Subject: University of Michigan Hospitals and Health Centers - East Ann Arbor Computed Tomography and Magnetic Resonance Imaging Expansion Project

Action Requested: Authorization to Issue the Project for Bids and Award Construction Contracts

Background:

At the December 2004 meeting, the Regents approved the schematic design for the East Ann Arbor Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) Expansion project.

The project includes a 6,700 gross square foot addition to the north side of the existing MRI building. The facility will have one floor with rooftop screening for mechanical equipment, and will include space for CT and MRI imaging rooms, a reading room, and related support space.

The estimated cost of the project is $7,200,000, including $3,500,000 for equipment. 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. Construction is scheduled to be completed in Fall 2006.

We recommend the Regents authorize issuing the University of Michigan Hospitals and Health Centers - East Ann Arbor Computed Tomography and Magnetic Resonance Imaging Expansion 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

March 2005

Timothy P. Slottow
Executive Vice President and Chief Financial Officer