



# South Carolina Commission on Higher Education

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Dr. Garrison Walters, Executive Director

**TO:** Mr. Kenneth B. Wingate, Chair, and Members, Commission on Higher Education  
**FROM:** Mr. Guy Tarrant, Chair, and Members of the Committee on Finance & Facilities  
**SUBJECT:** Items for Consideration on February 2  
**DATE:** January 27, 2012

Attached are items for your review and consideration at the February 2 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 February 2. 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 Gary Glenn at (803) 737-2155.

## **8.04A Interim Capital Projects**

- A. Medical University of South Carolina
  - i. Clinical Sciences Building 9<sup>th</sup> Floor Renovation  
- *establish project*
  - ii. Walton Research Building Renovation – Floors 2, 3, 6 & 7  
- *establish project*
- B. Coastal Carolina University
  - i. New Student Housing Construction  
- *establish project*

## **8.04B List of Capital Projects & Leases Processed by Staff for January 2012 (For Information, No Action Required)**

**DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION**

February 2, 2012

**MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**PROJECT NAME:** Clinical Sciences Building 9<sup>th</sup> Floor Renovation  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$10,100,000  
**INITIAL CHE APPROVAL DATE:** N/A

<b><u>Source of Funds</u></b>	<b><u>Phase I – Pre-Design</u></b>	<b><u>Phase II - Construction</u></b>	<b><u>Total Proposed Budget</u></b>
College of Medicine Clinical Revenue	\$151,500	\$9,948,500	\$10,100,000
<b><i>Total</i></b>	<b><i>\$151,500</i></b>	<b><i>\$9,948,500</i></b>	<b><i>\$10,100,000</i></b>

**DESCRIPTION:**

The University requests approval to establish a project to renovate approximately 32,700 SF of office and lab space on the 9<sup>th</sup> floor of the Clinical Sciences Building. Renovations will bring labs up to current standards and will make more efficient and effective use of the space.

The 9<sup>th</sup> floor has not been substantially renovated since the building was constructed in 1975. Existing lab and office configuration is inefficient and ineffective, and labs do not meet current lab standards. Renovations will add 370 linear feet of lab bench space for a total of 1,270 linear feet, 70 tech stations for a total of 90, and 4 offices for a total of 40. Building support systems will be upgraded as necessary.

This project was not included in the institution’s FY 2011-12 CPIP year one because funding was not available at the time of CPIP submission. The internal project cost estimate is \$10,100,000 to be funded with College of Medicine Clinical Revenue. These funds are derived from revenue for patient care. There will be no tuition or student fee increases associated with this project.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$33,315,475 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.

**MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**PROJECT NAME:** Walton Research Building Renovation – Floors 2, 3, 6 & 7  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$6,300,000  
**INITIAL CHE APPROVAL DATE:** N/A

<b><u>Source of Funds</u></b>	<b><u>Phase I – Pre-Design</u></b>	<b><u>Phase II - Construction</u></b>	<b><u>Total Proposed Budget</u></b>
College of Medicine Clinical Revenue	\$94,500	\$6,205,500	\$6,300,000
<b><i>Total</i></b>	<b><i>\$94,500</i></b>	<b><i>\$6,205,500</i></b>	<b><i>\$6,300,000</i></b>

**DESCRIPTION:**

The University requests approval to establish a project to renovate approximately 27,615 SF of space on floors 2, 3, 6 and 7 in the Walton Research Building. Renovations will include converting space into faculty offices and student study areas for the College of Medicine. The addition of a code compliant egress, a fire suppression system, and upgrades to building mechanical and electrical systems will also be included. Some minor work associated with building support systems will occur on the first floor.

The Walton Research Building is an eight-story facility constructed in 1962. With the exception of floors 4, 5, and 8, this building has not received substantial renovations since its original construction. The building infrastructure has begun to deteriorate and there are several building code compliance issues. A recent feasibility study has determined that the best use of floors 2, 3, 6 and 7 is office space.

This project was not included in the institution’s FY 2011-12 CPIP year one because funding was not available at the time of CPIP submission. The internal project cost estimate is \$6,300,000 to be funded with College of Medicine Clinical Revenue. These funds are derived from revenue for patient care. There will be no tuition or student fee increases associated with this project.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$5,306,794 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.

**COASTAL CAROLINA UNIVERSITY**

**PROJECT NAME:** New Student Housing Construction  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$85,000,000  
**INITIAL CHE APPROVAL DATE:** N/A

<b><u>Source of Funds</u></b>	<b><u>Phase I – Pre-Design</u></b>	<b><u>Phase II - Construction</u></b>	<b><u>Total Proposed Budget</u></b>
Housing Revenue	\$470,000	\$0	\$470,000
Revenue Bonds	\$0	\$84,530,000	\$84,530,000
<b><i>Total</i></b>	<b><i>\$470,000</i></b>	<b><i>\$84,530,000</i></b>	<b><i>\$85,000,000</i></b>

**DESCRIPTION:**

The University requests approval to establish a project to construct two 135,000 SF student housing facilities. The facilities will be constructed in two phases and will be located on a parcel of land owned by the Coastal Carolina University Housing Foundation known as the Elvington Property.

Each facility will consist of 635 beds for a total of 1,270 beds. The residence halls will be traditional but modern with double loaded corridors consisting of junior or semi-suites. They will provide double occupancy bedrooms and a minimum of one bathroom with separate vanity and water closet. A heavy emphasis will be placed on community space on each floor consisting of one quiet study room and one living room space. The building will have full wireless and wired internet connectivity, access control and security systems, security cameras and fire safety equipment, high efficiency laundry machines, custodial and maintenance storage and working space, apartments for professional live-in staff, offices, reception area, and meeting space.

The University currently has enough space to accommodate 3,192 students. In fall 2012, it is estimated that the University will house 3,625 students through an expanded occupancy plan which doubles and triples rooms in a “plus one” configuration. The 2010 Campus Master Plan called for an additional 1,270 beds to meet the University’s Strategic Plan to grow to 12,500 students by 2020. With planned enrollment growth, half of the 1,270 beds will be needed to house current students and alleviate the “plus ones.” The phased approach, 635 beds by fall 2014 and the remainder in a second phase, will allow for future growth and provide upperclassmen the option of living on campus, which is currently not available.

This project was not included in the institution’s FY 2011-12 CPIP year one because, at the time of CPIP submission, it was thought that the project might be handled through the institution’s Student Housing Foundation. A lease for housing was investigated but responses came back that students would pay 20% more than they do currently to live in the University’s apartment style housing. The RFP for the lease was canceled and this new construction project was moved forward. The internal project cost estimate is \$85,000,000, for both facilities, to be funded with Housing Revenue and Revenue Bonds. There will be no tuition or student fee increases associated with this project. The University anticipates the cost to students to be comparable or lower than existing housing charges.

**E&G MAINTENANCE NEEDS REDUCTION:**

N/A – New Construction

**ANNUAL OPERATING COSTS/SAVINGS:**

Utilities, supplies, and personnel are expected to generate additional operating costs of \$1,152,500 in each of the three years following project completion.

**RECOMMENDATION:**

Staff recommends approval of this project as proposed.

**INFORMATION ITEM**

<b>Capital Projects &amp; Leases Processed by Staff</b>							
<b>January 2012</b>							
Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget	Original Approval Date

<b>Deferred Maintenance Projects Using Capital Reserve Funds</b>							
1/18/2012	New	Coastal Carolina	Deferred Maintenance <sup>1</sup>	establish project	\$0	\$831,612	-
1/9/2012	New	USC Beaufort	Deferred Maintenance <sup>1</sup>	establish project	\$0	\$131,893	-
12/28/2011	New	USC Sumter	Deferred Maintenance <sup>1</sup>	establish project	\$0	\$220,518	-

<b>Routine Staff Approvals</b>							
12/28/2011	6066	USC Columbia	Jones PSC North Tower Ceiling Asbestos Removal	decrease budget	(\$155,000)	\$5,100,000	4/21/2009
12/28/2011	6071	USC Columbia	Horizon I First Floor Laboratory Upfit <sup>2</sup>	increase budget, revise scope	\$155,000	\$4,500,000	11/5/2009
12/28/2011	9511	USC Lancaster	Deferred Maintenance <sup>3</sup>	increase budget	\$21,000	\$160,228	11/9/2011
1/12/2012	9886	Piedmont TC	Business/Industrial Tech Center	decrease budget	(\$71,222)	\$178,778	5/19/2004
1/12/2012	9899	Piedmont TC	Abbeville County Extension Center	decrease budget	(\$190,000)	\$60,000	10/11/2004
1/12/2012	6013	Piedmont TC	Newberry County Center Renovation <sup>4</sup>	increase budget	\$411,882	\$6,561,882	12/3/2009
1/13/2012	9809	MUSC	Harborview Office Tower Chilled Water Risers Replacement <sup>5</sup>	increase budget	\$349,000	\$999,000	7/1/2010
1/18/2012	9582	Coastal Carolina	Student Center Annex Construction <sup>6</sup>	increase budget, revise scope	\$11,690,000	\$12,050,000	12/3/2010
1/18/2012	9584	Coastal Carolina	Student Center Annex Land Donation <sup>6</sup>	revise scope	\$0	\$20,000	4/18/2011

<b>Close-Outs</b>							
12/28/2011	9560	SC State	Hodge Hall Renovations & Expansion	decrease budget, close project	(\$1,746,802)	\$19,468,173	10/9/1996
1/4/2012	6041	Horry-Georgetown TC	Deferred Maintenance	decrease budget, close project	(\$660,362)	\$0	11/14/2011
1/12/2012	9981	Central Carolina TC	Sumter Health Science Acquisition/Renovation	decrease budget, change source of funds, close project	(\$3,287,133)	\$13,512,867	11/20/2006
1/12/2012	9898	Piedmont TC	McCormick County Extension Center	decrease budget, close project	(\$150,660)	\$99,340	10/11/2004
1/26/2012	9700	MUSC	Transplant Immunology Lab	decrease budget, close project	(\$10,627)	\$164,462	8/4/1999
1/26/2012	9701	MUSC	Parking Garage Development	decrease budget, close project	(\$3,491)	\$239,809	9/2/1999
1/26/2012	9719	MUSC	CVC Renovation	decrease budget, close project	(\$106,061)	\$393,939	4/14/2000
1/26/2012	9740	MUSC	Harborview Office Tower Fan Coil Replacement	decrease budget, close project	(\$15,330)	\$314,670	8/27/2001
1/26/2012	9747	MUSC	Thurmond/Gazes Biomedical Research Building Chillers Replacement	decrease budget, close project	(\$260,083)	\$11,674,715	8/21/2002
1/26/2012	9752	MUSC	Indoor Air Quality Improvements	decrease budget, close project	(\$2,925,800)	\$74,200	1/9/2003
1/26/2012	9763	MUSC	Anderson House Restoration	decrease budget, close project	(\$1,309)	\$1,398,691	8/24/2004
1/26/2012	9768	MUSC	Dental Medicine Pre-Clinical Lab Retrofit	decrease budget, close project	(\$35,606)	\$1,214,394	3/3/2005
1/26/2012	9780	MUSC	Parking Garage Elevator Addition	decrease budget, close project	(\$7,959)	\$1,592,041	11/3/2005
1/26/2012	9782	MUSC	College of Nursing Clinical Teaching Lab Construction	decrease budget, close project	(\$48,011)	\$2,451,989	12/20/2005

<sup>1</sup>See supporting narrative.  
<sup>2</sup>Increase budget and revise scope to fund additional electrical upgrades to provide a source of uninterrupted power for ongoing research in the event of building power failure. It was originally planned to utilize existing uninterrupted power; however, due to increased equipment load throughout the building, adequate capacity is no longer available. Additional funding is being transferred from project #6066.  
<sup>3</sup>Cost for chiller replacement exceeds the amount of Capital Reserve Funds allocated to the University. Additional Renovation Reserve funding is being added to allow the project to proceed.  
<sup>4</sup>Increase budget to cover cost of contingency, biology lab upfit, and three classrooms. Bids came in higher than expected. Additional funding will come from Local Funds in projects #9886, 9898, and 9899.  
<sup>5</sup>Increase budget because of calculation error in the original design consultant estimate. Additional funding is needed to allow immediate replacement of piping.  
<sup>6</sup>Approved by CHE on May 26, 2011 as part of CPIP FY 2011-12 Year One.

**Leases Processed by Staff**  
**January 2012**

Date Approved	Action	Institution	Project Name	Purpose/Additional Info	Rates	Term
12/28/2011	Renew	MUSC	30 Bee Street	Renewal is for 9,988 SF on first floor of 30 Bee Street. The occupants of this space are comprised of Student Health, the Counseling and Psychological Services (CAPS) program, College of Dental Medicine department offices and the Department of Radiology's Center for Biomedical Imaging (CBI)/Center for Advanced Imaging Research (CAIR).	Cost per SF - \$18.59; Monthly Rental Rate - \$15,472.48; Annual Lease Cost - \$185,669.72; Total Lease Cost - \$557,009.16; Annual Operating Costs (Utilities, Maintenance, Housekeeping, Insurance) - \$135,592	4/1/2012 to 3/31/2015

**FOR INFORMATION – PROJECT ESTABLISHMENTS PROCESSED BY STAFF  
FOR JANUARY 2012**

**LANDER UNIVERSITY**

**PROJECT NAME:** Deferred Maintenance  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$831,612  
**INITIAL CHE APPROVAL DATE:** N/A

<b><u>Project Budget</u></b>	<b><u>Previous</u></b>	<b><u>Change</u></b>	<b><u>Revised</u></b>
Interior Building Renovations	\$0	\$16,712	\$16,712
Utilities Renovations	\$0	\$588,900	\$588,900
Roofing	\$0	\$226,000	\$226,000
<b>Total</b>	<b>\$0</b>	<b>\$831,612</b>	<b>\$831,612</b>

<b><u>Source of Funds</u></b>	<b><u>Previous</u></b>	<b><u>Change</u></b>	<b><u>Revised</u></b>
Capital Reserve Fund*	\$0	\$831,612	\$831,612
<b>Total</b>	<b>\$0</b>	<b>\$831,612</b>	<b>\$831,612</b>

*\*Each of the institutions received funds for capital projects from the Capital Reserve Fund (CRF) Act passed by the General Assembly this past legislative session. Because of the permanent improvement project (PIP) definition, when funds have been authorized or appropriated from Capital Reserve Funds, a project must be established and processed regardless of the amount. In addition, under the PIP definition, these projects are considered legislatively authorized, not requiring further approval by CHE, JBRC or B&CB, if the projects are set up to conform to the act.*

**DESCRIPTION:**

The University requests approval to establish a project to address maintenance needs in the Williams Brice PE Center.

The Williams Brice PE Center was constructed in 1984 as an addition to the Kimbel Arena. The building still has its original roofing and is in much need of deferred maintenance. The exhaust system in the pool area no longer works, the boiler needs upgrading, and metal lockers are rusted and in poor condition. Scope of work will include replacing the roof over the pool, upgrading HVAC, plumbing, and electrical, replacing exhaust system in the pool area, upgrading the pool boiler, and replacing metal lockers with composite or non-rusting lockers as well as repainting the area.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$9,379,425 in existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

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

**UNIVERSITY OF SOUTH CAROLINA BEAUFORT**

**PROJECT NAME:** Deferred Maintenance  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$131,893  
**INITIAL CHE APPROVAL DATE:** N/A

<b>Project Budget</b>	<b>Previous</b>	<b>Change</b>	<b>Revised</b>
Professional Services Fees	\$0	\$10,000	\$10,000
Interior Building Renovations	\$0	\$90,000	\$90,000
Roofing	\$0	\$10,000	\$10,000
Exterior Building Renovations	\$0	\$10,000	\$10,000
Contingency	\$0	\$11,893	\$11,893
<b>Total</b>	<b>\$0</b>	<b>\$131,893</b>	<b>\$131,893</b>

<b>Source of Funds</b>	<b>Previous</b>	<b>Change</b>	<b>Revised</b>
Capital Reserve Fund*	\$0	\$131,893	\$131,893
<b>Total</b>	<b>\$0</b>	<b>\$131,893</b>	<b>\$131,893</b>

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**DESCRIPTION:**

The University requests approval to establish a project to address maintenance needs on the Historic Beaufort Campus. Scope of work will include roofing, HVAC, plumbing, electrical, flooring, and building façade repairs/renovations in the Center for the Arts and Sandstone Buildings.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$2,836,920 in combined existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

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

**UNIVERSITY OF SOUTH CAROLINA SUMTER**

**PROJECT NAME:** Deferred Maintenance  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$220,518  
**INITIAL CHE APPROVAL DATE:** N/A

<b>Project Budget</b>	<b>Previous</b>	<b>Change</b>	<b>Revised</b>
Interior Building Renovations	\$0	\$220,518	\$220,518
<b>Total</b>	<b>\$0</b>	<b>\$220,518</b>	<b>\$220,518</b>

<b>Source of Funds</b>	<b>Previous</b>	<b>Change</b>	<b>Revised</b>
Capital Reserve Fund*	\$0	\$220,518	\$220,518
<b>Total</b>	<b>\$0</b>	<b>\$220,518</b>	<b>\$220,518</b>

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**DESCRIPTION:**

The University requests approval to establish a project to replace existing light fixtures in the Business Administration Building, Sciences Building, Student Union Building, Administration Building, Nettles Building, and Schwartz Building. The existing T12 fluorescent fixtures are obsolete and magnetic ballasts are no longer produced.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$7,311,669 in combined existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

Utilities are expected to generate additional operating savings of \$11,601 in the first year, and \$23,202 in the second and third years of project completion.