

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
July 17, 2008

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
Data Center Project

Action

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

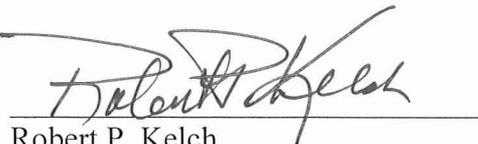
Background:

At the February 2008 meeting, the Regents approved the schematic design for the University of Michigan Hospitals and Health Centers (UMHHC) Data Center Project. The current data center at the A. Alfred Taubman Health Center is at capacity with regards to space, power, and cooling. The UMHHC strategic plan calls for bed expansion, clinical technology acquisition and upgrades, new building construction and renovation initiatives, as well as information technology systems to enhance clinical care and patient safety. The limitations of the current data center facility do not support these strategic plans. This project will construct an approximately 48,000 gross square foot building on North Campus that will provide the needed additional capacity. The building will house an approximately 15,000 gross square foot data center, 6,000 gross square feet of support space, and 27,000 gross square feet for power, heating, ventilation, air conditioning, and data infrastructure support. The building will be constructed to be tornado-resistant, withstanding wind gusts up to 200 miles per hour, and will include redundant power and on-site backup generators, redundant cooling and water storage to allow continuous operations if local utility supplies are interrupted.

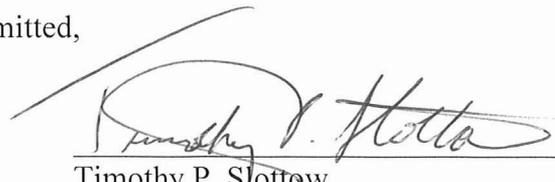
The estimated cost of the project is \$50,900,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The engineering firm X-nth, Inc. will design the project. Construction is scheduled to be completed in Spring 2010.

We recommend that the Regents authorize issuing the University of Michigan Hospitals and Health Centers Data Center 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

July 2008