

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

October 4, 2018

### **MEDICAL UNIVERSITY OF SOUTH CAROLINA**

<b>PROJECT NAME:</b>	Basic Science Building Air Handler Units 3 and 5 Replacement
<b>REQUESTED ACTION:</b>	Establish Project (Phase I)
<b>REQUESTED ACTION AMOUNT:</b>	\$18,000 (1.5%)
<i>Internal Projected Cost:</i>	<i>\$1,200,000</i>
<b>INITIAL CHE APPROVAL DATE:</b>	N/A

#### **DESCRIPTION:**

The MUSC requests to establish a project to replace Basic Science Building Air Handler Units #3 and #5. Both units are past their useful life and need to be replaced. It is anticipated that these units can be replaced with a single larger unit. There are 300 – 400 faculty and staff permanently housed in the Basic Science Building. In addition, 400 – 500 students enter it daily. This request is for approval to proceed with Phase I schematic design. The project was submitted as institutional priority 1 of 4 on the 2018 - 2019 CPIP.

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

The source of funds for both the A&E and construction phases will be FY 19 Investment Fund – Deferred Maintenance. The University adopted Responsibility Centered Management (RMC) in fiscal year 2013. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of this fund is retained by the central administration and is used to fund facilities and deferred maintenance. MUSC does not charge a separate plant improvement fee to the students. All funds in this account were committed to deferred maintenance projects during the FY 19 capital budget process.

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

The maintenance support structure is already in place for this existing facility.

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

Additional operating costs/savings are not expected with this project.

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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 H51 Name Medical University of South Carolina  
 Contact Person Philip S Mauney Phone 843-792-2490

2. PROJECT Project # \_\_\_\_\_ Name Basic Science Building Air Handler Units 3 and 5 Replacement  
 Facility # 500 Facility Name Basic Science Building

County Code	10 - Charleston
New/Revised Budget	\$18,000.00

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

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number 1 of 4 for FY 19

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.)

This project will replace Basic Science Building Air Handler Units # 3 and #5. Both units are past their useful life and need to be replaced. It is anticipated that these units can be replaced with a single larger unit. This request is for approval to proceed with Phase 1 schematic design.

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: December 2019  
 Estimated Expenditures: Thru Current FY: \$18,000.00 After Current FY: \_\_\_\_\_

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<b>PROJECT #</b>	
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1. \_\_\_\_\_ Land Purchase ---->
  2. \_\_\_\_\_ Building Purchase ---->
  3. 18,000.00 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
- \$18,000.00 TOTAL PROJECT BUDGET

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

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:	_____
<b>Cost Breakdown</b>	
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) FY19 DM		18,000.00	18,000.00 0.00 0.00		2802	98800100	3035	3907
<b>TOTAL BUDGET</b>	\$0.00	\$18,000.00	\$18,000.00					

10. SUBMITTED BY:

*Jess Edwards*  
 Signature of Authorized Official and Title

5/12/18  
 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 H51 Name Medical University of South Carolina

2. PROJECT Project # \_\_\_\_\_ Name Basic Science Air Handler Units #3 & #5 Replacement

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)	\$	\$	\$	\$ 0.00
2)	\$	\$	\$	\$ 0.00
3)	\$	\$	\$	\$ 0.00

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.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
	TOTAL	\$0.00

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: *Jus Edwards*                      8/17/18  
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.

\$1,200,000

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

FY19 Investment Fund - Deferred Maintenance

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.

Investment Fund-Deferred Maintenance. The University adopted RMC (Responsibility Centered Management) in fiscal year 2013 as the budget model. This budgeting model allocates all state appropriations and tuition/fees to the colleges and allocates all grant indirect cost recoveries to the grantee's college or unit. MUSC does not charge a separate plant improvement fee to the students. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of the Strategic Investment Fund retained by central administration is used to fund facilities and deferred maintenance. The source of funding varies each year and is dependent on what each college has identified as available funding.

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

All funds in the account were committed to deferred maintenance projects during FY19 capital budget process.

5. Identify the sources of funds for construction.

FY19 Investment Fund - Deferred Maintenance

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.

Investment Fund-Deferred Maintenance. The University adopted RMC (Responsibility Centered Management) in fiscal year 2013 as the budget model. This budgeting model allocates all state appropriations and tuition/fees to the colleges and allocates all grant indirect cost recoveries to the grantee's college or unit. MUSC does not charge a separate plant improvement fee to the students. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of the Strategic Investment Fund retained by central administration is used to fund facilities and deferred maintenance. The source of funding varies each year and is dependent on what each college has identified as available funding.

7. Provide the current uncommitted balance of funds for each source described above.  
All funds in the account were committed to deferred maintenance projects during FY19 capital budget process.

8. Provide the total square footage of the building to be renovated or constructed.  
335,663

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.

Not Applicable

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

Not Applicable, AHU Replacement

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

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

No new space is being added

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%.

Not applicable

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.

There are 300 - 400 faculty and staff permanently housed in the Basic Science Building. In addition this building is a major academic building with 400 - 500 students entering it daily

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, FY2018-2019, year 1

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.

This project will create/retain approximately 5 - 10 construction/engineering jobs during implementation.

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

The maintenance support structure is already in place for this existing facility.

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.

Yes, the name of the account is "Investment Fund-Deferred Maintenance." All funds in the account were committed to deferred maintenance projects during the FY 19 capital budget process.

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.

Not Applicable

## 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.

NO

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.

Not Applicable

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.

<b>Academic Year</b>	<b>Amount per student per semester</b>	<b>Total Revenue Collected During Academic Year</b>	<b>Amount Expended for Permanent Improvements</b>	<b>Fund Balance at Year End</b>
2014-15	Not Applicable			
2015-16	Not Applicable			
2016-17	Not Applicable			
2017-18	Not Applicable			
2018-19	Not Applicable			
2019-20*	Not Applicable			

\*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:**  
**Description:**

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	Not Applicable			
2015-16	Not Applicable			
2016-17	Not Applicable			
2017-18	Not Applicable			
2018-19	Not Applicable			
2019-20*	Not Applicable			

\*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.

Not Applicable