

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)  
Cardiovascular Center Project – Phase I

Action

Requested: Authorization to Issue the Project for Bids and Award Construction Contracts

Background:

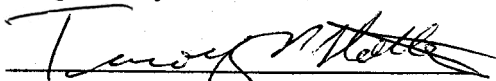
At the May 2003 meeting, the Board of Regents approved the schematic design for the Cardiovascular Center project. We propose the project be bid in phases in order to compress the overall project design and construction schedule. The early phases of the project will include demolishing the existing Clinical Faculty Office Building and site preparation, utility and tunnel relocations, excavation and earth retention.

A 350,000 gross square foot state of the art clinical building, connectors to existing facilities, and a parking deck will be constructed. The facility will have five floors and a penthouse for mechanical equipment. The building will house ambulatory care clinics, non-invasive diagnostic testing suites, invasive procedures areas, intensive care beds for post-operative inpatient care, as well as offices for clinical faculty and support staff. The 465 space parking structure will accommodate the increase in parking demand for this building and restore spaces lost to site the building.

The estimated cost of the project is \$199,000,000. Funding will be provided from Hospitals and Health Centers' capital resources and Parking Services. The construction cash flow may be provided, all or in part, from tax-exempt debt secured by a pledge of Hospital Gross Revenues. Initially, the project may be financed by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. Construction is scheduled to begin in Summer 2003 and be completed in Fall 2006.


We recommend the Regents authorize issuing the University of Michigan Hospitals and Health Centers (UMHHC) Cardiovascular Center Project - Phase I for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Timothy P. Slotow  
Executive Vice President and  
Chief Financial Officer

Respectfully submitted



Lazar J. Greenfield  
Interim Executive Vice President  
for Medical Affairs

July 2003

APPROVED BY THE REGENTS ON

JUL 17 2003