

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents

September 22, 2006

Subject: Henry S. Frieze Building
Asbestos Abatement, Demolition and Site Preparation

Action Requested: Approval to Proceed with Project

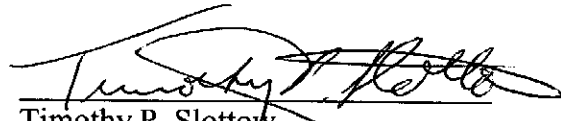
Background:

At the January 2005 meeting, the Regents approved the project to construct the North Quad Residential and Academic Complex on the site of the Frieze Building. To prepare the site for construction, we propose issuing bids and awarding contracts for the asbestos abatement and demolition of the 239,000 gross square foot Frieze Building. Additional site work includes reinforcing portions of the Carnegie Library to protect the structure for eventual incorporation into the North Quad Complex. Earth retention systems will be installed around the site perimeter, and the entire site will be excavated in preparation for the North Quad Complex foundations. Site utility work will include natural gas service, temporary electrical for construction, preparation for an expansion of the tunnel system for a future project to provide steam and water, and re-routing an existing telephone duct bank to a new location. There will be a loss of existing parking spaces during demolition.

The estimated cost of the project is \$8.5 million. Funding will be provided from a combination of resources from Housing, the Provost's Office, the College of Literature, Science, and the Arts, and 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. Work is scheduled to be completed in Fall 2007.

We recommend that the Regents approve the Henry S. Frieze Building Asbestos Abatement, Demolition and Site Preparation project as described, and authorize issuing the project for bids and awarding construction contracts, providing that the bids are within the approved budget.

Respectfully submitted,


Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

September 2006