



April 24, 2006

TO: Rosemary Byerly, Chair, and Members
Committee on Finance and Facilities

FROM: Lynn W. Metcalf

SUBJECT: Committee Meeting, May 4, 2006

A meeting of the Committee is scheduled to be held in the Commission's Conference Room at 9:30 a.m. on Thursday, May 4, prior to the Commission meeting. Attached are an agenda and materials for the meeting.

If you have any questions about the materials, please contact me at (803) 737-2265. We look forward to meeting with you on May 4.

A G E N D A
Committee on Finance and Facilities
May 4, 2006
9:30 a.m.
Conference Room
Commission on Higher Education
1333 Main Street, Suite 200
Columbia, SC 20201

1. Introductions
2. Minutes of April 6 Meeting
3. Interim Capital Projects
 - A. Medical University of South Carolina
 - 1.) Bee Street Parking Garage Construction \$ 39,970,607 Establish
 - B. Spartanburg Technical College
 - 1.) Cherokee County Campus Construction \$4,000,000 Increase Project, Revise Scope
4. List of Staff Approvals for March 2006
5. Other Business

MINUTES
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
Finance and Facilities Committee Meeting
April 6, 2006
9:35 a.m.
CHE Conference Room

Committee Members Present

Ms. Rosemary Byerly
Mr. Jim Konduros
Mr. Dan Ravenel
Mr. Neal Workman

Mr. Gary McCombs
Mr. Scott Ludlow
Ms. Diane Newton
Mr. Tim O'Dell
Mr. Jack Roach
Ms. Christine Smalls
Mr. Tom Suttles
Col. Don Tomasik
Dr. Richard Weldon

Committee Members Absent

Mr. Larry Durham
Dr. Doug Forbes
Mr. Jim Sanders

Staff Present

Ms. Camille Brown
Mr. Gary Glenn
Ms. Alyson Goff
Ms. Lynn Metcalf
Ms. Jan Stewart

Guests Present

Ms. Leslie Brunelli
Ms. Donna Collins
Dr. Charlie Gould
Mr. Craig Hess
Mr. Charles Jeffcoat

For the record, notification of the meeting was made to the public as required by the Freedom of Information Act.

Ms. Byerly, chair of the Committee on Finance and Facilities, called the meeting to order. Mr. Glenn introduced the guests in attendance. The following matters were reported on:

I. Approval of Minutes of Meeting on March 2, 2006

Since there were no additions or corrections to the Minutes of the meeting on March 2, the minutes were approved as written.

II. Consideration of Interim Capital Projects

Ms. Byerly described the projects and noted institutional representatives were at the meeting to answer any additional questions. The following projects were presented and discussed:

a. College of Charleston

Physical Education & Athletics Center	\$ 2,000,000	-increase budget
Complex Construction		

Mr. Workman asked what the delay was in completing the project. Mr. McCombs answered that the project started as a joint effort with the city redevelopment project. Confusion led to the delays, and two years ago the College finalized the location. Mr. McCombs also noted funding was an issue, as

well as meeting the requirements of the Charleston Architectural Review Board. Mr. Ravenel asked if the facility size had been changed, and Mr. McCombs answered yes. Mr. Workman asked if the State procurement code caused a delay in the project. Mr. McCombs answered that for this particular project, internal issues lead to the delay, not the code. He noted the project had received \$12 million in CIB funding, as well as special legislation that allowed the loan to be paid back in 30 years, not the normal 20.

Mr. Konduros asked how it was to work with the State Engineer. Mr. McCombs stated it added value to the process but also time. He said it would be nice to start a project in the design-build format. He said it was necessary to speed up the process due to escalating costs.

b. University of South Carolina-Columbia

USC ROTC Center Renovations \$ 690,000 -establish project

Ms. Byerly noted the land acquisition had already been approved by the Commission. This part of the project allows for renovations of the property.

c. Florence-Darlington Technical College

Technology Mall/Advanced Manufacturing Center \$ 1,500,000 -increase budget

Ms. Metcalf provided the committee with background information on the project. She noted the institutional president was in attendance if there were any additional questions. Mr. Workman noted the project was an example of the escalating time and costs of projects that the committee wanted to address.

It was moved (Workman), seconded (Ravenel), and voted to approve the projects.

III. Other Business

Ms. Byerly noted a list of February staff approvals had been provided as information.

Mr. Ravenel noted a lot of the projects coming before the committee addressed deferred maintenance. Ms. Metcalf stated funding had been provided for the projects in the Research Infrastructure Act and legislative allocations. Mr. Konduros noted that institutions should be given credit for reducing the amount of deferred maintenance. Ms. Metcalf stated she was working on updating the deferred maintenance amount for each institution. She said life-cycle and preventative replacements were more costly than routine updates. There was a discussion about possibly developing a policy to motivate and reward institutions who reduce their amount of deferred maintenance.

Ms. Byerly asked Ms. Metcalf to update the committee on her recent CPIP visits. Ms. Metcalf noted she had visited all but two institutions with Mr. Charles Shawver of the Budget and Control Board. She said they were very impressed with how the institutions were handling deferred maintenance.

Mr. Ravenel asked about the prioritizing of capital project requests that had been partially funded. Ms. Metcalf answered that would be done when the projects were presented to the committee.

There was a discussion about scheduling a meeting in mid-May to discuss the capital projects, as the projects have to be presented to the Commission in June.

With no further business, the meeting was adjourned at 10 a.m.

Respectfully submitted,

Alyson M. Goff
Recorder

*Attachments are not included in this mailing, but will be filed with the permanent record of these minutes and are available for review upon request.

**Agenda Item 3
Finance and Facilities**

Descriptions of Interim Capital Projects for Consideration
May 4, 2006

Medical University of South Carolina

Bee Street Parking Garage Construction	\$39,970,607	-establish project
Source of Funds:	\$32,200,000	-proposed revenue bonds
	<u>7,770,607</u>	-federal transit authority funding
Total:	\$39,970,607	
Proposed Budget:	\$ 34,800,000	-new construction (588,400 GSF)
	3,970,607	-contingency
	<u>1,200,000</u>	-professional service fees
Total:	\$ 39,970,607	

Description

The project will consist of an eight-level, 1,481 car parking garage to be located on University land bordered by US 17N, Courtenay Drive, and Bee Street. The garage will absorb the increased staff and visitor parking demand resulting from the construction of the new Phase I Hospital, future retail space, and space for a future cardiac rehab operation. This 588,400 sq. ft. (cost per sq. ft. is \$59.14) facility was designed in conjunction with the Phase I Hospital to efficiently park and exit a large volume of cars using an “express ramp” concept. Initially planned for staff parking, the facility is designed to allow a transition to visitor parking as Phase II and Phase III of the hospital are developed.

In addition to serving the parking needs of staff and visitors, the garage will serve as an inter-model facility of the county bus service (CARTA), MUSC remote parking shuttles, taxis, and shared-ride commuters. The garage façade will be consistent with and compliment the Phase I Hospital and the associated Central Energy Plant.

*NOTE: The project was withdrawn from consideration prior to the November 3, 2005 Finance and Facilities Committee meeting.

E&G Deferred Maintenance Reduction:

None – New Space

Annual Operating Costs/Savings:

Utilities, maintenance and supplies, and housekeeping services are expected to increase the annual operating costs by \$311,852 in FY2007-08. The additional costs will be absorbed into the existing budget.

Recommendation

Staff recommends approval of the project as proposed.

Spartanburg Technical College

Cherokee County Campus Construction	\$ 4,000,000	-increase budget, revise scope
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(Previous Budget = \$250,000)

Source of Funds:	\$ 2,000,000	-state appropriations
	1,250,000	-EDA funds
	500,000	-ARC funds
	<u>250,000</u>	-local funds
Total:	\$ 4,000,000	

Proposed Budget:	\$ 3,325,000	-new construction (22,585 GSF)
	365,000	-contingency
	249,000	-site development
	200,000	-professional services fees
	60,000	-equipment and/or materials
	50,000	-landscaping
	<u>1,000</u>	-builders risk insurance
Total:	\$ 4,250,000	

Description

The revision will change the scope from a programming and engineering services and construction to a full design and construction project. The Legislature directed \$2,000,000 in 2004-05 appropriations to this project. The College has been awarded \$1,250,000 from the Economic Development Administration (EDA) of the United States Department of Commerce. In addition, the College has also received an award of \$500,000 from the Appalachian Regional Commission (ARC).

The project will include completion of architectural and engineering services and construction of a 22,585 sq. ft. Academic Classroom Building on the newly established Cherokee County Campus. The cost per square foot is \$147. The original design request approved by CHE staff in April 2005 was for an approximately 30,000 sq. ft. building, however, the square footage has been reduced due to budget restraints and inflationary costs.

The facility will house academic classrooms, health program labs, computer rooms, and a library.

A study from Cherokee County has indicated that an Academic Classroom Building offering general programs and health sciences should be a priority for this campus. The construction of the Academic Classroom Building is consistent with the College's master plan for the Cherokee County Campus. The facility will support the academic, industrial, and business needs of the county.

E&G Deferred Maintenance Reduction:

None – New Space

Annual Operating Costs/Savings:

Janitorial and ground keeping services, utilities, maintenance, supplies, insurance, and security/mail services are expected to increase the annual operating costs by \$132,806 in FY2007-08. The additional costs will be absorbed into the existing budget. (For technical colleges, these costs are paid from local funds.)

Recommendation

Staff recommends approval of the project as proposed.

**Agenda Item 4
Finance and Facilities**

Information Item

PERMANENT IMPROVEMENT PROJECTS						
APPROVED BY STAFF						
March 2006						
Date Appr.	Project #	Institution	Project Name	Action Category	Budget Chg.	Revised Budget
3/7/2006	New	College of Charleston	Energy Performance Contract Study	establish	\$ 150,000	
3/7/2006	9787	USC-Columbia	S. Campus Housing E Quad Const	decrease budget, close	\$ (90,801)	\$ 20,709,199
3/7/2006	9866	USC-Columbia	EMP Steam Infrastructure Upgrade Phase 1	decrease budget, close	\$ (16,436)	\$ 183,564
3/7/2006	9502	USC-Union	Deferred Maintenance	increase budget, close	\$ 1,102	\$ 501,102
3/7/2006	9506	USC-Union	Deferred Maintenance	increase budget	\$ 116	\$ 100,116
3/7/2006	New	Florence-Darlington TC	Health Science Campus Expansion	establish	\$ 10,000	
3/13/2006	New	SC State	1921 Russell Street Land Acquisition	establish	\$ 10,000	
3/10/2006	9847	Clemson	Williamson Road Repair/Repave	decrease budget, close	\$ (133)	\$ 224,867
3/10/2006	9864	Clemson	N. Chas Property Acq. Studies & Services	increase budget	\$ 70,000	\$ 120,000
3/10/2006	9535	Coastal Carolina	Kearns Hall Renovations	increase budget, change source funds	\$ 144,797	\$ 1,494,797
3/10/2006	New	Denmark TC	Sidewalk Repairs/Replacements & Elevator Upgrade	establish	\$ 100,000	
3/17/2006	9542	Coastal Carolina	Science Center Renovation	change source of funds		
3/17/2006	9895	USC-Columbia	Streetscape Development Phase I	decrease budget, close	\$ (8,116)	\$ 1,622,887
3/17/2006	9972	USC-Columbia	Humanities Office Bldg. Maintenance Repairs	decrease budget, close	\$ (638)	\$ 143,362
3/17/2006	9901	Midlands TC	Beltline Campus Breezeway Renov/Exp	increase budget, change project name	\$ 200,000	\$ 1,323,000
3/17/2006	9954	York TC	Hood Center Renovations	decrease budget, close	\$ (618)	\$ 216,607
3/17/2006	9953	York TC	Hood Center Renovations	close		
3/17/2006	9963	York TC	Deferred Maintenance	decrease budget, close	\$ (34,492)	\$ 118,608
3/22/2006	9551	Francis Marion	Student Activities Center Construction	increase budget	\$ 350,000	\$ 1,550,000
3/22/2006		Francis Marion	Pee Dee Education Center Acquisition	decrease budget, close	\$ (3,000)	\$ 1,505
3/22/2006	9885	Trident TC	Building 700 & 800 Renovations	change source of funds		\$ 150,000
3/22/2006	New	Francis Marion	Center for the Child Facility Construction	establish (CPIP)	\$ 2,000,000	
3/24/2006	9861	Clemson	Lightsey Bridget Fire Sprinkler Retrofit/Renovation	increase budget, revise scope	\$ 200,000	\$ 1,358,300
3/24/2006	9821	Clemson	Clemson House Renovations	decrease budget, close	\$ 49,297	\$ 400,703
3/24/2006	9886	USC-Columbia	Bates House Renovation	decrease budget, close	\$ 303,222	\$ 879,778
3/24/2006	9955	USC-Columbia	Gambrell Hall Roof Replacement	decrease budget, close	\$ 40,049	\$ 609,951
3/24/2006	9940	USC-Columbia	Williams Brice South End Zone Football Building Construction	decrease budget, changes source of funds, close	\$ 2,086,147	\$ 663,853
3/27/2006	New	USC-Columbia	1321 Pendleton Street Acquisition*	establish		\$ 556,000
3/27/2006	6024	USC-Columbia	Support Facilities Relocation/Land Acquisition*	increase budget, revise scope	\$ 3,891,000	\$ 3,911,000
3/27/2006	9727	USC-Columbia	Jones PSC Renovations**	increase budget	\$ 4,500,000	\$ 10,849,000
LEASES						
Date Appr.	Project #	Institution	Project Name	Terms	Renewal Term	
3/20/2006		MUSC	McClennan Banks Building	SqFt - \$22.19/Monthly - \$4,815.23; \$57,782.76/annual	7/1/06-6/30/07	
*Master Land Acquisition Plan (MLAP)						
**Comprehensive Permanent Improvement Plan (CPIP)						