

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
February 20, 2014

ACTION REQUEST

Subject: President's Residence
Infrastructure Renovation

Action Requested: Approval to Proceed with Project

Background:

Built in 1840 at 4,800 square feet, the President's Residence underwent four significant additions between 1864 and 1933, increasing its size to 14,000 square feet. It is the oldest building on campus and the only surviving structure on the original forty acre site known as the Diag. The residence is an important venue for events as well as a gathering place for the university community.

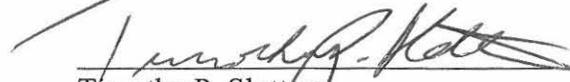
In keeping with our ongoing efforts to maintain this historic structure, each year we identify and complete various maintenance projects. The last major infrastructure project occurred in 2002. We now propose a comprehensive infrastructure project that will replace the flat roof surfaces that are more than 25 years old; paint select areas of the exterior of the house including repairs to damaged wood, stucco, and masonry; replace two 26-year-old heating, ventilation, and air conditioning units that are not energy efficient and six years beyond their useful lives; renovate three bathrooms that have not been updated for approximately 50 years; renovate the small kitchenette on the second floor; install storm windows in the first-floor study to address windows that are 80 years old, single-paned and not energy efficient; wireless access upgrades; and repair and paint select plaster inside the house that has cracked. The current fire detection and alarm system will be replaced with a modern system with a new control panel, additional warning devices, and integration with the fire protection sprinkler system. In addition, the rear stone walkways will be leveled, the joints filled and damaged stones replaced. The scope of this project includes the architectural, mechanical, and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project.

The estimated cost of the project is \$1,300,000. Funding will be provided from investment proceeds. 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 University of Michigan Department of Architecture, Engineering and Construction will design the project. The project is expected to provide an average of 13 on-site construction jobs. Construction is scheduled to be completed in the summer of 2014.

We also plan to continue a fund that was established several years ago to allow for the purchase of furnishings including furniture, window treatments, rugs and other miscellaneous household items that may be needed over the next five to ten years. The current balance of the fund is approximately \$100,000, and we will bring the total available funds to \$250,000.

We recommend that the Board of Regents approve the President's Residence Infrastructure Renovation 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. Slottow
Executive Vice President and
Chief Financial Officer

February 2014