

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Tunnels – Upjohn to University Hospital
Replace DHWS, DHWR and LPC Piping

Action
Requested: Approval to Proceed with Project

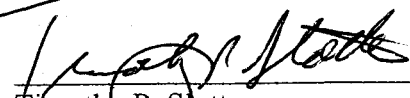
Background:

Steam, domestic hot water supply (DHWS), domestic hot water return (DHWR), low pressure steam condensate (LPC) and compressed air are distributed from the Central Power Plant to central campus and medical campus buildings by a system of pipes and tunnels. The existing black steel domestic hot water supply and return lines in the medical loop tunnel (Upjohn to University Hospital) are in poor condition. In addition, recently completed studies anticipate an increased steam load in the medical loop due to future construction. This project will remove and replace the existing DHWS, DHWR and LPC piping and install new expansion joints, guides, supports and drip traps. We anticipate no impact on parking needs or road closures associated with this project except during delivery or removal of piping material.

The estimated cost of the project is \$1,200,000. Funding will be provided from the Plant Utilities department reserve for major repairs. 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, Plant Extension - Architecture, Engineering and Construction will design the project. The construction is scheduled to begin in November 2002 and be completed in April 2003.

We recommend that the Regents approve the Tunnels – Upjohn to University Hospital, Replace DHWS, DHWR and LPC Piping 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. Stottow
Interim Chief Financial Officer

October 2002

APPROVED BY THE REGENTS ON

OCT 17 2002