

ATTACHMENT #1 – Board of Regents Policy: Physical Plant B Section 1003.7

This authority request is for an amount greater than \$350,000, which requires the following additional information:

(a) Project Description:

The campus would enter into an Energy Performance Contract with McKinstry to construct a state-of-the-art combined heat and power system to generate power and steam for the campus. The new combined heat and power system would be housed in an addition constructed on the east side of the existing Heating Plant.

The upgraded plant would generate the majority of the power required by campus and more efficiently generate steam to meet the campus demand. The project would also include updating existing boilers and auxiliary equipment to ensure ongoing reliability and appropriate redundancy.

(b) Cost estimate and Funding Sources:

Construction	17,100,000.00
Architect/Engineering Fees	700,000.00
Air Permitting	125,000.00
Measurement & Verification	75,000.00
<u>Contingency</u>	<u>2,000,000.00</u>
PROJECT TOTAL	\$20,000,000.00

This project will be financed with proceeds from the recent University of Montana revenue bond issue.

(c) Programs served, enrollment data, projected enrollments:

The updated plant will provide the steam and the majority of electric power needed on main campus.

(d) Space Utilization Data:

N/A

(e) Projected use for available residual space:

N/A

(f) Projected O&M Costs and proposed funding sources:

(no O&M request)

Any additional O&M funding to be provided through the utility savings generated by the new plant.