South Carolina
Commission on Higher Education

MEMORANDUM

DATE: February 6, 2008

TO: Members, Facilities Advisory Committee

FROM: Mr. Gary S. Glenn, Acting Director of Finance, Facilities, & MIS

SUBJECT: Facilities Advisory Committee Meeting

The Facilities Advisory Committee will meet on Tuesday, February 12, 2008 at 10:30 a.m. in the Commission's Main Conference Room. The agenda and meeting materials are attached.

If you have any questions, please do not hesitate to contact me at (803) 737-2155.

Enclosures

AGENDA

FACILITIES ADVISORY COMMITTEE
FEBRUARY 12, 2008
10:30 A.M.
MAIN CONFERENCE ROOM
COMMISSION ON HIGHER EDUCATION
1333 MAIN STREET, SUITE 200
COLUMBIA, SC 29201

1. Introductions

2. Approval of Minutes from October 24, 2007

3. Recommendations of Workgroups for Follow-up Actions
    a. Develop Parameters for Reporting Infrastructure Needs
    b. Best Practices for Future Building Condition Surveys
    c. Reporting Deferred Maintenance Reductions
    d. Review Application of Criteria for Scoring and Prioritizing Capital Improvement Bond (CIB) Requests (Standards 1 and 2)

4. Other Business
    a. Next Meeting – October 14, 2008 @ 10:30 a.m.

MINUTES

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
FACILITIES ADVISORY COMMITTEE
OCTOBER 24, 2007
1:00 P.M.
CHE CONFERENCE ROOM

Committee Members Present
Mr. Gary Glenn, *Chair*
Mr. John Gardner, *The Citadel*
(for Mr. Jim FitzGerald)
Mr. Bob Wells, *Clemson*
Ms. Sandy Williams, *Coastal Carolina*
Ms. Amy Pierson, *College of Charleston*
(for Ms. Monica Scott)
Mr. Ralph Davis, *Francis Marion*
Mr. Jeff Beaver, *Lander*
Mr. John Malmrose, *MUSC*
Mr. Charles Jeffcoat, *USC Columbia*
Mr. Rick Puncke, *USC Upstate*
Mr. Dennis Rogers, *Aiken TC*
Mr. Tuck Hanna, *Greenville TC*
Mr. Dale Wilson, *Piedmont TC*
Mr. Mike Parrott, *USC Beaufort*
Mr. Bruce Blumberg, *USC Sumter*
Mr. Walter Hardin, *Winthrop*
Ms. Judy Hrinda, SC *Technical System*

Committee Members Absent
Mr. Tony Ateca, USC Aiken

Guests
Dr. Kathy Coleman
Ms. Donna Collins
Ms. Angie Leidinger
Ms. Lisa Mangione
Ms. Beth McInnis
Mr. Charles Shawver
Ms. Sandy Williams

CHE Staff
Mr. Charlie FitzSimons
Ms. Alyson Goff
Ms. Nicole Rowland

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

The meeting was called to order by Mr. Glenn at 1:00 p.m. He welcomed everyone to the meeting and asked the attendees to introduce themselves.

Mr. Glenn stated he had participated in a retirement celebration for Col. Don Tomasik from The Citadel earlier in the month. His loudness was mentioned as a mark of distinction by those who paid tribute to him at the event. Mr. Glenn asked for a "moment of loudness" during which everyone talked loudly among themselves to honor Col. Tomasik.

I. Approval of Minutes from February 13, 2007 Meeting

Since there were no additions or corrections to the Minutes of the meeting on February 13, it was moved (Wilson), seconded (Hanna), and voted to approve the Minutes as written.

II. Discussion on Revised Recommendations to Improve the Higher Education Facilities Approval Process

Mr. Glenn provided a brief history of the initiative, and he noted that staff had worked with institutional representatives, legislative staff, and the Joint Bond Review Committee and Budget & Control Board staff. He presented the revised recommendations which reflected the progress made thus far. The Committee discussed the recommendations in a roundtable format. All members present agreed to the revised list.

III. Selection of Workgroups for Follow-up Actions

Mr. Glenn stated there were some questions and concerns that needed to be addressed, and he asked members to volunteer to serve on one of the four workgroups. Members agreed to do so, and Mr. Glenn asked that the recommendations and/or information be ready by mid-January for consideration at the February Committee meeting.

IV. Other Business

The next meeting of the Facilities Advisory Committee was scheduled for February 12, 2008, at 10:30 a.m.

With no further business, the meeting was adjourned at 2:25 p.m.

Respectfully submitted,

Nicole J. Rowland

Nicole J. Rowland
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.*

RECOMMENDATIONS OF WORKGROUPS FOR FOLLOW-UP ACTIONS

With the recent attention and focus on capital projects, CHE staff proposed four workgroups to address questions and concerns that had been raised. The workgroups met and developed recommendations which are included below.

DEVELOP PARAMETERS FOR REPORTING INFRASTRUCTURE NEEDS

Group Members: Judy Hrinda, John Malmrose, Charles Stevenson, Bob Wells

The workgroup met on January 10 to identify what should be included as "infrastructure," develop a matrix of national standards, determine replacement value, and identify limitations. The proposed "infrastructure spreadsheet" is modeled after the spreadsheet developed for documenting the replacement value and "total need" for education and general (E&G) buildings.

Note: Many of the recommendations below reference embedded comments in an Excel spreadsheet. For the spreadsheet, please contact Alyson Goff at agoff@che.sc.gov.

- **Replacement Value:** The infrastructure spreadsheet includes embedded comments with further explanations of the infrastructure item descriptions. The workgroup recognizes that many items may not exist on some campuses or be of such small value as to not be of value in data collection. We would propose to leave that to each institution's judgment as to what items to include. For example: Traffic Signage may be a SCDOT responsibility for the vast majority of signs on some campuses. If an item is excluded, the justification should be included by inserting a comment. Also, please note the embedded comments for the "Unit Cost" column and the "Condition Code" column.

- **National Standards:** After considerable research, the workgroup was unable to locate any existing standards or models for capturing the value of infrastructure and determining the annual need to reduce deferred maintenance to an acceptable level. Therefore, the method for determining "Unit Cost" and "Condition Code" are purposely flexible. However, the Advisory Committee may prefer a rigid basis for determining "Unit Cost" for a specific infrastructure as well as an objective method for assigning the "Condition Code" for a specific infrastructure.

- **Limitations:** Obviously "infrastructure" as a percentage of an institution's E&G building replacement value will vary significantly from institution to institution for a variety of reasons. In light of the limited success in obtaining adequate funding for building deferred maintenance and capital renewal, the group believes the effort to capture the E&G infrastructure "need" should be in proportion to the value this information will have in determining an institution's funding priorities for deferred maintenance and capital renewal.

BEST PRACTICES FOR FUTURE BUILDING CONDITION SURVEYS

Group Members: Jeff Beaver, Walter Hardin, Charlie Jeffcoat, John Malmrose

The workgroup met on January 9 and reviewed the building condition survey used in spring 2007 to complete the triennial surveys. The group's primary philosophy is that the survey should capture systems and subsystems which relate only to the condition of the building as originally designed. The recommendations are broadly represented below with a revised survey included at the end of this document. As a note, the detailed instructions included with the survey are still in the development process.

1. **Building condition will be evaluated only using present systems.**

   While a building may be lacking a particular system (i.e. an elevator), the absence of a system does not indicate a lower building condition. For example, if 14% of a building is not applicable, then the condition should be evaluated at 86% rather than 100%.

2. **Some categories are not directly related to the condition assessment but are valuable in setting internal priorities.**

   For example, a building's design flexibility is not directly related to the building's condition. However, analysis for its fit for continued use may benefit the institution. These categories have been moved to the first page of the survey to be included with the optional comments section.

3. **The systems percentages should be changed to more closely reflect current means data.**

   Minor changes were recommended to reflect more current standards.

REPORTING DEFERRED MAINTENANCE REDUCTIONS

Group Members: Donna Collins, Ralph Davis, Jim Demarest, Sandy Williams, Dale Wilson, Don Wilson

The workgroup met on December 6 and reviewed the processes currently in place which could help institutions report reductions in the deferred maintenance backlog. The fundamental tool is the building condition survey. The recommendation is as follows:

1. A condition survey reflecting anticipated changes in building condition should be submitted with the project request. With the revised condition, a reduction amount can be calculated using the current formula to define deferred maintenance. To improve consistency, the checklist for closeout of projects should include updating the building condition survey. The revised condition should be reflected in the next facilities data submission to the CHE Management Information System (CHEMIS).

REVIEW APPLICATION OF CRITERIA FOR SCORING AND PRIORITIZING CAPITAL IMPROVEMENT BOND (CIB) REQUESTS (STANDARDS 1 AND 2)

Group Members: Tuck Hanna, Walter Hardin, Gerald Vander Mey, Dennis Rogers

The workgroup met on November 27 to review Standards 1 and 2 of the criteria used to score and prioritize CIB requests in Year Two of the Comprehensive Permanent Improvement Plan (CPIP). The complete criteria document is included. For simplicity, the proposed changes are noted below:

- The "Related Standards" section has a maximum of 80 points. The point allocation is:
  - Standard 1 – 0 points (see next item)
  - Standard 2 – 24 points
  - Standard 3 – 24 points
  - Standard 4 – 12 points
  - Standard 5 – 10 points
  - Standard 6 – 10 points
- If a project does not meet Standard 1, the project will not be scored, prioritized, or recommended for state bond funding.
  - The criterion will be evaluated against the institution's approved mission statement augmented by institution data which can include the project's consistency with the institution's Master and Strategic Plans.

- The "Rating Criteria" section has a maximum of 120 points. The point allocation is:
  - Health & Safety – 30 points
  - Deferred Maintenance – 30 points
  - Enrollment & Programmatic Growth – 30 points
  - Economic Development – 30 points

- Added "Other Considerations" section with a maximum of five points. The considerations are:
  - Previously approved capital improvement bonds (CIB) and/or state funding
  - Longevity of request for CIB funding
  - Essential sequencing of multiple projects

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION CAPITAL FUNDING GOALS FOR PUBLIC HIGHER EDUCATION INSTITUTIONS

The following goals have been formulated to guide the Commission on Higher Education in making capital funding recommendations to the Governor and the General Assembly.

STATEWIDE GOALS

- To ensure campus health and safety by supporting projects designed to remedy existing issues that adversely affect human well being
- To address critical deferred maintenance needs of the institutions, thereby protecting the State's capital investment in higher education

- To alleviate problems resulting from critical enrollment and/or programmatic growth, including needs for state-of-the-art academic space
- To support needs that are significant to continuing economic development in the state or service area

Points will be assigned to Related Standards, Rating Criteria, and Other Considerations. A maximum of 80 points may be generated through Related Standards and a maximum of 120 points may be generated through Rating Criteria. Projects will be rated according to the total combined number of points generated up to a maximum of 200 points. An additional 5 points may be generated based on Other Considerations.

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(REVISED FEBRUARY 2008)

SECTION I – RELATED STANDARDS

Each proposed project will be reviewed and rated for consistency and compatibility with the following related standards:

❖ **STANDARD 1. The proposed project is critical and central to the institution's approved mission. (If project does not meet this criterion, request will not be scored, prioritized, or recommended for state bond funding.)**

➢ **EVALUATION**

a. Evaluated against approved mission statement augmented by institution data which can include the project's consistency with the institution's Master Plan and Strategic Plan.

❖ **STANDARD 2. The degree to which the proposed project's ultimate outputs (e.g., degrees awarded by discipline, number of graduates, type and volume of research, etc.) are adding critical capacity and functionality to address defined state needs. (up to 24 points)**

➢ **EVALUATION**

a. Academic space per FTE and/or Sq Ft of research space per research $ expended, augmented by institutional data if available.
   i. Equal to or under standard plus confirming documentation = 24
   ii. Equal to or under standard but no confirming documentation = 20
   iii. Over standard plus confirming documentation = 20
   iv. Deferred Maintenance, multiple buildings = 12
   v. Over standard but no documentation or documentation N/A = 0

❖ **STANDARD 3. The degree to which the need for the quantity and type of space can be defended through the application of objective space analysis, including space guidelines and appropriateness of offerings. (up to 24 points)**

1. **EVALUATION**

a. Measured against fall 2007 space factor for classroom utilization, augmented by institutional data if available (studies showing that additional space or different space is needed)
   i. Under standard plus confirming documentation = 24

ii. Over standard plus external documentation of library deficiencies = 24
iii. Over standard plus confirming documentation = 16
iv. Under standard, no documentation = 14
v. Deferred Maintenance, multiple buildings = 10
vi. Over standard but no documentation or documentation N/A = 0

❖ **STANDARD 4. The degree of non-capital improvement bond funding included in the project and/or documented savings and/or operational cost increase avoidance. (up to 12 points)**

1. **EVALUATION**
   a. Information from CPIP, augmented by data provided by institution if available
      i. Documented external funding of 25% or more + operational savings = 12
      ii. Documented external funding of 25% or more of total request = 10
      iii. Documented external funding <25% = 8
      iv. Expected operational savings only = 6
      v. Deferred Maintenance, multiple buildings = 6

❖ **STANDARD 5. The proposed project is consistent with the institution's Facilities Master Plan. (up to 10 points)**

1. **EVALUATION**
   a. Verification that project is included in master plan and how it relates to the overall plan
      i. Both verifications = 10
      ii. One of the above = 7

❖ **STANDARD 6. Documentation that all alternatives have been explored and that the proposed remedy is the best option available. (up to 10 points)**

1. **EVALUATION**
   a. Documentation included in CPIP – 10
   b. Information from CPIP – i.e., if renovation possible but not considered in new construction – 5

Maximum Points for Related Standards = 80

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SECTION II – RATING CRITERIA

❖ **HEALTH & SAFETY (up to 30 points)**

1. **The degree to which an existing condition can be documented to be unsafe and unhealthy for human well being. (up to 15 points)**

➢ **EVALUATION**

   a. Verified by external study or institutional evaluation:
      i. Air quality or other code issues (external study or certification) = 10

ii. Citations for air quality, code issues, or life safety issues = 5
iii. Air quality or other code issues (requires institutional justification) = 5

2. **The appropriateness of the proposed solution to the defined health or safety issue.**
   - **EVALUATION**
     a. Institutional documentation or in CPIP = 7.5

3. **The degree that the institution's and the State's well being would be adversely impacted through discontinuance of activities if the defined health and safety issues are not addressed.**
   - **EVALUATION**
     a. Information from CPIP, studies on file at CHE, and institutional documentation if provided
        i. Institutional verification that activities could not be conducted in alternate facilities so as to require discontinuance/or deferred maintenance = 7.5

❖ **DEFERRED MAINTENANCE (up to 30 points)**

1. **The degree to which the proposed project addresses deferred maintenance needs as reported in the institution's CHEMIS submission using a rolling average over the most recent three-year period.**
   - **EVALUATION**
     a. Information will be obtained from Building Data Summary, generated by CHEMIS. Points assigned based on range of building condition codes (below):

Building Condition Code	Points Assigned
New Construction or N/A	0
90-100	0
80-89	7.5
70-79	12.5
0-69	15
Infrastructure/Def. Maint. (multiple buildings)	15

2. **The degree to which the institution's expenditures for building maintenance compare with the amount generated for building maintenance[1] in the MRR (according to the percent funded to the institution) using a rolling average for the most recent three-year period.**
   - **EVALUATION**
     a. Institutions report amount expended for routine maintenance (from any source) for E&G Buildings. Data will be compared with the amounts generated by MRR (at the percent funded to the institution) and averaged for the most recent three-year period.
        i. Expenditure for E&G maintenance equal to or greater than MRR estimates = 15

ii. Expenditure not reported but data for estimate available to CHE = 15
iii. Expenditure less than MRR estimate or not reported and estimate not available = 0

❖ **ENROLLMENT & PROGRAMMATIC GROWTH (up to 30 points)**

1. **The degree to which a space shortage can be objectively supported through space analysis – both on an institutional macro level as well as the micro level of a particular program.**
   - **EVALUATION**
     a. Data to be supplied by institution
        i. External confirming documentation/data = 15
        ii. Internal confirming documentation/data = 12.5
        iii. Deferred Maintenance = 7.5
        iv. None Reported or N/A = 0

2. **The degree to which the need for the outputs of the additional proposed space cannot be met through alternative delivery systems (e.g., distance learning technologies, etc.).**
   - **EVALUATION**
     a. Data to be supplied by institution, if applicable.
        i. If none can be met based on program of study or deferred maintenance = 15
        ii. If all dedicated to distance learning = 15
        iii. If can be partially met = 11
        iv. No documentation or N/A = 0

❖ **ECONOMIC DEVELOPMENT (up to 30 points)**

1. **The degree to which the proposed project can be shown to be consistent with the State's and/or service area's priorities for continuing economic development as defined by appropriate economic development entities (e.g., State, Local, or Regional Departments of Commerce).**
   - **EVALUATION**
     a. Documented evidence – 10

2. **The degree to which the proposed project is a critical component of an articulated State, regional, or community comprehensive economic development plan.**
   - **EVALUATION**
     a. Documented evidence – 10

3. **The proportion of other overall economic development project funding commitments made by external parties to the institution that are critical to the overall success of the proposed economic development initiative.**
   - **EVALUATION**
     a. Documented evidence of funding amounts – 10

Maximum Points for Rating Criteria = 120

SECTION III – OTHER CONSIDERATIONS

1. Previously Approved Capital Improvement Bonds (CIBs) & State Funding

Projects that have previously received CIBs and/or State funding (documentation to be provided by the institution) will be scored in the following manner:

- If percentage of previous amount funded is greater than 25% of the current request = 4 points
- If percentage of previous amount funded is less than 25% of the current request = 2 points

2. Longevity of Request for CIB Funding

- If institution has previously requested state bond funding (in year two of the CPIP) for this project for five or more years = 1 point *(Institutions must provide appropriate documentation.)*

3. Essential Sequencing of Multiple Projects

Projects that require a phasing sequence with other projects in the ranking list will be listed in the order required. An example of a phasing requirement would be a utility plant expansion request that would need to be completed before a new building request could come online due to insufficient existing utilities capacities. If the rankings established by the process outlined in this document do not place projects in the appropriate phasing sequence, then the project rankings will be revised accordingly. This would be accomplished by ranking all other projects involved in the phasing sequence behind the initial project. If the second project has a higher percentage point total, then it will be moved to immediately after the first project. The rationale would continue for the third and subsequent projects as necessary. *(This may be used for projects that have received partial funding and for which the institution can document a continuing critical need and/or to differentiate between projects that have the same scores.)*

Maximum Points for Other Considerations = 5 points

[1]**Building Maintenance** is defined as the cost (including salaries, wages, supplies, materials, equipment, services, and other expenses) necessary to keep a building in good appearance and usable condition and prevent the building from deterioration once it has been placed in first class condition for that type and age of building. It does not include auxiliary enterprise buildings. Building maintenance includes minor repairs and alterations, costs of materials, hire of personnel, and other necessary expenses for the repair and/or painting of the following: roofs, exterior walls, foundations, flooring, ceilings, partitions, doors, windows, plaster, structural ironworks, screens, windows shades, blinds, plumbing, heating and air conditioning equipment within or a part of the building, electric wiring, light fixtures (including the replacement of lamps), washing of all outside window surfaces, built-in shelving, and other related items.

2007 BUILDING CONDITION SURVEY

Institution Name: _____ **Respondent:** _____ Name

Building Number: _____

Building Name: _____ **Telephone:** _____

Location: _____ **E-Mail:** _____

Gross Square Feet: _____

Year Const / Renov: _____

Replacement Cost: _____

COMPLETED SURVEYS ARE DUE TO CHE NO LATER THAN MAY 4, 2007

Comments:

Please rate the building adequacy on the following categories using the same 1-5 scale.

Flexible Design	1
Suitable for Present Use	3
Gross-to-Assignable Area	2
Heating Efficiency	2
Cooling Efficiency	2
Lighting Efficiency	5
Average Energy Efficiency	3

Please include additional information about the building, if applicable.

Please do not enter data in the cells below this line. Begin data entry on Page 2.

	System Avg. Score	Multiplier		System % of Building		Current % Value Bldg.
Foundation	0.000	0.000	x	0.10	=	0.000
Exterior Walls	0.000	0.000	x	0.13	=	0.000
Floor	0.000	0.000	x	0.08	=	0.000
Roof	0.000	0.000	x	0.07	=	0.000
Interior Walls	0.000	0.000	x	0.05	=	0.000
Windows	0.000	0.000	x	0.04	=	0.000
Doors	0.000	0.000	x	0.02	=	0.000
Ceiling	0.000	0.000	x	0.04	=	0.000
Heating	0.000	0.000	x	0.11	=	0.000
Cooling	0.000	0.000	x	0.11	=	0.000
Plumbing	0.000	0.000	x	0.08	=	0.000
Electrical	0.000	0.000	x	0.10	=	0.000
Elevators	0.000	0.000	x	0.02	=	0.000
Safety	0.000	0.000	x	0.05	=	0.000
Agency Rating:				**1.000**		**0.000**

Replacement Cost:	$0
Building Condition:	0
Maintenance Need:	$0

Bldg. Avg. Grade	Condition Code	Condition Multiplier	Difference
1	Satisfactory	1.00	
2	Remodel A	0.8	-0.2
3	Remodel B	0.5	-0.3
4	Remodel C	0.2	-0.3
5	Replace	0.00	-0.2

2007 BUILDING CONDITION SURVEY

Building Name: 0 **Building Number:** 0

Foundation 1 - 2 - 3 - 4 - 5	Rating
Cracked Walls	
Foundation Settlement	
Foundation Deterioration	
Average	**0**

Exterior Wall System 1 - 2 - 3 - 4 - 5	Rating
Physical Condition	
Waterproofing	
Insulation	
Average	**0**

Floor System 1 - 2 - 3 - 4 - 5	Rating
Structural Condition	
Physical Condition	
Average	**0**

Roof System 1 - 2 - 3 - 4 - 5	Rating
Physical Condition	
Leaks	
Drainage	
Insulation	
Average	**0**
Age of Roof Cover:	
Type of Roof Cover:	
Flat:	
Pitched:	

Interior Wall System 1 - 2 - 3 - 4 - 5	Rating
Physical Condition	
Acoustical Quality	
Appearance	
Average	**0**

Window System 1 - 2 - 3 - 4 - 5	Rating
Physical Condition	
Functional Ability	
Infiltration	
Average	**0**

Door System 1 - 2 - 3 - 4 - 5	Rating
Door Leaf	
Frame	
Hardware	
Security	
Average	**0**

Ceiling System 1 - 2 - 3 - 4 - 5	Rating
Physical Condition	
Accoustical	
Appearance	
Average	**0**

Heating System 1 - 2 - 3 - 4 - 5	Rating
Temperature Control	
Noise Level	
Air Circulation & Vent	
Reliability	
Filtration	
Humidity	
Average	**0**
Age of System:	
Heating Capacity-BTUs:	

Cooling System 1 - 2 - 3 - 4 - 5	Rating
Cooling Capacity	
Temperature	
Noise Level	
Air Circulation & Vent	
Reliability	
Filtration	
Humidity	
Average	**0**
Age of System:	
Cooling Capacity-Tons:	

Plumbing System 1 - 2 - 3 - 4 - 5	Rating
Supply Lines	
Waste Lines	
Roof Drainage	
Site Drainage	
Average	**0**

Electrical System 1 - 2 - 3 - 4 - 5	Rating
Safety Conditions	
Panel Condition	
Service Condition	
Exit Lighting	
Average	**0**

Elevator System 1 - 2 - 3 - 4 - 5	Rating
Condition of Cab	
Lift System	
Shaft	
Controls/Reliability	
Average	**0**

Safety Systems 1 - 2 - 3 - 4 - 5	Rating
Communication System	
Rated Doors/Barriers	
Extinguishing Systems	
Detection & Alarm Sys.	
Lighting Systems	
Handicap Access	
Average	**0**