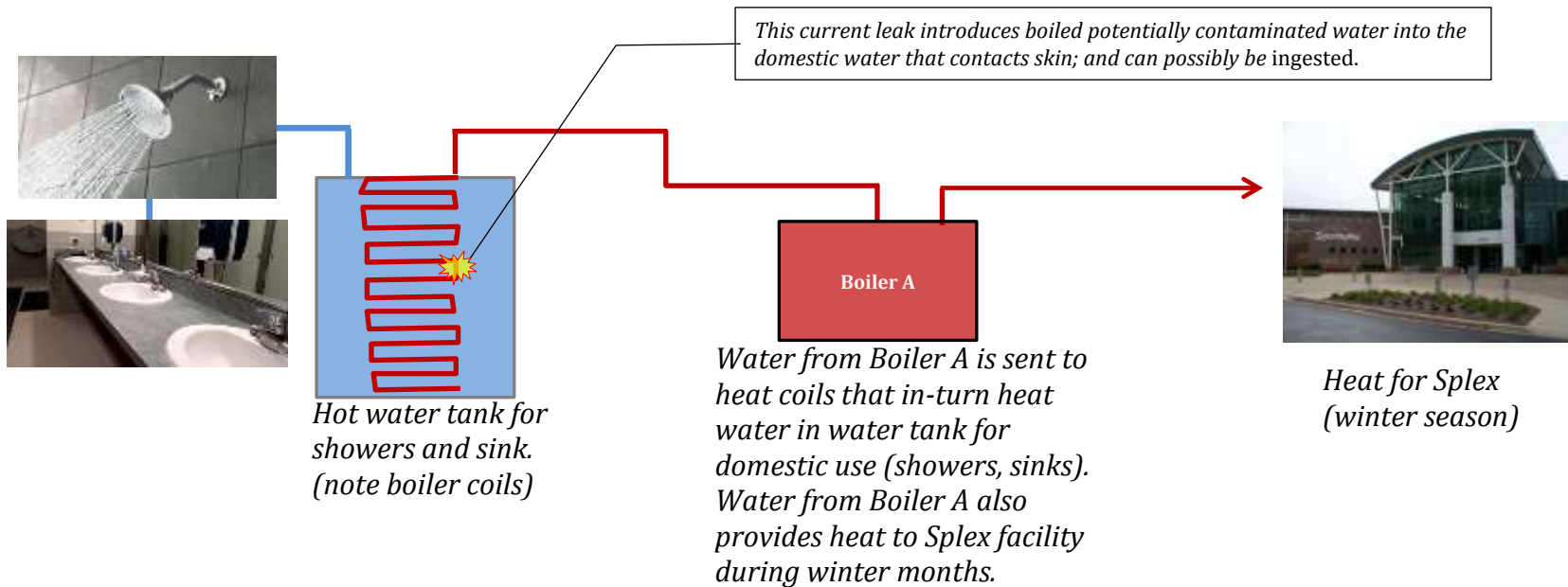


*This is a rough diagram that explains the recently discovered issue with the Spelx's hot water tank that provides domestic hot water to showers and sinks.*



The replacement of this “heater coil bundle” would cost upwards of \$10,000. The Spelx Domestic Water Project, which would remove the hot water tank and replace it with a boiler, is scheduled to be initiated in FY17. It may be prudent to forego putting good money into this bad tank and request for CTS to provide a quote for what it would cost to accelerate the removal/replacement of the hot water tank only.