

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
February 15, 2007

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
Medical Professional Building
Heating, Ventilation and Air Conditioning Unit Replacement

Action

Requested: Approval to Proceed with Project

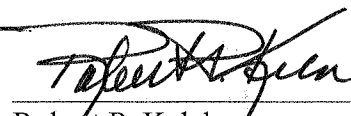
Background:

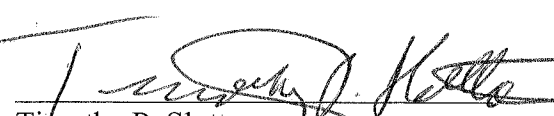
The Medical Professional Building, constructed in 1976, is an approximately 37,000 gross square foot, five-story building with a penthouse for mechanical equipment housing administrative offices for the Health System. The existing heating, ventilation and air conditioning (HVAC) unit serving the building is beyond its useful life, requires extensive maintenance to remain operational, and no longer meets the heating and cooling needs of the building. This project will replace the existing HVAC unit with a larger unit with capacity sufficient for the building. The scope of this project includes the architectural, mechanical, and electrical work necessary to accomplish this improvement. There will be no impact on parking from this project.

The estimated cost of the project is \$1,100,000. 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 of DiClemente Siegel Design Inc. will design the project. Construction is scheduled to be completed in Spring 2008.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers Medical Professional Building Heating, Ventilation and Air Conditioning Unit Replacement project as described, authorize commissioning the engineering firm of DiClemente Siegel Design, Inc. 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. Slottow
Executive Vice President and
Chief Financial Officer

February 2007