

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the Regents  
October 15, 2015

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers  
University Hospital  
Occupancy Sensors and Controls

Action Requested: Approval to Proceed with Project

Background:

Energy performance benchmarking has identified significant opportunities for improvement within University Hospital to reduce energy consumption, operating expenses, and carbon footprint. This project will install new occupancy sensors and controls that will automatically reduce ventilation and lighting in specific areas within University Hospital with no impact on patient care when they are unoccupied. This energy conservation measure is anticipated to result in energy cost savings of approximately \$500,000 per year. The scope of this project includes the architectural, electrical, and mechanical work necessary to accomplish these improvements. There will be no impact on parking from this project.

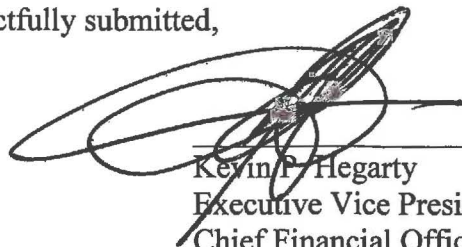
The estimated cost of the project is \$3,000,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The architectural firm of MA Engineering will design the project. The project is expected to provide an average of nine on-site construction jobs. Construction is scheduled to be completed in the summer of 2016.

We recommend that the Board of Regents approve the University of Michigan Hospitals and Health Centers University Hospital Occupancy Sensors and Controls project as described, authorize commissioning the design firm of MA Engineering for its design, 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



Kevin P. Hegarty  
Executive Vice President and  
Chief Financial Officer

October 2015