

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

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Professional Service Fees	\$23,250	\$36,750	\$60,000
Renovations - Utilities	\$0	\$1,467,000	\$1,467,000
Labor Costs	\$0	\$15,000	\$15,000
Contingency	\$0	\$58,000	\$58,000
<i>Total</i>	<i>\$23,250</i>	<i>\$1,576,750</i>	<i>\$1,600,000</i>

<u>Source of Funds</u>	<u>Phase I (Pre-Design)</u>	<u>Phase II (Construction)</u>	<u>Total Proposed Budget</u>
Institutional Deferred Maintenance	\$23,250	\$1,576,750	\$1,600,000
<i>Total</i>	<i>\$23,250</i>	<i>\$1,576,750</i>	<i>\$1,600,000</i>

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.

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 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

County Code	10 - Charleston
New/Revised Budget	\$1,600,000.00

Project Type	4 - Replace Existing Facilities/Systems
Facility Type	3 - Health Care/Medical

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.)

Establish Project	<input type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - GPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input checked="" type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

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
 Estimated Start Date: June 2016 Estimated Completion Date: December 2017
 Estimated Expenditures: Thru Current FY: \$500,000.00 After Current FY: \$1,100,000.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #	9834
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- 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 - _____ Roof Age
 - 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

Land: _____ Acres
 Floor Space: _____ Gross Square Feet
 Information Technology _____
 Floor Space: _____ Gross Square Feet
 Floor Space: _____ Gross Square Feet

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:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ _____ 0 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			0.00 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) Institution Deferred Maintenance	23,250.00	1,576,750.00	1,600,000.00 0.00 0.00		2802	98800100	3035	3907
TOTAL BUDGET	\$23,250.00	\$1,576,750.00	\$1,600,000.00					

10. SUBMITTED BY:

Juse Edung
 Signature of Authorized Official and Title

7/27/16
 Date

11. APPROVED BY:

(For Department Use Only) _____
 Authorized Signature and Title

 Date

**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code H51 Name Medical University of South Carolina (MUSC)

2. PROJECT Project # 9834 Name Psych Insitute Chiller #1 Replacement

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.

	<u>COST FACTORS</u>	<u>AMOUNT</u>
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: *Jesse Edwards* 7/27/14
Signature of Authorized Official and Title 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.

\$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

DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

September 1, 2016

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

<u>Project Budget</u>	<u>Previous</u>	<u>Change</u>	<u>Revised</u>
Building Purchase	\$0	\$1,850,000	\$1,850,000
Professional Service Fees	\$0	\$2,500	\$2,500
Other, Preliminary Studies	\$20,000	\$0	\$20,000
<i>Total</i>	<i>\$20,000</i>	<i>\$1,852,500</i>	<i>\$1,872,500</i>

<u>Source of Funds</u>	<u>Phase I (Pre-Design)</u>	<u>Phase II (Construction)</u>	<u>Total Proposed Budget</u>
College Funds	\$20,000	\$1,852,500	\$1,872,500
<i>Total</i>	<i>\$20,000</i>	<i>\$1,852,500</i>	<i>\$1,872,500</i>

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.

FOR BOARD USE ONLY	
CHE	_____
JBRC	_____
BC Board	_____
JBRC Staff	_____
BC Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

(For Board Use Only)
SUMMARY NUMBER
FORM NUMBER

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

County Code	16 & 21
New/Revised Budget	\$1,872,500.00

Project Type	Purchase Land/Building
Facility Type	Academic 75%, Land Purchase 25%

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.)

Establish Project	<input type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input checked="" type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

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

PROJECT #	6122
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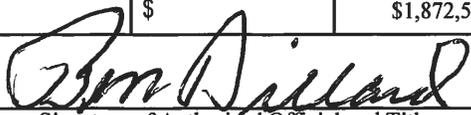
1. _____	Land Purchase ---->	Land:	<u>50.74</u>	Acres
2. <u>1,850,000.00</u>	Building Purchase ---->	Floor Space:	<u>11,600</u>	Gross Square Feet
3. <u>2,500.00</u>	Professional Services Fees			
4. _____	Equipment and/or Materials ---->	Information Technology	_____	
5. _____	Site Development			
6. _____	New Construction ---->	Floor Space:	_____	Gross Square Feet
7. _____	Renovations - Building Interior ---->	Floor Space:	_____	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. <u>20,000.00</u>	Other: <u>preliminary studies</u>			
18. _____	Contingency			
<u>\$1,872,500.00</u> 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:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ _____ 0.00

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					8115		3043	3043
(1) Dept. CIB, Group					8115		3143	3143
(2) Institution Bonds								3235
(3) Revenue Bonds								3393
(4) Excess Debt Service								3497
(5) Capital Reserve Fund					8895		3603	3603
(6) Appropriated State					8895	68800100	1001	3600
(7) Federal						78800100		5787
(8) Athletic						88800100		3807
(9) Other (Specify) College Funds	20,000.00	1,852,500.00	1,872,500.00		7841	98800100	3907	3907
TOTAL BUDGET	\$ _____	\$ _____	\$1,872,500.00					

10. SUBMITTED BY:



 Signature of Authorized Official and Title
 Ben Dillard - President

7-29-16

 Date

11. APPROVED BY:
 (For Board Use Only)

 Authorized Signature and Title

 Date

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				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1)	\$	\$	\$	\$ 0.00
2)	\$	\$	\$	\$ 0.00
3)	\$	\$	\$	\$ 0.00

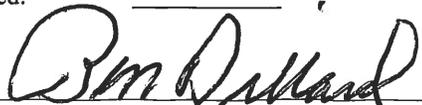
5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

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.

	<u>COST FACTORS</u>	<u>AMOUNT</u>
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:  7-29-16
 Signature of Authorized Official and Title Date
 Ben Dillard - President



Growing the economy . . . one graduate at a time.

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? 1**
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?**

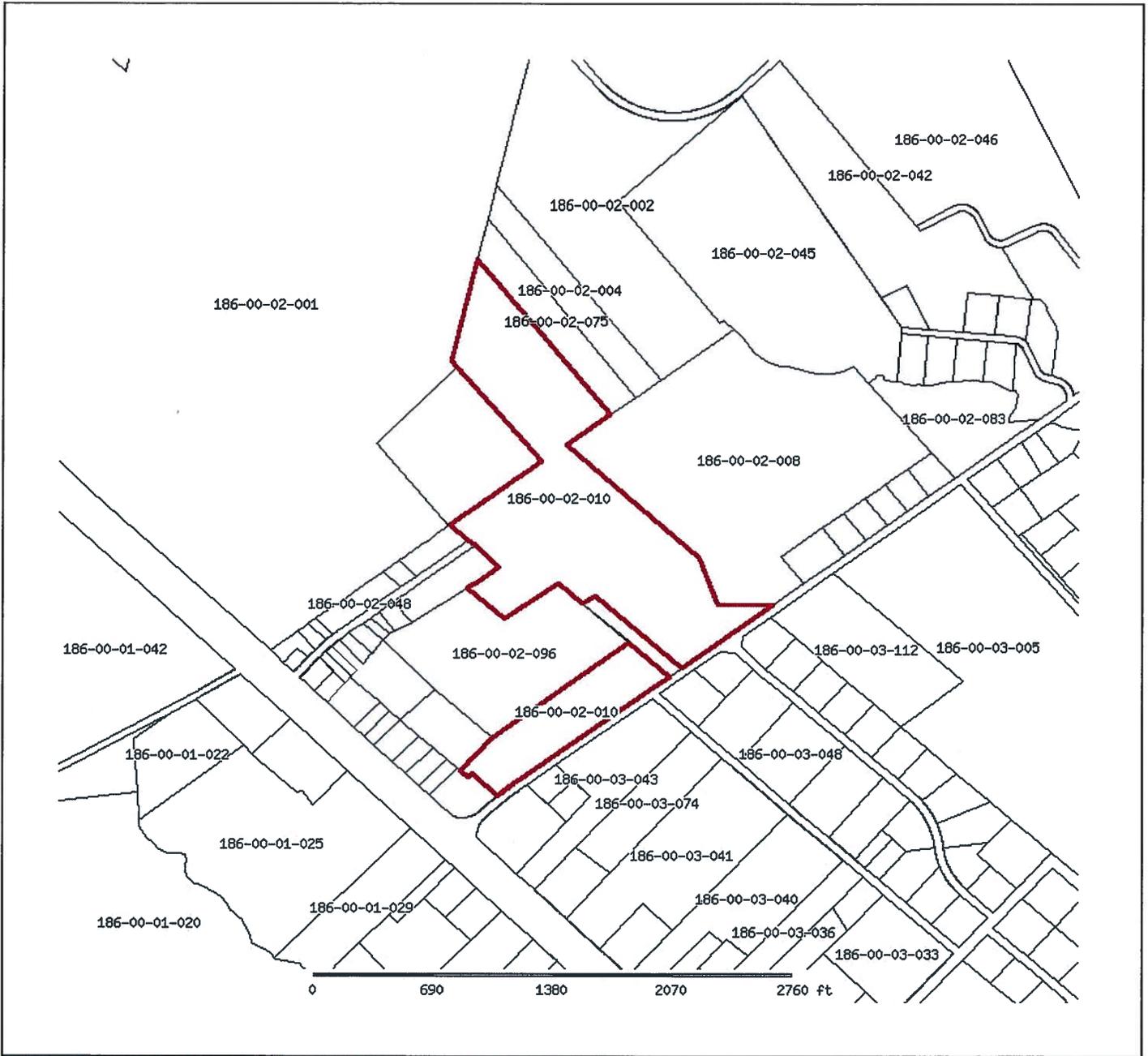
The college intends to use the building in its current condition in the immediate near term for the cosmetology program. Within the next two years the plan is to move the Continuing Education Healthcare programs to the existing building. At that time it will require renovations costing approximately \$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?**

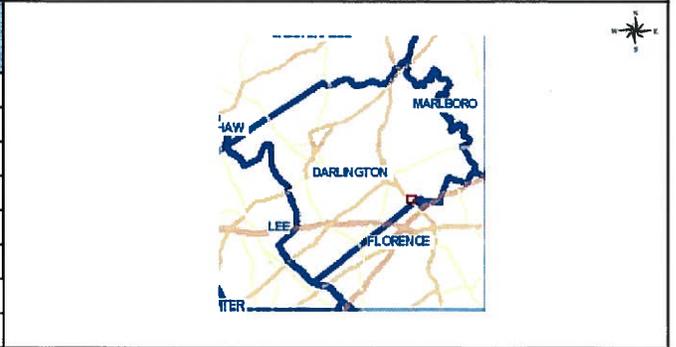
There are no additional operating costs to the college. The building operational costs are already in the college's operating budget. There are no new costs associated with owning the raw land.

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.

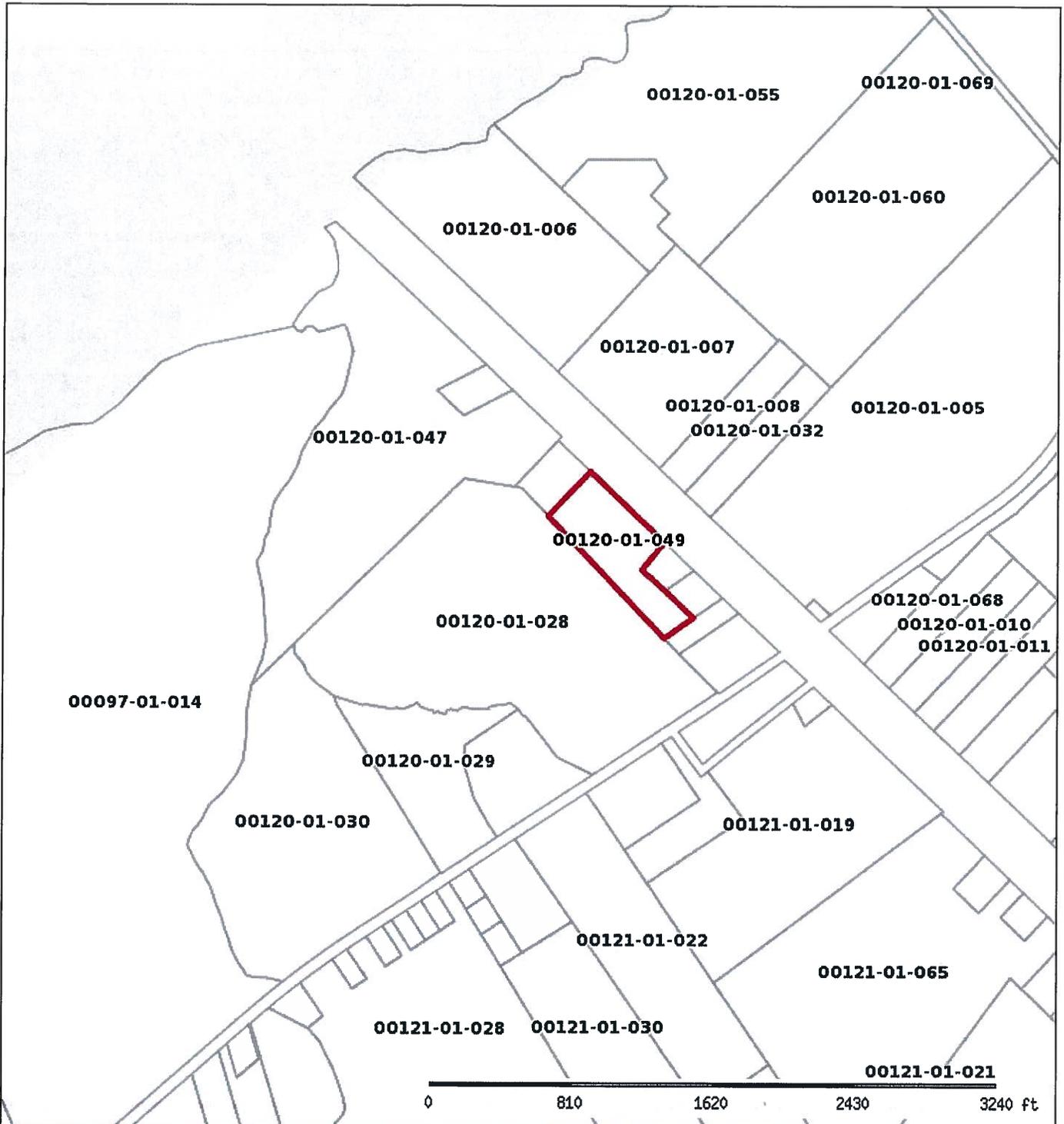


Darlington County Assessor			
Parcel: 186-00-02-010 Acres: 44.38			
Name:	FLORENCE DARLINGTON TECHNICAL	Land Value	
Site:	122 PALMETTO RD	Improvement Val	
Sale:		Accessory Value	
Mail:	COLLEGE EDUCATIONAL FOUND INC	Total Value	
	P O BOX 100548		
	FLORENCE SC		
	, 29501		

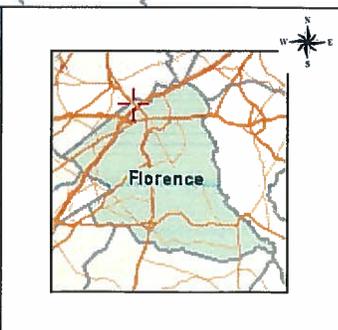


The Darlington County Assessor's Office makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll. PLEASE NOTE THAT THE PROPERTY APPRAISER MAPS ARE FOR ASSESSMENT PURPOSES ONLY NEITHER DARLINGTON COUNTY NOR ITS EMPLOYEES ASSUME RESPONSIBILITY FOR ERRORS OR OMISSIONS —THIS IS NOT A SURVEY—

Date printed: 07/27/16 : 10:56:28



Florence County Assessor	
Parcel: 00120-01-049 Acres: 6.36	
NAME:	FLORENCE DARLINGTON TECH COLLEGE EDUC FOUNDAT
Site:	2520 1/2 MELON ST
Sale:	
Mail:	PO BOX 100548 FLORENCE, SC 29502
	Land Value:
	Improvement Value:
	Accessory Value:
	Total Value:



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: 07/27/16 : 16:01:52

**FOWLER
APPRAISAL
COMPANY**

REAL ESTATE APPRAISERS AND CONSULTANTS

ANDREW H. FOWLER, MAI
ERNEST R. ENGLISH, JR., SRA
JULIAN W. GRAHAM, SRA.
GLORIA R. "TONI" ADAMS

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.

II

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:

Improved Section	\$1,274,000
Excess Land	<u>372,000</u>
Total	\$1,646,000

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,



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



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.

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.

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



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)

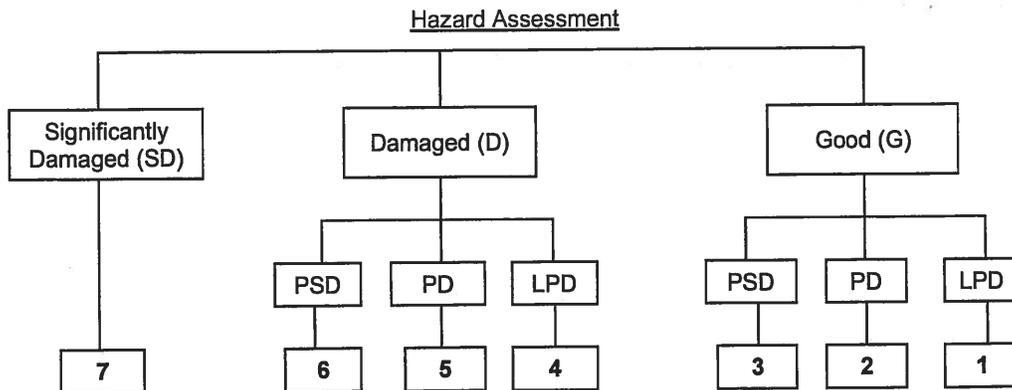
SD = Significantly Damaged (Damage equal to or greater than 10% distributed, 25% localized)

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/cm^2 or greater by XRF testing. For the purpose of the assessment, paint containing 0.7 mg/cm^2 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 ($\mu\text{g/m}^3$) during an eight-hour day and a permissible exposure limit of $50 \mu\text{g/m}^3$.

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/cm^2 via XRF technology.

Detectable levels of lead were present in the red paint from the exterior fire alarm bell (0.50 mg/cm^2), beige paint from the interior men's restroom floor tile (0.05 mg/cm^2), blue paint from the interior men's restroom covebase (0.07 mg/cm^2), and blue paint from the interior women's restroom covebase (0.03 mg/cm^2), which may be applicable to the standards of the OSHA 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 sites within the ASTM specified search radii were 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 provided 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 exceptions 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

<u>Source of Funds</u>	<u>Phase I (Pre-Design)</u>	<u>Phase II (Construction)</u>	<u>Total Proposed Budget</u>
Capital Reserve Fund - FY 2016-17	\$90,000	\$3,410,000	\$3,500,000
County Funds	\$0	\$1,000,000	\$1,000,000
<i>Total</i>	<i>\$90,000</i>	<i>\$4,410,000</i>	<i>\$4,500,000</i>

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-foot. 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.

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 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	<input checked="" type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

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

PROJECT #	
------------------	--

- | | | | | |
|---------------------|---------------------------------------|------------------------|--------------|-------------------|
| 1. _____ | Land Purchase ----> | Land: | _____ | Acres |
| 2. _____ | Building Purchase ----> | Floor Space: | _____ | Gross Square Feet |
| 3. <u>90,000.00</u> | Professional Services Fees | | | |
| 4. _____ | Equipment and/or Materials ----> | Information Technology | _____ | |
| 5. _____ | Site Development | | | |
| 6. _____ | New Construction ----> | Floor Space: | <u>5,000</u> | Gross Square Feet |
| 7. _____ | Renovations - Building Interior ----> | Floor Space: | <u>6,549</u> | 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. _____ | Contingency | | | |

\$90,000.00 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: _____	
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	<u>\$ 0.00</u>

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 FY16/17		90,000.00	0.00 90,000.00		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)			0.00 0.00 0.00			98800100		3907
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: _____
 (For Department Use Only) Authorized Signature and Title

Date

**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				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2019-2020	\$	\$	\$29,150	\$29,150
2) 2020-21	\$	\$	\$30,080	\$30,080
3) 2021-22	\$	\$	\$30,900	\$30,900

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.

<u>COST FACTORS</u>	<u>AMOUNT for 5,000SF in 2020</u>
1. <u>Utilities</u>	<u>\$13,000</u>
2. <u>Maintenance</u>	<u>\$8,400</u>
3. <u>Custodial</u>	<u>\$7,000</u>
4. <u>Insurance: Bldgs & Contents</u>	<u>\$750</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$29,150</u>

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 August 1, 2016 Date
Signature of Authorized Official and Title

**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 source 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 and 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											
Source	Activity	Expended in FY 2014-15	FY 2016-17 Budgeted					Expended Through		Balance	
			Salary & Fringe	Operating	Major Contracts	Flow-Through	Scholarships	Total	7/1/2016		Target
									Amount		% Expended
CHE Operating and Programs											
State	CHE General Administration - Personnel	1,483,520.60	2,156,491					2,156,491.00	0.00	0.0%	2,156,491
State	CHE General Administration - Operational Support	390,974.92		285,520.00				285,520.00	0.00	0.0%	285,520
State	CHE General Administration - Operational Support (Carryover)	98,657.00		204,112.00				204,112.00		0.0%	204,112
State	CHE General Administration - General Legal Services (Carryover)	46,011.91		50,000.00				50,000.00	0.00	0.0%	50,000
State	CHE General Administration - Search Committee (Carryover)	7,062.46						0.00	0.00	0.0%	0
State	CHE General Administration (Data Security)(Carryover)	60,000.00	60,000.00					60,000.00	0.00	0.0%	60,000
State	CHE Professor of the Year (Carryover)	-						0.00	0.00	0.0%	0
State	CHE General Administration (Carryover)	200,576.29		164,990				164,990.14		0.0%	164,990
Lottery	Lottery Administration	310,788.61	326,226	18,774				345,000.00	0.00	0.0%	345,000
Lottery	Lottery Administration (Carryover)	79,503.19		34,211				34,211.39	0.00	0.0%	34,211
State	Licensing	47,774.97	47,972					47,972.00	0.00	0.0%	47,972
Revenue	Licensing	201,794.79	246,398					246,398.00	0.00	0.0%	246,398
Revenue	Licensing	47,671.44		59,929				59,929.00	0.00	0.0%	59,929
State	Education & Economic Development Act (EEDA)	920,634.44	278,111	18,169	884,296			1,180,576.00	0.00	0.0%	1,180,576
State	Education & Economic Development Act (EEDA) (Carryover)	11,364.42		259,942				259,941.61	0.00	0.0%	259,942
EIA	Centers of Excellence ¹	985,831.33	31,650	49,294		1,056,582		1,137,526.00	0.00	0.0%	1,137,526
Federal	Improving Teacher Quality	403,168.65	21,100	36,251		828,505		885,856.00	0.00	0.0%	885,856
Federal	State Approving Agency (Veterans Education & Training)	228,291.42	249,494	66,723				316,217.00	0.00	0.0%	316,217
State	GEAR UP	177,201.00			177,201			177,201.00	0.00	0.0%	177,201
Federal	GEAR UP	3,137,649.02	289,286	282,634	191,667	2,764,172		3,527,759.00	0.00	0.0%	3,527,759
Revenue	College Goal Sunday	-				41,000		41,000.00	0.00	0.0%	41,000
Subtotal		8,838,476.46	3,706,728	1,530,549	1,253,164	4,690,259	0	11,180,700.14	0.00	0.0%	11,180,700

SC Commission on Higher Education - Quarterly Budget Information Report, FY 2016-17

Source	Activity	Expended in FY 2014-15	FY 2016-17 Budgeted					Expended Through		Balance	
			Salary & Fringe	Operating	Major Contracts	Flow-Through	Scholarships	Total	7/1/2016		Target
									Amount		% Expended
Other Agencies and Entities											
State	State Electronic Library (PASCAL) - CHE Operating Support	17,695.00				17,695		17,695.00	0.00	0.0%	17,695
State	State Electronic Library (PASCAL)	146,594.00				146,594		146,594.00	0.00	0.0%	146,594
Revenue	State Electronic Library (PASCAL)	2,438,164.47		3,186,577				3,186,577.00	0.00	0.0%	3,186,577
Lottery	State Electronic Library (PASCAL) (Carryover)	3,523.66		4,340,671				4,340,670.63	0.00	0.0%	4,340,671
Trust	SmartState® Administration (CHE Support) ²	214,572.96				885,284		885,284.00	0.00	0.0%	885,284
Trust	SmartState Administration (Institution Support) ²	300,000.00						0.00	0.00	0.0%	0
Trust	SmartState State Matching Funds ²	2,373,905.00						0.00	0.00	0.0%	0
State	Univ. Ctr of Greenville - Greenville Technical College	594,390.00				594,390		594,390.00	0.00	0.0%	594,390
State	Univ. Ctr of Greenville - Operations	1,084,899.00				1,084,899		1,084,899.00	0.00	0.0%	1,084,899
State	Univ. Ctr of Greenville - Infrastructure Dev. (FY 2015-16 Proviso 118.14)	250,000.00						0.00	0.00	0.0%	0
State	Academic Endowment	160,592.00				160,592		160,592.00	0.00	0.0%	160,592
State	EPSCoR	161,314.00				161,314		161,314.00	0.00	0.0%	161,314
State	Performance Funding (FY 2015-16 Proviso 11.7)										0
State	EPSCoR	1,118,016.00				1,118,016		1,118,016.00	0.00	0.0%	1,118,016
State	SC State University	279,504.00				279,504		279,504.00	0.00	0.0%	279,504
State	African American Loan Program (FY 2015-16 Proviso 11.3)										
State	SC State University	87,924.00				87,924		87,924.00	0.00	0.0%	87,924
State	Benedict College	31,376.00				31,376		31,376.00	0.00	0.0%	31,376
State	Child Abuse Medical Response Program (FY 2014-15 Proviso 118.16)							0.00			
Lottery	Alloc. for Coker and Clinton (FY 2015-16 Proviso 3.5) ³	94,167.60						0.00	0.00	0.0%	0
Lottery	2-Yr & 4-Yr Public Institutions Lottery Technology	7,354,190.15					7,242,212	7,242,212.00	0.00	0.0%	7,242,212
Lottery	Public 4-Yr & 2-Yr Institutions -- Maintenance Needs	2,825,028.18						0.00	0.00	0.0%	0
Lottery	Higher Education Excellence Enhancement Program (HEEEP)	4,597,754.95					6,072,474	6,072,474.00	0.00	0.0%	6,072,474
EIA	Teacher Recruitment (through SCDE per FY 2015-16 Proviso 1A.8)										
EIA	CERRA	3,904,045.00				3,904,045		3,904,045.00	0.00	0.0%	3,904,045
EIA	SC State Univ. PRRMT	339,482.00				339,482		339,482.00	0.00	0.0%	339,482
Subtotal		28,377,137.97	0	7,527,248	0	8,811,115	13,314,686	29,653,048.63	0.00	0.0%	29,653,049

SC Commission on Higher Education - Quarterly Budget Information Report, FY 2016-17

Source	Activity	Expended in FY 2014-15	FY 2016-17 Budgeted					Expended Through			
			Salary & Fringe	Operating	Major Contracts	Flow-Through	Scholarships	Total	7/1/2016	Target	Balance
									Amount	% Expended	
State-Supported Student Scholarship and Grant Programs											
State	SREB Contract Program & Assessments	3,647,616.00					3,785,183	3,785,183.00	0.00	0.0%	3,785,183
State	SREB Contract Program & Assessments (Carryover)	92,487.00					208,811	208,811.00	0.00	0.0%	208,811
State	LIFE Scholarships	24,329,882.00						0.00	0.00	0.0%	0
Lottery	LIFE Scholarships	166,178,292.54					199,409,741	199,409,741.00	0.00	0.0%	199,409,741
Lottery	LIFE Scholarships (Carryover)	4,224,371.89					4,778,697	4,778,697.17	0.00	0.0%	4,778,697
State	Palmetto Fellows - Educational Endowment ⁴	12,000,000.00					12,000,000	12,000,000.00	0.00	0.0%	12,000,000
State	Palmetto Fellows Scholarships	8,439,310.00						0.00	0.00	0.0%	0
Lottery	Palmetto Fellows Scholarships	37,902,984.07					49,274,030	49,274,030.00	0.00	0.0%	49,274,030
Lottery	Palmetto Fellows Scholarships (Carryover)	696,686.28					789,006	789,005.93	0.00	0.0%	789,006
State	HOPE Scholarships	231,727.00						0.00	0.00	0.0%	0
Lottery	HOPE Scholarships	9,160,227.29					9,552,955	9,552,955.00	0.00	0.0%	9,552,955
Lottery	HOPE Scholarships (Carryover)	77,333.32						0.00	0.00	0.0%	0
State	Need-based Grants - Educational Endowment ⁴	12,000,000.00					12,000,000	12,000,000.00	0.00	0.0%	12,000,000
State	Need-based Grants - CTC	179,178.00					350,000	350,000.00	0.00	0.0%	350,000
State	Need-based Grants (FY 2015-16 Proviso 118.14)	1.00						0.00	0.00	0.0%	0
Lottery	Need-based Grants	12,374,014.01					17,537,078	17,537,078.00	0.00	0.0%	17,537,078
Lottery	Need-based Grants (Supplemental Appropriations Act)	2,600,000.00						0.00	0.00	0.0%	0
Lottery	Need-based Grants (Carryover)	2,150,688.78					625,986	625,985.99	0.00	0.0%	625,986
Lottery	Lottery Tuition Assistance (LTA) ⁵	3,149,867.20					3,345,000	3,345,000.00	0.00	0.0%	3,345,000
Lottery	Lottery Tuition Assistance (LTA) (Carryover)	315,874.30					45,133	45,132.80	0.00	0.0%	45,133
State	National Guard College Assistance Program	89,968.00		89,968				89,968.00	0.00	0.0%	89,968
Lottery	National Guard College Assistance Program	2,783,624.20					4,545,000	4,545,000.00	0.00	0.0%	4,545,000
Lottery	National Guard College Assistance Program (Carryover)	531,302.33					1,761,376	1,761,375.80	0.00	0.0%	1,761,376
Trust	Veteran Tuition Differential Reimbursement Fund	3,007,899.05						0.00	0.00	0.0%	0
State	Greenwood Promise Scholarship Program	-					50,000	50,000.00	0.00	0.0%	50,000
Trust	DAYCO Scholarship ⁶	-						0.00	0.00	0.0%	0
Subtotal		306,163,334.26	0	89,968	0	0	320,057,996	320,147,963.69	0.00	0.0%	320,147,964
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	0.0%	360,981,712
State		67,620,090.93	2,482,574	393,657	1,061,497	3,682,304	28,135,183	35,755,215.00	-	0.0%	35,755,215
State Carryover		516,159.08	60,000	679,044	-	-	208,811	947,854.75	-	0.0%	947,855
State - Non-recurring		2,850,001	-	-	-	-	50,000	50,000	-	0.0%	50,000
Revenue		2,687,630.70	246,398	3,246,506	-	41,000	-	3,533,904.00	-	0.0%	3,533,904
Lottery		246,730,938.80	326,226	18,774	-	-	296,978,490	297,323,490.00	-	0.0%	297,323,490
Lottery Carryover		8,079,283.75	-	4,374,882	-	-	8,000,198	12,375,079.71	-	0.0%	12,375,080
National Guard Trust / DAYCO Trust		3,007,899.05	-	-	-	-	-	-	-	0.0%	-
SmartState		2,888,477.96	-	-	-	885,284	-	885,284.00	-	0.0%	885,284
EIA		5,229,358.33	31,650	49,294	-	5,300,109	-	5,381,053.00	-	0.0%	5,381,053
Federal		3,769,109.09	559,880	385,608	191,667	3,592,677	-	4,729,832.00	-	0.0%	4,729,832

Notes:

- 1) Education Improvement Act funds are appropriated to SCDE and transferred to CHE. Contracts provided to colleges & universities to design programs focussing 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								
Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget	Original Approval Date	Revised Building Condition Survey With Close-out
Maintenance Needs Projects using FY 2015-16 Lottery Allocation and Match								
8/5/2016	9517	USC Lancaster	2015-16 Maintenance Needs ¹	Increase Budget, Revise Scope	\$247,412	\$547,412	1/20/2016	-
Routine Staff Approvals								
8/2/2016	New	Clemson University	Clemson House Demolition ²	Establish Project	\$0	\$3,800,000	6/2/2016	-
8/2/2016	New	Clemson University	IPTAY Center Expansion/Renovation ³	Establish Project	\$0	\$10,000,000	6/2/2016	-
8/20/2016	9647	College of Charleston	Rita Hollings Science Center Renovation ⁴	Increase Budget	\$4,000,000	\$64,000,000	4/14/2011	-
8/22/2016	New	HGTC	Acquisition of Construction Trades Building - Conway	Establish Project	\$0	\$10,000	8/22/2016	-
Close-Outs								
8/1/2016	9644	College of Charleston	Center for Social Science Research Renovation	Decrease Budget, Close Project	(\$365,488)	\$1,534,512	5/6/2010	-
8/2/2016	9640	College of Charleston	School of Science and Mathematics Completion ⁵	Decrease Budget, Close Project	(\$3,887,038)	\$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	9821	MUSC	Clinical Sciences Building 9th Floor Renovation	Decrease Budget, Close Project	(\$646,295)	\$9,353,705	2/2/2012	-
8/9/2016	9823	MUSC	Basic Science Building Craniofacial Biology Research Renovation	Decrease Budget, Close Project	(\$103,612)	\$2,496,388	4/5/2012	-
8/20/2016	9628	College of Charleston	Grice Marine Laboratory Construction	Decrease Budget, Close Project	(\$5,464,721)	\$535,279	2/1/2007	-
8/24/2016	6111	York Technical College	York Tech - Trimnal 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	(\$121,870)	\$6,478,130	5/3/2012	-
8/25/2016	9908	Clemson University	Greenwood Genetics Center Land Acquisition	Decrease Budget, Close Project	(\$13,850)	\$6,150	2/15/2013	-
8/25/2016	9927	Clemson University	Emerging Technology Center (ETC 103) Building Acquisition	Decrease Budget, Close Project	(\$17,239)	\$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 require 1:1 match. They have identified the additional institutional funds for the required match. The revise 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 Proviso authorizes 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.