

February 19, 2002

MEMORANDUM

TO: Dalton B. Floyd, Jr., Chair, and Members, Commission on Higher Education

FROM: Rosemary Byerly, Chair, Committee on Finance and Facilities

SUBJECT: Interim Facilities Projects for Consideration on March 7, 2002

Attached are interim facilities projects for consideration by the Commission at its meeting on March 7, 2002. The Committee on Finance and Facilities is scheduled to meet at 9:45 a.m. in the large Conference Room prior to the Commission meeting, and has not yet acted on these items. For your information, staff recommendations are included.

Page 2 is a summary of the facilities projects. Detailed information and attachments begin on page 3.

If you have any questions, or if you need additional information, please do not hesitate to call me.

Attachments

Agenda Item 3.03.A

<u>The Citadel</u>		
Padgett Thomas Barracks/Leadership Lab	\$16,036,000	increase
 <u>Coastal Carolina</u>		
Multi-purpose Athletic Facility	\$ 4,200,000	increase
School of Humanities and Fine Arts	<u>800,000</u>	increase
Sub-total	\$ 5,000,000	
 <u>Medical University of SC</u>		
Institute of Psychiatry-Wind Damage Prevention Project	\$ 651,777	establish
Children's Research Institute Construction	<u>2,000,000</u>	increase
	\$ 2,651,777	
 <u>Technical College of the Low Country</u>		
Renovations of Buildings 6 and 8	\$ 1,524,000	Increase
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TOTAL INTERIM PROJECTS	\$ 25,211,777	

The Citadel

Padgett Thomas Barracks Replacement (Leadership Laboratory) - \$16,036,000 – increase budget

Source of Funds:	\$15,000,000	- Federal Grant – Defense Appropriation Act*
	1,000,000	- to be determined*
	<u>36,000</u>	- Auxiliary Maintenance Reserve

Total: \$16,036,000

Budget:	\$ 1,400,000	- professional service fees
	649,783	- site development
	23,700,000	- new construction
	790,374	- renovations - utilities
	5,000	- builder’s risk insurance
	998,000	- other capital outlay – furnishings
	50,000	- agency costs
	<u>479,926</u>	- contingency

Total: \$28,073,083

Discussion

The Citadel has received approximately \$11,000,000 from previous Capital Improvement Bonds (CIB) toward the construction of Padgett Thomas Leadership Laboratory. Both the Governor’s proposed Budget and the Bond Bill passed by the House (but not by the Senate) last year included \$16 million for the completion of Padgett Thomas. However, since neither of these budget items passed, The Citadel is still in need of an additional \$16 million to complete the Barracks.

Fortunately, The Citadel has an opportunity to receive a Federal Grant from the Defense Appropriation Act signed into law by the President in January. Receipt of this grant would reduce the state’s obligation for Padgett Thomas from \$16 million to \$1 million. The Grant funds are categorized as Defense Operation and Maintenance dollars and must be matched with State funds. The authority on these funds also terminates within 12 months from the date of obligation. This means that (1) The Citadel needs an additional \$1 million to complete its matching portion of the grant, and (2) The Citadel needs all appropriate state approvals quickly in order to take advantage of the grant because of the one-year spending limitation. The Citadel hopes to receive the additional \$1 million in matching State funds from the Legislature this year.

Recommendation

Staff recommends approval of this project provided The Citadel receives the additional \$1 million in matching funds; and, provided The Citadel sends CHE staff copies of the grant award and notification of receipt of the \$1 million matching funds as soon as they are received. The Citadel has provided CHE staff with written assurance that if the either the federal grant monies or the match is not received; it will not proceed with the project.

*The Citadel is awaiting a Delegation of Authority from the Defense Department designating the terms and conditions of the Grant, and intends to request the \$1 million in matching funds from the Legislature this fiscal year.

Coastal Carolina

Multi-Purpose Athletic Facility

- increase budget - \$4,200,000

Source of Funds:	\$ 3,500,000	- institution bonds
	500,000	- private funds (Athletic CINO* Funds)
	<u>200,000</u>	- institutional capital project funds (ICPF)
Total:	\$ 4,200,000	

Budget:	\$ 500,000	- professional service fees
	1,000,000	- site development
	6,000,000	- new construction
	300,000	- landscaping
	<u>400,000</u>	- contingency
Total:	\$ 8,200,000	

Discussion

Coastal Carolina requests approval to increase the budget for its Multi-Purpose Athletic Facility to begin construction. The current plan is to complete the overall project in three phases as funding permits. Phase one is the design and demolition of the existing football stadium, and Phase II is the construction of the multipurpose athletic facility. The new facility will include a press box, playing field and stands for football. Phase III is the construction of an athletic field house in the north end zone of the football field. Based on the architectural estimates, Phases I and II can be constructed for approximately \$8 million, and Phase III will cost an additional \$8 million. Current plans are to increase the budget by \$4 million and delay the construction of Phase III until funding permits. The proposed current budget increase will be provided from a combination of institutional bonds, private (athletic CINO*) funds, and institutional capital project funds.

Recommendation

Staff recommends approval of the request as proposed, pending receipt of the guarantee letter for the \$500,000 private funds.

*CINO stands for “Coastal Is Number One.” CINO is Coastal’s athletic booster club.

Coastal Carolina

School of Humanities and Fine Arts

- increase budget - \$800,000

Source of Funds:	\$ 539,653	- private funds
	200,000	- renovation reserve
	<u>60,347</u>	- parking revenues
Total:	\$ 800,000	

Budget:	\$ 1,108,261	- professional service fees
	2,000,000	- equipment and/or materials
	500,000	- site development
	15,300,000	- new construction
	<u>376,500</u>	- contingency
Total:	\$19,284,761	

Discussion

Coastal Carolina requests approval to increase the budget of the School of Humanities and Fine Arts to include the amount of private funds committed to the project by the primary donor's family. The addition of these funds, along with renovation reserve funds of \$200,000 and parking funds of \$60,347, will bring the budget to an adequate level to complete the project.

Recommendation

Staff recommends approval pending receipt of the guarantee letter for the \$539,653 private funds.

Medical University of SC

Institute of Psychiatry –

Wind Damage Prevention Project - \$651,777 - establish project

Source of Funds:	\$ 488,833	- FEMA
	<u>162,944</u>	- Emergency Prep.
Total:	\$ 651,777	

Budget:	\$ 65,000	- professional service fees
	526,777	- renovations – building exterior
	<u>60,000</u>	- contingency
Total:	\$ 651,777	

Discussion

MUSC was awarded a Federal Emergency Management Agency (FEMA) grant for disaster relief activities through the State of South Carolina, Office of the Adjutant General, Emergency Preparedness Division. The estimated cost of this project is \$651,777 to be cost-shared between FEMA and Emergency Preparedness Division. MUSC requests approval to spend the funds to provide protection from wind damage through the installation of wind shutters and protection film covering the windows of the Institute Psychiatry Building.

Recommendation

Staff recommends approval of this project as proposed, pending MUSC Board approval on April 11-12. CHE will not meet again until May and MUSC wants to submit the project to the April meeting of the Joint Bond Review Committee. The institution has provided copies of the grant award letter and the state-local grant agreement to CHE staff.

Medical University of SC

Children’s Research Institute Construction		- \$2,000,000 - increase budget
Source of Funds:	\$ 2,000,000	- National Institute of Health Grant
Budget:	\$ 2,824,000	- professional service fees
	22,752,000	- new construction
	1,600,000	- renovations – building interior
	200,000	- asbestos removal
	<u>2,864,000</u>	- contingency
Total:	\$30,240,000	

Discussion

MUSC was awarded a National Institute of Health (NIH) construction grant for \$2 million for this project. The grant will be cost-shared between the NIH and the state (\$2,212,617, already approved). The proposed increase will complete the 7th floor of the Children’s Research Institute (CRI) in addition to retrofitting a portion of the 7th floor Basic Sciences Building (BSB) to support the 7th floor of the CRI. The grant award will be used to provide construction of five animal holding room suites, transgenic laboratory suite, autoclave replacement, and the installation of additional structural supports beneath the 7th floor of the BSB in order to support the additional facilities created on the floor above.

Recommendation

Staff recommends approval of the project as proposed. The institution has provided copies of the grant award statement to the staff.

Technical College of the Low Country

Renovation of Buildings 6 and 8		- \$1,524,000 - establish project
Source of Funds:	\$ 1,524,000	- Local Funds
Budget:	\$ 59,000	- professional service fees
	45,000	- equipment and/or material
	165,000	- new construction
	1,030,000	- renovations – building interior
	145,000	- other permanent improvements
	<u>50,000</u>	- contingency
Total:	\$ 1,524,000	

Discussion

Technical College of the Low Country (TCL) requests approval to renovate Buildings 6 and 8 with local funds. Building 6 currently houses the college’s administrative offices and two distance-learning classrooms. The office space will be renovated to provide two additional classrooms for expansion of the distance-learning program. The administrative offices will be consolidated in Building 8. Building 8 is currently out of service because of its condition and non-compliance with the Americans with Disabilities Act (ADA) standards.

Recommendation

Staff recommends approval of this project as proposed. The project was approved by the State Board for Technical and Comprehensive Education at its meeting on January 22, 2002.