs for road improvement projects on city streets adjacent to the university with the university funding half the cost of roadway construction and improvements. 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/engineering firm of OHM will design the project. The project is expected to provide an average of 14 on-site construction jobs. Construction is planned for 2020 with the roadway closure to begin in May 2020 and continuing through the summer with all work to be completed by the winter of 2021.

We recommend that the Board of Regents approve the South University Pavement and Utility Improvements project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer