

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
Med Inn
Electrical Substation Replacement Project

Action Requested: Approval to Proceed with Project

Background:

The Med Inn's electrical substation is approximately 50 years old and is in need of replacement. The equipment is beyond its useful life and is difficult to maintain due to its age. This project will replace the old substation with a new substation, two new transformers, two new feeders, and related switchgear. There will be no impact on parking from this project.

The estimated cost of the project is \$1,600,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, from tax-exempt debt secured by a pledge of Hospital Gross Revenues and/or by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The University of Michigan, Plant Extension – Architecture, Engineering and Construction will design the project. Construction is scheduled to be completed in Spring 2005.

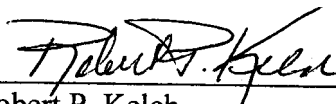
We recommend that the Regents approve the UMHHC Med Inn Electrical Substation Replacement Project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

Respectfully submitted,



Robert P. Kelch
Executive Vice President
for Medical Affairs

October 2003

APPROVED BY THE REGENTS ON

OCT 16 2003