THE UNIVERSITY OF MICHIGAN REGENTS COMMUNICATION

ACTION REQUEST

APPROVED BY THE REGENTS ON

SEP 2 3 2004

Subject:

University of Michigan Hospitals and Health Centers (UMHHC)

Multiple Buildings - Bulk Oxygen System

Action

Requested:

Approval to Proceed with Project

Background:

The medical complex is equipped with piped medical gas systems from which oxygen, nitrous oxide and nitrogen are supplied. These systems provide gases to inpatient rooms, operating rooms, procedure rooms and other related locations. The sources that feed these systems are the bulk supply vessels located on the north side of University Hospital.

This project involves installing a 9000 gallon oxygen tank and associated equipment in the vicinity of the Mott Hospital receiving dock to serve as a second source of oxygen supply for the hospitals and related facilities. The additional tank will provide system redundancy, allow for maintenance shut-downs, and allow for flexibility to contract with various gas suppliers. 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 \$700,000. Funding will be provided from Hospitals and Health Centers' resources. Initially, the project may be financed by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The project will be designed by Shepley Bulfinch Richardson and Abbott. Construction is scheduled to be completed in Fall 2005.

We recommend the Regents approve the University of Michigan Hospitals and Health Centers - Multiple Buildings Bulk Oxygen System project as described, 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. Slottow

Executive Vice President and

Chief Financial Officer

September 2004