

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents

December 13, 2007

Subject: University of Michigan Hospitals and Health Centers
Huron Valley Professional Center
Orthopaedics at South Main Leasehold Improvements

Action

Requested: Approval to Proceed with Project

Background:

The University of Michigan Hospitals and Health Centers have operated the Orthopaedics Clinic at 2090 South Main, Ann Arbor, Michigan in leased space at the Huron Valley Professional Center since 1996. The Department of Orthopaedic Surgery is actively recruiting new faculty, and now seeks to accommodate three new surgeons and centralize foot and ankle surgery service at the South Main clinic with the existing hand service. In order to meet the increase in patient volumes due to these changes, a renovation of approximately 1,400 square feet is planned that will convert a records storage area to a radiology room and renovate and upgrade an existing workstation area. The scope of this project includes the architectural, mechanical and electrical work necessary to accomplish these improvements. Although there will be a temporary loss of some adjacent parking spaces during construction, there will be no permanent impact on parking from this project.

The estimated costs of the projects are \$1,023,000. 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. Construction will be managed by the lessor and is scheduled to be completed in Winter 2008.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers Huron Valley Professional Center Orthopaedics at South Main Leasehold Improvements project as described.

Respectfully submitted,



Robert P. Kelch
Executive Vice President
for Medical Affairs



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

December 2007