

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents
February 15, 2007

Subject: University of Michigan Hospitals and Health Centers
University Hospital
Process Chilled Water System Expansion

Action

Requested: Approval to Proceed with Project

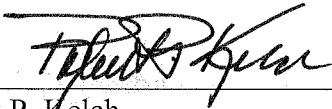
Background:

The process chilled water loop within University Hospital provides uninterrupted, year-round cooling for various mission-critical areas, such as computer machine rooms, equipment rooms for magnetic resonance imaging and computed tomography scanners, and other systems. The current loop does not have sufficient capacity due to additional loads that have been added to the system over the past several years. Projected growth will require a doubling of system capacity within the next five years. This project will upgrade the process chilled water loop to increase capacity to meet these increasing demands. 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.

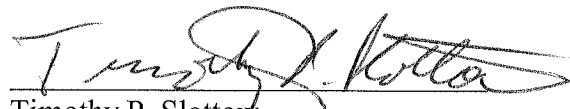
The estimated cost of the project is \$2,500,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The architectural firm of Integrated Design Solutions LLC will design the project. Construction is scheduled to be completed in Spring 2008.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers University Hospital Process Chilled Water System Expansion project as described, authorize commissioning 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. Slottow
Executive Vice President and
Chief Financial Officer

February 2007