

## **DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION**

October 4, 2018

### **COASTAL CAROLINA UNIVERSITY**

<b>PROJECT NAME:</b>	Kimbel Library Renovation
<b>REQUESTED ACTION:</b>	Establish Project (Phase I)
<b>REQUESTED ACTION AMOUNT:</b>	\$60,000 (1.5%)
<i>Internal Projected Cost:</i>	<i>\$4,000,000</i>
<b>INITIAL CHE APPROVAL DATE:</b>	N/A

#### **DESCRIPTION:**

Coastal Carolina requests to establish a project to renovate Kimbel Library's HVAC system to include demolition of the entire existing system and installation of a new chilled and hot water system to include air handlers, VAV boxes, boiler, piping, valves, electrical and controls. The removal of the existing HVAC system will require the demolition of the existing ceiling and installation of a new suspended ceiling and associated lighting. The existing HVAC system has expired its anticipated life expectancy. The current system is 42 years old and will not maintain proper humidity levels for the library. This project was identified as priority two of two on the 2018 -2019 CPIP.

#### **SOURCE OF FUNDS:**

The source of funds for this project will be Institutional Capital Project Funds (ICPF) which are also referred to as excess debt service. These funds are set aside by law and restricted to be spent on capital projects only. Debt Service set aside is currently \$445 per full time student per semester and has been the same amount since Fall 2014. The uncommitted fund balance in the ICPF as of July 31, 2018, is \$7,985,372.

#### **E&G MAINTENANCE NEEDS:**

There is no estimated additional maintenance cost associated with this project since the unit is for an existing building.

#### **ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS:**

Additional operating savings on utilities of \$10,000.

FOR DEPARTMENT USE ONLY	
CHE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

(For Department Use Only)
SUMMARY NUMBER
FORM NUMBER

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code H17 Name Coastal Carolina University  
 Contact Person David A. Frost, Interim CFO & Vice President of Finance Phone 843-349-2227

2. PROJECT Project # \_\_\_\_\_ Name Kimbel Library Renovation Phase I  
 Facility # 010 Facility Name Kimbel Library

County Code	26 - Horry
New/Revised Budget	\$60,000.00

Project Type	3 - Repair/Renovate Existing Facilities/Systems
Facility Type	2 - Program/Academic

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number 2 of 2 for FY 2019

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	<input checked="" type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION  
 (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)

Coastal Carolina University requests approval to establish a project to renovate Kimbel Library's HVAC system to include demolition of the entire existing system and installation of a new chilled and hot water system to include air handlers, VAV boxes, boiler, piping, valves, electrical and controls. The removal of the existing HVAC system will require the demolition of the existing ceiling and installation of a new suspended ceiling and associated lighting. In addition, the existing electrical system will need to be upgraded to accommodate the new HVAC and additional lighting.

The existing HVAC system has expired its anticipated life expectancy. The current system is 42 years old and will not maintain proper humidity levels for the library. Advantages of the new system include:

- Energy efficiency
- Air velocity and quality control
- Independent and precise temperature control to each zone
- Humidity and pressure control

6. OPERATING COSTS IMPLICATIONS  
 Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES  
 Estimated Start Date: October, 2018 Estimated Completion Date: August, 2021  
 Estimated Expenditures: Thru Current FY: \$60,000.00 After Current FY: \_\_\_\_\_

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<b>PROJECT #</b>	
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1. \_\_\_\_\_ Land Purchase ---->
2. \_\_\_\_\_ Building Purchase ---->
3. 60,000.00 Professional Services Fees
4. \_\_\_\_\_ Equipment and/or Materials ---->
5. \_\_\_\_\_ Site Development
6. \_\_\_\_\_ New Construction ---->
7. \_\_\_\_\_ Renovations - Building Interior ---->
8. \_\_\_\_\_ Renovations - Utilities
9. \_\_\_\_\_ Roofing - \_\_\_\_\_ Roof Age
10. \_\_\_\_\_ Renovations - Building Exterior
11. \_\_\_\_\_ Other Permanent Improvements
12. \_\_\_\_\_ Landscaping
13. \_\_\_\_\_ Builders Risk Insurance
14. \_\_\_\_\_ Other Capital Outlay
15. \_\_\_\_\_ Labor Costs
16. \_\_\_\_\_ Bond Issue Costs
17. \_\_\_\_\_ Other: \_\_\_\_\_
18. \_\_\_\_\_ Contingency

Land: \_\_\_\_\_ Acres  
 Floor Space: 46,674 Gross Square Feet  
 Information Technology \_\_\_\_\_  
 Floor Space: \_\_\_\_\_ Gross Square Feet  
 Floor Space: \_\_\_\_\_ Gross Square Feet

\$60,000.00 TOTAL PROJECT BUDGET

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc.,) present in the project and the financial impact they will have on the project.	
Type:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ _____ 0.00

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State			0.00 0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify) Institutional Capital Project Funds		60,000.00	60,000.00 0.00 0.00		7201	98800100		3907
<b>TOTAL BUDGET</b>	<b>\$0.00</b>	<b>\$60,000.00</b>	<b>\$60,000.00</b>					

10. SUBMITTED BY:

 Interim CFO & Vice President of Finan+  
 Signature of Authorized Official and Title

8/27/10  
 Date

11. APPROVED BY:

(For Department Use Only)

\_\_\_\_\_  
 Authorized Signature and Title

\_\_\_\_\_  
 Date

**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS  
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code H17 Name Coastal Carolina University

2. PROJECT Project # \_\_\_\_\_ Name Kimbel Library Renovation Phase I

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2021-2022	\$	\$	\$ 10,000.00	\$ 10,000.00
2) 2022-2023	\$	\$	\$ 10,000.00	\$ 10,000.00
3) 2023-2024	\$	\$	\$ 10,000.00	\$ 10,000.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget?  YES                       NO  
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Estimated energy savings in utilities</u>	<u>\$10,000.00</u>
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$10,000.00</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved.

9. Submitted By:  Interim CFO & Vice President of Finance                      8/27/18  
Signature of Authorized Official and Title                      Date

**SECTION 1: GENERAL – TO BE PROVIDED FOR ALL PROPOSALS**

1. Provide the internal projected cost of the project.

\$4,000,000

2. Identify the sources of funds to be used for A&E pre-design.

Institutional Capital Project Funds

3. Describe and define each fund source to be used for A&E pre-design, with specificity. Cite any statutory authority, including the code section or other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

Institutional Capital Project Funds (ICPF) are also referred to as excess debt service. These funds are set aside by law and restricted to be spent on capital projects only. Debt Service set-aside is currently \$445 per full time student per semester and has been the same amount since Fall 2014.

4. Provide the current uncommitted balance of funds for each source described above.

The uncommitted fund balance as of July 31, 2018 is \$7,985,372

5. Identify the sources of funds for construction.

Institutional Capital Project Funds

6. Describe and define each fund source to be used for construction, with specificity. Cite any statutory authority, including the code section or other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

Institutional Capital Project Funds (ICPF) are also referred to as excess debt service. These funds are set aside by law and restricted to be spent on capital projects only. Debt Service set aside is currently \$445 per full time student per semester and has been the same amount since Fall 2014.

7. Provide the current uncommitted balance of funds for each source described above.

The uncommitted fund balance as of July 31, 2018 is \$7,985,372

8. Provide the total square footage of the building to be renovated or constructed.

46,674 square feet

9. If any portion of the building is to be renovated, provide the square footage of the portion that will be included in the renovation.

46,674 square feet

10. Describe the programs that will use the constructed or renovated space.

Both academic and student support programs will use the renovated space. Kimbel Library provides the resources, services, instruction and facilities essential to support the high quality teaching and engaged learning of students and faculty of Coastal Carolina University.

11. Provide the current age of the building and building systems to be renovated or replaced.

Kimbel Library was constructed in 1976, which means the building is 42 years old. The systems are also 42 years old, with some repairs and replacements made, as needed, throughout the years.

12. If any new space is being added to the facility, provide demand and usage data to support the need.

N/A

13. If the A&E pre-design request exceeds 1.5% of the internal estimated cost of the project, provide the reason the amount exceeds 1.5%.

N/A

14. Provide an estimate of the numbers of students, faculty, staff and clients that are expected to utilize the space associated with the project or building.

As of Fall 2017, Kimbel Library serves approximately 10,663 students and 678 full and part-time instructional faculty. In addition, 30 staff member are employed within Kimbel Library.

15. Indicate whether or not the project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

Yes, this project was included in the FY2017-2018 CPIP. It is a priority 2 of 2 for FY2018-2019.

16. Provide the economic impact of the project or project request, including job creation and retention. If there is no economic impact, provide an explanation.

Construction industry job opportunities will be available as a result of this renovation as well as increased commerce for local businesses to meet food and lodging needs of the construction workers.

17. Discuss how maintenance of this facility construction/renovation will be addressed and funded.

This is an existing building, so the current fee structure is adequate to pay for these costs.

18. Provide the name of any account from which costs of deferred maintenance are addressed and its current uncommitted balance. Indicate the sources used to fund the account.

The University has been fortunate to be able to accommodate the costs for needed maintenance and repairs, and do not have an account termed deferred maintenance.

The E&G Renovation Reserve/Plant Expansion is used for our scheduled maintenance and repairs and the uncommitted fund balance as of July 31, 2018 is \$1,202,160.

19. If funding for maintenance of this facility construction/renovation has not yet been determined, discuss the steps that have been taken to address and fund maintenance of this and other facilities owned or managed by the agency or institution.

The renovation of this building will not result in additional maintenance costs. Annual maintenance needs are budgeted and scheduled by the Facilities Planning and Management Department within the scope of available funds.

## SECTION 2 – TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS

20. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

This renovation will not result in an increase in student fees nor has there been an increase in student fees in prior years that have contributed to the availability of these funds.

Institutional Capital Project Funds (ICPF) are also referred to as excess debt service. These funds are set aside by law and restricted to be spent on capital projects only. Debt Service set aside is currently \$445 per full time student per semester and has been the same amount since Fall 2014.

21. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

Institutional Capital Project Funds is defined as those revenues generated by the Debt Service Fee that are in excess of the current annual debt service related to issued bonds. These funds are set aside by law and restricted to be spent on capital projects only. The Debt Service Fee is currently \$445 per full time student per semester and has been the same amount since Fall 2014. This fee has been in place since Coastal Carolina University's first Board of Trustees approved the tuition structure in 1993-1994.

22. Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a

clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15	\$595	12,047,992	21,239,285	19,896,029
2015-16	\$595	13,144,362	14,562,984	18,477,407
2016-17	\$595	12,439,996	16,301,142	14,616,262
2017-18	\$595	12,174,243	12,988,625	13,801,880
2018-19	\$595	11,785,637	12,284,889	13,302,628
2019-20*	\$595	11,690,680	10,074,287	14,919,021

\*Projection

23. Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

**Fund Source or Name:** One Cent Sales Tax

**Description:**

Local option sales tax to be utilized for construction, renovation, land acquisition or debt service

Academic Year	Total Revenue Collected During Academic Year	Portion Collected From Tuition or Fee Revenues	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15	9,080,113	0.00	202,675	20,633,168
2015-16	9,934,550	0.00	12,568,966	17,998,752
2016-17	10,625,752	0.00	15,475,526	13,148,978
2017-18	10,584,793	0.00	2,390,282	21,343,489
2018-19	10,653,477	0.00	0.00	31,996,966
2019-20*	10,866,547	0.00	0.00	42,863,513

\*Projection

24. Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.





## PERMANENT IMPROVEMENT PROJECTS

### REQUIRED INFORMATION FOR PHASE I A&E PRE-DESIGN PROPOSALS

Institutional Capital Project Funds - Institutional Capital Project Funds (ICPF) are also referred to as excess debt service. These funds are set aside by law and restricted to be spent on capital projects only. Debt Service set-aside is currently \$445 per full time student per semester and has been the same amount since Fall 2014 (\$445 of the \$595 referenced in the first table above).