THE UNIVERSITY OF MICHIGAN REGENTS COMMUNICATION

ACTION REQUEST

<u>Subject</u>: University of Michigan Hospitals and Health Centers University Hospital South Faculty Office Renovations

Action Requested: Approval to Proceed with Project

Background:

Due to continued growth of clinical services in the University of Michigan Health System (UMHS), clinical faculty are located in various facilities resulting in inefficiencies and reduced opportunity for collaboration. UMHS proposes a renovation of approximately 65,000 gross square feet of space on several floors of University Hospital South to create new faculty offices. The project will also address infrastructure, including communications and data along with fire alarm system improvements. 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.

The estimated cost of the project is \$8,200,000. 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 Tower Pinkster Titus Associates will design the project. The project is expected to provide an average of 21 on-site construction jobs. Construction is scheduled to be completed in the summer of 2017.

<u>We recommend</u> that the Board of Regents approve the University of Michigan Hospitals and Health Centers University Hospital South Faculty Office Renovations project as described, authorize commissioning the architectural firm of Tower Pinkster Titus Associates for its design, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted, Marchel A. R. Marschall S. Runge garty the Vice President and Executive Vice President for Medical Affairs and Chief Financial Officer Dean, Medical School

October 2016