ACTION REQUEST

Subject: Michigan Memorial Phoenix Laboratory
             Addition and Second Floor Renovation

Action
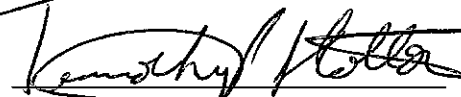Requested: Approval of Schematic Design

Background:

At the December 2009 meeting, the Board of Regents approved the Michigan Memorial Phoenix Laboratory Addition and Second Floor Renovation project and the appointment of Lord, Aeck & Sargent, Inc. as the architect for its design. The project will create modern research laboratory space to support the Michigan Memorial Phoenix Energy Institute. A renovation of approximately 10,000 gross square feet is planned that will create state-of-the-art laboratory spaces for energy-related research, as well as construction of an addition of approximately 10,000 gross square feet for the institute's administrative functions. As part of this project, the building's electrical substation, which has exceeded its useful life, will be replaced. The scope of this project includes the architectural, mechanical, and electrical work necessary to accomplish these improvements. Although there will be a temporary loss of some adjacent parking spaces during construction, there will be no permanent impact on parking from this project.

The estimated cost of the project is $11,100,000. Funding will be provided from investment proceeds, Office of the Vice President for Research resources, and College of Engineering resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. Construction is scheduled to be completed in the spring of 2013.

We recommend that the Board of Regents approve the schematic design for the Michigan Memorial Phoenix Laboratory Addition and Second Floor Renovation project as presented at the meeting.

Respectfully submitted,

Timothy P. Slottow
Executive Vice-President and
Chief Financial Officer

September 2010