



## South Carolina Commission on Higher Education

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Mr. Rodney A. Smolla  
Mr. Guy C. Tarrant, CCIM  
Mr. Hood Temple  
The Honorable Lewis R. Vaughn

Dr. Garrison Walters, Executive Director

**TO:** Mr. Guy Tarrant, Chair, and Members of the Committee on Finance & Facilities

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

**SUBJECT:** Committee Meeting, February 2

**DATE:** January 26, 2012

A meeting of the Committee is scheduled to **be held in the Commission's Main Conference Room at 9:30 a.m. on Thursday, February 2.** 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 February 2.

*Enclosures*

**AGENDA**

COMMITTEE ON FINANCE & FACILITIES

FEBRUARY 2, 2012

9:30 A.M.

MAIN CONFERENCE ROOM

SC COMMISSION ON HIGHER EDUCATION

1122 LADY STREET, SUITE 300

COLUMBIA, SC 29201

1. Introductions
2. Minutes of January 5 Meeting
3. Interim Capital Projects
  - A. Medical University of South Carolina
    - i. Clinical Sciences Building 9<sup>th</sup> Floor Renovation  
- *establish project*
    - ii. Walton Research Building Renovation – Floors 2, 3, 6 & 7  
- *establish project*
  - B. Coastal Carolina University
    - i. New Student Housing Construction  
- *establish project*
4. Other Business
  - A. List of Capital Projects & Leases Processed by Staff for January 2012  
(For Information, No Action Required)

**MINUTES**

COMMITTEE ON FINANCE AND FACILITIES

JANUARY 5, 2012

10:05 A.M.

MAIN CONFERENCE ROOM

SC COMMISSION ON HIGHER EDUCATION

1122 LADY STREET, SUITE 300

COLUMBIA, SC 29201

**Committee Members Present**

Vice Chairman Bill Scarborough

Ms. Natasha Hanna

Mr. Hood Temple

The Honorable Lewis Vaughn

Mr. Clarence Bonnette

Dr. Anthony Coyne

Mr. Charles Shawver

**Committee Members Not Present**

Chairman Guy Tarrant

**Staff Present**

Mr. Gary Glenn

Ms. Courtney Blake

Ms. Stephanie Charbonneau

Mr. Jason Cone

Ms. Trudy Norton

**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**

Vice Chairman Scarborough called the meeting to order at 10:10 a.m. Ms. Blake introduced guests in attendance.

The following matters were considered:

**II. Approval of Minutes of Meeting on December 1, 2011**

A motion was made (Temple), seconded (Vaughn), and carried to approve the minutes of the December 1, 2011 meeting.

**III. Interim Capital Project**

The following project was presented and discussed:

A.) Horry-Georgetown Technical College

i. Conway Buildings 100, 200, 1000 Energy Updates & Classroom Renovations

Mr. Glenn presented the project stating that the request is for establishment of the project in its entirety. He noted that the project will renovate/upgrade a combined 133,000 SF in building 100, 200, and 1000 on the Conway Campus. The project includes comprehensive weatherization and energy performance upgrades to the building envelope, and upgrades to selected classrooms and labs. Scope of work includes replacing existing windows, re-engineering roof systems and water flows, sealing existing joints and seams, re-cladding exterior walls with more energy efficient and weather impervious materials, and renovating affected classrooms damaged by air and water infiltration.

Mr. Glenn noted that the total projected project cost is \$6,000,000. He handed out a revised write-up to show that pre-design funding was changed to One Cent Sales Tax instead of Capital Reserve Funds. He noted that on November 14, 2011 CHE staff approved a \$660,000 project for Deferred Maintenance using Capital Reserve Funds. After further consideration the College decided to close that project, revise scope to include additional deferred maintenance, and add other funding sources to the State appropriated Capital Reserve Funds. Mr. Glenn added that this project was not included in the institution's FY 2011-12 CPIP year one because the extent of water and air damage was not known at the time of CPIP submission. He also noted that there will be no tuition or student fee increase associated with this project.

Commissioner Temple asked how the institution could use College Funds in a project without preplanning and including the project on CPIP. Mr. Glenn explained that College Funds are accumulated over time and are available for projects such as this one. Commissioner Vaughn asked how the One Cent Sales Tax funds are distributed. Commissioners Hanna and Temple explained that the funds are distributed through the County Council.

With no further questions, it was moved (Temple), seconded (Vaughn), and voted to approve the Horry-Georgetown Technical College project as proposed.

#### **IV. Other Business**

The list of Capital Projects & Leases processed by staff for December 2011 was presented for information. Mr. Glenn noted that the staff approvals list was broken down into three sections. The first section includes Deferred Maintenance projects. He noted that these projects are funded with state appropriated Capital Reserve Funds and must, therefore, be established as permanent improvement projects regardless of cost. Mr. Glenn added that all institutions, with the exception of Coastal Carolina University, South Carolina State University, and the University of South Carolina Beaufort have submitted Deferred Maintenance projects using their Capital Reserve Fund allocation. Mr. Glenn continued through the list of staff approvals noting that the second section includes routine staff approvals, and the third section includes close-outs. He explained that Budget and Control Board staff has encouraged institutions to get old projects off the books and reallocate left over funds to current projects.

With no further business, Vice Chairman Scarborough adjourned the meeting at 10:25 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 INTERIM CAPITAL PROJECTS FOR CONSIDERATION**

February 2, 2012

**MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**PROJECT NAME:** Clinical Sciences Building 9<sup>th</sup> Floor Renovation  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$10,100,000  
**INITIAL CHE APPROVAL DATE:** N/A

| <u>Source of Funds</u>               | <u>Phase I –<br/>Pre-Design</u> | <u>Phase II -<br/>Construction</u> | <u>Total<br/>Proposed<br/>Budget</u> |
|--------------------------------------|---------------------------------|------------------------------------|--------------------------------------|
| College of Medicine Clinical Revenue | \$151,500                       | \$9,948,500                        | \$10,100,000                         |
| <b>Total</b>                         | <b>\$151,500</b>                | <b>\$9,948,500</b>                 | <b>\$10,100,000</b>                  |

**DESCRIPTION:**

The University requests approval to establish a project to renovate approximately 32,700 SF of office and lab space on the 9<sup>th</sup> floor of the Clinical Sciences Building. Renovations will bring labs up to current standards and will make more efficient and effective use of the space.

The 9<sup>th</sup> floor has not been substantially renovated since the building was constructed in 1975. Existing lab and office configuration is inefficient and ineffective, and labs do not meet current lab standards. Renovations will add 370 linear feet of lab bench space for a total of 1,270 linear feet, 70 tech stations for a total of 90, and 4 offices for a total of 40. Building support systems will be upgraded as necessary.

This project was not included in the institution's FY 2011-12 CPIP year one because funding was not available at the time of CPIP submission. The internal project cost estimate is \$10,100,000 to be funded with College of Medicine Clinical Revenue. These funds are derived from revenue for patient care. There will be no tuition or student fee increases associated with this project.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$33,315,475 in existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

The project is not expected to generate additional operating costs at this time.

**RECOMMENDATION:**

Staff recommends approval of this project as proposed.

**MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**PROJECT NAME:** Walton Research Building Renovation – Floors 2, 3, 6 & 7  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$6,300,000  
**INITIAL CHE APPROVAL DATE:** N/A

| <b><u>Source of Funds</u></b>        | <b><u>Phase I –<br/>Pre-Design</u></b> | <b><u>Phase II -<br/>Construction</u></b> | <b><u>Total<br/>Proposed<br/>Budget</u></b> |
|--------------------------------------|--|---|---|
| College of Medicine Clinical Revenue | \$94,500                               | \$6,205,500                               | \$6,300,000                                 |
| <b><i>Total</i></b>                  | <b><i>\$94,500</i></b>                 | <b><i>\$6,205,500</i></b>                 | <b><i>\$6,300,000</i></b>                   |

**DESCRIPTION:**

The University requests approval to establish a project to renovate approximately 27,615 SF of space on floors 2, 3, 6 and 7 in the Walton Research Building. Renovations will include converting space into faculty offices and student study areas for the College of Medicine. The addition of a code compliant egress, a fire suppression system, and upgrades to building mechanical and electrical systems will also be included. Some minor work associated with building support systems will occur on the first floor.

The Walton Research Building is an eight-story facility constructed in 1962. With the exception of floors 4, 5, and 8, this building has not received substantial renovations since its original construction. The building infrastructure has begun to deteriorate and there are several building code compliance issues. A recent feasibility study has determined that the best use of floors 2, 3, 6 and 7 is office space.

This project was not included in the institution’s FY 2011-12 CPIP year one because funding was not available at the time of CPIP submission. The internal project cost estimate is \$6,300,000 to be funded with College of Medicine Clinical Revenue. These funds are derived from revenue for patient care. There will be no tuition or student fee increases associated with this project.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$5,306,794 in existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

The project is not expected to generate additional operating costs at this time.

**RECOMMENDATION:**

Staff recommends approval of this project as proposed.

**COASTAL CAROLINA UNIVERSITY**

**PROJECT NAME:** New Student Housing Construction  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$85,000,000  
**INITIAL CHE APPROVAL DATE:** N/A

| <b><u>Source of Funds</u></b> | <b><u>Phase I –<br/>Pre-Design</u></b> | <b><u>Phase II -<br/>Construction</u></b> | <b><u>Total<br/>Proposed<br/>Budget</u></b> |
|-------------------------------|--|---|---|
| Housing Revenue               | \$470,000                              | \$0                                       | \$470,000                                   |
| Revenue Bonds                 | \$0                                    | \$84,530,000                              | \$84,530,000                                |
| <b><i>Total</i></b>           | <b><i>\$470,000</i></b>                | <b><i>\$84,530,000</i></b>                | <b><i>\$85,000,000</i></b>                  |

**DESCRIPTION:**

The University requests approval to establish a project to construct two 135,000 SF student housing facilities. The facilities will be constructed in two phases and will be located on a parcel of land owned by the Coastal Carolina University Housing Foundation known as the Elvington Property.

Each facility will consist of 635 beds for a total of 1,270 beds. The residence halls will be traditional but modern with double loaded corridors consisting of junior or semi-suites. They will provide double occupancy bedrooms and a minimum of one bathroom with separate vanity and water closet. A heavy emphasis will be placed on community space on each floor consisting of one quiet study room and one living room space. The building will have full wireless and wired internet connectivity, access control and security systems, security cameras and fire safety equipment, high efficiency laundry machines, custodial and maintenance storage and working space, apartments for professional live-in staff, offices, reception area, and meeting space.

The University currently has enough space to accommodate 3,192 students. In fall 2012, it is estimated that the University will house 3,625 students through an expanded occupancy plan which doubles and triples rooms in a “plus one” configuration. The 2010 Campus Master Plan called for an additional 1,270 beds to meet the University’s Strategic Plan to grow to 12,500 students by 2020. With planned enrollment growth, half of the 1,270 beds will be needed to house current students and alleviate the “plus ones.” The phased approach, 635 beds by fall 2014 and the remainder in a second phase, will allow for future growth and provide upperclassmen the option of living on campus, which is currently not available.

This project was not included in the institution’s FY 2011-12 CPIP year one because, at the time of CPIP submission, it was thought that the project might be handled through the institution’s Student Housing Foundation. A lease for housing was investigated but responses came back that students would pay 20% more than they do currently to live in the University’s apartment style housing. The RFP for the lease was canceled and this new construction project was moved forward. The internal project cost estimate is \$85,000,000, for both facilities, to be funded with Housing Revenue and Revenue Bonds. There will be no tuition or student fee increases associated with this project. The University anticipates the cost to students to be comparable or lower than existing housing charges.

**E&G MAINTENANCE NEEDS REDUCTION:**

N/A – New Construction

**ANNUAL OPERATING COSTS/SAVINGS:**

Utilities, supplies, and personnel are expected to generate additional operating costs of \$1,152,500 in each of the three years following project completion.

**RECOMMENDATION:**

Staff recommends approval of this project as proposed.

**INFORMATION ITEM**

| <b>Capital Projects &amp; Leases Processed by Staff<br/>January 2012</b> |           |             |              |                 |               |                |                        |
|--|-----------|-------------|--------------|-----------------|---------------|----------------|------------------------|
| Date Approved  | Project # | Institution | Project Name | Action Category | Budget Change | Revised Budget | Original Approval Date |

| <b>Deferred Maintenance Projects Using Capital Reserve Funds</b> |     |                  |                                   |                   |     |           |   |
|--|-----|------------------|-----------------------------------|-------------------|-----|-----------|---|
| 1/18/2012  | New | Coastal Carolina | Deferred Maintenance <sup>1</sup> | establish project | \$0 | \$831,612 | - |
| 1/9/2012   | New | USC Beaufort     | Deferred Maintenance <sup>1</sup> | establish project | \$0 | \$131,893 | - |
| 12/28/2011   | New | USC Sumter       | Deferred Maintenance <sup>1</sup> | establish project | \$0 | \$220,518 | - |

| <b>Routine Staff Approvals</b> |      |                  |   |                               |              |              |            |
|--------------------------------|------|------------------|---|-------------------------------|--------------|--------------|------------|
| 12/28/2011                     | 6066 | USC Columbia     | Jones PSC North Tower Ceiling Asbestos Removal                        | decrease budget               | (\$155,000)  | \$5,100,000  | 4/21/2009  |
| 12/28/2011                     | 6071 | USC Columbia     | Horizon I First Floor Laboratory Upfit <sup>2</sup>                   | increase budget, revise scope | \$155,000    | \$4,500,000  | 11/5/2009  |
| 12/28/2011                     | 9511 | USC Lancaster    | Deferred Maintenance <sup>3</sup>                                     | increase budget               | \$21,000     | \$160,228    | 11/9/2011  |
| 1/12/2012                      | 9886 | Piedmont TC      | Business/Industrial Tech Center                                       | decrease budget               | (\$71,222)   | \$178,778    | 5/19/2004  |
| 1/12/2012                      | 9899 | Piedmont TC      | Abbeville County Extension Center                                     | decrease budget               | (\$190,000)  | \$60,000     | 10/11/2004 |
| 1/12/2012                      | 6013 | Piedmont TC      | Newberry County Center Renovation <sup>4</sup>                        | increase budget               | \$411,882    | \$6,561,882  | 12/3/2009  |
| 1/13/2012                      | 9809 | MUSC             | Harborview Office Tower Chilled Water Risers Replacement <sup>5</sup> | increase budget               | \$349,000    | \$999,000    | 7/1/2010   |
| 1/18/2012                      | 9582 | Coastal Carolina | Student Center Annex Construction <sup>6</sup>                        | increase budget, revise scope | \$11,690,000 | \$12,050,000 | 12/3/2010  |
| 1/18/2012                      | 9584 | Coastal Carolina | Student Center Annex Land Donation <sup>6</sup>                       | revise scope                  | \$0          | \$20,000     | 4/18/2011  |

| <b>Close-Outs</b> |      |                     |  |  |               |              |            |
|-------------------|------|---------------------|--|--|---------------|--------------|------------|
| 12/28/2011        | 9560 | SC State            | Hodge Hall Renovations & Expansion                               | decrease budget, close project                         | (\$1,746,802) | \$19,468,173 | 10/9/1996  |
| 1/4/2012          | 6041 | Horry-Georgetown TC | Deferred Maintenance   | decrease budget, close project                         | (\$660,362)   | \$0          | 11/14/2011 |
| 1/12/2012         | 9981 | Central Carolina TC | Sumter Health Science Acquisition/Renovation                     | decrease budget, change source of funds, close project | (\$3,287,133) | \$13,512,867 | 11/20/2006 |
| 1/12/2012         | 9898 | Piedmont TC         | McCormick County Extension Center                                | decrease budget, close project                         | (\$150,660)   | \$99,340     | 10/11/2004 |
| 1/26/2012         | 9700 | MUSC                | Transplant Immunology Lab  | decrease budget, close project                         | (\$10,627)    | \$164,462    | 8/4/1999   |
| 1/26/2012         | 9701 | MUSC                | Parking Garage Development                                       | decrease budget, close project                         | (\$3,491)     | \$239,809    | 9/2/1999   |
| 1/26/2012         | 9719 | MUSC                | CVC Renovation   | decrease budget, close project                         | (\$106,061)   | \$193,939    | 4/14/2000  |
| 1/26/2012         | 9740 | MUSC                | Harborview Office Tower Fan Coil Replacement                     | decrease budget, close project                         | (\$15,330)    | \$314,670    | 8/27/2001  |
| 1/26/2012         | 9747 | MUSC                | Thurmond/Gazes Biomedical Research Building Chillers Replacement | decrease budget, close project                         | (\$260,083)   | \$11,674,715 | 8/21/2002  |
| 1/26/2012         | 9752 | MUSC                | Indoor Air Quality Improvements                                  | decrease budget, close project                         | (\$2,925,800) | \$74,200     | 1/9/2003   |
| 1/26/2012         | 9763 | MUSC                | Anderson House Restoration                                       | decrease budget, close project                         | (\$1,309)     | \$1,398,691  | 8/24/2004  |
| 1/26/2012         | 9768 | MUSC                | Dental Medicine Pre-Clinical Lab Retrofit                        | decrease budget, close project                         | (\$35,606)    | \$1,214,394  | 3/3/2005   |
| 1/26/2012         | 9780 | MUSC                | Parking Garage Elevator Addition                                 | decrease budget, close project                         | (\$7,959)     | \$1,592,041  | 11/3/2005  |
| 1/26/2012         | 9782 | MUSC                | College of Nursing Clinical Teaching Lab Construction            | decrease budget, close project                         | (\$48,011)    | \$2,451,989  | 12/20/2005 |

<sup>1</sup>See supporting narrative.

<sup>2</sup>Increase budget and revise scope to fund additional electrical upgrades to provide a source of uninterrupted power for ongoing research in the event of building power failure. It was originally planned to utilize existing uninterrupted power; however, due to increased equipment load throughout the building, adequate capacity is no longer available. Additional funding is being transferred from project #6066.

<sup>3</sup>Cost for chiller replacement exceeds the amount of Capital Reserve Funds allocated to the University. Additional Renovation Reserve funding is being added to allow the project to proceed.

<sup>4</sup>Increase budget to cover cost of contingency, biology lab upfit, and three classrooms. Bids came in higher than expected. Additional funding will come from Local Funds in projects #9886, 9898, and 9899.

<sup>5</sup>Increase budget because of calculation error in the original design consultant estimate. Additional funding is needed to allow immediate replacement of piping.

<sup>6</sup>Approved by CHE on May 26, 2011 as part of CPIP FY 2011-12 Year One.

| <b>Leases Processed by Staff<br/>January 2012</b> |        |             |              |                         |       |      |  |
|---|--------|-------------|--------------|-------------------------|-------|------|--|
| Date Approved                                     | Action | Institution | Project Name | Purpose/Additional Info | Rates | Term |  |

|            |       |      |               |  |   |                             |
|------------|-------|------|---------------|--|---|-----------------------------|
| 12/28/2011 | Renew | MUSC | 30 Bee Street | Renewal is for 9,988 SF on first floor of 30 Bee Street. The occupants of this space are comprised of Student Health, the Counseling and Psychological Services (CAPS) program, College of Dental Medicine department offices and the Department of Radiology's Center for Biomedical Imaging (CBI)/Center for Advanced Imaging Research (CAIR). | Cost per SF - \$18.59;<br>Monthly Rental Rate - \$15,472.48; Annual Lease Cost - \$185,669.72; Total Lease Cost - \$557,009.16;<br>Annual Operating Costs (Utilities, Maintenance, Housekeeping, Insurance) - \$135,592 | 4/1/2012<br>to<br>3/31/2015 |
|------------|-------|------|---------------|--|---|-----------------------------|

**FOR INFORMATION – PROJECT ESTABLISHMENTS PROCESSED BY STAFF  
FOR JANUARY 2012**

**COASTAL CAROLINA UNIVERSITY**

**PROJECT NAME:** Deferred Maintenance  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$831,612  
**INITIAL CHE APPROVAL DATE:** N/A

| <b>Project Budget</b>         | <b>Previous</b> | <b>Change</b>    | <b>Revised</b>   |
|-------------------------------|-----------------|------------------|------------------|
| Interior Building Renovations | \$0             | \$16,712         | \$16,712         |
| Utilities Renovations         | \$0             | \$588,900        | \$588,900        |
| Roofing                       | \$0             | \$226,000        | \$226,000        |
| <b>Total</b>                  | <b>\$0</b>      | <b>\$831,612</b> | <b>\$831,612</b> |

| <b>Source of Funds</b> | <b>Previous</b> | <b>Change</b>    | <b>Revised</b>   |
|------------------------|-----------------|------------------|------------------|
| Capital Reserve Fund*  | \$0             | \$831,612        | \$831,612        |
| <b>Total</b>           | <b>\$0</b>      | <b>\$831,612</b> | <b>\$831,612</b> |

*\*Each of the institutions received funds for capital projects from the Capital Reserve Fund (CRF) Act passed by the General Assembly this past legislative session. Because of the permanent improvement project (PIP) definition, when funds have been authorized or appropriated from Capital Reserve Funds, a project must be established and processed regardless of the amount. In addition, under the PIP definition, these projects are considered legislatively authorized, not requiring further approval by CHE, JBRC or B&CB, if the projects are set up to conform to the act.*

**DESCRIPTION:**

The University requests approval to establish a project to address maintenance needs in the Williams Brice PE Center.

The Williams Brice PE Center was constructed in 1984 as an addition to the Kimbel Arena. The building still has its original roofing and is in much need of deferred maintenance. The exhaust system in the pool area no longer works, the boiler needs upgrading, and metal lockers are rusted and in poor condition. Scope of work will include replacing the roof over the pool, upgrading HVAC, plumbing, and electrical, replacing exhaust system in the pool area, upgrading the pool boiler, and replacing metal lockers with composite or non-rusting lockers as well as repainting the area.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$9,379,425 in existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

The project is not expected to generate additional operating costs at this time.

**UNIVERSITY OF SOUTH CAROLINA BEAUFORT**

**PROJECT NAME:** Deferred Maintenance  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$131,893  
**INITIAL CHE APPROVAL DATE:** N/A

| <b>Project Budget</b>         | <b>Previous</b> | <b>Change</b>    | <b>Revised</b>   |
|-------------------------------|-----------------|------------------|------------------|
| Professional Services Fees    | \$0             | \$10,000         | \$10,000         |
| Interior Building Renovations | \$0             | \$90,000         | \$90,000         |
| Roofing                       | \$0             | \$10,000         | \$10,000         |
| Exterior Building Renovations | \$0             | \$10,000         | \$10,000         |
| Contingency                   | \$0             | \$11,893         | \$11,893         |
| <b>Total</b>                  | <b>\$0</b>      | <b>\$131,893</b> | <b>\$131,893</b> |

| <b>Source of Funds</b> | <b>Previous</b> | <b>Change</b>    | <b>Revised</b>   |
|------------------------|-----------------|------------------|------------------|
| Capital Reserve Fund*  | \$0             | \$131,893        | \$131,893        |
| <b>Total</b>           | <b>\$0</b>      | <b>\$131,893</b> | <b>\$131,893</b> |

*\*Each of the institutions received funds for capital projects from the Capital Reserve Fund (CRF) Act passed by the General Assembly this past legislative session. Because of the permanent improvement project (PIP) definition, when funds have been authorized or appropriated from Capital Reserve Funds, a project must be established and processed regardless of the amount. In addition, under the PIP definition, these projects are considered legislatively authorized, not requiring further approval by CHE, JBRC or B&CB, if the projects are set up to conform to the act.*

**DESCRIPTION:**

The University requests approval to establish a project to address maintenance needs on the Historic Beaufort Campus. Scope of work will include roofing, HVAC, plumbing, electrical, flooring, and building façade repairs/renovations in the Center for the Arts and Sandstone Buildings.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$2,836,920 in combined existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

The project is not expected to generate additional operating costs at this time.

**UNIVERSITY OF SOUTH CAROLINA SUMTER**

**PROJECT NAME:** Deferred Maintenance  
**REQUESTED ACTION:** Establish Project  
**REQUESTED ACTION AMOUNT:** \$220,518  
**INITIAL CHE APPROVAL DATE:** N/A

| <b>Project Budget</b>         | <b>Previous</b> | <b>Change</b>    | <b>Revised</b>   |
|-------------------------------|-----------------|------------------|------------------|
| Interior Building Renovations | \$0             | \$220,518        | \$220,518        |
| <b>Total</b>                  | <b>\$0</b>      | <b>\$220,518</b> | <b>\$220,518</b> |

| <b>Source of Funds</b> | <b>Previous</b> | <b>Change</b>    | <b>Revised</b>   |
|------------------------|-----------------|------------------|------------------|
| Capital Reserve Fund*  | \$0             | \$220,518        | \$220,518        |
| <b>Total</b>           | <b>\$0</b>      | <b>\$220,518</b> | <b>\$220,518</b> |

*\*Each of the institutions received funds for capital projects from the Capital Reserve Fund (CRF) Act passed by the General Assembly this past legislative session. Because of the permanent improvement project (PIP) definition, when funds have been authorized or appropriated from Capital Reserve Funds, a project must be established and processed regardless of the amount. In addition, under the PIP definition, these projects are considered legislatively authorized, not requiring further approval by CHE, JBRC or B&CB, if the projects are set up to conform to the act.*

**DESCRIPTION:**

The University requests approval to establish a project to replace existing light fixtures in the Business Administration Building, Sciences Building, Student Union Building, Administration Building, Nettles Building, and Schwartz Building. The existing T12 fluorescent fixtures are obsolete and magnetic ballasts are no longer produced.

**E&G MAINTENANCE NEEDS REDUCTION:**

The project will alleviate a portion of the \$7,311,669 in combined existing maintenance needs.

**ANNUAL OPERATING COSTS/SAVINGS:**

Utilities are expected to generate additional operating savings of \$11,601 in the first year, and \$23,202 in the second and third years of project completion.