

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

EXH

MOTION

SECOND

ACT APPROVED BY THE REGENTS

ACTION REQUEST

NOTE:

FEB 17 2005

Subject: University of Michigan Hospitals and Health Centers (UMHHC)  
University Hospital Steam Sterilizer Project

Action

Requested: Approval to Proceed with Project

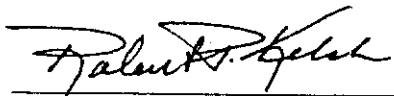
Background:

The existing steam sterilizers in University Hospital were installed in 1986, with a scheduled useful life of fifteen years. Normal wear and tear over time has caused the sterilizers to perform inconsistently, lowering productivity as more time is needed to process instruments. A rising level of hospital activity, especially in the number and complexity of operating room cases, necessitate an increase in the number of sterilizers. This project will expand our capacity to four floor sterilizers and two cart and carriage sterilizers. 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.

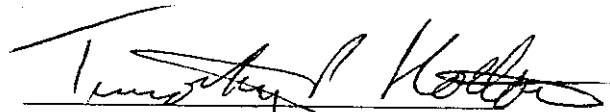
The estimated cost of the project is \$1,443,000, including \$672,000 for the new sterilizer equipment. Funding will be from Hospitals and Health Centers' resources. Initially the project may be financed by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The engineering firm of Engineering Specialties Group will design the project. Construction is scheduled to be completed in Summer 2006.

We recommend the Regents approve the University of Michigan Hospitals and Health Centers – University Hospital Steam Sterilizer Project as described and authorize commissioning Engineering Specialties Group for its design.

Respectfully submitted,



Robert P. Kelch  
Executive Vice President  
for Medical Affairs



Timothy P. Slottow  
Executive Vice President  
and Chief Financial Officer

February 2005