

Board or Regents Policy: 1003.7 – Physical Plant Section II (A) (1-6)

This authority is for an amount greater than \$350,000, which requires the following additional information:

a) Project Description:

This project is for the replacement of the two boilers that heat the Library and Liberal Arts Buildings. Repairs of approximately \$40K were performed on the boilers last summer, but due to the advanced age of the equipment the repairs are not sustaining long term use. The boilers are now both leaking again, and it has become an urgent situation. It takes six to seven months of lead time to design, order and manufacturer boilers. Approval of this request will allow MSUB to have the new boilers installed in the fall 2020.

b) Cost Estimate for Board of Investments Inter-cap Loan, Principal Amount \$750,000 at a current interest rate of 3.37% and Funding Sources:

Term	Annual Payment Amount
5 Years	\$165,500
10 Years	\$89,591
15 Years	\$64,518

We plan to take out the fifteen-year loan for an annual debt service of \$65K and repay the loan from the existing facilities operating budget.

c) Program Served, Enrollment Data, Projected Enrollment: N/A**d) Space Utilization Data: Unchanged****e) Projected Use for Available Residual Space: N/A****f) Projected O&M Costs and Proposed Funding Sources:**

The funding source for future operation and maintenance will be the facilities operating budget. No additional operations and maintenance costs will be incurred.