

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

Approved by the Regents  
November 17, 2006

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers  
C.S. Mott Children's & Women's Hospitals Replacement Project

Action

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

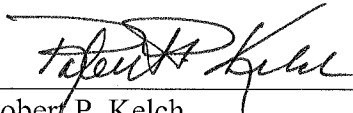
Background:

At the February 2006 meeting, the Regents approved the schematic design and revised scope and budget for the C.S. Mott Children's & Women's Hospitals Replacement Project. A 1,100,000 gross square foot building will be constructed. The facility will consist of a clinic building of 9 floors and an inpatient building of 12 floors plus penthouses for mechanical equipment. The project will provide a new, state-of-the-art inpatient facility for children and women, and also provide shelled space to provide flexibility and expansion opportunities in the future.

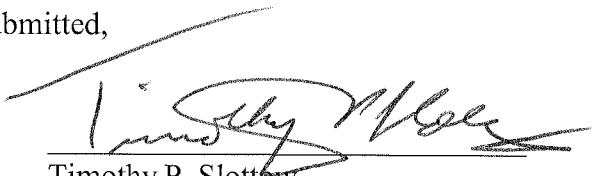
The estimated cost of the project is \$523,000,000. Funding will be provided from Hospitals and Health Centers' resources and gifts. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. Construction is scheduled to be completed in Spring 2011.

We recommend that the Regents authorize issuing the University of Michigan Hospitals and Health Centers C.S. Mott Children's & Women's Hospitals Replacement 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

November 2006