

**FORMAL ACKNOWLEDGEMENT OF FUNDING FOR THE HIGH TEMPERATURE
HOT WATER PERMANENT REDUNDANCY BOILER PROJECT**
A Recommendation

**1. Division and Department: Finance and Administration and Facilities
Management Department**

Introduction: On October 19, 2025, an initial leak in one of the expansion loops in the underground HTHW main line was discovered. Due to urgent repairs to the High-Temp Hot Water (HTHW) piping system, a campus shutdown was scheduled for the week of Thanksgiving to complete the repairs. As the nature of the leak required a reduction in temperature, which affected heating in several campus buildings, repairs had to be completed before heating could be restored. After initial repairs were completed in November and the HTHW system was energized, an additional leak was discovered due to temperature and pressure fluctuations. While the emergency campus closure in effect during the Thanksgiving holiday break ended as planned on December 1, 2025, modified university operations were necessary because many buildings were left without heat. During these additional repairs, a third leak was discovered, and university operations continued to be modified.

On December 12, 2025, President Pescovitz authorized \$5 million in total project costs to complete emergency repairs and provide temporary heating for the affected buildings.

Temporary heating was provided to all affected buildings. Repairs to the HTHW piping system were completed, and testing proceeded without incident on December 14, 2025. The system was fully operational on December 15th. The University fully reopened on January 5, 2026.

However, the aging infrastructure of the current HTHW piping system poses an ongoing, unacceptable risk of catastrophic failure and subsequent campus closures. To prevent a recurrence of the system failure and unplanned campus shutdown, \$17 million has been requested to complete the High Temperature Hot Water Permanent Redundancy Boiler Project (Project). This Project would fund the installation of independent boiler systems for the buildings, eliminating a single point of failure and preventing future campus-wide shutdowns caused by the central HTHW system. This Project would also convert the existing central HTHW system to operate as a Lower Temperature Hot Water (LTHW). Operating at lower temperatures significantly reduces the stress and systemic risk associated with aged piping, preserving the infrastructure for continued, safer use.

Facilities Management and external consultants assessed cost-effectiveness, implementation speed, and long-term viability. The resulting redundancy plan is the most effective strategy to mitigate this risk.

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On December 12, 2025, President Pescovitz authorized \$17 million to install independent boiler systems and convert the existing central HTHW system. These actions were taken in compliance with Board of Trustees (BOT) Bylaws, Article II and Policy 410, Section 2C.

Board of Trustees' formal approval and confirmation are being sought for the \$17 million Project, which will cover the full scope of this critical infrastructure, funded from the University's Working Capital Investment Portfolio Capital Gains.

2. **Previous Board Action:** None.
3. **Budget Implications:** The funding source for this \$17 million Project is the University's Working Capital Investment Portfolio Capital Gains.
4. **Educational Implications:** This project is vital to protecting the University's operational continuity and financial stability. This project moves the University beyond temporary fixes toward a secure, long-term heating solution.
5. **Personnel Implications:** None.
6. **University Reviews/Approvals:** This recommendation was prepared by Facilities Management and reviewed by the Senior Vice President for Finance and Administration and the President.
7. **Recommendation:**
RESOLVED, that the Board of Trustees formally acknowledges the \$17 million not to exceed budget authorized for use for the HTHW Permanent Redundancy Boiler Project; and, be it further

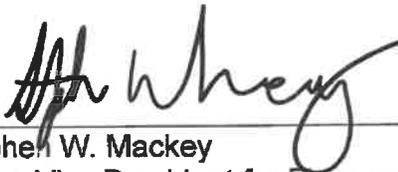
RESOLVED, that the Board of Trustees directs the President, Senior Vice President for Finance and Administration, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments, and documents required by this resolution that are necessary, expedient, and proper in connection with the HTHW Permanent Redundancy Boiler Project and the ongoing administration of the Project; and, be it further

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RESOLVED, that said contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

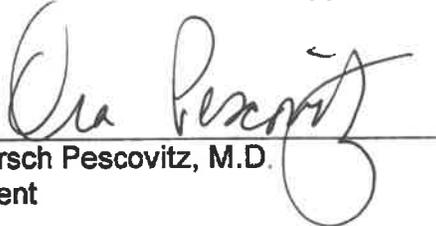
8. Attachments: None

Submitted to the President
on 2 February, 2026 by



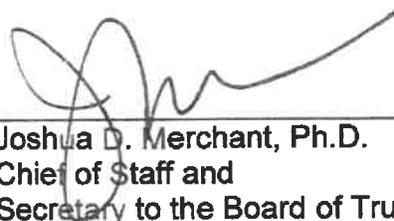
Stephen W. Mackey
Senior Vice President for Finance and
Administration and Treasurer to the Board of
Trustees

Recommended on 2 Feb, 2026
to the Board of Trustees for Approval by



Ora Hirsch Pescovitz, M.D.
President

Reviewed by:



Joshua D. Merchant, Ph.D.
Chief of Staff and
Secretary to the Board of Trustees