



South Carolina Commission on Higher Education

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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 June 7
DATE: May 31, 2012

Attached are items for your review and consideration at the June 7 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 10:30 a.m. on June 7. 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.

7.04A Interim Capital Project

- A. Medical University of South Carolina
 - i. Walton Research Building Renovation – Floors 2, 3, 6 & 7
- *increase budget*

7.04B List of Capital Projects & Leases Processed by Staff for May 2012 (For Information, No Action Required)

DESCRIPTION OF INTERIM CAPITAL PROJECT FOR CONSIDERATION

June 7, 2012

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROJECT NAME: Walton Research Building Renovation – Floors 2, 3, 6 & 7
REQUESTED ACTION: Increase Budget
REQUESTED ACTION AMOUNT: \$7,121,477
INITIAL CHE APPROVAL DATE: February 2, 2012

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Professional Service Fees	\$94,500	\$505,500	\$600,000
Interior Building Renovations	\$0	\$6,015,977	\$6,015,977
Contingency	\$0	\$600,000	\$600,000
Total	\$94,500	\$7,121,477	\$7,215,977

<u>Source of Funds</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
College of Medicine Clinical Revenue	\$94,500	\$7,121,477	\$7,215,977
Total	\$94,500	\$7,121,477	\$7,215,977

DESCRIPTION:

The University requests approval to establish a project to renovate approximately 25,334 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 is included in the institution’s FY 2012-13 CPIP year one as priority number three; however, the total project budget has increased by \$915,977 since CPIP submission causing the project to be brought back to the Committee and Commission for approval. The overall scope of work is the same. Cost increases are due to the addition of roof related work, as well as increased estimates for interior construction and HVAC.

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.

INFORMATION ITEM

**Capital Projects & Leases Processed by Staff
May 2012**

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget	Original Approval Date
Routine Staff Approvals							
5/3/2012	New	College of Charleston	Simons Center for the Arts Renovation ¹	establish project	\$0	\$315,000	-
5/3/2012	9640	College of Charleston	School of Science & Mathematics Completion ¹	establish construction budget	\$10,820,000	\$11,000,000	11/5/2009
5/7/2012	6093	USC Columbia	Rutledge College & LeGare/Pinckney Comprehensive Renovation ²	increase budget, revise scope, change project name	\$130,500	\$249,750	10/20/2011
5/11/2012	6035	Piedmont TC	Abbeville County Center Land Purchase ³	revise scope	\$0	\$220,000	8/25/2011
5/17/2012	6088	USC Columbia	Softball Stadium Construction ⁴	change source of funds	\$0	\$8,000,000	5/5/2011
5/18/2012	New	Midlands TC	Library Building Replacement ¹	establish project	\$0	\$162,000	-
5/18/2012	New	Coastal Carolina	Student Housing Land Acquisition ⁵	establish project	\$0	\$20,000	-
5/29/2012	9821	MUSC	Clinical Sciences Building 9th Floor Renovation ¹	establish construction budget	\$9,848,500	\$10,000,000	2/2/2012
5/29/2012	9587	Coastal Carolina	Tennis Complex Construction ¹	establish construction budget	\$1,970,000	\$2,000,000	5/17/2011
5/29/2012	9589	Coastal Carolina	Tennis Complex Land Donation ⁶	revise scope	\$0	\$20,000	11/14/2011
Close-Outs							
5/2/2012	9873	Horry-Georgetown TC	Old Gym Renovations - Grand Strand Campus	close project	\$0	\$1,818,446	7/3/2003
5/2/2012	9894	Horry-Georgetown TC	Former Base Hospital Building Renovation - Grand Strand Campus	decrease budget, close project	(\$19,343)	\$9,719,657	10/7/2004
5/2/2012	9930	Horry-Georgetown TC	Building 100 Renovation - Georgetown Campus	decrease budget, close project	(\$565)	\$277,285	5/24/2005
5/2/2012	9974	Horry-Georgetown TC	Preliminary Land Acquisition - Grand Strand Campus	decrease budget, close project	(\$18,000)	\$2,000	7/5/2006
5/7/2012	6092	USC Columbia	Rutledge College Comprehensive Renovation	cancel project	(\$130,500)	\$0	10/20/2011
5/8/2012	9601	The Citadel	Campus Wide Energy Performance Contract	decrease budget, close project	(\$121,305)	\$4,684,741	10/17/2007
5/8/2012	9882	Spartanburg CC	Academic/Library Building Construction	decrease budget, close project	(\$32,283)	\$6,283,398	2/5/2004
5/11/2012	9604	The Citadel	Capers Hall Repairs	decrease budget, close project	(\$652)	\$1,325,348	10/19/2009
5/18/2012	9577	Coastal Carolina	Procurement Building & Land Acquisition	decrease budget, close project	(\$51,041)	\$1,376,959	10/18/2010

¹Approved by CHE on May 3, 2012 as part of FY 2012-13 CPIP year one.

²Increase budget, revise scope, and change project name to combine projects #6092 - Rutledge College Comprehensive Renovation and #6093 - LeGare/Pinckney Comprehensive Renovation. Both projects are similar in scope and are on the same timeline for design and construction. Combining the projects will take advantage of economy of scale, insure consistency of design, and provide better coordination of logistics during construction.

³Revise scope to use remaining funds of \$25,919.47 to compile Civil Engineering documents to develop a site plan and satisfy SCDHEC requirements.

⁴Change source of funds from \$120,000 in Athletic Operating to Athletic Revenue Bonds.

⁵Approved by CHE on June 7, 2007 as part of MLAP.

⁶Accept donation of 11.31 acres from the Horry County Higher Education Commission.

**Leases Approved by Staff
May 2012**

Date Approved	Lease #	Institution	Project Name	Purpose/Additional Info	Rates	Term
5/11/2012	New	MUSC	176 Croghan Spur Road	To provide space for Psychiatry's Family Services Research Department that is currently located at McClellan Banks. This lease is necessary to accommodate moves for the ART 7th floor construction project	Cost per SF - \$26.50 (base rent - \$16.00 & operating costs - \$10.50); Monthly Rental Rate - \$16,047.96; Annual Rent - \$192,575.52 (base rent will increase 2% annually)	5 years (7/1/2012 - 6/30/2017)