DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

August 4, 2016

TRI-COUNTY TECHNICAL COLLEGE

PROJECT NAME: Industrial Technology Center Renovation
REQUESTED ACTION: Establish Project, Establish Construction Budget
REQUESTED ACTION AMOUNT: $1,800,000
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Change	Revised
Professional Service Fees	$0	$140,000	$140,000
Interior Building Renovations	$0	$1,545,000	$1,545,000
Contingency	$0	$115,000	$115,000
Total	***$0***	***$1,800,000***	***$1,800,000***

Source of Funds	Phase I (Pre-Design)	Phase II (Construction)	Total Proposed Budget
Capital Reserve Funds	$0	$1,000,000	$1,000,000
Cumulative Maintenance Needs Funds	$141,000	$659,000	$800,000
Total	***$0***	***$1,800,000***	***$1,800,000***

DESCRIPTION:

Design work (A&E) for the Industrial Technology Center Renovation project was initiated under a prior administration at the College outside the normal Phase 1 project submission process. Once this oversight was identified, Tri-County Technical College prepared and is now submitting the project in its entirety (Phase 1 and Phase 2). In addition to being conducted outside the normal approval process, the work performed significantly exceeded the state standard of 1.5%, coming in at 7.8% of the total project budget.

As a result of the Phase 1 submission oversight, Tri-County Technical College now requests to establish the project to include Phase 1 (A&E) and Phase 2 (construction) to renovate the Industrial Technology Center (ITC) and Engineering and Industrial Technology (EIT) areas at the Pendleton Campus. This work includes renovations to the ITC building and Cleveland Hall building. The ITC building is 43,008-square-feet and is over 25 years old, and the Cleveland Hall building is 37,480-square-feet and over 40 years old. EIT programs are currently housed at both the Pendleton Campus and the ITC facility in Sandy Springs. The ITC has approximately 7,500-square-feet of space currently reserved for future expansion. This project is to upfit this space to cost-effectively achieve optimal utilization and to allow the industrial-focused programs to be centrally located at ITC.

The project goals include developing a “showcase” Computer Numerical Controls (CNC) area to promote the program and the College; consolidating CNC programming and operations by relocating from the Pendleton Campus to the ITC; moving HVAC from the ITC to occupy

vacated space in Cleveland Hall on the Pendleton Campus; relocating Welding Technology's grinding and fabrication areas to the vacated HVAC area; re-purposing vacated space in Cleveland Hall and Wilson Hall on the Pendleton Campus for General Engineering Technology (GET), Automotive Technology, Mechatronics (the Division's fastest growing program), and Engineering transfer classes.

The state provided $1.5M in FY 2014-15 Capital Reserve Funds for the Engineering and Industrial Technology Program, with $500K of that amount restricted for the EIT programs at the new Oconee County Economic Development Center. This leaves a total of $1M in FY 2014-15 Capital Reserve Funds available for this project with the remaining funds needed to complete the project coming from TCTC's maintenance needs funds. These funds come from the three counties in TCTC's service area – Anderson, Oconee, and Pickens counties. The current uncommitted balance of the maintenance needs funds is $3,000,000.

The projected date for execution of the construction contract is August 2016 with completion of the project projected for November 2016.

E&G MAINTENANCE NEEDS:
The project will alleviate a portion of the existing maintenance needs of $640,000 for the ITC, and a portion of the $1,106,992 for Cleveland Hall.

ANNUAL OPERATING COSTS/SAVINGS:
There are no additional annual operating costs associated with this project.

RECOMMENDATION:
Staff recommends approval of this project as proposed.

FOR DEPARTMENT USE ONLY	
CHE	
JBRC	
SFAA	
JBRC Staff	
ADMIN Staff	
A-1 Form Mailed	
SPIRS Date	
Summary	

(For Department Use Only)
SUMMARY NUMBER
FORM NUMBER

PERMANENT IMPROVEMENT PROJECT REQUEST

1. AGENCY
   Code H59 Name Tri-County Technical College
   Contact Person Cara T. Hamilton, Vice President for Business Affairs Phone 864.646.1797

2. PROJECT
   Project # _____ Name Industrial Technology Center Renovation
   Facility # _____ Facility Name Industrial Technology Center

County Code	04 - Anderson
New/Revised Budget	$1,800,000.00

Project Type	3 - Repair/Renovate Existing Facilities/Systems
Facility Type	2 - Program/Academic

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR
   CPIP priority number 1 of 1 for FY 17-18 .

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	X	**Decrease Budget**		**Close Project**	
Establish Project - CPIP		**Change Source of Funds**		**Change Project Name**	
Increase Budget		**Revise Scope**		**Cancel Project**	

5. PROJECT DESCRIPTION AND JUSTIFICATION
   (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting doucmentation/maps to fully convey the need for the request.)

Project description: Design and renovate the Industrial Technology Center (ITC) and Engineering & Industrial Technology (EIT) areas at the Pendleton Campus for industrial technology programs. EIT programs are currently housed at both Pendleton Campus and the ITC facility in Sandy Springs.

The ITC has approximately 7,500 ft² of space reserved for future expansion. This project is to upfit this space to cost-effectively achieve optimal utilization and allow our industrial-focused programs to be centrally located at the ITC.

Project goals include:
- Develop a "showcase" CNC (Computer Numerical Controls) area to promote the program and the College.
- Consolidate CNC Programming and Operations and relocate from Pendleton Campus to the ITC.
- Move HVAC from the ITC to occupy vacated space in Cleveland Hall on the Pendleton Campus.
- Relocate Welding Technology's grinding and fabrication areas to the vacated HVAC area.
- Re-purpose vacated space in Cleveland and Wilson Halls on the Pendleton Campus for GET, Automotive Technology, Mechatronics, and Engineering transfer classes.

(continued on attached sheet)

6. OPERATING COSTS IMPLICATIONS
   Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES
   Estimated Start Date: August 2016 Estimated Completion Date: November 2016
   Estimated Expenditures: Thru Current FY: $0.00 After Current FY: $1,800,000.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #	

1.		Land Purchase ---->	Land:	Acres
2.		Building Purchase ---->	Floor Space:	Gross Square Feet
3.	140,000.00	Professional Services Fees		
4.		Equipment and/or Materials ---->	Information Technology	
5.		Site Development		
6.		New Construction ---->	Floor Space:	Gross Square Feet
7.	1,545,000.00	Renovations - Building Interior ---->	Floor Space: 32,520	Gross Square Feet
8.		Renovations - Utilities		
9.		Roofing - ____ Roof Age		
10.		Renovations - Building Exterior		
11.		Other Permanent Improvements		
12.		Landscaping		
13.		Builders Risk Insurance		
14.		Other Capital Outlay		
15.		Labor Costs		
16.		Bond Issue Costs		
17.		Other:		
18.	115,000.00	Contingency		
	$1,800,000.00	TOTAL PROJECT BUDGET		

ENVIRONMENTAL HAZARDS

Identify all types of significant environmental hazards (including asbestos, PCB's, etc.,) present in the project and the financial impact they will have on the project.

Type: Asbestos

Cost Breakdown

Design Services	$	2,500.00
Monitoring	$	
Abate/Remed	$	4,000.00
Total Costs	$	6,500.00

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund	1,000,000.00		1,000,000.00 0.00		8895		3603	3603
(6) Appropriated State			0.00 0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify) TCTC Cum Maint Needs Fund	800,000.00		0.00 800,000.00 0.00			98800100		3907
TOTAL BUDGET	$1,800,000.00	$0.00	$1,800,000.00					

10. SUBMITTED BY: Cara T. Hamilton-VP for Bus. Affairs — Signature of Authorized Official and Title; 6/29/2016 — Date

11. APPROVED BY: (For Department Use Only) _____ Authorized Signature and Title; _____ Date

Tri-County Technical College
INDUSTRIAL TECHNOLOGY CENTER Renovation

continued from A-1 page 1—

The College's programs in CNC Machining and Mechatronics are growing rapidly. In addition to being able to meet student demand, employers are also asking the College to provide training for their employees which cannot currently be accommodated in existing space. These industrial programs prepare workers for high-paying, in-demand jobs in the College's service area.

The three-county service area has a strong manufacturing base that utilizes CNC; and one of the College's strategic goals is "Positioning and Equipping Students for Success". The Engineering & Industrial Technology Division is supporting this goal by upgrading CNC equipment. The CNC Programming and Operations program will receive eight new CNC machines and a refurbished laboratory. In addition, the Mechatronics Technology program, (the Division's most rapidly growing program) will have its laboratories consolidated into one building.

The Industrial Technology Center is designed to mimic a real-world manufacturing environment which best serves the growth of these critical programs in available space at relatively low cost.

ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY Code H59 Name Tri-County Technical College

2. PROJECT Project # _____ Name Industrial Technology Center Renovation

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☐ COSTS ☐ SAVINGS ☒ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1)	$	$	$	$ 0.00
2)	$	$	$	$ 0.00
3)	$	$	$	$ 0.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? ☒ YES ☐ NO
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

	COST FACTORS	AMOUNT
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
	TOTAL	$0.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. _____

9. Submitted By: Carol Hamilton Vice President for Business Affairs
Signature of Authorized Official and Title

6/22/2016
Date

PERMANENT IMPROVEMENT PROJECT INFORMATION FORMAT
FOR PHASE II CONSTRUCTION BUDGET

1. What is the total projected cost of the project and what is it based on? Please attach a summary of the costs prepared during the A&E pre-design phase to support the total cost.

   Total projected cost is $1,800,000 based on estimated summary of construction costs and proposal for services from LS3P (A/E) per attached.

2. What is/are the source(s) of funds for the construction? If any private or federal funds are included, please attach a letter guaranteeing the availability of the funds.

   Capital Reserve Fund - $1,000,000; TCTC Cumulative Maintenance Needs Fund - $800,000

3. What is your agency/institution's definition of each fund source to be used for construction? (If any type of fee makes up a portion of the source, what is the fee called, what is the fee amount, and when it was put in place. If there is a statutory authority authorizing the use of the funds for capital projects, please cite the code section.)

   Capital Reserve Fund: State appropriations
   TCTC Cum Maint Needs Fund: Plant fund from unrestricted net assets

4. What is the current uncommitted balance of funds for each source listed in 3 above?

   Capital Reserve fund - $0; Plant Fund - $3,000,000

5. If institution or revenue bonds are included as a source, when were the bonds issued? If not issued yet, when is the bond resolution expected to be brought for State Fiscal Accountability Authority approval?

   N/A

6. If a student fee is used to fund debt service, what is the current amount of the fee annually or by semester? Please specify which.

   N/A

7. Will the use of any funds for construction require an increase in any student fee or tuition? If so, please explain in detail.

   No

8. Will the project be LEED certified for energy savings and conservation and if so, at what level will it be certified? For projects requiring or using LEED certification, please attach the required cost-benefit analysis and a checklist of items to be used to achieve LEED points or a description of the energy measures to achieve LEED.

   Due to the age of the building being renovated/repurposed, achieving LEED certification would be cost-prohibitive.

9. What energy savings/conservation measures will be implemented within the project if the project will not be LEED certified? For projects that do not require/use LEED, please provide a paragraph on energy savings measures to be implemented as part of the project. If there are no energy savings measures included, please state that and explain why.

   The following energy-savings measures are already implemented for this facility: Low-flow plumbing fixtures, water-efficient landscaping, energy-efficient HVAC equipment with DDC, purchase of green power, energy-efficient lighting, improved insulation in roofing system.

10. What is the projected date (month and year) for execution of the construction contract?

    August 2016

11. What is the projected date (month and year) for completion of construction?

November 2016

12. What program(s) are to be included in the constructed or renovated space?

CNC Programming and Operations, Welding Technology

13. What is the total square footage of the building to be renovated or constructed?

43,008 sq. ft.

14. If a portion of the building is to be renovated, what is the square footage of the portion that will be included in the renovation?

32,520 sq. ft.

15. What is the current age of the building or building systems to be renovated?

25 + years

16. If any new space is being added to the facility, please provide demand/usage data to support the need.

NA

17. What are the estimated numbers of students, faculty, staff and/or clients that are expected to use the space affected by the project or the entire building? (Answer for as many as are applicable.)

The building is designed to accommodate 534 individuals.

18. If the construction cost increased significantly from the internal estimate (30% or more), what factors caused the cost to increase?

NA

19. If the contingency is more than 10%, please explain why.

NA

20. If funds are being transferred from another project, what is the current status of the project from which funds are being transferred?

NA

21. Has the project been included in a previous year's CPIP? If so, what was the last year the project was included and for which year, 1-5?

Yes - 2016, Year 2 (Priority #1)

22. What are the economic impacts of the project, including job creation and retention? If there are none, please explain.

In alignment with our workforce and economic development initiatives, this project will upfit approximately 7500 sq. ft. of space in the College's Industrial Technology Center (ITC) to house industrial programs needed to prepare workers for high-paying, in-demand jobs in the College's service area. The three-county service area has a strong manufacturing base, and in addition to accommodating the rapid growth of our Engineering and Industrial Technology programs, employers in the area are also requesting training in these critical programs for their current employees.

23. How will your agency/institution address and fund maintenance of this facility construction/renovation?

Maintenance needs are paid for by the three counties in our service area (Anderson, Oconee, Pickens).

24. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance?

We do not have a separate deferred maintenance account; maintenance needs are paid for by the counties in our service area. Funds are available for maintenance needs from our capital projects cumulative maintenance reserve fund (Plant fund).

25. If how maintenance will be addressed and funded for this facility construction/renovation has not been determined yet, what steps are in place to begin to address how your agency/institution will fund maintenance to this and other agency/institution facilities?

See #24 above - Maintenance needs funding addressed.