

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents

December 18, 2008

Subject: University of Michigan Hospitals and Health Centers
University Hospital
Inpatient Bed Expansion – Unit 7A

Action

Requested: Approval to Proceed with Project

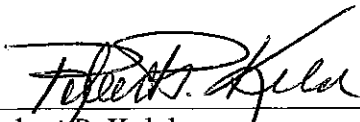
Background:

Occupancy levels at the University Hospital continue to be very high, with adult inpatient bed occupancy consistently over 90 percent. As part of the Hospital and Health Centers' strategy to address increasing demand, this project will add incremental inpatient beds in space being vacated in Unit 7A at University Hospital by the relocation of the General Clinical Research Center (GCRC) to the Cardiovascular Center. A renovation of approximately 6,400 gross square feet of space is planned that will reconfigure GCRC support spaces to add eleven new inpatient beds to the existing sixteen within the unit, including seven private and two semi-private rooms, as well as create new nursing stations, office and support spaces. The scope of this project includes the architectural, mechanical and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project.

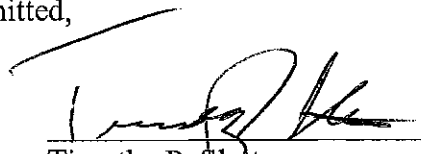
The estimated cost of the project is \$4,200,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The architectural firm of Integrated Design Solutions, LLC will design the project. A phased construction schedule is planned in order to minimize disruption to patient care with construction to be completed in the fall of 2009.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers University Hospital Inpatient Bed Expansion - Unit 7A project as described, authorize commissioning the architectural firm of Integrated Design Solutions, LLC for its design, and authorize issuing the 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. Sletow
Executive Vice President and
Chief Financial Officer

December 2008