

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
July 17, 2014

ACTION REQUEST

Subject: Stephen M. Ross School of Business
Kresge Business Administration Library Renovation, Computer and Executive Education Building Demolition, New Academic Building, and Exterior Cladding Project

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

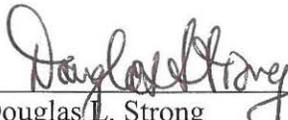
Background:

At the April 2014 meeting, the Board of Regents approved the schematic design for the Stephen M. Ross School of Business Kresge Business Administration Library Renovation, Computer and Executive Education Building Demolition, New Academic Building, and Exterior Cladding Project. This project includes a comprehensive renovation of the Kresge Business Administration Library, demolition of the Computer and Executive Education Building, construction of a new academic building, and the addition of exterior building finishes or cladding to Sam Wyly Hall, the Business Administration Executive Dormitory, and the Hill Street Parking Structure to create a unified look for the entire Ross School complex of buildings. In total, this project represents approximately 75,000 gross square feet of building renovation and 104,000 gross square feet of new building construction. The project will add classrooms, study space, and faculty and research offices, and enhance non-academic operations to improve the student experience, including student life, financial aid, admissions, and on-site recruiting for careers. The new building design will strive to create a welcoming and unified exterior aesthetic along with well-functioning internal connections within the complex. The scope of this project includes the architectural, mechanical, and electrical work necessary to accomplish these improvements.

The estimated cost of the project is \$135,000,000. Funding will be provided from gifts and investment proceeds. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The project is expected to provide an average of 155 on-site construction jobs. Construction is scheduled to be completed in the fall of 2016.

We recommend that the Board of Regents authorize issuing the Stephen M. Ross School of Business Kresge Business Administration Library Renovation, Computer and Executive Education Building Demolition, New Academic Building, and Exterior Cladding Project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Douglas L. Strong
Interim Executive Vice President and
Chief Financial Officer

July 2014