

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION
ACTION REQUEST

Subject: University of Michigan Health
University Hospital
Electrical Substation Replacement

Action
Requested: Approval to Proceed with Project

Background:

The electrical distribution system substation serving University Hospital is over thirty years old and is nearing the capacity limit required to support future facility upgrade projects. This project will install an electrical substation, penthouse mechanical enclosure, and associated systems to provide increased electrical capacity to University Hospital. The existing substation will continue to operate while a new substation location is installed. The hospital cafeteria ceiling will be removed and replaced with a reinforced steel structure to handle the increased weight. The new structure will create space for up to three substations. A new substation will be installed into the penthouse and then electric loads will be transferred onto the new substation while maintaining near continuous operations. When completed, this project will provide greater reliability and operational efficiency. There will be no impact on parking from this project.

The estimated cost of the project is \$11,700,000. Funding will be provided from University of Michigan Health 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 Stanley Consultants will design the project. The project is expected to provide an average of 11 on-site construction jobs. Construction is scheduled to be completed in the summer of 2024.

We recommend that the Board of Regents approve the University Hospital Electrical Substation Upgrade project as described and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



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Geoffrey S. Chatas
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