THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: East University Chiller Plant
              Chiller Replacement

Action
Requested: Approval to Proceed with Project

Background:

      The East University Chiller Plant located near Weiser Hall is part of a chilled water loop that serves several Central Campus buildings. The plant was constructed in 1991 and we have replaced two of the original steam absorption chillers with electric chillers. The remaining two steam absorption chillers are nearing the end of their reliable service lives. This equipment will be replaced with electric chillers along with related pumps, and substations to maintain required redundancy for current cooling loads. Replacement with an electric chiller will result in energy savings, reduced operational and maintenance costs, increased reliability, and will support the university goal to utilize renewable electricity. 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 $7,800,000. Funding will be provided from Utilities 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 Tower, Pinkster, Titus Associates, Inc. will design the project. The project is expected to provide an average of 25 on-site construction jobs. Construction is scheduled to be completed in the summer of 2023.

      We recommend that the Board of Regents approve the East University Chiller Plant Chiller Replacement project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,

Geoffrey S. Chatas
Executive Vice President and
Chief Financial Officer

October 2021