

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: School of Public Health
School of Public Health Buildings Renovation

Action

Requested: Approval of Revised Budget and
Authorization to Issue the Project for Bids and Award Construction Contracts

Background:

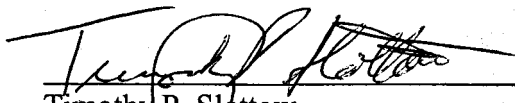
At the May 2003 meeting, the Board of Regents approved the schematic design and revised budget of \$70,000,000 for the School of Public Health Buildings Renovation project. We propose the project be bid in phases in order to compress the overall project design and construction schedule. The early phases of the project will include relocating office and lab functions that currently occupy space in areas of SPH I that will be demolished. These occupants will temporarily be relocated to other space within SPH I, SPH II, and off-site leased space.

A 125,000 gross square foot addition and 69,000 square foot renovation are planned. The addition will be seven floors plus a penthouse for mechanical equipment and will house modern open laboratories, instructional spaces, student and faculty interaction spaces, and offices.

We are seeking approval to revise the project budget from \$70,000,000 to \$68,500,000. Funding will be provided from a combination of investment proceeds from the University and the School of Public Health along with gifts. 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 begin in Summer 2003 and be completed in Fall 2006.

We recommend the Regents approve the revised budget and authorize issuing the School of Public Health Buildings Renovation 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

July 2003

APPROVED BY THE REGENTS ON
JUL 17 2003