

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the
Regents
September 18, 2014

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

Action

Requested: Approval to Proceed with Project

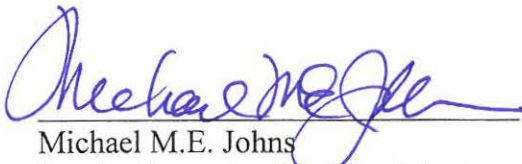
Background:

As part of the adult inpatient capacity improvement initiative, this project will renovate approximately 24,500 gross square feet of space to create four new operating rooms within the surgical suite at University Hospital. Support spaces for operating room equipment storage, offices, and a new staff lounge will be created in space vacated by a prior project to relocate the adjacent EEG/EMG clinic to University Hospital South. The scope of this project includes the architectural, electrical, and mechanical 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.

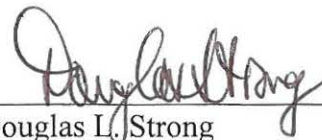
The estimated cost of the project is \$23,500,000 including furnishings and moveable equipment. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The architectural firm of HKS Architects will design the project. The project is expected to provide an average of 27 on-site construction jobs. Construction is scheduled to be completed in the spring of 2016.

We recommend that the Board of Regents approve the University of Michigan Hospitals and Health Centers University Hospital Operating Room Expansion project as described, authorize commissioning the architectural firm of HKS Architects for its design, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Michael M.E. Johns
Interim Executive Vice President
for Medical Affairs



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

September 2014