

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
June 15, 2017

ACTION REQUEST

Subject: Michigan Medicine
East Mechanical Building
Cooling Tower Replacement

Action
Requested: Approval to Proceed with Project

Background:

The two cooling tower units atop the East Mechanical Building are part of the cooling system providing chilled water to Med Inn, Medical Professional Building, A. Alfred Taubman Health Care Center, Towsley Center for Continuing Medical Education, and University Hospital South. These towers have exceeded their useful lives and are incurring increasing maintenance costs. This project will replace the cooling towers with a new tower and controls that will provide greater reliability and improve energy performance and temperature control. There will be no impact on parking from this project.

The estimated cost of the project is \$2,900,000. Funding will be provided from Health System 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. The architectural firm of Fishbeck, Thompson, Carr & Huber will design the project. The project is expected to provide an average of 11 on-site construction jobs. Construction is scheduled to be completed in the spring of 2018.

We recommend that the Board of Regents approve the Michigan Medicine East Mechanical Building Cooling Tower 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,



Marschall S. Runge
Executive Vice President for Medical Affairs and
Dean, Medical School



Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer

June 2017