

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
December 17, 2015

ACTION REQUEST

Subject: Transportation Operations and Maintenance Facility

Action

Requested: Authorization to Issue the Project for Bids and Award Construction Contracts

Background:

At the April 2015 meeting, the Board of Regents approved the schematic design for the Transportation Operations and Maintenance Facility project. The Department of Parking and Transportation Services proposes the replacement of the current Transportation Services Building with the construction of a new 100,000-gross-square-foot operations and maintenance building that will accommodate larger articulated buses and heavy equipment, meeting current guidelines for vehicle maintenance facilities with improved vehicle circulation and appropriate work zones for improved safety. Compared with the current site, this new location will save approximately \$400,000 per year in operating expenses by reducing miles buses spend out of service to get onto established bus routes and improving operational efficiency. The new facility is to be located on North Campus near Green Road and Hubbard Street. There will be no expansion of bus traffic onto Green Road as a result of this relocation.

The estimated cost of the project is \$38,500,000. Funding will be provided from Parking 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 project is expected to provide an average of 56 on-site construction jobs. Construction is scheduled to be completed in the winter of 2018.

We recommend that the Board of Regents authorize issuing the Transportation Operations and Maintenance Facility 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

December 2015