

Contact: Joan Racki

**REGISTER OF UNIVERSITY OF IOWA**  
**CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS**

**Action Requested:** Consider recommending approval of the project description and budget (\$15,800,000) for the **Power Plant - Air Regulation Compliance** project.

**Executive Summary:** The University requests approval of the project description and budget for the **Power Plant Air Regulation Compliance** project, which would install new pollution control equipment to meet the new, more stringent federal emissions requirements (Boiler MACT [Maximum Achievable Control Technology] and NAAQS [National Ambient Air Quality Standards]) for the steam generating boilers at the Main Power Plant. After evaluating a number of options to meet the new requirements, the University proposes the installation of a new bag house and induced draft fan for Boiler #10 and installation of a new sorbent storage and injection system for both Boilers #10 and #11. These options appear to provide the best combination of installation and operating/maintenance costs, and operational flexibility with various fuels (including biomass). The regulations became effective January 31, 2013 and require compliance by September 30, 2016. The project cost of \$15,800,000 would be funded by utility system revenue bond proceeds. (The location of the power plant is shown on Attachment A.)

**Details of the Project:**

**Power Plant Air Regulation Compliance**

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Environmental Study Agreement (Sebesta Blomberg & Assoc; Cedar Rapids)	\$ 139,287	Sept. 2012	Not Required*
Permission to Proceed with Project Planning		Apr. 2014	Approved
Design Professional Agreement – Pre-Design through Design Development (PRVN Consultants; Muscatine)	335,000	Oct. 2014	Not Required*
Design Professional Agreement - Construction Documents through Construction Administration (PRVN Consultants; Muscatine)	784,551	Feb. 2015	Not Required*
Project Description and Budget	15,800,000	Apr. 2015	Requested

\*Approved by Executive Director, consistent with Board policies

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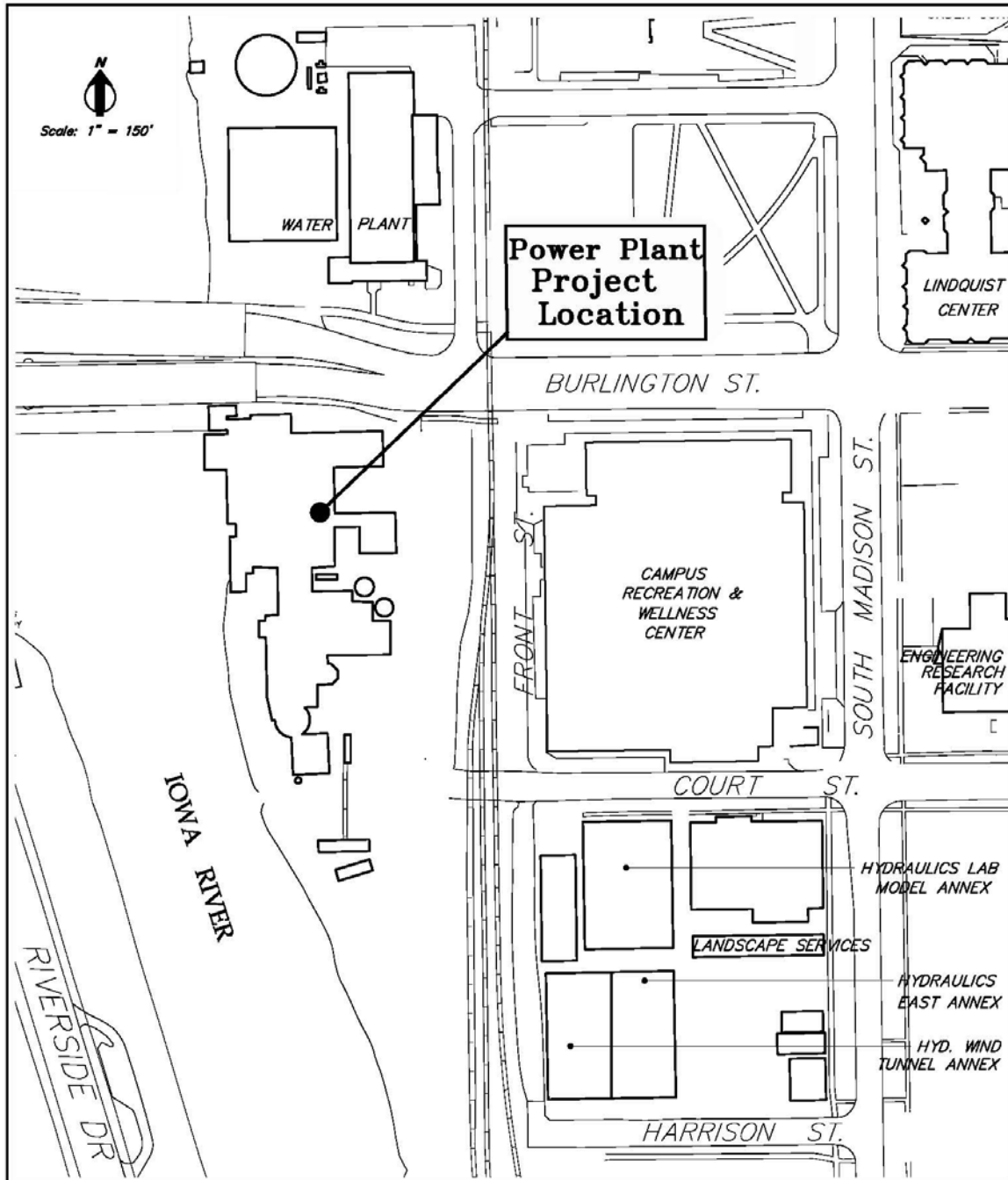
In addition to emissions reductions in the boilers in the Main Power Plant and Oakdale Renewable Energy Plant, the new regulations include periodic, documented tune-up of building-specific boilers and certain steam driven equipment campus-wide, as well as energy assessments.

Project Budget

Design & Construction	\$12,000,000
Planning & Management	2,600,000
Contingency	<u>1,200,000</u>
TOTAL	<u>\$15,800,000</u>

Source of Funds:  
Utility System Revenue Bonds

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THE UNIVERSITY OF IOWA

# 0411001

Plotted: August 30, 2013

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Location Map:

Power Plant -  
Air Regulations Compliance