TO: Mr. Hood Temple and Members of the Finance & Facilities Committee

FROM: Mr. Gary S. Glenn, Interim Executive Director and Director of Fiscal Affairs

SUBJECT: Committee Meeting, September 1, 2016

DATE: August 25, 2016

A meeting of the Finance & Facilities Committee is scheduled to be held in the Commission’s Main Conference Room at 10:00 a.m. on Thursday, September 1. The agenda and materials for the meeting are enclosed.

If you have any questions about the materials, please contact me at (803) 737-2155. We look forward to meeting with you on September 1.

Enclosures
1. **Introductions**

2. **Approval of Minutes of August 4, 2016**

3. **Interim Capital Projects**
   
   A. Medical University of South Carolina  
      1. Psych Institute Chiller #1 Replacement – Establish Construction Budget
   
   B. Florence-Darlington Technical College  
      1. Cosmetology Building and Land Acquisition – Final Building and Land Acquisition
   
   C. Midlands Technical College  
      1. Midlands Industrial Technology Building Expansion and Welding Lab Upgrade – Establish Project

4. **Other Business (For Information, No Action Required)**
   
   A. Beginning Budget Report for FY 2016-17
   
   B. Tuition & Required Fees for AY 2016-17 (Based on Fall 2016)-Removed from Agenda
   
   C. List of Capital Projects and Leases Processed by Staff for August
For the record, notification of the meeting was made to the public as required by the Freedom of Information Act.

I. Call to Order

Commissioner Temple called the meeting to order at 12:30 p.m. Ms. Myers introduced guests in attendance.

II. Approval of Minutes of Meeting on June 2, 2016

A motion was made (Batson), seconded (Kuhl) and carried to approve the minutes of the June 2, 2016 meeting.

III. Interim Capital Projects

The following projects were presented and discussed:

A. Clemson University

  1. Tennis Center Construction

Mr. Glenn presented the project stating that the project was a request for approval of Phase I (A&E) portion of the Tennis Center Construction project which is anticipated to cost $12.5M. The funding is initially from Athletic Improvement Funds which will subsequently be replaced by Athletic Facilities Revenues bonds funding when the University moves to the construction phase and issues the bonds. The existing tennis center was built in 1987 and 1993 and is no longer sufficient for
Clemson’s needs. The University will continue to utilize the existing tennis facilities, including the outdoor competition areas and the 750-seat stadium. A 48,000-square-foot tennis center addition will be constructed which will include six tennis courts. Also included is a clubhouse, locker rooms, training rooms, equipment rooms, athlete lounge, laundry area, and coaches’ offices as well as a ticket office, public restrooms, two new outdoor tennis courts, and related site work.

Mr. Glenn further stated that the existing indoor facility lacks the two needed courts for practice and competition. There is no designated tennis parking and no suitable vehicular or disabled access to the current site. The current office and support facilities are too small and this project will enhance recruiting and improve athlete’s playing experience. The project will improve opportunities to hold NCAA and other regional championships at the campus and will provide a safer and code-compliant pedestrian and vehicular access system.

Mr. Glenn stated that renovating the existing indoor court was considered but demolishing it and constructing the new facilities was determined by the University to be more feasible. The Phase I budget was being established at the 2.5% of the estimated total construction cost instead of the 1.5% that is routinely used. Mr. Glenn stated his support for this in that the construction method chosen for this project is the construction-manager-at-risk, an alternate delivery process that requires additional front-end money but which normally leads to projects that are delivered on time and under budget.

Commissioner Kuhl moved that authorization be given to the University to proceed with Phase I with the understanding that only A&E was being approved at this time. Phase II of the project will need to be brought before the Commissioners for approval when the A&E work is completed.

With no further questions, Commissioner Kuhl’s motion was seconded (Batson), and voted to approve Phase I of the Tennis Center Construction project as proposed.

Commissioner Lynn asked when the second phase of the project would be presented. Mr. Radakovich stated that this would be presented around February of 2017.

**B. Tri-County Technical College**

1. **Industrial Technology Center Renovation**

Mr. Glenn presented the project stating that the College was requesting approval of Phase I and Phase II at the same time. Mr. Glenn stated that the typical process for establishing a capital project is to request the two phases at different times. Since a portion of the project is funded by state appropriations, there may have been confusion from the College on the required timing to submit the Phase I for approval. Mr. Glenn stated that the requirement is to still bring Phase I even when the project is submitted with state appropriations as a funding source. The project is supported by $1M from Capital Reserve Funds with supplemental funding of $800K coming from Maintenance Needs Funds which come to the College from the counties in their service area.

Mr. Glenn stated that the project was initiated without a Phase I approval. The preliminary design work that was done exceeded 1.5% of the total project cost, the normal percentage for Phase I for a project with 7.8% spent on Phase I for this project. All of that was done and cannot be undone. Now that the oversight had been identified, the College was requesting approval of both phases of the project to renovate the Industrial Technology Center, referred to as the ITC, and the engineering and technology areas, referred to as the EIT, at the Pendleton campus. The ITC building is a 45,000-square-foot building and is 25-years-old. The Cleveland Hall building is a 37,500-square-
foot building that is over 40-years-old. The ITC currently has 7,500-square-feet of space currently reserved for expansion. This project is to up-fit that space. The project goals include developing a computer numerical controls area and consolidating the CNC programming and operations by relocating from the Pendleton Campus to the ITC. It also includes moving the HVAC from the ITC to occupy the vacated space in Cleveland Hall. The project includes relocating welding technologies, grinding, and fabrication areas to the vacated HVAC area. Vacated space will be repurposed in Cleveland Hall and Wilson Hall for the general engineering technology program, the automotive technology and the mechatronics programs, and engineering transfer classes.

Mr. Glenn stated that the current uncommitted balance of the maintenance needs funds is around $3M and that the project would alleviate a portion of the maintenance needs of the ITC and Cleveland Hall. There were no additional operating costs associated with this project.

Commissioner Batson stated that this project is really four projects that the College has included in their master plan. Instead of tackling four different projects individually, the College is combining these into one project. The College is not asking for more bricks and mortar money and are using existing facilities. Commissioner Batson recommended that we accept this project.

Commissioner Kuhl asked the College if they would be addressing any building maintenance issues like electrical, plumbing, HVAC, and other envelope issues with this project. Ms. Hamilton from the College stated that the College would be addressing those issues. Commissioner Kuhl asked what the useful life of these buildings will be once these up-fits are completed. Ms. Hamilton stated that she expects these upfits to extend the useful life at least 10-15 years. She added that the buildings are in really good shape and it’s really a matter of efficiently master planning and setting the course for the next 10-15 years.

Commissioner Lynn asked if there are any industry partners contributing to this project. Ms. Hamilton stated that the College has partners in all their learning areas and some companies were donating money to buy equipment that is not in the project budget.

Commissioner Kuhl asked if the project cost excluding the Capital Reserve Funds was coming from the Tri-County area. Ms. Hamilton stated that $800,000 is coming from College Plant Funds which come from the three counties in their service area.

Commissioner Lynn asked how the College was going to address energy provisions or LEED certification. Ms. Hamilton stated that LEED certification was not required for this project but that the design group was asked to do a complete review of all energy efficiency items that were cost effective for the buildings being renovated and that the College included these recommendations in their design work.

With no further questions, it was moved (Batson), seconded (Kuhl), and voted to approve the Industrial Technology Center Renovation project as proposed.

IV. Energy Independence and Sustainable Construction Advisory Committee Membership Recommendation

Mr. Glenn stated that this item is a recommendation to replace Dr. Susan Winsor who is on the Energy Independence and Sustainable Construction Advisory Committee. The Commission is responsible for naming two appointees to this Committee. One appointee is from the research or comprehensive sector. One is from the two-year or technical college sector. Dr. Winsor was the two-year campus appointee. The State Technical College System suggested Dr. Ronald Rhames, who is
currently the president of Midlands Technical College, to replace Dr. Winsor. Commission staff recommended the approval of Dr. Ronald Rhames as the two-year campus appointee.

With no further questions, it was moved (Batson), seconded (Lynn), and voted to approve Dr. Ronald Rhames as the two-year campus appointee to the Energy Independence and Sustainable Construction Advisory Committee.

V. Other Business (For Information, No Action Required)

   A. Final Budget Report for FY 2015-16

Mr. Glenn stated that no state general funds were lapsed at the end of the year. Mr. Glenn drew attention to the increase in the amount expended for scholarships in FY 15 which totaled $290M and the scholarships for FY 16 which totaled $306M, an additional $16M that was provided to students for additional scholarship support.

   B. List of Capital Projects & Leases Processed by Staff for June and July

Mr. Glenn noted that there were two staff approval lists for June and July, and there was nothing substantial on those.

With no further business, Commissioner Temple adjourned the meeting at 12:59 p.m.

Respectfully submitted,

Morgan O’Donnell
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.*
DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION
September 1, 2016

MEDICAL UNIVERSITY OF SOUTH CAROLINA

PROJECT NAME: Psych Institute Chiller #1 Replacement
REQUESTED ACTION: Establish Construction Budget
REQUESTED ACTION AMOUNT: $1,576,750
INITIAL CHE APPROVAL DATE: 4/21/2016

<table>
<thead>
<tr>
<th>Project Budget</th>
<th>Previous</th>
<th>Change</th>
<th>Revised</th>
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<tbody>
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<tr>
<td>Labor Costs</td>
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<td>$15,000</td>
<td>$15,000</td>
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<tr>
<td>Contingency</td>
<td>$0</td>
<td>$58,000</td>
<td>$58,000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$23,250</strong></td>
<td><strong>$1,576,750</strong></td>
<td><strong>$1,600,000</strong></td>
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<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Phase I (Pre-Design)</th>
<th>Phase II (Construction)</th>
<th>Total Proposed Budget</th>
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<tr>
<td>Institutional Deferred Maintenance</td>
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<td><strong>Total</strong></td>
<td><strong>$23,250</strong></td>
<td><strong>$1,576,750</strong></td>
<td><strong>$1,600,000</strong></td>
</tr>
</tbody>
</table>

DESCRIPTION:
The Medical University of South Carolina has completed the design work on the Psych Institute Chiller #1 Replacement project. MUSC requests to establish the construction budget to replace the chiller at the Psychiatric Institute Building. The existing chiller is beyond its useful life, undersized, and needs replacement. The existing 150-ton chiller will be replaced with a 350-ton chiller. Existing pumps and cooling tower will also be upgraded to match the new chiller capacity. This project will include work on the water piping, ductwork, exhaust fans and vents. Control systems, electrical, lighting and selective building demolition to install the chiller and cooling tower is included in this project.

The projected date for execution of the construction contract is March 2017, and for completion of construction is December 2017.

E&G MAINTENANCE NEEDS:
The project will alleviate a portion of the existing maintenance needs of $3,993,879 for the Psych Institute.

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

RECOMMENDATION:
Staff recommends approval of this project as proposed.
### PERMANENT IMPROVEMENT PROJECT REQUEST

1. **AGENCY**
   - Code: H51
   - Name: Medical University of South Carolina (MUSC)
   - Contact Person: Phil Mauney
   - Phone: (843) 792-2490

2. **PROJECT**
   - Project #: 9834
   - Name: Psych Institute Chiller #1 Replacement
   - Facility #: 750
   - Facility Name: Psychiatric Institute

<table>
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<th>New/Revised Budget</th>
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<td>10 - Charleston</td>
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<table>
<thead>
<tr>
<th>Project Type</th>
<th>Facility Type</th>
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<tbody>
<tr>
<td>4 - Replace Existing Facilities/Systems</td>
<td>3 - Health Care/Medical</td>
</tr>
</tbody>
</table>

3. **CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR**

   CPIP priority number: _____________

   of _________ for FY ________.

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

<table>
<thead>
<tr>
<th>Establish Project</th>
<th>Decrease Budget</th>
<th>Close Project</th>
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<tbody>
<tr>
<td>Establish Project - CPIP</td>
<td>Change Source of Funds</td>
<td>Change Project Name</td>
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<tr>
<td>Increase Budget</td>
<td>✓</td>
<td>Revise Scope</td>
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<tr>
<td></td>
<td></td>
<td>Cancel Project</td>
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</tbody>
</table>

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 documentation/maps to fully convey the need for the request.)

   This project will replace chiller #1 at the Psychiatric Institute Building. This existing chiller is beyond its useful life, undersized, and needs replacement. The existing 250 ton chiller will be replaced with a 350 ton chiller. Existing pumps and cooling tower will also be upgraded to match the new chiller capacity. This request is for approval to proceed with full design and construction.

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**

<table>
<thead>
<tr>
<th>Estimated Start Date:</th>
<th>Estimated Completion Date:</th>
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</thead>
<tbody>
<tr>
<td>June 2016</td>
<td>December 2017</td>
</tr>
</tbody>
</table>

   Estimated Expenditures:
   - Thru Current FY: $500,000.00
   - After Current FY: $1,100,000.00
8. ESTIMATES OF NEW/REVISED PROJECT COSTS

1. Land Purchase
2. Building Purchase
3. 60,000.00 Professional Services Fees
4. Equipment and/or Materials
5. Site Development
6. New Construction
7. Renovations - Building Interior
8. 1,467,000.00 Renovations - Utilities
9. Roofing
10. Renovations - Building Exterior
11. Other Permanent Improvements
12. Landscaping
13. Builders Risk Insurance
14. Other Capital Outlay
15. 15,000.00 Labor Costs
16. Bond Issue Costs
17. Other:
18. 58,000.00 Contingency

$1,600,000.00 TOTAL PROJECT BUDGET

9. PROPOSED SOURCE OF FUNDING

<table>
<thead>
<tr>
<th>Source</th>
<th>Previously Approved Amount</th>
<th>Increase/Decrease</th>
<th>Original/Revised Budget</th>
<th>Transfer to/from Proj. #</th>
<th>Treasurer's ID Number</th>
<th>Rev Sub Fund</th>
<th>Exp Sub Fund</th>
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<td>(6) Appropriated State</td>
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<td>(7) Federal</td>
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<td>2802</td>
<td>98800100</td>
<td>3035</td>
<td>3907</td>
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</table>

TOTAL BUDGET $23,250.00 $1,576,750.00 $1,600,000.00

10. SUBMITTED BY: [Signature of Authorized Official and Title]
11. APPROVED BY: [Signature and Title]
ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY
   Code __________ Name _______________________________________________________

2. PROJECT
   Project # __________ Name ___________________________________________________

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)
   
<table>
<thead>
<tr>
<th>Year</th>
<th>General Funds</th>
<th>Federal</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
<td>2)</td>
<td>$</td>
<td>$</td>
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<td>$ 0.00</td>
</tr>
<tr>
<td>3)</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

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
   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: __________________________
    Signature of Authorized Official and Title ______________________________________
    Date ______________________

FORM A-49: Revised 11/20/97
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.

   $1,600,000. Engineer cost estimate.

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.

   Investment Fund - Deferred Maintenance

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.)

   MUSC earmarks $4MM in operational funds on an annual basis to address deferred maintenance needs.

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

   All funds in the account were committed to deferred maintenance projects during the FY17 capital budget process.

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?

   Not applicable

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.

   None

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.

   Project will not be LEED certified.

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.

   Energy efficient motors and integrated digital controls will be installed on the chiller system.

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

    March 2017
11. What is the projected date (month and year) for completion of construction?
   December 2017

12. What program(s) are to be included in the constructed or renovated space?
   Not applicable, equipment replacement

13. What is the total square footage of the building to be renovated or constructed?
   62,300 gsf

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?
   Not applicable, equipment replacement

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

16. If any new space is being added to the facility, please provide demand/usage data to support the need.
   No new space is being added

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.)
   25 faculty/doctors, 50 staff, 30 students, and approximately 75 patients per day

18. If the construction cost increased significantly from the internal estimate (30% or more), what factors caused the cost to increase?
   No significant increase

19. If the contingency is more than 10%, please explain why.
   Contingency is 5%

20. If funds are being transferred from another project, what is the current status of the project from which funds are being transferred?
   Not applicable

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?
   NO. It was originally anticipated that this chiller replacement was under $1,000,000.

22. What are the economic impacts of the project, including job creation and retention? If there are none, please explain.
   Approximately 10 construction jobs will be maintained during the 8 month construction period. This chiller supports MUSC’s main data center which is a critical facility in the economic viable operation of MUSC.

23. How will your agency/institution address and fund maintenance of this facility construction/renovation?
   Since this is a replacement of existing equipment in an existing facility, the maintenance support structure is already in place.
24. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance?

Yes the name of the account is "Investment Fund - Deferred Maintenance." All funds in the account were committed to deferred maintenance projects during the FY16 capital budget process.

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?

Not applicable
Florence-Darlington Technical College

Project Name: Cosmetology Building and Land Acquisition
Requested Action: Final Acquisition
Requested Action Amount: $1,852,500
Initial CHE Approval Date: 1/8/2016

<table>
<thead>
<tr>
<th>Project Budget</th>
<th>Previous</th>
<th>Change</th>
<th>Revised</th>
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<tbody>
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<td>Building Purchase</td>
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<td>Professional Service Fees</td>
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<tr>
<td>Other, Preliminary Studies</td>
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<tr>
<td><strong>Total</strong></td>
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<td>$1,852,500</td>
<td>$1,872,500</td>
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</table>

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>Phase I (Pre-Design)</th>
<th>Phase II (Construction)</th>
<th>Total Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Funds</td>
<td>$20,000</td>
<td>$1,852,500</td>
<td>$1,872,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$20,000</strong></td>
<td><strong>$1,852,500</strong></td>
<td><strong>$1,872,500</strong></td>
</tr>
</tbody>
</table>

**Description:**
Florence-Darlington Technical College has completed the design work for the acquisition of the Cosmetology building, which is approximately 11,600-square-feet and 3 acres of improved land as well as approximately 47.74 acres of land in Darlington and Florence County. The project was established in January 2016 for preliminary land studies and a building condition assessment, which are now complete. The College wants to acquire the building that it currently leases for its cosmetology program, and included vacant land of approximately 41.38 acres. The property is adjacent to two other separated pieces of land (16 acres and 1.7 acres) currently owned by the College. This acquisition would place the entire 62 acre tract under ownership of the College. The acquisition also includes an approximately 6.36 acre tract near the College’s main campus. The 3 acre tract in combination with the 41.38 acre tract and the 6.36 acre tract comprises the 50.74 acres of total land to be acquired.

The College has grown from 3,956 to 6,215 students in the last seven years. From 2007 to 2014, the College was one of the fastest growing technical college in the state system, growing by 57%. Facilities on the existing campuses are limiting growth in many programs. The main campus is essentially landlocked, limiting options for new buildings and parking areas. This property will allow relocation of the Continuing Education Healthcare programs from the downtown Florence Health Science Campus. Thus opening up space for the growth of the academic Health Science programs, which have student waiting lists. The acreage available in this acquisition will allow the College the opportunity to add additional buildings to meet academic and instructional expansion needs in the future.

The total market value of the building with the 3 acres of land that is improved is $1,274,000. The additional land of 41.38 acres is valued at $372,000. So the total of the building with the
44.38 acres of land is $1,646,000. The total market value of the additional 6.36 acres of land near the College's main campus is $286,000. The combined market value of the building and all land is $1,932,000. The College reports that the purchase price will be $1,850,000. The total projected cost of this project is $1,872,500.

The projected date for completion of the land and building acquisition is January 2017.

**E&G Maintenance Needs:**
Not Applicable

**Annual Operating Costs/Savings:**
There are no additional annual operating costs associated with this project as the College is currently leasing this facility. The building operational costs are already in the College's operating budget. The current annual rent is $102,623.40, which equates to $8,551.95 monthly, and the College has been leasing this facility since 2004.

**Recommendation:**
Staff recommends approval of this project as proposed.
### BUDGET AND CONTROL BOARD - PERMANENT IMPROVEMENT PROJECT REQUEST

1. **AGENCY**  
   - Code: H59  
   - Name: Florence-Darlington Technical College  
   - Contact Person: Jack Roach  
   - Phone: 843-413-2705

2. **PROJECT**  
   - Project #: 6122  
   - Name: Acquisition of property (Cosmetology Building & Land in Darlington & Florence County)  
   - Facility #: COSM  
   - Facility Name: Cosmetology Building & Land

<table>
<thead>
<tr>
<th>County Code</th>
<th>New/Revised Budget</th>
<th>Project Type</th>
<th>Facility Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 &amp; 21</td>
<td>$1,872,500.00</td>
<td>Purchase Land/Building</td>
<td>Academic 75%, Land Purchase 25%</td>
</tr>
</tbody>
</table>

3. **CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR**  
   - CPIP priority number: 1 of 1 for FY 16-17.

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

<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish Project</td>
<td>Decrease Budget</td>
</tr>
<tr>
<td>Establish Project - CPIP</td>
<td>Change Source of Funds</td>
</tr>
<tr>
<td>Increase Budget</td>
<td>Revise Scope</td>
</tr>
</tbody>
</table>

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 documentation/maps to fully convey the need for the request.)

   The College wants to acquire the building that it currently leases for its cosmetology program, and included vacant land (44.38 acres). The property is adjacent to two other separated pieces of land (16 acres & 1.7 acres) currently owned by the college. This acquisition would place the entire 62 acre tract under ownership of the college. The acquisition also includes a 6.36 acre tract near the college’s Main Campus. FDTC has grown from 3956 to 6215 students in the last 7 years. From 2007 to 2014 it was the fastest growing technical college in the state system, growing by 57%. Facilities on the existing campuses are limiting the growth in many programs. The main campus is essentially landlocked, limiting options for new buildings and parking areas. This property will allow relocation of the Continuing Education Healthcare programs from the downtown Florence Health Science Campus. Thus, opening up space there for the growth of the academic Health Science programs, which have student waiting lists. The acreage available in this acquisition will allow the college the opportunity to add additional buildings to meet academic and instructional expansion needs in the future.

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: March 2016  
   - Estimated Completion Date: January 2017

| Estimated Expenditures: Thru Current FY: | $1,872,500.00 | After Current FY: | $0.00 |
8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<table>
<thead>
<tr>
<th></th>
<th>Name of Expense</th>
<th>Amount</th>
<th>Description</th>
<th>Land</th>
<th>Acres</th>
<th>Floor Space</th>
<th>Gross Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Land Purchase</td>
<td>1,850,000.00</td>
<td>----&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2.</td>
<td>Building Purchase</td>
<td>2,500.00</td>
<td>----&gt;</td>
<td>Land</td>
<td>50.74</td>
<td>Floor Space:</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Professional Services Fees</td>
<td>11,600</td>
<td>Gross Square Feet</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Equipment and/or Materials</td>
<td>50</td>
<td>Information Technology</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>5.</td>
<td>Site Development</td>
<td>11</td>
<td>gross square feet</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>New Construction</td>
<td>20,000.00</td>
<td>----&gt;</td>
<td>Floor Space:</td>
<td></td>
<td></td>
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<tr>
<td>7.</td>
<td>Renovations - Building Exterior</td>
<td>20,000.00</td>
<td>----&gt;</td>
<td>Gross Square Feet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Renovations - Utilities</td>
<td>20,000.00</td>
<td>----&gt;</td>
<td>Gross Square Feet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Roofing - Roof Age</td>
<td>20,000.00</td>
<td>Other Permanent Improvements</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Site Costs</td>
<td>20,000.00</td>
<td>Other: preliminary studies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Bond Issue Costs</td>
<td>20,000.00</td>
<td>Contingency</td>
<td></td>
<td></td>
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$1,872,500.00 TOTAL PROJECT BUDGET

9. PROPOSED SOURCE OF FUNDING

<table>
<thead>
<tr>
<th>Source</th>
<th>Previously Approved Amount</th>
<th>Increase/Decrease</th>
<th>Original/Revised Budget</th>
<th>Transfer to/from Proj. #</th>
<th>Rev Object Code</th>
<th>Treasurer's ID Number</th>
<th>Rev Sub Fund</th>
<th>Exp Sub Fund</th>
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<tbody>
<tr>
<td>(0) CIB, Group</td>
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<td></td>
<td>3043</td>
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<td></td>
<td></td>
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<tr>
<td>(1) Dept. CIB, Group</td>
<td>8115</td>
<td></td>
<td>3143</td>
<td>3143</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Institution Bonds</td>
<td>8895</td>
<td></td>
<td>3603</td>
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<td>(3) Revenue Bonds</td>
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<td></td>
<td>1001</td>
<td>1001</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Excess Debt Service</td>
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<td>5787</td>
<td>5787</td>
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<td>(5) Capital Reserve Fund</td>
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<td>3807</td>
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<tr>
<td>(6) Appropriated State</td>
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<td>3907</td>
<td>3907</td>
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<td></td>
<td></td>
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<tr>
<td>(7) Federal</td>
<td>20,000.00</td>
<td>1,852,500.00</td>
<td>1,872,500.00</td>
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<td></td>
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<tr>
<td>(8) Athletic</td>
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<td></td>
<td>98800100</td>
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<td></td>
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<tr>
<td>(9) Other (Specify)</td>
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<td></td>
<td>3907</td>
<td>3907</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL BUDGET $1,872,500.00

10. SUBMITTED BY: [Signature of Authorized Official and Title] Ben Dillard - President 7-29-16

11. APPROVED BY: [Authorized Signature and Title] Date Revised 4/15/93
ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY Code H59 Name Florence-Darlington Technical College

2. PROJECT Project # 6122 Name Acquisition of property (Cosmetology Building & Land in Darlington & Florence)

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

<table>
<thead>
<tr>
<th>(1) Fiscal Year</th>
<th>(2) General Funds</th>
<th>(3) Federal</th>
<th>(4) Other</th>
<th>(5) Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>2)</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>3)</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

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: ____________________________
   Signature of Authorized Official and Title
   Ben Dillard - President
   Date 7-29-16

FORM A-49: Revised 11/20/97

ADDENDUM TO FORM A-1, A-42, O-42
July 29, 2016

Jennifer LoPresti  
Capital Budgeting Manager, Executive Budget Office  
The South Carolina Department of Administration  
1205 Pendleton Street, Suite 529  
Columbia, SC 29201  

Ms. LoPresti,

Florence-Darlington Technical College is requesting permission to purchase the building that it currently leases for its Cosmetology program, and included vacant land (44.38 acres). The acquisition also includes a 6.36 acre tract of land near the College’s Main Campus.

FDTC has grown from 3956 to 6215 students in the last 7 years. From 2007 to 2014 it was the fastest growing technical college in the state system, growing by 57%.

Facilities on the existing campuses are limiting the growth in many programs. The main campus is essentially landlocked, limiting options for new buildings and parking areas. Space is at a premium.

The College intends to use the building in its current condition in the immediate near term for the Cosmetology program. However, this property will allow for the future relocation of the Continuing Education Healthcare programs from the College’s downtown Florence Health Science Campus. Thus, opening up space there for the growth of the Academic Health Science programs, which have student waiting lists. The additional acreage available in this acquisition will also allow the college the opportunity to add additional buildings in the future, to meet academic and instructional expansion needs.

The cost of the property is below its market appraised value, making it a good value for the College and in the best interest of the State.

Respectfully,

Dr. Ben P Dillard, III  
President
PROPERTY ACQUISITION INFORMATION FORMAT

PART I

1. Project Number: H59-6122

2. County: Darlington County and Florence County

3. Description of Property: Building that currently houses the college’s cosmetology program, land that it sits on, and a second piece of vacant land. The building is 11,600 square feet, and the included land is 44.38 acres. The second piece of land is 6.36 acres, making the entire acquisition 50.74 acres.

4. Grantor(s) Name and Address: Florence-Darlington Technical College Educational Foundation (current property owner)

5. Grantee(s) Name and Address: Florence-Darlington Technical College
   2715 West Lucas St.
   Florence, SC 29502

6. County Location: Southern section of Darlington County/Northwest section of Florence County

7. Acreage: +/- 50.74 acres

8. Purpose for Acquisition: To acquire the building that the college currently leases for its cosmetology program, and included vacant land. The property is adjacent to two other separated pieces of land (16 acres & 1.7 acres) currently owned by the college. This acquisition would place the entire 62 acre tract under ownership of the college for future academic and institutional expansion needs. The second piece of land is located near the college’s Main Campus and will offer opportunity for future campus expansion.

9. Demonstrate the need to acquire the property:
   FDTC has grown from 3956 to 6215 students in the last 7 years. From 2007 to 2014 it was the fastest growing technical college in the state system, growing by 57%. Facilities on the existing campuses are limiting the growth in many programs. The main campus is essentially landlocked, limiting options for new buildings and parking areas. This property will allow relocation of the Continuing Education Healthcare programs from the downtown Florence Health Science Campus. Thus, opening up space there for the growth of the academic Health Science programs, which have student waiting lists. Because there is acreage available with this property, the land may also be used to allow the college to further add additional buildings to meet academic and instructional needs in the future.

10. Purchase price: $1,850,000.00

11. Current year property tax amount: - N/A (Current property owner does not pay property tax)
Part II

1. **How many sites were evaluated?**

2. **Please list the selection criteria used to evaluate sites:**
   - Existing building currently leased by college to house the college's cosmetology program
   - Acreage allows for future growth possibilities
   - Acreage connects two existing pieces of land owned by the college
   - Affordability, property is available to the college at reasonable and below market value (the appraised value is $1,932,000, the purchase amount is $1,850,000)
   - No zoning code issues

3. **How was the final selection made:** A team of college leaders determined that this property best met the needs of the college.

4. **Why was this specific site selected:** This property houses the current college cosmetology program, connects two other separated pieces of land currently owned by the college, and provides for future growth opportunities. It is available at a reasonable and below market price.

5. **What is the estimated cost of any construction or renovations to be done on the property and the anticipated source of funds for such work?**

   The college intends to use the building in its current condition in the immediate near term for the cosmetology program. Within the next two years the plan is to move the Continuing Education Healthcare programs to the existing building. At that time it will require renovations costing approximately $300,000. This project would be paid for by college Plant Funds. These funds are excess revenues over expenses, collected over time, to address capital/major maintenance and renovation needs.

6. **What are the estimated additional annual operating costs which will result from acquisition of the property and the anticipated source of funds? Explain the factors that determine the cost. If no costs, explain why not?**

   There are no additional operating costs to the college. The building operational costs are already in the college's operating budget. There are no new costs associated with owning the raw land.

7. **What are the estimated additional annual operating costs which will result from construction/renovation on the property and the anticipated source of funds? Explain the factors that determine the costs. If no costs, explain why not.**

   There are no additional operating costs to the college after the building is renovated. The operating costs will continue to be what they are currently.
Florence County Assessor

Parcel: 00120-01-049  Acres: 6.36

FLORENCE DARLINGTON TECH COLLEGE EDUC FOUNDATION

Site:
2520 1/2 MELON ST

Sale:

PO BOX 100548
FLORENCE, SC 29502

Florence County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll.

Date printed: 07/22/16 : 16:01:52

23
May 4, 2016

Mr. Jack Roach
Director of Special Projects
Florence-Darlington Technical College
Florence, South Carolina

Dear Mr. Roach:

At your request we have inspected the properties in the name of Florence-Darlington Technical College Educational Foundation, Inc. The properties in this report are referred to as Parcel One, 122 Palmetto Road in Darlington County consisting of +/-3.0 acres that is improved with a cosmetology center containing 11,584 square feet of building area plus 41.38 acres that represent excess land. The second property is referred to as Parcel Two which consists of 6.36 acres located on the southwest side of Melon Street in Florence County.

The purpose of the inspection was to gather information necessary for the preparation of a reasonably documented estimate of the Market Value, As Is, of the fee simple interest in the properties, as of April 20, 2016.

The appraisal is communicated through an Appraisal Report that, in our opinion, conforms to the guidelines outlined in the 2016-2017 Edition of the Uniform Standards of Professional Appraisal Practice.

We have not been provided with an environmental study of the subject site. We assume that the site is environmentally clean and free of hazardous materials. Should this not be the case, our value estimate could be affected.

We certify that, to the best of our knowledge and belief, the statements and conclusions in this report are thorough and correct. We certify that we have no interest in the property and that neither the employment to make this appraisal nor the compensation received is contingent upon the value reported.
Based on the analysis and data contained in this report, it is our opinion that the Market Value of the fee simple estate in the property located at 122 Palmetto Road, as of April 20, 2016, is:

**ONE MILLION SIX HUNDRED FORTY SIX THOUSAND DOLLARS**

($1,646,000)

This value is allocated as:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved Section</td>
<td>$1,274,000</td>
</tr>
<tr>
<td>Excess Land</td>
<td>372,000</td>
</tr>
<tr>
<td>Total</td>
<td>$1,646,000</td>
</tr>
</tbody>
</table>

Based on the analysis and data contained in this report, it is our opinion that the Market Value of the fee simple estate in the 6.36 acres located on Melon Street, as of April 20, 2016, is:

**TWO HUNDRED EIGHTY SIX THOUSAND DOLLARS**

($286,000)

Respectfully submitted,

[Signature]

Julian W. Graham SRA  
S. C. State Certified General Real Estate Appraiser  
Certificate No. CG 218

[Signature]

Andrew H. Fowler, MAI  
S.C. State Certified General Real Estate Appraiser  
Certificate No. CG 220
8.2 Off-Site Opinions

The EDR listed facilities listed are determined to not pose a material threat of environmental contamination to the property based on current regulatory status, distance from the property, and assumed groundwater flow. Therefore, the offsite listings are not recognized environmental conditions in connection with the subject property.

8.3 Data Gaps and Data Failure

The operational history of the property could not be documented at approximately five-year intervals due to the lack of historical source information readily available. A search for environmental liens and activity use limitations was not provided by the user. Due to information gathered during interviews, previous assessments, and available historical sources these data gaps were not considered significant in determining recognized environmental conditions in connection with the subject property.

9.0 Conclusions

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527 of the H59-6122-LP Acquisition of Property (Cosmetology Building and Land in Darlington and Florence County) Tract A identified by the Darlington County online database as TMS No. 186-00-02-010. Any exception to, or deletions from, this practice are described in Section 10.0 of this report.

This assessment has revealed no evidence of recognized environmental conditions or controlled recognized environmental conditions in connection with the subject property.

10.0 Deviations

S&ME has endeavored to perform this Phase I ESA in substantial conformance with the scope and limitations of ASTM Standard Practice E1527-13 without significant deviation.

11.0 Additional Services

Additional services by S&ME include Lead-Based Paint and Water Assessment as well as a Wetlands Delineation.
3.0 Asbestos Assessment

3.1 Assessment Procedures
The assessment was performed by observing and sampling suspect asbestos containing building materials that may be disturbed as part of future demolition or renovation activities of the building. The possibility exists that suspect materials were undetected in inaccessible areas. If additional suspect materials are discovered during the planned demolition activities, bulk samples should be collected and analyzed for asbestos content.

A sampling strategy was developed to provide representative samples in accordance with OSHA, SCDHEC and EPA. Bulk samples were then extracted from suspect ACMs and recorded on a chain of custody record and submitted to CEI Labs of Cary, North Carolina for Polarized Light Microscopy (PLM) laboratory and confirmation of negative results for non-friable organically bound materials as required by the SCDHEC. The laboratory is accredited by the National Voluntary Laboratory Accreditation Program (NVLAP), which is administered by the National Institute of Standards and Technology.

\textit{Polarized Light Microscopy (PLM)}
The suspect materials were analyzed by trained microscopists using PLM techniques coupled with dispersion staining in accordance with EPA Test Method Title 40 Code of Federal Regulations, Chapter I (1-1-87 edition), Part 763, Subpart F-APPENDIX A. This method identifies asbestos mineral fibers based on six optical characteristics: morphology, birefringence, refractive index, extinction angle, sign of elongation and dispersion staining colors. The laboratory analysis reports the specific type of asbestos identified (there are six asbestos minerals) and the percentage of asbestos present.

\textit{Transmission Electron Microscopy (TEM)}
Suspect non-friable organically bound materials, exhibiting negative results via PLM analysis, were analyzed by trained microscopists by TEM using EPA 600 Method in accordance with ASTM E2356 as required by SCDHEC.

4.0 Findings and Results
The asbestos assessment conducted on May 31, 2016, included the assessment and bulk sampling of suspect asbestos-containing materials associated with the future demolition or renovation activities of the building that will most likely disturb these materials. Suspect ACMs observed, sampled and analyzed consisted of:

- vinyl floor tile and associated mastic (2 types)
- vinyl cove-base and associated mastic
- ceiling tiles (2 types)
- duct mastic (2 types)
- sheetrock and associated joint compound
- carpet and associated mastic
- exterior plaster coating

June 21, 2016
The EPA, SCDHEC and OSHA defines materials as asbestos containing if an asbestos content of greater than one percent (>1%) is detected in a representative sample.

No asbestos in concentrations >1% was detected in the suspect materials sampled and analyzed.

A diagram of the asbestos sample locations is provided as Figure 1 in Appendix I, and a copy of the inspector’s SCDHEC license is provided in Appendix II. The laboratory analyses and chain-of-custody records are provided in Appendix III. Table I, located in Appendix IV summarizes the sample number, location, type of material tested, approximate quantity of the material sampled, condition of the material, and corresponding result for each sample.

4.1 Abbreviations and Hazard Assessment Key

In accordance with the EPA and SCDHEC, confirmed ACM is assigned a hazard assessment based on its present condition and potential for disturbance. The hazard assessment is used as a tool for prioritization in remedial actions regarding the identified ACM(s). The following key exhibits the criteria that compose the hazard assessment. Based on bulk samples collected and analyzed from the subject building, no asbestos was detected, therefore the hazard assessment does not apply.

Present Condition
F = Friable
NF = Non-friable
G = Good (Very localized limited damage)
D = Damaged (Damage of less than 10% distributed and less than 25% localized)
SD = Significantly Damaged (Damage equal to or greater than 10% distributed, 25% localized)

Potential for Future Disturbance
LPD = Low Potential for Disturbance (Contact, Vibration, and Air Erosion all of Low Concern)
PD = Potential for Damage (Contact, Vibration, or Air Erosion of Moderate Concern)
PSD = Potential for Significant Damage (Contact, Vibration, or Air Erosion of High Concern)
5.0 Lead-Based Paint Assessment

5.1 Investigative Procedures

The lead-based paint assessment was performed on representative exterior and interior painted components on the FDTC Cosmetology building. The painted components were analyzed utilizing a Niton XLP-300A X-Ray Fluorescence (XRF) spectrum analyzer (serial #95004). The suspect painted finishes were selected based on the color of the topcoat and the underlying paint layers and/or the substrate on which it was applied. The possibility exists that lead-based paint finishes are present in those inaccessible areas such as wall voids, etc. SCDHEC defines a lead-based paint as any paint containing lead at concentrations equaling 0.7 mg/cm² or greater by XRF testing. For the purpose of the assessment, paint containing 0.7 mg/cm² or greater was considered lead-based paint due to the planned activities. Lead-based paint, as defined by SCDHEC, on building components, requires disposal in a Class II or Class III lined landfill.

OSHA does not recognize a threshold level of lead for definition purposes, only the airborne concentration of lead a worker is exposed. The current OSHA regulations recognize an airborne action level of 30 micrograms per cubic meter (µg/m³) during an eight-hour day and a permissible exposure limit of 50 µg/m³.

5.2 Findings

Based on the assessment and testing performed on April 26, 2016 of the painted components associated with the building, no components exhibited a lead concentration meeting the SCDHEC disposal limit of 0.7 mg/cm² via XRF technology.

Detectable levels of lead were present in the red paint from the exterior fire alarm bell (0.50 mg/cm²), beige paint from the interior men's restroom floor tile (0.05 mg/cm²), blue paint from the interior men's restroom covebase (0.07 mg/cm²), and blue paint from the interior women's restroom covebase (0.03 mg/cm²), which may be applicable to the standards of the OHSA 29 CFR 1926.62 (Lead in Construction) depending upon the tasks impacting those painted surfaces.

The summary of XRF readings are provided in Appendix V, and should be reviewed in full.

6.0 Lead in Drinking Water

6.1 Investigative Procedures

S&ME contacted a SCDHEC certified analytical laboratory and requested the appropriate sample container and chain-of-custody form for use in the field. S&ME utilized the services of Access Analytical, Inc. in Columbia, South Carolina (SCDHEC Certification No. 98016). S&ME collected one tap water sample (DW-1) after a two-minute system purge from the FDTC Cosmetology building breakroom faucet and placed it in an iced cooler pending delivery to the laboratory through S&ME chain-of-custody protocol. The laboratory analyzed the tap water sample for Lead by EPA Method 6010B.

The laboratory data was compared to the USEPA MCL for lead (0.015 milligrams per Liter (mg/L)).
7.0 Findings

7.1 On-Site Findings

♦ Storage and piles of miscellaneous debris are located throughout the southern portion of the property.
♦ Two sanitary septic systems are located on the property.

7.2 Off-Site Findings

Three site within the ASTM specified search radii was identified in the EDR Radius Map Report. One unmapped "orphan" site was listed.

8.0 Opinion

8.1 On-Site Opinions

♦ There was no observed hazardous materials among the miscellaneous debris. Therefore, the miscellaneous debris is not recognized environmental condition.
♦ Septic systems used for sanitary waste are not considered a recognized environmental condition.

8.2 Off-Site Opinions

The EDR listed facilities listed are determined to not pose a material threat of environmental contamination to the property based on current regulatory status, distance from the property, and assumed groundwater flow. Therefore, the offsite listings are not recognized environmental conditions in connection with the subject property.

8.3 Data Gaps and Data Failure

The operational history of the property could not be documented at approximately five-year intervals due to the lack of historical source information readily available. A search for environmental liens and activity use limitations was not proviced by the user. Due to information gathered during interviews, previous assessments, and available historical sources these data gaps are not considered significant.

9.0 Conclusions

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E1527 of the H59-6122-LP Acquisition of Property (Cosmetology Building and Land in Darlington and Florence County) Tract B identified by the Florence County online database as TMS No. 0021-01-049. Any exception to, or deletions from, this practice are described in Section 10.0 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the property.
DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION
September 1, 2016

MIDLANDS TECHNICAL COLLEGE

PROJECT NAME: Midlands – Industrial Technology Building Expansion and Welding Lab Upgrade

REQUESTED ACTION: Establish Project

REQUESTED ACTION AMOUNT: $4,500,000

INITIAL CHE APPROVAL DATE: N/A

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<th>Phase I (Pre-Design)</th>
<th>Phase II (Construction)</th>
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DESCRIPTION:
Midlands Technical College requests to begin design work to renovate and expand the Industrial Technology building on the Airport campus to meet the growing workforce needs of this essential job market sector. This building is 48-years-old and is approximately 11,550-square-feet. The project work is consistent with the College’s Master Facilities Plan. The facility will house more than fifty-five welding teaching stations, two classrooms and support spaces for the programs. An exterior covered section will be built for the purpose of instructing students in grinding, metal working, pipefitting and related large scale industrial projects. The facility will support both credit and continuing education, MTC QuickJobs programs, and bridge the gap between current capacity and job-growth demands. The college considered alternate means of providing space for the ever growing welding programs, but because of the inherent noise, soot and fumes associated with the programs it was decided that this existing facility provided the best isolation and could accommodate both programs in one facility.

The amount requested for Phase I (A&E) is 2.0% of the estimated total cost. This exceeds the state standard of 1.5% in order to complete the LEED 30-year life cycle cost analysis.

E&G MAINTENANCE NEEDS:
The current building condition code is 90, which indicates that there are no significant maintenance needs to address.

ANNUAL OPERATING COSTS/SAVINGS:
There are additional annual operating costs of between $29,150 and $30,900 associated with this project. These costs will be supported by the Local County Funds within the operations budget.

RECOMMENDATION:
Staff recommends approval of this project as proposed.
1. AGENCY
   Code       H59    Name       Midlands Technical College
   Contact Person       Craig E. Hess    Phone       803-822-3216

2. PROJECT
   Project #       Name       Midlands - Industrial Technology Expansion and Welding Lab Upgrade
   Facility #       Facility Name       Industrial Building

- County Code       32 - Lexington
- New/Revised Budget       $90,000.00
- Project Type       3 - Repair/Renovate Existing Facilities/Systems
- Facility Type       2 - Program/Academic

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR
   CPIP priority number       0       of       0       for FY       16/17.

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)
   - Establish Project       
   - Establish Project - CPIP
   - Increase Budget
   - Decrease Budget
   - Change Source of Funds
   - Revise Scope
   - Close Project
   - Change Project Name
   - 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 documentation/maps to fully convey the need for the request.)

   The project consists of renovation and expansion of the 48 year old Industrial Technology building on the Airport campus to meet the growing workforce needs of this essential job market sector. The work is consistent with the college's Master Facilities Plan. The facility will house 55+ welding teaching stations, 2 classrooms and support spaces for the programs. An exterior covered section will be built for the purpose of instructing students in grinding, metal working, pipefitting and related large scale industrial projects. The facility will support both credit and continuing education, MTC QuickJobs programs, and bridge the gap between current capacity and job-growth demands. The college considered alternate means of providing space for the ever growing welding programs. Because of the inherent noise, soot and fumes associated with the programs it was decided that this existing facility provided the best isolation and could accomodate both programs in one facility. Funds (0.5%, $22,500) beyond the 1.5% are requested to complete the required LEED cost-benefit analysis.

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:       January 2020
   Estimated Expenditures: Thru Current FY:       $90,000.00
   After Current FY:       $0.00
8. ESTIMATES OF NEW/REVISED PROJECT COSTS

1. ________________________ Land Purchase ----->
2. ________________________ Building Purchase ----->
3. ________________________ 90,000.00 Professional Services Fees
4. ________________________ Equipment and/or Materials ----->
5. ________________________ Site Development
6. ________________________ New Construction ----->
7. ________________________ Renovations - Building Interior ----->
8. ________________________ Renovations - Utilities
9. ________________________ Roofing - ________ Roof Age
10. _______________________ Builders Risk Insurance
11. _______________________ Other Capital Outlay
12. _______________________ Landscaping
13. _______________________ Other Permanent Improvements
14. _______________________ Labor Costs
15. _______________________ Bond Issue Costs
16. _______________________ Other:
17. _______________________ Contingency

_________________________ TOTAL PROJECT BUDGET

$90,000.00

9. PROPOSED SOURCE OF FUNDING

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TOTAL BUDGET
$0.00 $90,000.00 $90,000.00

10. SUBMITTED BY: __________________________ Craig E. Hess, Director of Operations
    Signature of Authorized Official and Title
    August 1, 2016
    Date

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

Revised 3/30/16
# ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. **AGENCY**
   - Code: H59
   - Name: Midlands Technical College

2. **PROJECT**
   - Project #: ____________
   - Name: Midlands – Industrial Technology Expansion and Welding Lab Upgrade

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**

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

6. Will the additional costs be absorbed into your existing budget? ☑ YES ☐ NO
   If no, how will additional funds be provided?
   - Costs will be paid by Local County Funds within the Operations budget.

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 for 5,000SF in 2020**
   
   1. Utilities
   - $13,000
   2. Maintenance
   - $8,400
   3. Custodial
   - $7,000
   4. Insurance: Bldgs & Contents
   - $750
   5. 
   6. 
   7. 
   8. 
   TOTAL
   - $29,150

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

9. Submitted By: __________________________ Director of Operations
    Signature of Authorized Official and Title: __________________________
    Date: August 1, 2016

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FORM A-48: Revised 11/20/97
ADDENDUM TO FORM A-1, A-42, O-42
PERMANENT IMPROVEMENT PROJECT INFORMATION FORMAT
FOR PHASE I A&E PRE-DESIGN PROJECTS

1. What is the internal projected cost of the project?
   $4,500,000

2. What is/are the source(s) of funds to be used for A&E pre-design?
   State funds

3. What is your agency/institution’s definition of the source(s) of funds used for the A&E pre-design?
   (Please be specific for each and if there is a statutory authority authorizing the use of the
   funds for capital projects for the source, please cite the code section. If a source includes
   any type of fee, what is the fee called, what is the fee amount and when was it put in place?)
   State funds are defined as those funds the Legislature appropriated in 2016 for this specific
   project. (Bill H.5002, item 26)

4. What is the current fund balance of uncommitted funds in the source of funds for A&E pre-design?
   $90,000

5. What is the source(s) of funds to be used for construction?
   State Appropriation: $3,410,000 and County funds: $1,000,000

6. What is your agency/institution’s definition of the source(s) of funds to be used for construction?
   (Please be specific for each if different from those in 3 above. If there is statutory authority
   authorizing the use of the funds for capital project, please cite the code section and if a source
   includes a fee, what is the fee called, what is the fee amount and when was it put in place?)
   State appropriation are defined as those funds appropriated by the Legislature in 2016 for this
   particular project. (Bill H.5002, item 26). County funds are defined as those funds the college
   receives from the county for the operation of the college’s physical plant.

7. What is the current fund balance of uncommitted funds in each source to be used for construction?
   State funds: $3,410,000 and County funds: $1,000,000

8. Will the use of any funds for A&E pre-design or for construction require an increase in any student fee
   or tuition?
   No, college funds are not used.

9. If the use of any funds for A&E pre-design or construction will require any student fee or tuition
   increase, please explain and include the amount of the fees annually or by semester, what the fee
   is called and when it was put in place.
   No increased is required.

10. What is the total square footage of the building to be renovated or constructed?
    Approximately 11,550 square feet.

11. 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?
    Approximately 6,550 square feet.

12. What program(s) will use the space to be renovated/constructed?
    Welding programs, both Credit and Corporate and Continuing Education.

13. What is the current age of the building to be renovated?
    48 years old.
14. What is the current age of the building system(s) to be renovated or replaced? HVAC/plumbing is 14 years old. Other systems to be renovated are original.

15. If any new space is being added to the facility, please provide demand/usage data to support the need. Additional space is required in the Industrial Building to house the combined Academic and Continuing Education Welding programs at MTC. The existing facilities are inadequate to serve the needs of current students, adjunct instructors and faculty. In addition, to a crowded learning environment, some classes are conducted in an outdoor area subjecting students to inclement weather conditions, congested working areas, commercial delivery area and waste pickup traffic. Industry demand for trained and qualified welders is increasing as a result of improving economic conditions at a time when the workforce is diminishing due to aging and retirement of existing welders. Wages are increasing in our service area and the welding programs are experiencing a corresponding increase in enrollment numbers for both welding programs. The additional space will facilitate expansion of the program and additional course offerings such as advanced pipe welding, fabrication, automated and robotic welding. See attached 2016 Occupational Overview for welding and a photo of the congested work area.

16. If the A&E pre-design request is above 1.5% of the internal estimated cost of the project, what is the reason the amount exceeds 1.5%? An additional $22,500 (0.5%) for initial A&E Services covers programming expenses which are exclusive of Basic A&E Services and the LEED 30 year Life Cycle Cost Analysis that is required during Phase I design.

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 for the entire building? (Answer for as many as are applicable.) Renovations and additions to the Industrial Building allow an expanded capacity of 30% over existing number of welding booth spaces with a corresponding increase in number of students taught per year. Annually, the renovated facility may serve 260 students, and employ 3 full time faculty, 2 full time adjunct instructors, 4 part time adjunct instructors/lab assistants, and multiple part time work-study students.

18. 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, 2016-17 CPIP year 2.

19. What are the economic impacts of the project, including job creation and retention? If there are none, please explain. Economic benefits will come to local industry by being better served with a more qualified and skilled workforce. Additional development may result in in turn generate even more job growth. With a greater number of welding stations and each station having better quality, more students can be served and receive broader training. These students will benefit with skills demanding higher income potential.

20. How will your agency/institution address and fund maintenance of this facility construction/renovation? The additional operating costs associated with the additional 5,000 square feet will be absorbed within the college’s operational budget for physical plant.

21. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance? The name of the account is Plant Maintenance. Zero dollars is the uncommitted balance.
22. 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?

n/a
### SC Commission on Higher Education - Quarterly Budget Information Report, FY 2016-17

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SC Commission on Higher Education - Quarterly Budget Information Report, FY 2016-17
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<th>Source-Supported Student Scholarship and Grant Programs</th>
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<th>Expended Through 7/1/2016</th>
<th>Target Amount</th>
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<th>Balance</th>
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**Grand Total All Funds and Programs** | 343,378,948.69 | 3,706,728 | 9,147,765 | 1,253,164 | 13,501,374 | 333,372,682 | 360,981,712.46 | 0.00 | 360,981,712 |

**State** | 67,620,093.93 | 2,482,574 | 393,657 | 1,061,497 | 3,682,304 | 28,135,183 | 35,755,215.00 | - | 0.0% |
| State Carryover | 516,159.08 | 60,000 | 679,044 | - | - | 208,811 | 947,854.75 | - | 0.0% |
| State - Non-recurring | 2,850.00 | - | 50,000 | - | - | 50,000 | 50,000 | - | 0.0% |
| Revenue | 2,687,630.70 | 246,398 | 3,246,506 | - | 41,000 | 3,333,904.00 | 3,533,904.00 | - | 0.0% |
| Lottery | 246,730,938.80 | 326,226 | 18,774 | - | - | 296,978,490 | 297,323,490 | - | 0.0% |
| Lottery Carryover | 8,079,283.75 | - | 4,374,882 | - | - | 8,000,198 | 12,375,079.71 | - | 0.0% |
| National Guard Trust / DAYCO Trust | 3,007,890.05 | - | - | - | - | - | - | - | 0.0% |
| SmartState | 2,888,477.96 | - | - | - | - | 885,284 | 885,284 | - | 0.0% |
| EIA | 5,229,358.33 | 31,650 | 49,294 | - | - | 5,300,109 | 5,381,053 | - | 0.0% |
| Federal | 3,769,109.09 | 559,880 | 385,608 | 191,667 | 3,592,677 | 4,729,832 | 4,729,832 | - | 0.0% |

**Notes:**
1) Education Improvement Act funds are appropriated to SCDE and transferred to CHE. Contracts provided to colleges & universities to design programs focusing on teacher training as governed under 59-103-140. Additionally, FY 2016-17 Proviso 1A.32 directs $350,000 to Francis Marion University to prepare teachers of children of poverty.
2) Funds represent administrative support authorization included in the FY 2016-17 Appropriation Act. All SmartState matching funds have been awarded. No new funds have been appropriated for SmartState since FY 2008-09.
3) Funding provided to Coker ($47,083.80) and Clinton ($48,083.80) in FY 2015-16 per Proviso 3.5.
4) The Education Endowment was initially established with Barnwell Nuclear Fee Revenues but is now supported solely with State General Funds. Per SC Code of Laws, Section 48-46-30(F), the Endowment is funded at least at the 1999-2000 levels. By statute, higher education funds from the endowment are divided equally between Palmetto Fellows and Need-Based Grants.
5) CHE and the Technical College System Office share administrative responsibilities for LTA. The appropriation for LTA is shared between CHE and the SC Technical College System Office. The CHE portion supports LTA grants at USC 2-Yr Campuses and Spartanburg Methodist College (Independent 2-Yr).
6) Dayco Scholarships are budgeted as awards are made.
## Capital Projects & Leases Processed by Staff
### August 2016

### Maintenance Needs Projects using FY 2015-16 Lottery Allocation and Match

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<tr>
<th>Date Approved</th>
<th>Project #</th>
<th>Institution</th>
<th>Project Name</th>
<th>Action Category</th>
<th>Budget Change</th>
<th>Revised Budget</th>
<th>Original Approval Date</th>
<th>Revised Building Condition Survey With Close-out</th>
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<td>8/5/2016</td>
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<td>USC Lancaster</td>
<td>2015-16 Maintenance Needs¹</td>
<td>Increase Budget, Revise Scope</td>
<td>$247,412</td>
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### Routine Staff Approvals

- **8/2/2016**  New  Clemson University  Clemson House Demolition⁵  Establish Project  $0  $3,800,000  6/2/2016  -

### Close-Outs

- **8/1/2016**  9644  College of Charleston  Center for Social Science Research Renovation  Decrease Budget, Close Project  ($85,488)  $1,534,512 | 3/6/2010 | -
- **8/2/2016**  9640  College of Charleston  School of Science and Mathematics Completion⁷  Decrease Budget, Close Project  ($3,387,038)  $7,112,962 | 11/5/2009 | -
- **8/5/2016**  9793  MUSC  Psychiatric Institute 3rd Floor Main Data Center System Upgrades  Decrease Budget, Close Project  ($10,466)  $4,539,534 | 9/6/2007 | -
- **8/9/2016**  9921  MUSC  Clinical Sciences Building 9th Floor Renovation  Decrease Budget, Close Project  ($64,295)  $4,353,765 | 3/2/2012 | -
- **8/9/2016**  9823  MUSC  Basic Science Building Craniofacial Biology Research Renovation  Decrease Budget, Close Project  ($105,612)  $2,496,388 | 4/5/2012 | -
- **8/20/2016**  9628  College of Charleston  Grice Marine Laboratory Construction  Decrease Budget, Close Project  ($5,464,791)  $1,682,761 | 7/2/2015 | -
- **8/24/2016**  6111  York Technical College  York Tech - Trimal Lane Land Acquisition  Decrease Budget, Close Project  ($1,192)  $228,808 | 6/4/2015 | -
- **8/25/2016**  9888  Clemson University  Wind Turbine Drivetrain Test Facility Land/Building Acquisition  Close Project  ($0)  $0 | 1/7/2010 | -
- **8/25/2016**  9901  Clemson University  Memorial Stadium WEZ Component III Construction  Decrease Budget, Close Project  ($124,170)  $6,479,130 | 5/3/2012 | -
- **8/25/2016**  9908  Clemson University  Greenwood Genetics Center Land Acquisition  Decrease Budget, Close Project  ($10,830)  $5,590 | 2/15/2013 | -
- **8/25/2016**  9927  Clemson University  Emerging Technology Center (ETC 103) Building Acquisition  Decrease Budget, Close Project  ($17,240)  $1,682,761 | 7/2/2015 | -

¹Increase budget to account for Capital Reserve Funds USC Lancaster was unable to access when the project was originally established due to a shortfall in the ability to fully make the required 1:1 match. They have identified the additional institutional funds for the required match. The revised scope allows for a more extensive refurbishment of the restrooms, fire alarm, lighting and HVAC, which was originally desired, but could not be entirely implemented in the original project establishment due to the funding limitation at that time.

²Approved by CHE on June 2, 2016 as part of FY 2016-17 CPIP Year One. The amount requested for Phase I (A&E) is 2.5% of the estimated total cost. This exceeds the state standard of 1.5% due to an additional environmental investigation of hazardous materials and investigations of demolition procedures needed.

³Approved by CHE on June 2, 2016 as part of FY 2016-17 CPIP Year One. The amount requested for Phase I (A&E) is 2.5% of the estimated total cost. This exceeds the state standard of 1.5% due to the selection of Construction Manager at Risk delivery option.

⁴The budget increase is legislatively authorized through Proviso 15.1 of the General Appropriations Bill for FY 2016-17. The Provisos authorize the College of Charleston to transfer $4,000,000 of supplemental state funds from the Grice Marine Laboratory Construction project.

⁵The original cost estimate to develop the project budget was conducted in-house at the College of Charleston, and the construction bids for this project came in significantly lower than anticipated.