



South Carolina Commission on Higher Education

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TO: Mr. Kenneth B. Wingate, Chair, and Members, Commission on Higher Education
FROM: Mr. Jim Sanders, Chair, and Members of the Committee on Finance & Facilities
SUBJECT: Items for Consideration on August 4
DATE: July 27, 2010

Attached are items for your review and consideration at the August 4 Commission meeting. Please note the Committee on Finance and Facilities has not yet acted on these items but is scheduled to review and develop recommendations at its meeting scheduled for 9:30 a.m. on August 4. The Committee will bring its recommendations to the Commission for consideration at the Commission meeting. Staff recommendations are included for your information.

If you have any questions about a particular item, or if you need additional information, please contact me or Gary Glenn at (803) 737-2155.

8.04A Interim Capital Projects

- A. College of Charleston
 - i. Hungry Cougar Renovation & Expansion (Phase II)
- *establish construction budget*
- B. Tri-County Technical College
 - i. Highway 76 Land Acquisition (Phase II)
- *purchase property*
- C. Trident Technical College
 - i. B940 Roof Replacement (Phase II)
- *establish construction budget*

8.04B Lease

- A. Clemson University
 - i. 103 Technology Drive
- *new lease*

8.04C List of Capital Projects & Leases Processed by Staff for June & July 2010 (For Information)

DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

August 4, 2010

COLLEGE OF CHARLESTON

PROJECT NAME: Hungry Cougar Renovation & Expansion (Phase II)
REQUESTED ACTION: Establish Construction Budget
REQUESTED ACTION AMOUNT: \$1,885,000
INITIAL CHE APPROVAL DATE: October 27, 2009

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Professional Service Fees	\$15,000	\$102,229	\$117,229
New Construction	\$0	\$233,928	\$233,928
Interior Building Renovations	\$0	\$1,186,564	\$1,186,564
Exterior Building Renovations	\$0	\$101,962	\$101,962
Other (FF&E and OSE Plan Review Fees)	\$0	\$108,000	\$108,000
Contingency	\$0	\$152,317	\$152,317
<i>Total</i>	<i>\$15,000</i>	<i>\$1,885,000</i>	<i>\$1,900,000</i>

<u>Source of Funds</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Auxiliary	\$15,000	\$1,885,000	\$1,900,000
<i>Total</i>	<i>\$15,000</i>	<i>\$1,885,000</i>	<i>\$1,900,000</i>

DESCRIPTION:

The College requests approval to establish the construction budget to renovate and expand Hungry Cougar.

The Hungry Cougar is a food service facility located on the ground floor of the Joe E. Berry Jr. residence hall in the north central area of campus. This project will allow the space conversion to provide an all-you-care-to-eat meal alternative which will increase customer satisfaction and value perception. Currently, 50% of resident students are housed in this area of campus. Many residents choose the Hungry Cougar as their primary dining location due to its proximity to their residence halls.

The existing dining/food service area and supporting service space is approximately 5,640 SF and will expand into an adjacent exterior covered area, which will bring total space to 7,260 SF. The project will provide three primary food stations with a dessert station and increased seating inside the building as well as optional outdoor seating. The scope includes converting an adjacent office into a sandwich shop area for “on-the-go” customers. This work includes approximately 3,175 SF and will include the replacement of the mechanical ductwork, equipment and lighting, improvements to the fire alarm system and some plumbing work. New food service stations/equipment will be installed as well as new interior finishes, furniture, casework, and flooring.

The College originally planned to renovate the existing Hungry Cougar dining/food service area and supporting service space (approximately 5,640 SF) with the possibility of expanding the area. Upon working with the architect, the Hungry Cougar dining and serving area was expanded to approximately 7,260 SF, including supporting service space. The additional space is necessary to provide more food options and seating. Also, it was determined the small office serving the Hungry Cougar and the Cougar Card office could be utilized as a retail sandwich shop in space that faces Calhoun Street, a very prominent location on campus. The scope includes improving the corridor entrance from Calhoun Street, which is not adequately lit, as well as the outdoor dining area, which faces St. Philip Street. This additional work includes approximately 3,175 SF. The initial estimate was based on project costs for Fresh Food Company, the last food service facility the College completed in August 2007. The project cost

was \$4.5 million for 20,000 SF. Using that as a guide, the College's initial concept only included approximately 5,000 SF, which equated to approximately \$1 million. The current proposed scope includes approximately 10,435 SF with a total project cost of \$1.9 million. A third-party cost consultant reviewed the architect's drawings and provided this estimate.

This project is included in the institution's FY 2010-11 CPIP year one as priority number six. However, due to the change in scope, the budget has increased by \$900,000 since CPIP submission requiring full committee and commission approval.

E&G MAINTENANCE NEEDS REDUCTION:

N/A - Auxiliary

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

TRI-COUNTY TECHNICAL COLLEGE

PROJECT NAME: Highway 76 Land Acquisition (Phase II)
REQUESTED ACTION: Purchase Property
REQUESTED ACTION AMOUNT: \$3,214,000
INITIAL CHE APPROVAL DATE: May 11, 2010

Project Budget	Previous	Change	Revised
Land/Building Purchase	\$0	\$975,000	\$975,000
Professional Service Fees	\$20,000	\$190,000	\$210,000
Interior Building Renovations	\$0	\$650,000	\$650,000
Building Utilities Renovations	\$0	\$435,000	\$435,000
Roofing	\$0	\$445,000	\$445,000
Other Permanent Improvements	\$0	\$225,000	\$225,000
Contingency	\$0	\$294,000	\$294,000
Total	\$20,000	\$3,214,000	\$3,234,000

Source of Funds	Previous	Change	Revised
ARRA Funds	\$0	\$1,250,000	\$1,250,000
Local	\$20,000	\$1,964,000	\$1,984,000
Total	\$20,000	\$3,214,000	\$3,234,000

DESCRIPTION:

The College requests approval to purchase approximately five acres of land and a 46,000 SF building located five miles from the main campus at 5321 Highway 76 in Anderson County. This property will be used for the relocation of the College’s Industrial and Electronic Technology (I&ET), Welding, and HVAC programs.

The Welding and HVAC programs are currently housed in the Clarke-McKissick Building. This facility is outdated for today’s manufacturing standards, requirements, and safety regulations. Renovation is impractical due to its layout and location. Relocation to a suitable facility will save approximately \$2 M over the cost of new construction.

This project was not included in the institution’s FY 2010-11 CPIP year one as the availability of land and building were not anticipated at time of CPIP submission.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – Land Purchase

ANNUAL OPERATING COSTS/SAVINGS:

Utilities, custodial and maintenance are expected to generate additional operating costs ranging between \$40,000 and \$60,000 in the three years following project completion. Operational savings are estimated to be \$40,000 per year in the second and third years following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

TRIDENT TECHNICAL COLLEGE

PROJECT NAME: B940 Reroofing (Phase II)
REQUESTED ACTION: Establish Construction Budget
REQUESTED ACTION AMOUNT: \$631,525
INITIAL CHE APPROVAL DATE: November 7, 2008

Project Budget	Previous	Change	Revised
Professional Service Fees	\$8,475	\$51,200	\$59,675
Roofing	\$0	\$521,281.50	\$521,281.50
Contingency	\$0	\$59,043.50	\$59,043.50
Total	\$8,475	\$631,525	\$640,000

Source of Funds	Previous	Change	Revised
Institutional	\$8,475	\$631,525	\$640,000
Total	\$8,475	\$631,525	\$640,000

DESCRIPTION:

The College requests approval to establish the construction budget to correct maintenance needs problems with the roof in Building 940. The existing roofing material will be removed and replaced. The building is 49,036 SF and houses the purchasing department, part of the IT department, warehouse space, and leased space.

The roof is approximately 30 years old. Existing leaks are causing damage to the interior building finishes. Numerous repairs have been made, but the existing single ply roof is at the end of its intended life.

This project was included in the institution's FY 2009-10 CPIP year two list but was not included as a FY 2010-11 CPIP year one project. At the time of CPIP submission, the institution wasn't sure how much state funding would be cut, and did not have the results of the preliminary design to have a good estimate of the project cost. Therefore, without knowing whether they needed to reallocate funds to cover state cuts or not, they could not say the funding was in hand. State funding is now set, the preliminary design and estimates have been completed, and enrollment, which generates capital project fees, has remained high. The College now has the funding available to accomplish this project.

E&G MAINTENANCE NEEDS REDUCTION:

The project will alleviate a portion of the \$1,346,693 in existing maintenance needs.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

DESCRIPTION OF LEASE FOR CONSIDERATION

August 4, 2010

CLEMSON UNIVERSITY

LEASE NAME: 103 Technology Drive
REQUESTED ACTION: New Lease
REQUESTED ACTION AMOUNT: \$1,085,000

DESCRIPTION:

The University requests approval to lease 14,000 SF of office space and 3,000 SF of storage space at 103 Technology Drive in Anderson, SC. An additional 6,000 SF of office space will be available in the first year of the lease for additional employees. This property is owned by the Clemson University Research Foundation and is located in the University's Research Park. The purpose of the lease is to relocate the computing and information technology group currently housed at Eagles Landing at the expiration of the current lease in December 2010.

The monthly rental rate will be \$18,083, resulting in an annual cost of approximately \$217,000. The 6,000 SF of additional office space is available for employees that will need to be hired when the University secures the Medicaid Information Technology Architecture (MITA) project. These new hires are predicted to move in sometime after the lease starts in January 2011. When the 6,000 SF of additional office space is added the monthly rental rate will be \$25,083, resulting in an annual cost of approximately \$301,000. The requested lease term is five years with the option to renew for three terms of five years each resulting in a total lease cost of \$1,085,000. The per-square-foot rate is \$14.00 for office space and \$7.00 for storage space. This is a full service lease; therefore, there will be no additional operating expenses.

RECOMMENDATION:

Staff recommends approval of this lease provided the rates and terms are approved by the Budget and Control Board.

INFORMATION ITEM

Capital Projects & Leases Processed by Staff

June 2010

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget
5/25/2010	6066	USC Columbia	Jones PSC N. Tower Ceiling Asbestos Removal ¹	revise scope	\$0	\$5,500,000
5/25/2010	9543	USC Aiken	Penland Cooling Tower Replacement ²	decrease budget	(\$40,000)	\$209,000
5/25/2010	9544	USC Aiken	Etherredge Center Cooling System Repair/Replacement ³	increase budget	\$40,000	\$440,000
5/27/2010	6017	Florence-Darlington TC	National Guard Land Acquisition	increase budget, revise scope (purchase property)	\$150,000	\$165,000
6/11/2010	9857	Clemson	Boiler No. 4 Emissions Control Equipment Upgrade	decrease budget, close project	(\$202)	\$3,199,798
6/11/2010	9862	Clemson	Riggs Hall Window Replacements	decrease budget, close project	(\$15,064)	\$634,936
6/11/2010	9600	The Citadel	Stevens Barracks Renovation	decrease budget, close project	(\$5,567)	\$2,406,933
6/14/2010	9851	Trident TC	Complex Phase III Renovation	decrease budget, close project	(\$79,450)	\$10,325,550
6/14/2010	9912	Trident TC	Palmer Culinary Arts/Culinary Institute of Charleston Renovation	decrease budget, close project	(\$928,537)	\$8,571,463
6/16/2010	New	Francis Marion	Athletic Complex Land Acquisition ⁴	establish project	\$0	\$0
6/16/2010	6011	Central Carolina TC	Reroof Building 400 ⁵	change source of funds	\$0	\$650,000
6/16/2010	6014	Horry-Georgetown TC	Building 300 Replacement ⁶	establish construction budget	\$12,312,500	\$12,500,000
6/18/2010	9557	Coastal Carolina	Student Recreation/Convocation Center Construction ⁷	revise scope	\$0	\$35,000,000
6/18/2010	New	Trident TC	Building 700/800 Reroofing ⁶	establish pre-design	\$0	\$12,750

¹Revise scope to include replacement of fire alarm systems on floors 1-3 on the south side, north side and basement. When bids were received they were lower than estimated allowing the fire alarm replacement to be added at no additional cost.

²Decrease budget and transfer funds to project #9544 - Etherredge Center Cooling System Repair/Replacement. Project costs are lower than anticipated allowing for reallocation of funding.

³Increase budget with funds from project #9543 to provide additional funding to install a more energy efficient chiller.

⁴See supporting narrative.

⁵Move \$4,939.88 from Local to Federal ARRA stimulus funds.

⁶Approved by CHE on May 6, 2010 as part of CPIP FY 2010-11 year one.

⁷Revise scope to expand the Student Recreation/Convocation Center central cooling and heating plant to accept the cooling demands of Waccamaw and Santee dorms and the Commons Dining Hall. Scope to include expansion of the central plant building, equipment and piping to the chilled water system at the dorms and dining hall. The bid for this building came in low enough for the University to proceed with expanding the plant to accommodate the needs of dorms and dining facility at no additional cost.

Capital Projects Processed by Staff

July 2010

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget
7/1/2010	New	MUSC	Basic Science Building East Side Air Handler Replacement ¹	establish pre-design	\$0	\$60,000
7/1/2010	New	MUSC	Basic Science Building East Side Exhaust & Emergency Power Improvements ²	establish pre-design	\$0	\$41,250
7/1/2010	New	MUSC	Basic Science Building Dental Medicine Classroom/Office Renovation ²	establish pre-design	\$0	\$38,250
7/1/2010	New	MUSC	Harborview Office Tower Chilled Water Risers Replacement ²	establish pre-design	\$0	\$15,000
7/1/2010	New	MUSC	Storm Eye Institute Sanitary Sewer Riser Replacement ²	establish pre-design	\$0	\$8,400
7/1/2010	New	MUSC	Thurmond Gazes Building Envelope & Exhaust Systems Renovations ¹	establish pre-design	\$0	\$105,000
7/15/2010	9617	College of Charleston	George St. Corridor - Data & Telecommunications Infrastructure Expansion	decrease budget, cancel project	(\$92,207)	\$157,793
7/15/2010	9633	College of Charleston	McConnell Hall Renovation Phase II ³	decrease budget	(\$2,630)	\$604,805
7/15/2010	9634	College of Charleston	Rutledge/Buist Hall Renovation Phase II	increase budget, close project	\$2,630	\$1,466,637
7/21/2010	New	Spartanburg CC	Spartanburg Downtown Campus ¹	establish pre-design	\$0	\$25,000
7/21/2010	9501	USC SOM	Medical Park Property Acquisition	decrease budget, close project	(\$30,000)	\$9,303,503
7/21/2010	6046	USC Columbia	Woodrow Roof Replacement and Exterior Repairs	decrease budget, close project	(\$389,468)	\$810,532
7/21/2010	9988	USC Columbia	Humanities Classroom Elevator Upgrades	decrease budget, close project	(\$14,437)	\$145,563
7/21/2010	9507	USC Lancaster	Hubbard Hall HVAC Renovation	close project	\$0	\$548,750
7/23/2010	9645	SC State	Campus-Wide Energy Performance Contract	increase budget, revise scope	\$398,297	\$698,297

¹Approved by CHE on May 6, 2010 as part of CPIP FY 2010-11 year one.

²See supporting narrative.

³Transfer funds to Project #9634.

**FOR INFORMATION – PROJECT ESTABLISHMENTS PROCESSED BY STAFF
FOR JUNE & JULY 2010**

Note: At the June, 2008 meeting, the Finance & Facilities Committee clarified staff authority for processing institutional requests to establish capital projects. Accordingly, the following summaries are presented as information.

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROJECT NAME: Basic Science Building East Side Exhaust & Emergency Power Improvements (Phase I)
REQUESTED ACTION: Establish Pre-Design
REQUESTED ACTION AMOUNT: \$41,250
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Service Fees	\$0	\$41,250	\$41,250
Total	\$0	\$41,250	\$41,250

Source of Funds	Previous	Change	Revised
Institutional Capital Project Fund	\$0	\$41,250	\$41,250
Total	\$0	\$41,250	\$41,250

DESCRIPTION:

The University requests approval to establish a project to renovate the exhaust and emergency power systems in the east half of the Basic Science Building. A new exhaust system will be installed to support planned conversion of the existing space to research labs. The existing building emergency generator capacity is at its maximum. Additional emergency generator capacity will be installed to support planned renovations. Floor to floor supply air dampers will also be installed to allow air flow control to various areas of the building.

This project was not included in the institution's FY 2010-11 CPIP year one because it was not identified as a need until after CPIP submission. The projected project budget is \$2,750,000.

E&G MAINTENANCE NEEDS REDUCTION:

The project will alleviate a portion of the \$5,621,488 in existing maintenance needs.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROJECT NAME: Basic Science Building Dental Medicine Classroom/Office Renovation (Phase I)
REQUESTED ACTION: Establish Pre-Design
REQUESTED ACTION AMOUNT: \$38,250
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Service Fees	\$0	\$38,250	\$38,250
Total	\$0	\$38,250	\$38,250

Source of Funds	Previous	Change	Revised
College of Dental Medicine	\$0	\$38,250	\$38,250
Total	\$0	\$38,250	\$38,250

DESCRIPTION:

The University requests approval to establish a project to renovate space in the Basic Science Building for classrooms and faculty offices to support the College of Dental Medicine. This project involves the construction of two classrooms in the former dental clinic space on the third floor and office renovations. The office renovation portion of the project involves four to five phases to accommodate dental faculty space and new research space. Renovations will occur on floors 1-3 and 5 for a total of approximately 10,000 SF.

This project was not included in the institution's FY 2010-11 CPIP year one because it was not identified as a need by the College of Dental Medicine until after CPIP submission. The projected project budget is \$2,550,000.

E&G MAINTENANCE NEEDS REDUCTION:

The project will alleviate a portion of the \$5,621,488 in existing maintenance needs.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROJECT NAME: Harborview Office Tower Chilled Water Risers Replacement (Phase I)
REQUESTED ACTION: Establish Pre-Design
REQUESTED ACTION AMOUNT: \$15,000
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Service Fees	\$0	\$15,000	\$15,000
Total	\$0	\$15,000	\$15,000

Source of Funds	Previous	Change	Revised
Institutional Capital Project Fund	\$0	\$15,000	\$15,000
Total	\$0	\$15,000	\$15,000

DESCRIPTION:

The University requests approval to establish a project to replace the chilled water piping risers in the Harborview Office Tower Building. The existing risers are severely corroded and in danger of failure.

This project was not included in the institution's FY 2010-11 CPIP year one because the problem was not discovered and quantified until after CPIP submission. The projected project budget is \$1,000,000.

E&G MAINTENANCE NEEDS REDUCTION:

The project will alleviate a portion of the \$6,535,584 in existing maintenance needs.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROJECT NAME: Storm Eye Institute Sanitary Sewer Riser Replacement (Phase I)
REQUESTED ACTION: Establish Pre-Design
REQUESTED ACTION AMOUNT: \$8,400
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Service Fees	\$0	\$8,400	\$8,400
Total	\$0	\$8,400	\$8,400

Source of Funds	Previous	Change	Revised
Institutional Capital Project Fund	\$0	\$8,400	\$8,400
Total	\$0	\$8,400	\$8,400

DESCRIPTION:

The University requests approval to establish a project to replace the copper pipe sanitary sewer system risers in the Storm Eye Institute. The existing risers are severely corroded and are a continuous source of leaks. The risers will be replaced with acid resistant polypropylene piping.

This project was not included in the institution's FY 2010-11 CPIP year one because the problem was not discovered and quantified until after CPIP submission. The projected project budget is \$560,000.

E&G MAINTENANCE NEEDS REDUCTION:

The project will alleviate a portion of the \$333,028 in existing maintenance needs.

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

FRANCIS MARION UNIVERSITY

PROJECT NAME: Athletic Complex Land Acquisition
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$0
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Land Purchase	\$0	\$0	\$0
<i>Total</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>

<u>Source of Funds</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Donation from Foundation	\$0	\$0	\$0
<i>Total</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>

DESCRIPTION:

The University requests approval to establish a project to acquire an additional 3.11 acres of land adjoining the existing Athletic Complex property and Highway 301/76 for the development of the new athletic complex. The land is being donated to the University from the Francis Marion University Foundation at no cost.

The previously approved athletic complex will include all of the Universities collegiate athletic competition fields and necessary support buildings. The complex is expected to include an 800 seat baseball stadium, a 300 seat softball stadium, a 400 seat soccer stadium, and a field house with offices, locker rooms and a training room. The site plan will include practice fields, parking lots for cars and buses, sidewalks, and walking trails through natural wetland and wooded areas.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – Land Acquisition

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.