



## South Carolina Commission on Higher Education

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Mr. Neal J. Workman, Jr.

Dr. Garrison Walters, Executive Director

**TO:** Mr. Jim Sanders, Chair, and Members of the Committee on Finance & Facilities  
**FROM:** Mr. Gary S. Glenn, Director of Finance, Facilities, & MIS  
**SUBJECT:** Committee Meeting, September 2  
**DATE:** August 24, 2010

A meeting of the Committee is scheduled to be held in the Commission's Main Conference Room at 10:15 a.m. on Thursday, September 2. **Please note the change in time.** 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 2.

*Enclosures*

**AGENDA**

COMMITTEE ON FINANCE & FACILITIES

SEPTEMBER 2, 2010

10:15 A.M.

MAIN CONFERENCE ROOM

SC COMMISSION ON HIGHER EDUCATION

1333 MAIN STREET, SUITE 200

COLUMBIA, SC 29201

1. Introductions
2. Minutes of August 4 Meeting
3. Lease
  - A. Medical University of South Carolina
    - i. Charleston Center  
- *new lease*
4. Other Business
  - A. List of Capital Projects & Leases Processed by Staff for August 2010 (For Information)

**MINUTES**

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION  
COMMITTEE ON FINANCE AND FACILITIES  
AUGUST 4, 2010  
9:30 A.M.  
MAIN CONFERENCE ROOM  
SC COMMISSION ON HIGHER EDUCATION  
1333 MAIN STREET, SUITE 200  
COLUMBIA, SC 29201

**Committee Members Present**

Chairman Jim Sanders  
Dr. Doug Forbes  
Mr. Chuck Talbert  
Mr. Neal Workman

Ms. Joy Gillespie  
Ms. Beth McInnis  
Mr. Steve Osborne  
Mr. Scott Poelker  
Ms. Glenda Ridgely

**Committee Members Not Present**

Mr. Ken Jackson  
Dr. Charles Thomas

**Staff Present**

Mr. Gary Glenn  
Ms. Courtney Blake  
Ms. Stephanie Charbonneau

**Guests Present**

Ms. Donna Collins

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

**I. Call to Order**

Chairman Sanders called the meeting to order at 9:35 a.m. Ms. Blake introduced the guests in attendance.

The following matters were considered:

**II. Approval of Minutes of Meeting on June 3, 2010**

A motion was made (Workman), seconded (Talbert), and carried to approve the minutes of the June 3, 2010 meeting.

**III. Interim Capital Projects**

The following projects were presented and discussed:

- A.) College of Charleston
  - i. Hungry Cougar Renovation & Expansion

Mr. Glenn presented the project stating that this request is for Phase II (construction). He noted that the project will renovate and expand the Hungry Cougar dining facility. During Phase I (pre-design) an additional 1,620 SF was identified as well as an adjacent office that will be converted into a sandwich shop area for “on-the-go” customers. Mr. Glenn explained that this project is included in the institution’s FY 2010-11 CPIP year one as priority number six. However, due to the additional space, the budget has increased by \$900,000 since CPIP submission requiring full committee and commission approval. Chairman Sanders asked if food services are outsourced. Mr. Steve Osborne, from College of Charleston, confirmed that food services at the College are outsourced and the vender is contributing approximately \$400,000 for renovations.

With no further questions, it was moved (Workman), seconded (Talbert), and voted to approve the College of Charleston project as proposed.

B.) Tri-County Technical College  
i. Highway 76 Land Acquisition

Mr. Glenn presented the project stating that this request is for Phase II (purchase of property). He noted that the project includes the purchase of five acres of land and a 46,000 SF building located five miles from the main campus. The property will be used for the relocation of the College's Industrial and Electronic Technology (I&ET), Welding, and HVAC programs. Mr. Glenn added that the project is not included in the institution's FY 2010-11 CPIP year one because the availability of land and building were not anticipated at the time of CPIP submission.

With no further questions, it was moved (Workman), seconded (Forbes), and voted to approve the Tri-County Technical College project as proposed.

C.) Trident Technical College  
i. B940 Roof Replacement

Mr. Glenn presented the project stating that this request is for Phase II (construction). He noted that the project will replace the roof on Building 940. The roof is approximately 30 years old and existing leaks are causing damage to the interior building finishes. Mr. Glenn added that the project was included in the institution's FY 2009-10 CPIP year two list but is not included in the FY 2010-11 CPIP year one list because funding was not on hand at the time of CPIP submission.

With no further questions, it was moved (Workman), seconded (Talbert), and voted to approve the Trident Technical College project as proposed.

**IV. Lease**

Mr. Glenn noted that the Clemson University lease for 103 Technology Drive was pulled from the agenda per the request of the University's board.

**V. Other Business**

The lists of Capital Projects & Leases processed by staff for June & July 2010 were presented for information. Mr. Glenn drew the committee member's attention to the South Carolina State University staff approval on July 23, 2010. He noted that this request has been withdrawn and a new staff approval has been issued. The new staff approval will be presented for information on the August 2010 list of capital projects processed by staff.

With no further business, Chairman Sanders adjourned the meeting at 9:50 a.m.

Respectfully submitted,

Courtney W. Blake  
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 LEASE FOR CONSIDERATION**

September 2, 2010

**MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**LEASE NAME:** Charleston Center  
**REQUESTED ACTION:** New Lease  
**REQUESTED ACTION AMOUNT:** \$572,263.56

**DESCRIPTION:**

The University requests approval of a lease for 2,698 SF of space located at Charleston County's Department of Alcohol and Other Drug Abuse Services, more commonly known as the Charleston Center. The purpose of the lease is to provide space for the Department of Psychiatry's Clinical Neuroscience Division. This space is needed to obtain and support a NIH/NIDA grant to examine the effects of exercise and stress reduction and to obtain and support a NIH/NIDA grant related to the treatment of Veterans with PTSD and substance use disorders.

The monthly rental rate will be \$4,946.33, resulting in an annual cost of \$59,356. The requested lease term is three years with the option to renew for two additional years. Rent will increase annually according to the CPI Index with an annual cap of 3%. The per-square-foot rate is \$22.00. This is a full service lease; therefore, there will be no additional operating expenses.

An option to add an additional 2,349 SF of space in January 2011 is included in the lease agreement. Should this space be added the new total monthly rental rate for 5,047 SF will be \$7,817.33, resulting in a new annual rent amount of \$93,807.96 in year one, \$114,365.02 in year two, and \$117,796.98 in year three. The annual lease cost during the extended term will be \$121,329.88 in year one and \$124,963.72 in year two resulting in a total lease cost of \$572,263.56.

**RECOMMENDATION:**

Staff recommends approval of this lease provided the rates and terms are approved by the Budget and Control Board.

**INFORMATION ITEM**

**Capital Projects & Leases Processed by Staff  
August 2010**

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget
7/30/2010	9599	The Citadel	Infirmary Renovation	decrease budget, close project	(\$5,708)	\$1,741,835
8/3/2010	9645	SC State	Campus-Wide Energy Performance Contract <sup>1</sup>	revise scope, change source of funds	\$0	\$300,000

<sup>1</sup>On June 3, 2010 the Commission on Higher Education approved a \$9,300,065 increase to the project to amend Phase I (pre-design) and establish Phase II (construction budget). Because of the state imposed deadline for expenditure of energy stimulus funds by December 15, 2010 the institution requests withdrawal of the June 3 approval. In order to present the full energy performance contract for approval in December, the University requests approval to revise scope to allow for the completion of the investment grade audit for the remainder of facilities and change source of funds from energy stimulus funds to institutional funds. Stimulus funds will be redirected to non-PIP lighting upgrades.