

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents  
June 21, 2007

Subject: University of Michigan Hospitals and Health Centers  
University Hospital  
Operating Room Renovation

Action

Requested: Approval to Proceed with Project

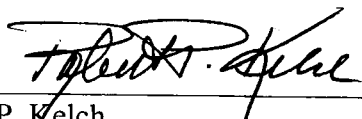
Background:

The University Hospital currently has twenty-nine operating rooms, with the majority being original to the building's construction in 1986. Over the past twenty years, there have been dramatic changes in surgical practice. New technology and equipment now require operating rooms approximately twice the size of the current operating rooms at University Hospital. The June 2007 opening of the Cardiovascular Center and its eight new operating rooms will permit the transfer of cardiac, thoracic, vascular and transplant cases from University Hospital. The University of Michigan Hospitals and Health Centers now proposes to take advantage of this transfer of cases to renovate approximately 1,750 gross square feet in University Hospital that will reconfigure five existing procedure rooms to create two larger, licensed operating rooms, as well as needed additional storage space for equipment and instruments. 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. A Certificate of Need will be required from the State of Michigan Department of Community Health for this project.

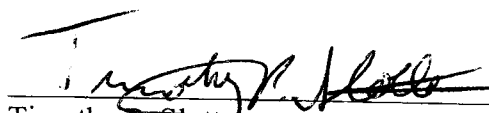
The estimated cost of the project is \$4,000,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The architectural firm of Harley Ellis Devereaux will design the project. Construction is scheduled to be completed in Winter 2008.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers University Hospital Operating Room Renovation project as described, authorize commissioning the architectural firm of Harley Ellis Devereaux for its design, 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. Slotter  
Executive Vice President and  
Chief Financial Officer

June 2007