



Dr. Gail Morrison  
Interim Executive Director

November 27, 2006

**TO:** Mr. Daniel Ravenel, Chair, and Members of the Committee on Finance & Facilities  
**FROM:** Ms. Lynn W. Metcalf, Director of Finance, Facilities, & MIS  
**SUBJECT:** Committee Meeting, December 6

A meeting of the Committee is scheduled to be held in the Commission's Conference Room at 3:00 p.m. on Wednesday, December 6. Attached are an agenda and materials for the meeting.

If you have any questions about the materials, please contact me at (803) 737-2265. We look forward to meeting with you on December 6.

Attachments

A G E N D A  
Committee on Finance & Facilities  
December 6, 2006  
3:00 p.m.  
Conference Room  
SC Commission on Higher Education  
1333 Main Street, Suite 200  
Columbia, SC 29201

1. Introductions
2. Minutes of November 1 Meeting
3. Presentation – SC Manufacturing Extension Partnership, Mr. Tim Sinclair
4. Interim Capital Projects
  - A.) Clemson University
    - a. Golf Practice Facility -establish project
    - b. Fernow Street Café -establish project
  - B.) Medical University of South Carolina
    - a. Parking Garage II Structural Repairs -establish project
  - C.) Spartanburg Community College
    - a. Tyger River Campus AMTC Renovation -increase budget, revise scope, change source of funds
  - D.) Trident Technical College
    - a. Culinary Arts/Culinary Institute of Charleston Renovation (Palmer Campus) -increase budget
5. Other Business
6. Information Items
  - a. List of Staff Approvals for October 2006

MINUTES  
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION  
Finance and Facilities Committee Meeting  
November 1, 2006  
4:00 p.m.  
CHE Conference Room

Committee Members Present

Dr. Doug Forbes (via phone)  
Dr. Louis Lynn  
Mr. Dan Ravenel  
Mr. Jim Sanders

Committee Members Absent

Mr. Ken Wingate  
Mr. Neal Workman

Guests Present

Mr. Fred Baus  
Mr. Jeff Beaver  
Mr. Clarence Bonnette  
Mr. Bill Bragdon  
Ms. Kathy Coleman  
Ms. Donna Collins  
Mr. Al Cope

Mr. Walter Hardin  
Mr. Craig Hess  
Dr. Sally Horner  
Mr. Charles Jeffcoat  
Mr. Scott Ludlow  
Mr. John McEntire  
Ms. Beth McInnis  
Ms. Diane Newton  
Mr. Steve Osborne  
Ms. Jennifer Pearce  
Mr. Charles Shawver  
Dr. Richard Weldon

Staff Present

Ms. Julie Carullo  
Mr. Gary Glenn  
Ms. Alyson Goff  
Ms. Lynn Metcalf

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

Mr. Ravenel called the meeting to order at 4:20 p.m.

Mr. Glenn introduced the guests in attendance. The following matters were considered:

**I. Approval of Minutes of Meeting on August 3, 2006**

Since there were no additions or corrections to the Minutes of the meeting on August 3, the Minutes were approved as written.

**II. Consideration of Interim Capital Projects**

Mr. Ravenel asked Ms. Metcalf to describe the projects. Ms. Metcalf noted institutional representatives were present to answer questions. The following projects were presented and discussed:

a. Clemson University

- 1.) Biosciences/Life Science Building                      \$50,000,000    -establish project  
    Design & Construction

Ms. Metcalf stated the project was the institution's third priority in its 2006 Comprehensive Permanent Improvement Plan (CPIP). Mr. Sanders asked if this was the facility the Commissioners toured during their recent visit to the campus. Ms. Coleman, from Clemson University, stated the tour included the space that is currently utilized as lab and research space. The goal of the project is to move the academic programs to the new facility. Mr. Ravenel asked how the old facility would be utilized. Ms. Coleman stated the space cannot be renovated for lab space so the institution would most likely use it for office space.

Dr. Forbes asked how the project ranked on the Commission's priority list for capital improvement bonds (CIB). Ms. Metcalf replied the Commission only recommended the first priority of each institution. Dr. Forbes asked why the project was now such an urgent priority for the institution. Ms. Coleman replied all projects listed in Year 2 of the CPIP were priorities for the institution. The institution stated in its CPIP that if CIB funds did not become available, it would pursue the project using institution bonds. She noted the academic programs to be located in the facility were growing rapidly.

Dr. Forbes stated he was not in favor of the project. Mr. Sanders asked him to explain his concerns. Dr. Forbes asked why the project was now a priority of the institution. Ms. Metcalf stated the project was intended to replace the current facility as it is inadequate in size. She also noted the University had requested CIB funds for the project previously.

It was moved (Lynn), seconded (Sanders), and voted to approve the project. One opposition (Forbes) was recorded.

- 2.) Information Technology Facility                      \$ 1,000,000    -establish project  
    (A&E only)

Ms. Metcalf stated the project would provide more convenient, adequate, and updated space for the Information Technology Department.

- 3.) Serrine Hall 4<sup>th</sup> Floor HVAC                      \$ 720,000    -establish project

Ms. Metcalf stated the project did not qualify as a routine repair, replacement, and maintenance project as the HVAC system was new rather than a replacement. Dr. Forbes asked what the economic life of the building was since the facility was built in 1939. Mr. McEntire from Clemson University stated the facility was in very good shape, and the institution expected to have several more years of useful life provided the facility can be maintained properly. Mr. Ravenel asked if any other renovations were planned at this time. Mr. McEntire answered that none were currently planned. He noted the facility was originally built to hold textile equipment. Dr. Lynn also noted the same, stating the facility was a historic site.

- 4.) Calhoun Courts – Chill Water Lines \$ 2,000,000 -increase budget, revise scope  
Replacement/Fire Suppression

Ms. Metcalf stated the University had been addressing these life-safety issues for awhile. This is the third phase of the project. Dr. Forbes asked what the economic life of the building was. Mr. McEntire stated the facility was built in the 1980s and was in fairly good condition. The institution expected the facility to exceed its 50-year life expectancy provided the facility can be maintained properly. Mr. Sanders asked how many apartment units were in the facility. Mr. McEntire estimated there were six to eight apartments on each floor of the two-story buildings. Mr. Ravenel stated the institution would benefit greatly by being allowed to proceed with the final phase of the project.

b. College of Charleston

- 1.) Science Center Renovation & Construction \$33,499,001 -increase budget

Ms. Metcalf stated the College received \$4 million in the 2000 bond bill and has requested additional CIB funds to complete the project every year since. The project has also received over \$10 million in federal funds. However, the federal funds must be spent by September 2008 or the funds will be forfeited. The institution plans to issue bond anticipation notes in hopes of receiving CIB funds in the upcoming budget cycle. If not, the notes would be financed as long-term institution bonds. Ms. Metcalf noted the Commission ranked the project third on its priority list for CIB funds.

Dr. Lynn asked if the programmatic needs had changed since the initial building conception. Mr. Osborne from the College of Charleston stated the needs remained as well as the total square footage needed. Mr. Sanders asked if the total budget cost had increased significantly since initial conception. Mr. Shawver of the Budget & Control Board stated the institution had initially presented a \$40 million budget for approval. He said the current total budget is expected since it has been over six years since conception.

c. Lander University

- 1.) Campus Entrance Construction from \$ 634,340 -establish project  
Calhoun Avenue

Ms. Metcalf stated the institution had previously done work on its campus entrance. However, the entrance was still being associated with a tavern and medical office building. She stated the University had received a Department of Transportation grant which would partially fund the project.

Dr. Forbes asked why the work was not included in a previous entrance project. Ms. Newton, from Lander University, stated that once the first project was completed, the institution realized the entrance was inadequate. Several trustees and community members asked the institution to create a better sign to mark the campus's entrance.

Dr. Forbes asked Ms. Metcalf if she felt comfortable with approving the project. She stated she was because it would benefit the institution by having a clearly distinguishable entrance.

d. University of South Carolina Columbia

- 1.) Baseball Stadium Construction \$ 7,500,000 -increase budget, revise scope

Ms. Metcalf stated the University needed to change the scope of the project to reflect the new location of the baseball stadium. She noted this land was not a part of the institution's Master Land Acquisition Plan approved by the Commission in September 2006 as the University was involved in negotiations and did not want to jeopardize its ability to obtain a fair purchase price.

Dr. Lynn asked what the location of the stadium was in relation to the institution's plans for the Innovista. Mr. Jeffcoat, from USC Columbia, stated there was no intention to move any academic programs to the area surrounding the baseball stadium. He noted the previous site for the stadium did not work due to logistical issues.

Mr. Sanders asked how all of the projects discussed would affect the state's bonding raters. Mr. Shawver stated that facilities are generally supported by tuition and fees and athletic revenues. Institutions have to prove to the raters they can support the debt associated with the projects. Mr. Shawver said he could not answer with certainty, but he believed higher education capital projects had a minimal affect on the state's credit rating.

Mr. Sanders noted that if a bond bill did not become available during the upcoming budget cycle, the only way institutions could fund their capital projects would be to provide the funds internally, which usually means students pay the bill through their tuition and fees.

It was moved (Sanders), seconded (Lynn), and voted to approve the projects.

### III. Leases

Mr. Ravenel asked Ms. Metcalf to describe the leases. Ms. Metcalf noted institutional representatives were present to answer questions. The following leases were presented and discussed:

a. Clemson University

- 1.) Information Systems Development \$217,000-\$231,000 -lease renewal, amendment

Ms. Metcalf stated the lease did not actually need Commission approval as it is a self-supporting auxiliary. However, in the past, the Commission did approve this lease, so Ms. Metcalf decided to bring it to the Committee.

The Committee decided to approve it without objection as it determined no official vote was necessary.

b. Medical University of South Carolina

- 1.) 135 Cannon Street \$4,312,751 -lease renewal

Mr. Ravenel noted he was familiar with the facility and stated it seemed a useable space for the institution. Mr. Sanders asked if the lease had an option to buy. Mr. Shawver stated the institution



On recommendation six [Alternative construction delivery methods], Dr. Lynn stated the Committee should support alternative construction delivery systems and look at the state's regional neighbors for successful models.

Mr. Ravenel asked the Committee for nominations for Vice Chair. Dr. Lynn nominated Mr. Sanders, and Dr. Forbes seconded the motion. It was voted to elect Mr. Sanders as the Vice Chair of the Finance & Facilities Committee.

Mr. Ravenel noted the interim staff approvals for permanent improvement projects were provided to the Committee as information. He also noted the draft meeting schedule for 2007 was attached. Ms. Metcalf stated the schedule was changing so that the Committee would review interim capital projects one month prior to Commission review. She stated this would put the Committee in line with established Commission policies and procedures.

With no further business, the meeting was adjourned at 5:40 p.m.

Respectfully submitted,

Alyson M. Goff  
Recorder

\*Attachments are not included in this mailing, but will be filed with the permanent record of these minutes and are available for review upon request.



**Description of Interim Capital Projects for Consideration**

December 6, 2006

<b>Clemson University</b>		
Golf Practice Facility	\$693,500	-establish project
Source of Funds:	\$693,500	-private funds
Proposed Budget:	\$580,000	-site development (demolish)
	58,500	-contingency
	35,000	-professional services fees
	<u>20,000</u>	-labor costs
Total:	\$693,500	

Description

The University requests approval to establish a project to provide facilities similar to other NCAA golf programs at peer institutions. Facilities of this type are essential for the University to continue to be competitive with golf programs at like institutions.

The approval request is for Phase I and II of the project with a third phase to be funded at a later date. Phase I of the project will include construction of two United States Golf Association specification golf greens, adjacent bunkers, tee box area, associated storm drainage, and irrigation systems to serve the newly constructed area. Phase II will include the expansion of the area completed in Phase I to include a range area, tee box area, four target greens, sand bunkers, storm drainage, and irrigation system to serve the area constructed under this phase.

The project is being funded with private funds. A guarantee letter is on file at CHE.

E&G Deferred Maintenance Reduction:

*N/A – Auxiliary Space*

Annual Operating Costs/Savings:

*Athletic operations will require additional operating costs ranging from \$7,500 to \$10,000 in the three years following project completion. The costs will be absorbed into the existing budget.*

Recommendation

Staff recommends approval of this project as proposed.

**Clemson University**

Fernow Street Café		\$1,232,223	-establish project
Source of Funds:		\$1,232,223	-dining services revenue
Proposed Budget:	\$	615,765	-new construction (1,800 GSF)
		207,150	-interior building renovations (3,600 GSF)
		180,000	-equipment and/or materials
		100,000	-contingency
		79,108	-professional services fees
		20,000	-landscaping
		16,000	-site development
		8,000	-labor costs
		<u>5,000</u>	-regulatory inspection
Total:		\$1,232,223	

Description

The University requests approval to establish a project to renovate Fernow Street Café. Significant utilization increases by faculty, staff, and students necessitate renovation and expansion. The project plans include adding approximately 1,600 square feet to accommodate the kitchen expansion necessary to house additional equipment as well as an additional seating area.

The facility was built in 1992 and is a 4,533 square foot steel-frame, single-story building. The exterior is metal stud framing with brick veneer. The café was constructed on a slab grade with a build up roof system. It contains a full-service kitchen with dining area and restrooms.

New construction space is 1,800 GSF with a cost per square foot of \$342. Renovated space is 3,600 GSF with a cost per square foot of \$58.

E&G Deferred Maintenance Reduction:

*N/A – Auxiliary Space*

Annual Operating Costs/Savings:

*Operation and maintenance will require additional operating costs ranging from \$5,000 to \$6,615 in the three years following project completion. The costs will be absorbed into the existing budget.*

Recommendation

Staff recommends approval of this project as proposed.





except that the ratio of the renovation to new construction space was adjusted to keep project costs down.

New construction space is 3,085 GSF with a cost per square foot of \$249. Renovated space is 19,165 GSF with a cost per square foot of \$249.

E&G Deferred Maintenance Reduction:

N/A

Annual Operating Costs/Savings:

*Utilities and custodial services will require additional operating costs ranging from \$2,350 to \$9,400 in the three years following project completion. The costs will be absorbed into the existing budget.*

Recommendation

Staff recommends approval of this project as proposed, pending approval by the State Board for Technical and Comprehensive Education (SBTCE).

**Agenda Item 5  
Finance & Facilities**

**Information Item**

<b>PERMANENT IMPROVEMENT PROJECTS</b>						
<b>APPROVED BY STAFF</b>						
<b>October 2006</b>						
Date Appr.	Project #	Institution	Project Name	Action Category	Budget Chg.	Revised Budget
10/6/2006	9774	Clemson	Charleston Architectural Center (A&E/Renovation/Land & Building)	revise scope, change project name	\$ -	\$ 6,891,388
10/6/2006	9857	Clemson	Boiler No. 4 Emissions Control Equipment Upgrade	increase budget	\$ 400,000	\$ 3,200,000
10/6/2006	9542	Coastal Carolina	Coastal Science Center Renovation	increase budget, close project	\$ 12,069	\$ 2,543,069
10/6/2006	9600	College of Charleston	McConnell Residence Hall Renovation <sup>1</sup>	increase budget	\$ 1,250,000	\$ 4,715,000
10/6/2006	9625	College of Charleston	Historic Houses Interior & Exterior Repairs & Upgrades <sup>1</sup>	increase budget	\$ 650,000	\$ 1,545,000
10/6/2006	9612	College of Charleston	Rutledge/Buist Residence Hall Renovation-Phase II <sup>1</sup>	increase budget	\$ 1,650,000	\$ 4,470,000
10/6/2006	9580	College of Charleston	Science Center Renovation <sup>2</sup>	increase budget	\$ 3,718,999	\$ 14,500,999
10/6/2006	New	MTC	Lexington Hall Addition <sup>3</sup>	establish project	\$ -	\$ 1,000,000
10/13/2006	9974	USC Columbia	LeGare/Pinckney Roof Repair/Replacement	decrease budget, close project	\$ (2,795)	\$ 157,205
10/13/2006	9963	USC Columbia	Columbia Hall Renovations	decrease budget, close project	\$ (32,605)	\$ 292,395
10/13/2006	9962	USC Columbia	Senate Street Garage Entry Relocation	decrease budget, close project	\$ (2,112)	\$ 305,888
10/13/2006	9985	USC Columbia	Rutledge College Roof Repair/Replacement	decrease budget, close project	\$ (134,400)	\$ 4,465,600
10/13/2006	9984	USC Columbia	DeSaussure College Roof Repair/Replacement	decrease budget, close project	\$ (77,687)	\$ 92,313
10/13/2006	New	Clemson	Redfern Health Center Expansion (A&E Only)	establish project	\$ -	\$ 200,000
10/13/2006	9839	Clemson	Core Campus New Residence Hall Construction (A&E)	increase budget, revise scope	\$ 41,000	\$ 461,000
10/16/2006	9942	OCTC	Administration & Health Sciences Buildings HVAC Upgrades	increase budget	\$ 40,000	\$ 145,625
10/16/2006	New	OCTC	Automotive Training & Transportation Building (A&E)	establish project	\$ -	\$ 225,000
10/16/2006	9815	Clemson	Rowing Facility Construction (A&E & Construction)	increase budget, revise scope	\$ 45,000	\$ 1,945,000
10/24/2006	9543	Coastal Carolina	Student Center Deferred Maintenance	change source of funds	\$ -	\$ 1,100,480
10/24/2006	New	Coastal Carolina	Waties Island Research Facility - A&E	establish project	\$ -	\$ 150,000
10/30/2006	9540	USC Aiken	Pacer Commons Acquisition	decrease budget, close project	\$ (200,000)	\$ 12,700,000
<sup>1</sup> Routine repair, replacement, & maintenance projects are approved at staff level.						
<sup>2</sup> Staff provided with authority to approve project. Increase reflects receipt of federal funds, which notification had previously been provided to Committee.						
<sup>3</sup> Funds were appropriated by the General Assembly for FY2006-07.						