THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Central Power Plant
Basement Drain Line Replacement

Action Requested: Approval to Proceed with Project

Background:

The Central Power Plant (CPP) is a highly efficient natural gas co-generation facility providing steam heat and electrical power to most Central Campus and Medical Center buildings. This project will replace and upgrade the plant’s wastewater collection piping system which collects boiler water discharge along with other water drains from the CPP required for safe, efficient and continuous boiler operation. The piping system is located within and underneath the plant and will require complex phasing to assure continuous operation of the CPP during construction. A new in-floor trench will provide full access to the piping system and act as secondary containment to prevent future soil exposure and potential building foundation settling. There will be no impact on parking from this project.

The estimated cost of the project is $1,900,000. Funding will be provided from Utility resources. 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. Fishbeck, Thompson, Carr & Huber will design the project. The project is expected to provide an average of three on-site construction jobs. Construction is scheduled to be completed in the winter of 2019.

We recommend that the Board of Regents approve the Central Power Plant Basement Drain Line 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,

[Signature]
Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer

May 2017