

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the
Regents
December 18, 2014

Subject: Central Power Plant
Fire Protection System for Steam Turbines

Action
Requested: Approval to Proceed with Project

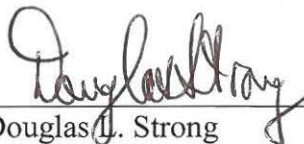
Background:

The Central Power Plant (CPP) provides steam for the heating and cooling of many buildings on Central Campus, and also uses the steam produced to generate electricity. A dedicated fire containment and suppression system has been identified as a best practice for the steam turbines and associated systems. This project will install appropriate containment and fire suppression for the three steam turbines and associated control and lubrication oil systems. 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 \$1,900,000. Funding will be provided from Utility 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 University of Michigan Department of Architecture, Engineering and Construction 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 fall of 2015.

We recommend that the Board of Regents approve the Central Power Plant Fire Protection System for Steam Turbines project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Douglas J. Strong
Interim Executive Vice President and
Chief Financial Officer

December 2014