

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the
Regents
July 16, 2015

Subject: University of Michigan Hospitals and Health Centers
University Hospital
Positron Emission Tomography/Computed Tomography Scanner Replacement

Action Requested: Approval to Proceed with Project

Background:

Combined positron emission tomography/computed tomography (PET/CT) scanners are an advanced imaging method that allows the detection and location of cancer cells. The PET/CT scanner located on level B1 of University Hospital was purchased in 2007 and remains operational. Since 2007, however, the technology in this area has advanced rapidly, and the University of Michigan Hospitals and Health Centers propose replacing the scanner to improve diagnostic capabilities. A renovation of approximately 1,000 gross square feet on level B1 is planned to accommodate the scanner replacement. The scope of this project includes the architectural, electrical, and mechanical work necessary to accomplish these improvements. There will be no impact on parking from this project. A Certificate of Need will be required from the State of Michigan Department of Community Health for this project.

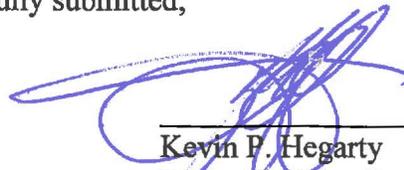
The estimated cost of the project is \$6,000,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The architectural firm of Project and Design Management will design the project. The project is expected to provide an average of eight on-site construction jobs. Construction is scheduled to be completed in the winter of 2016.

We recommend that the Board of Regents approve the University of Michigan Hospitals and Health Centers University Hospital Positron Emission Tomography/Computed Tomography Scanner Replacement project as described, authorize commissioning the architectural firm of Project and Design Management for its design, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Marschall S. Runge
Executive Vice President for
Medical Affairs



Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer

July 2015