

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
April 16, 2015

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
North Campus Research Complex Buildings 30, 35, 36, and 60, University Hospital, and
University Hospital South
Clinical Pathology Laboratories Relocation and Renovation

Action Requested: Approval of Project and Authorization to Appoint an Architect

Background:

The University of Michigan Hospitals and Health Centers propose a project that will consolidate clinical pathology laboratories from various locations to the North Campus Research Complex (NCRC). The goals of the project are to enhance the clinical laboratory functions necessary to meet present and future growth in test volumes, improve operational efficiency, and reduce the expense of having laboratories in multiple locations. Pathology laboratories currently located within University Hospital, University Hospital South, Medical Science Unit I, the North Ingalls Building, and leased space will be relocated to NCRC Buildings 30, 35, 36, and 60. The Michigan Medical Genetics Laboratory of the Department of Pediatrics will also be relocated to NCRC. The relocation will also provide faculty offices and space for resident training, and laboratories will be designed to provide flexibility to meet future education, research, and technology requirements. After the NCRC construction work is complete, laboratories at University Hospital and University Hospital South will be renovated to allow for increased throughput and the expansion of capacity for automated sample processing. In total, approximately 186,000 gross square feet of space will be renovated at NCRC, University Hospital, and 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.

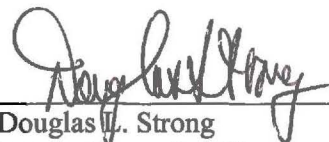
The estimated cost of the project is \$160,000,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The architectural firm of Tsoi/Kobus and Associates will design the project. The project is expected to provide an average of 118 on-site construction jobs. Design is scheduled to begin immediately and we will return with a construction schedule when we seek approval of schematic design.

We recommend that the Board of Regents approve the University of Michigan Hospitals and Health Centers North Campus Research Complex Buildings 30, 35, 36 and 60, University Hospital, and University Hospital South Clinical Pathology Laboratories Relocation and Renovation project as described and authorize commissioning Tsoi/Kobus and Associates for its design.

Respectfully submitted,



Marschall S. Runge
Executive Vice President for
Medical Affairs



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

April 2015