THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
        University Hospital
        Roof Replacement

Action Requested: Approval to Proceed with Project

Background:

The University Hospital roof has exceeded its expected life of twenty years, and
the frequency of repairs has been increasing each year. This project will replace the building's
approximately 185,000 square foot roof. The original ballasted build-up roof will be replaced
with an ethylene propylene diene monomer roof. There will be a temporary loss of
approximately thirty parking spaces during construction, but no permanent impact on parking
from this project. During construction, valet parking will be adjusted to accommodate patient
parking.

The estimated cost of the project is $7,900,000. 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 is scheduled to be
completed in Fall 2008.

We recommend that the Regents approve University of Michigan Hospitals and
Health Centers University Hospital Roof 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,

Robert P. Kelch
Executive Vice President
for Medical Affairs

Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

January 2007