

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents

September 22, 2006

Subject: Student Activities Building Renovation

Action

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

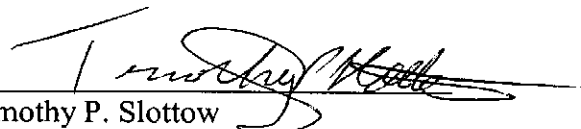
Background:

At the December 2005 meeting, the Regents approved the schematic design for the Student Activities Building Renovation project. The project involves renovating approximately 53,000 gross square feet of space to address infrastructure, code, and accessibility needs, and to enhance public and departmental spaces. The completed renovations will enable students and visitors to more conveniently utilize services within the building, and improve the efficiency and effectiveness of the Offices of Admissions, Student Financial Operations, and Financial Aid. The scope of this project includes the architectural, mechanical, and electrical work necessary to accomplish these improvements.

The estimated cost of the project is \$8,500,000. This project is part of a Fiscal Year 2005 Supplemental Capital Outlay Request to the State of Michigan. Once the funds are appropriated by the State legislature, the State will fund approximately two-thirds of the project, and the University will fund the balance with investment proceeds. 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. A phased construction schedule is planned in order to minimize disruption to the academic calendar, with construction scheduled to be completed in Summer 2008.

We recommend that the Regents authorize issuing the Student Activities Building Renovation project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

September 2006