

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

APPROVED BY THE REGENTS ON  
JUN 17 2004

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)  
Arbor Lakes Medical Center Information Technology (MCIT)  
Parallel Computing Center Project

Action Requested: Approval to Proceed with Project

Background:

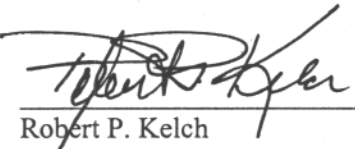
The University of Michigan Hospitals and Health Centers' (UMHHC) main computer center is located in the Taubman Health Center and houses many of the information systems used for critical business processes. A concern about a lack of redundancy to protect information and computing resources has been identified in periodic external audits. As part of its long-term strategy to provide ongoing computing services and protect electronic data in the case of fire or other disruption of service, UMHHC proposes to construct a parallel computing center at the Arbor Lakes complex to house redundant servers.

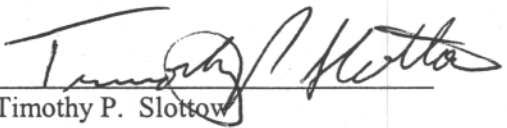
A 10,850 gross square foot renovation of the basement and first level of the Arbor Lakes Building II is planned. The scope of this project includes the architectural, mechanical and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project.

The estimated cost of the project is \$5,345,000. Funding will be provided from the Hospitals and Health Centers' resources. 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. The architectural firm of Ayres, Lewis, Norris, and May, Inc. will design the project. Construction is scheduled to be completed in Fall 2006.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers' Arbor Lakes Medical Center Information Technology Parallel Computing Center project as described and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,

  
Robert P. Kelch  
Executive Vice President for  
Medical Affairs

  
Timothy P. Slottow  
Executive Vice President and  
Chief Financial Officer

June 2004