

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
Taubman Health Center
Office Renovation Project

Action Requested: Approval to Proceed with Project

Background:

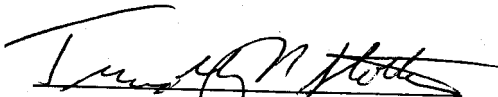
UMHHC is proposing to renovate 14,900 gross square feet of space on levels 2 and 3 of the Taubman Health Center to provide office space for the Departments of Neurosurgery, Urology and Orthopedics. The recent relocation of the Child and Adolescent Psychiatry program to leased space created the opportunity to renovate level 3 in the first phase of the project. Approximately 8,600 square feet will be renovated to provide faculty and staff offices, conference/library space, and support space for the Departments of Neurosurgery and Urology, relocating from level 2. Phase 2 proposes renovating the remaining 6,300 square feet of the space on level 2. Phase 2 allows for the Department of Orthopedics to expand, providing additional office space needed as a result of the department's growth.

In total, a 14,900 gross square foot renovation is planned. The scope of this project includes the architectural, mechanical and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project.


The estimated cost of the project is \$2,170,000. Funding will be provided from Hospitals and Health Centers' capital resources. 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. SSOE, Inc. will design the project. Construction is scheduled to be completed in two phases, with phase I being completed in Fall 2003 and phase II being completed in Spring 2004.

We recommend that the Regents approve the UMHHC Taubman Health Center Office Renovation Project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,


Timothy P. Slottow
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