

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: WVGR Radio Tower Project

Action

Requested: Approval to Proceed with Project

Background:

Upon approval to acquire 20 acres of vacant land located on Payne Lake Road in Barry County, Middleville, Michigan, Michigan Radio would like to construct a radio transmitter tower for Michigan Radio's western Michigan station, WVGR. Since WVGR was required to vacate leased tower space in 1999, it has broadcast from space owned by WMMT, a broadcast communications company located in the Grand Rapids area.

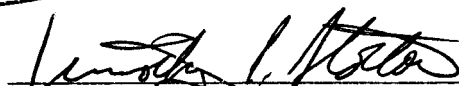
The station is presently operating under a temporary Federal Communications Commission (FCC) license and is broadcasting with decreased signal output. FCC regulations require us to take steps to resume normal operation in a timely manner. To satisfy FCC requirements, Michigan Radio must file a permanent modification plan demonstrating the plan to resume to normal operations.

The scope of this project includes the installation of an 800 foot tall radio tower, a small concrete modular building at the base of the tower, and associated equipment.

The estimated cost of the project is \$1.2 million. Funding will be provided by Michigan Radio resources. The construction cash flow may be provided, all or in part, 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 be completed in Summer 2005.

We recommend that the Regents approve the WVGR Radio Tower Project as described and authorize issuing the project for bids and awarding contracts, providing that bids are within the approved budget.

Respectfully submitted,



Timothy P. Slotow  
Executive Vice President and  
Chief Financial Officer

April 2004

APPROVED BY THE REGENTS ON

APR 22 2004