

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan-Dearborn
Field House Addition

Action
Requested: Approval of Revised Budget and
Award of Construction Contract

Background:

At the May 1998 meeting, the Regents approved a proposed budget of \$2,725,000 for the University of Michigan-Dearborn Field House Addition, release of the project for competitive bids and award of a construction contract providing the project is within the budget. The 17,000 gross square foot addition will provide a contemporary wellness center for aerobics and cardiovascular training, conditioning, health and fitness education, racquetball courts, locker rooms to serve the addition, and a small running track.

Bids were received from five contractors, and all bids exceeded the original architect's estimate. It is not feasible to reduce the square footage of the building to meet the original budget. We have identified ways to reduce the construction costs.

U of M Dearborn is requesting authorization to proceed with a revised budget as follows:

Construction	\$2,947,000
Movable Equipment and Phones	22,000
Professional Fees	211,600
UM Fees, Testing, Etc.	100,000
Contingency	<u>219,400</u>
Total	\$3,500,000

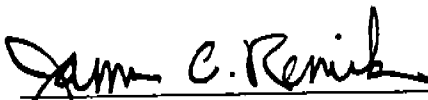
APPROVED BY THE REGENTS ON


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The \$2,725,000 budget approved in May 1998 indicated the construction costs may be financed, all or in part, by increasing the commercial paper issuance under the \$120 million program, secured by a pledge of General Revenues, and authorized by the Regents. The additional \$775,000 would be provided from UM-Dearborn funds. Construction would commence immediately upon award of the contract and be completed in early 2000.

We recommend the Regents approve the revised budget and authorize awarding the construction contract to A. Z. Shmina, Inc.

Respectfully submitted,


James C. Renick, Chancellor
University of Michigan-Dearborn


Robert Kasdin, Executive Vice President
and Chief Financial Officer

November 1998