

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
University Hospital
Magnetic Resonance Imaging Expansion

Approved by the Regents

October 25, 2007

Action

Requested: Approval to Proceed with Project

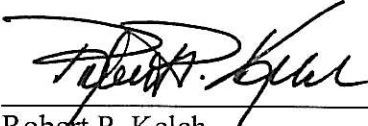
Background:

The University of Michigan Hospitals and Health Centers Imaging Strategic Plan provides for specific diagnostic imaging improvements over the next five fiscal years. As part of phase one of the plan to meet growing patient demands for diagnosis and treatment, this project will increase the Hospitals' capacity for critical services. Magnetic resonance imaging (MRI) services will be expanded into an area adjacent to the current MRI services area on level B2 of the University Hospital. A renovation of approximately 6,000 gross square feet is planned that will accommodate the addition of a fifth MRI scanner, completion of the MRI office suite, and a new reading room. The scope of this project includes the architectural, mechanical and electrical 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 \$8,000,000. 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. The architectural firm of Integrated Design Solutions, LLC will design the project. A phased construction schedule is planned in order to minimize disruption to patient care, with construction to be completed in Fall 2008.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers University Hospital Magnetic Resonance Imaging Expansion project as described, authorize commissioning the architectural firm of Integrated Design Solutions, LLC for its design, 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

October 2007