



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 September 1
DATE: August 23, 2011

Attached are items for your review and consideration at the September 1 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 September 1. 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. Clemson University
 - i. Littlejohn Coliseum Annex Addition (Phase I)
- *establish pre-design*
 - ii. Freeman Hall Expansion (Phase II)
- *establish construction budget*
- B. University of South Carolina Columbia
 - i. Darla Moore School of Business Construction
- *increase budget*
- C. Spartanburg Community College
 - i. Spartanburg Downtown Campus (Phase II)
- *establish construction budget*

8.04B List of Capital Projects & Leases Processed by Staff for August 2011 (For Information, No Action Required)

DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

September 1, 2011

CLEMSON UNIVERSITY

PROJECT NAME: Littlejohn Coliseum Annex Addition (Phase I)
REQUESTED ACTION: Establish Pre-design
REQUESTED ACTION AMOUNT: \$274,320
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Professional Service Fees	\$0	\$216,500	\$216,500
Labor Costs	\$0	\$37,500	\$37,500
Contingency	\$0	\$20,320	\$20,320
<i>Total</i>	<i>\$0</i>	<i>\$274,320</i>	<i>\$274,320</i>

<u>Source of Funds</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Private (Clemson University Athletic Dept)	\$0	\$274,320	\$274,320
<i>Total</i>	<i>\$0</i>	<i>\$274,320</i>	<i>\$274,320</i>

DESCRIPTION:

The University requests approval to establish a project to construct a 65,000 SF annex to Littlejohn Coliseum. The annex will provide a practice facility for the men’s and women’s intercollegiate basketball programs while efficiently enabling daily interaction between coaches and student athletes. The annex will include two practice gyms and offices for coaches.

Littlejohn Coliseum hosts all commencement activities as well as other events and activities for students and the surrounding community. Frequent utilization hinders the ability of the men’s and women’s basketball teams to hold regular practices. The existing gym can be used for practice when the main court is not available, but it has significant size limitations. In addition, the men’s and women’s basketball coaches’ offices are located in a separate building which limits interaction with players outside of practice. Locating the offices and ample practice facilities adjacent to players’ locker rooms and the coliseum will allow for greater efficiencies in practice schedules and program oversight from the basketball coaches.

This project was not included in the institution’s FY 2011-12 CPIP year one because the project has arisen within the Athletic Department as a priority in the last five months. The internal project cost estimate is \$10M. Pre-design is submitted at 2.75% of the total budget instead of the JBRC limit of 1.5% because schematic design is challenging. The existing annex was developed through an extensive design effort involving some of the best designers in the country. Adding onto the annex will be equally challenging and will require numerous iterations.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Utilities and maintenance will require additional operating costs of \$95,000 in the first year and \$100,000 in the second and third years following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

CLEMSON UNIVERSITY

PROJECT NAME: Freeman Hall Expansion (Phase II)
REQUESTED ACTION: Establish Construction Budget
REQUESTED ACTION AMOUNT: \$6,402,500
INITIAL CHE APPROVAL DATE: June 3, 2010

Project Budget	Previous	Change	Revised
Professional Services Fees	\$95,000	\$405,000	\$500,000
Equipment and/or Materials	\$0	\$400,000	\$400,000
New Construction (24,000 SF)	\$0	\$5,000,000	\$5,000,000
Labor Costs	\$2,500	\$197,500	\$200,000
Contingency	\$0	\$400,000	\$400,000
Total	\$97,500	\$6,402,500	\$6,500,000

Source of Funds	Previous	Change	Revised
Institutional Capital Project Fund	\$97,500	\$0	\$97,500
Operating Revenue*	\$0	\$6,402,500	\$6,402,500
Total	\$97,500	\$6,402,500	\$6,500,000

**Derived from an online Master of Engineering (MEngr) in Industrial Engineering Program focused on Capital Projects Supply Chain.*

DESCRIPTION:

The University requests approval to establish the construction budget to add 24,000 SF of office and classroom space to Freeman Hall. Growth in the Industrial Engineering department, the addition of a Master of Engineering, and significant enrollment increases has amplified demand for engineering academic services. This additional space is required to continue to offer the appropriate services to students, faculty, and staff and to allow the program to be nationally competitive.

This project was not included in the institution's FY 2011-12 CPIP year one. It has become a top priority in response to the significant programmatic growth noted above.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Utilities and maintenance will require additional operating costs of \$92,500 in the first year, \$94,200 in the second year and \$96,100 in the third year following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

UNIVERSITY OF SOUTH CAROLINA COLUMBIA

PROJECT NAME: Darla Moore School of Business Construction
REQUESTED ACTION: Increase Budget, Revise Scope
REQUESTED ACTION AMOUNT: \$15,000,000
INITIAL CHE APPROVAL DATE: October 20, 2009

Project Budget	Previous	Change	Revised
Professional Services Fees	\$11,651,095	\$1,146,905	\$12,798,000
Equipment and/or Materials	\$870,000	\$0	\$870,000
New Construction (261,515 SF)	\$63,094,646	\$13,999,354	\$77,094,000
Other	\$7,389,083	(\$401,083)	\$6,988,000
Contingency	\$8,495,176	\$254,824	\$8,750,000
Total	\$91,500,000	\$15,000,000	\$106,500,000

Source of Funds	Previous	Change	Revised
State Institution Bonds	\$15,000,000	\$0	\$15,000,000
Revenue Bonds	\$65,000,000	\$0	\$65,000,000
Private	\$1,350,000	\$15,000,000	\$16,350,000
Gift of A/E Services	\$8,650,000	\$0	\$8,650,000
Institution Funds	\$1,500,000	\$0	\$1,500,000
Total	\$91,500,000	\$15,000,000	\$106,500,000

DESCRIPTION:

The University requests approval to increase the budget and revise scope to modify the new Darla Moore School of Business to support programmatic and facility needs.

Modifications to the floor plan at street level will provide an open floor plan, bound on all sides by full-height glazed walls. This will provide an interior environment that is flexible and conducive to distributed small group learning and collaborative team work. Additional lighting shafts will bring natural day light deep into the first and fourth floors, reducing energy usage and resulting costs. A natural roof will employ and demonstrate a construction technique that is both sustainable and energy efficient and is an illustration of sustainable business practice which is the focus of the school's curriculum. The food service program will be increased to support the diverse events which are expected to occur on a daily basis. The increased program will support the preparation of hot meals in the cafe and will provide dedicated catering support space. A 3,700 SF conference center will be added on level two to support events, lectures, and seated dinners for up to 200 guests. The center is expected to support fund-raising and community-building through seminars, conferences, and other events.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Power, water, and maintenance will require additional operating costs of \$9,797.76 in the first year and \$19,575.50 in the second and third years following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

SPARTANBURG COMMUNITY COLLEGE

PROJECT NAME: Spartanburg Downtown Campus Renovations (Phase II)
REQUESTED ACTION: Establish Construction Budget
REQUESTED ACTION AMOUNT: \$10,363,101
INITIAL CHE APPROVAL DATE: September 28, 2010

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Professional Services Fees	\$135,000	\$779,977	\$914,977
Interior Building Renovations (104,212 SF)	\$0	\$8,354,394	\$8,354,394
Exterior Building Renovations	\$0	\$421,254	\$421,254
Contingency	\$0	\$799,976	\$799,976
<i>Total</i>	<i>\$135,000</i>	<i>\$10,355,601</i>	<i>\$10,490,601</i>

<u>Source of Funds</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
College Funds	\$135,000	\$10,355,601	\$10,490,601
<i>Total</i>	<i>\$135,000</i>	<i>\$10,355,601</i>	<i>\$10,490,601</i>

DESCRIPTION:

The College requests approval to establish the construction budget to renovate all three floors of the Evans Building. Renovations will include demolition and re-configuration of spaces for classrooms, science labs, administration, faculty and staff areas. Structural enhancements will be required for the auditorium and gym areas. There will also be renovations to upgrade HVAC, electrical and lighting systems for energy savings and conservation measures. The project will also upgrade flooring, ceilings, and finishes throughout the building. Construction will include upgrading two exterior building entrances.

This project is included in the institution's FY 2011-12 CPIP year one as priority number one; however, the total project budget has increased by \$1,590,601 since CPIP submission causing the project to be brought back to the Committee and Commission for approval.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – Building acquired in October 2010

ANNUAL OPERATING COSTS/SAVINGS:

Insurance, information technology, maintenance, and utilities will require additional operating costs of \$100,000 in the first year, \$200,000 in the second year and \$340,000 in the third year following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

INFORMATION ITEM

Capital Projects & Leases Processed by Staff						
August 2011						
Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget
8/15/2011	New	Clemson	Clemson University Restoration Institute - Property Exchange ¹	establish project	\$0	\$20,000
8/15/2011	6066	USC Columbia	Jones PSC North Tower Ceiling Asbestos Removal ²	decrease budget	(\$245,000)	\$5,255,000
8/15/2011	6084	USC Columbia	McBryde Renovations ³	cancel project	(\$13,500)	\$0
8/15/2011	New	USC Columbia	Williams-Brice Stadium Video Board Support Construction ⁴	establish pre-design	\$0	\$37,500
8/15/2011	9978	Spartanburg CC	Gaines Building Renovation	decrease budget, close project	(\$264)	\$1,070,079
8/22/2011	New	Francis Marion	Baseball & Softball Sports Field Lighting Construction Gift	establish project	\$0	\$249,480
8/23/2011	New	Clemson	Wastewater Treatment Plant Upgrade ⁴	establish pre-design	\$0	\$95,230

¹See supporting narrative.

²The project is near completion. A portion of the remaining funding will be transferred to project #6071 - Horizon I First Floor Laboratory Upfit.

³Scope of work proposed for the project was reduced below the \$500,000 PIP threshold requirement.

⁴Approved by CHE on May 26, 2011 as part of CPIP FY 2011-12.

Leases Processed by Staff

August 2011

Date Approved	Action	Institution	Project Name	Purpose/Additional Info	Rates	Term
8/8/2011	New	Lander	608 Brice Street	To continue to store recycling materials and grounds equipment	Annual Rental Rate - \$1; Grounds Upkeep - \$1,000/yr	One year with automatic renewal each year on July 1.
8/8/2011	New	Lander	511 Willson Street	To continue to house the University's Human Resources department	Annual Rental Rate - \$1; Maintenance - \$3,500; Utilities - \$3,000; Insurance - \$600	One year with automatic renewal each year on July 1.

**FOR INFORMATION – PROJECT ESTABLISHMENTS PROCESSED BY STAFF
FOR AUGUST 2011**

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.

CLEMSON UNIVERSITY

PROJECT NAME: Clemson University Restoration Institute Property Exchange (Phase I)
REQUESTED ACTION: Establish Pre-Design
REQUESTED ACTION AMOUNT: \$20,000
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Land Purchase	\$0	\$20,000	\$20,000
<i>Total</i>	<i>\$0</i>	<i>\$20,000</i>	<i>\$20,000</i>

<u>Source of Funds</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Operating Revenues	\$0	\$20,000	\$20,000
<i>Total</i>	<i>\$0</i>	<i>\$20,000</i>	<i>\$20,000</i>

DESCRIPTION:

The University requests approval to establish a project to exchange property between CMMC, LLC and the University's CURI (Clemson University Restoration Institute) Campus located in North Charleston. CMMC owns property that extends approximately 400 feet from the end of Pier "J" along the quay wall abutting the north end of Clemson's property. Clemson, in turn, owns property that is abutted on the east and north by CMMC owned property and on the west by Building 241.

The University owned property is approximately four acres with four buildings of marginal or no value. The area surrounding the property is heavily industrialized with daily rail and truck traffic occurring on the north and east sides of the property. The extensive truck and rail traffic support Pier "J," a break bulk terminal operated by CMMC. With the exchange of this property, CMMC is provided with additional space for expansion of Pier "J" terminal operations and creation of additional jobs required to support these operations; the railroad to Pier "J" will be on land owned by CMMC; and structures may be transported from Building 241 unimpeded by University activities.

The CMMC property is approximately 1.5 acres of waterfront property which abuts the University property located on the same quay wall. The property is currently leased to Pierside Boatworks, a company engaged in the repair of sail boats and other recreational craft. Pierside leases the property at a current yearly rent of \$65,220. With the exchange of this property, the University gains 400 linear feet of waterfront property; isolation from the heavy rail and truck movement and the resulting material handling activities; and a yearly income of \$65,220 through the lease of property to Pierside Boatworks.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – Land Exchange

ANNUAL OPERATING COSTS/SAVINGS:

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

FRANCIS MARION UNIVERSITY

PROJECT NAME: Baseball & Softball Sports Field Lighting Construction
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$249,480
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Equipment and/or Materials	\$0	\$249,480	\$249,480
<i>Total</i>	<i>\$0</i>	<i>\$249,480</i>	<i>\$249,480</i>

<u>Source of Funds</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Construction Gift from FMU Real Estate Foundation	\$0	\$249,480	\$249,480
<i>Total</i>	<i>\$0</i>	<i>\$249,480</i>	<i>\$249,480</i>

DESCRIPTION:

The University requests approval to establish a project to accept the donation of fourteen new light poles with fixtures for the University's baseball and softball competition fields. The lights are needed to meet the basic needs of an NCAA division one intercollegiate athletic program and to help achieve Title IX equity for student athletes. The new sports field lighting will meet or exceed the NCAA guidelines for division one playing fields and the field lighting levels are guaranteed to meet the NCAA levels for a period of ten years. The new lights are environmentally friendly and energy efficient, which will be more cost effective to operate in keeping the University's sustainability efforts.

E&G MAINTENANCE NEEDS REDUCTION:

N/A – Construction Gift

ANNUAL OPERATING COSTS/SAVINGS:

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