

ATT V

Agenda Item 3.04.C.

RECOMMENDATIONS FOR EXCEPTIONAL CAPITAL PROJECT REQUESTS,
2002-2003 FUNDING YEAR

On September 3, 1998, the Commission adopted a policy and procedures for accepting exceptional capital project (ECP) requests in years when there is no bond bill. The policy provides that institutions may submit an update to their Overall Permanent Improvement Plan to include those facilities projects that they consider to be a priority for receiving state appropriated or surplus funds during the upcoming funding year. These projects are reviewed, rated, and scored for consideration by the Commission. The projects adopted by CHE are then submitted to the Budget and Control Board and the Legislature. If a bond bill materializes during the recommended funding period, the requests are subject to normal bond procedures and included and/or ranked with other requests as required for capital improvement bond funding.

This process began in 1998 and, when a capital improvement bond (CIB) bill was implemented by the Legislature for funding in 1999-2000, a number of the projects rated by CHE were included in the bond bill. The ECP process was implemented again for 2000-2001 and, a short time later, the Overall Permanent Improvement Process (OPIP) was reinstated for 2000-2001. Most of the institutional ECP requests were included in the OPIP, along with a number of new requests. The first two years of the OPIP constitutes a request for capital funding and many of the institutional requests were funded through the 2000-2001 CIB. Another CIB was proposed for 2001-2002 but was not adopted by the Legislature.

In 1975, in order to manage the growing state debt burden, a 5% debt service limit was enacted into law and placed in the constitution in 1977. At the present time, state debt service is fast approaching the limit. Once the limit is reached, the state cannot issue any more debt unless revenues are increased. However, for the 2001-2002 fiscal year, the state experienced a severe decrease in revenue resulting in budget cuts for all state agencies.

South Carolina has a limited amount of capital resources and a considerable amount of capital needs. A review of ECP or OPIP requests since 1999 indicates that 137 projects totaling approximately \$819.4 million have received only partial or no funding (Attachment 2). Of these, 356 have received partial funding of \$276.2 million, and 101 have received no capital bond funding.

Staff Recommendation¹

In light of the significant amounts remaining to be funded on existing approved projects, staff proposes that no new projects be submitted or considered for 2002-2003 ECP. We understand that these projects have not been adjusted for inflationary increases that have occurred since the initial approval. The total amount of the request may be adjusted for inflationary and/or construction cost increases, provided the institution provides sufficient justification for the increase; and, provided the increase does not substantively alter the provisions of CHE's prior approval. If institutional priorities have changed, an institution may remove a project from the list, or substitute a new project in lieu of an existing approved project on the list. However, any new project added to the list in lieu of an existing approved project will be subject to the same rating, scoring, and CHE approval process required of all new ECP requests.

¹ The staff recommendation has been discussed with the College and University Finance Officers and the Council of College Presidents.

Previously Approved Projects That Have Received Partial or No State Funding

Institution	Requests for State Funded Projects Previously Approved by CHE -Name-	State Funds Requested since 1999 via:	Previous State Funding Received:	Previous State Funding Received:	State Funding Remaining
		Exceptional Capital Projects or OPIP	1999-2000 Bond Bill or Supplemental	2000-2001 Bond Bill or Supplemental	
The Citadel	Deas Hall Improvements Phase I	500,000			500,000
	Deferred Maintenance Phase II	2,300,000			2,300,000
	Deas Hall Improvements Phase II	2,500,000			2,500,000
	Padgett-Thomas Baracks/Leadership Lab.	27,000,000	8,000,000	3,000,000	16,000,000
	Capers Hall	16,500,000			16,500,000
Clemson	Roof Repl./Mech.Sys.-Various Bldgs.	2,120,000			2,120,000
	HVAC/Indoor Air Quality Upgrades	6,000,000			6,000,000
	Critical Deferred Maintenance	4,000,000			4,000,000
	HVAC/Air Quality Upgr. Phase II	5,000,000			5,000,000
	Hunter Lab Addition	14,000,000			14,000,000
	Computer Science Bldg.	10,000,000			10,000,000
	Long Hall Renovations Phase II	8,000,000	4,000,000		4,000,000
	Library Storage/Univ. Retrieval Facil.	5,000,000			5,000,000
	Campus Roadways Repair/Repave	2,500,000			2,500,000
	Civil Engineering/Textiles Bldg.	29,200,000		6,000,000	23,200,000
	Fike Wellness Center Renov./Expansion	4,000,000		2,000,000	2,000,000
	Newman Hall Renovation	3,000,000			3,000,000
	Municipal Complex Add./Renov.	1,939,080			1,939,080
	Kimber Info. Resources Ctr.	7,500,000			7,500,000
	Atlantic Ctr. Renov.	1,150,000		200,000	950,000
Coastal Carolina	Science Center Add./Renov.	25,225,000			25,225,000
	EM Singleton Bldg. Renovation	5,350,000			5,350,000
	Science Bldg. Renov. New Constr.	38,506,000		4,000,000	34,506,000
	Simons Ctr. School of Art Addition/Renov.	9,000,000	3,000,000	3,000,000	3,000,000
	Stern Student Center Add. Renov.	5,500,000			5,500,000
College of Charleston	PE Center Building	20,000,000	12,000,000		8,000,000
	Robert Scott Small Library Renov.	2,000,000			2,000,000
	Founder's Hall Renov. Phase I	1,000,000			1,000,000
	Univ. Child Dev. Ctr.	777,000			777,000
	McNair Sci. Ctr./Cauthen Ed. Media	1,500,000			1,500,000
Francis Marion	School of Ed/School of Business Bldg.	8,500,000		750,000	7,750,000
	New Student Center	8,000,000		3,000,000	5,000,000
	Deferred Maintenance	14,000,000			14,000,000
	Deferred Maintenance	14,000,000			14,000,000
	Hollings Cancer Center Renov./Expansion	21,450,000	10,000,000		11,450,000
Lander	Coll of Dental Med Bldg.	19,000,000		6,300,000	12,700,000
	College of Health Prof. Bldg.	30,000,000			30,000,000
	College of Pharmacy Renovation	11,600,000			11,600,000
	Research Bldg. III	37,500,000			37,500,000
	Hurst Research Center Renov.	500,000			500,000
MUSC	Central Chiller Plant Constr.	8,000,000			8,000,000
	Dukes Gym Renov. & Expansion	5,000,000			5,000,000
	Staley Hall Renov. & Expansion	2,500,000			2,500,000
	Lowman Hall Renov./Addition	9,500,000		1,000,000	8,500,000
	Hodge Hall	17,000,000	10,000,000		7,000,000
	Whittaker Library Addition/Renov.	12,000,000			12,000,000
	Green Student Center Renov./Expans.	8,000,000			8,000,000
	Deferred Maintenance-Phase 2	7,500,000		2,000,000	5,500,000
	Core Campus Bicent. Dev./Preserv.	25,000,000			25,000,000
	School of Law Bldg.	20,000,000	5,000,000	5,000,000	10,000,000
USC-Columbia	Telephone Switching Equip.	5,000,000			5,000,000
	Bldg. Sys. Repair/Code Compliance	2,000,000			2,000,000
	Russell House Renov./Add.	8,800,000			8,800,000
	Bymes Center Renov.	8,300,000			8,300,000
	Jones Physical Science Ctr. Renov.	43,000,000			43,000,000
	Booker T. Washington Auditorium Ren.	6,000,000			6,000,000
	Energy Master Plan-Upgr. Distr. Sys.	6,500,000			6,500,000
	Thomas Cooper Library Renov./Exp.	10,000,000			10,000,000
	Wellness/Fitness Center	5,000,000	3,000,000		2,000,000
	Historic Bldgs. Gibbs Green Cont.Ren.	38,600,000		3,000,000	35,600,000
USC-School of Med.	Animal Resource. Faci. Upgrade	1,000,000			1,000,000
	Bldg. 10 Renov.	500,000			500,000
	Bldg. 3-Med.Ed. & Acad. Aff. Renov.	4,000,000			4,000,000
	Medical Library Renovation	1,000,000			1,000,000
	Stu. Activities Ctr. Renovation	5,500,000	3,200,000		2,300,000
USC-Aiken	Convocation Center/Lecture Hall Bldg.	10,000,000		6,000,000	4,000,000
	School of Business Bldg.	2,500,000			2,500,000
USC-Spartanburg	Deferred Maintenance	3,000,000			3,000,000
	Library/Technology Center Bldg.	20,500,000	1,000,000	5,000,000	14,500,000
	Administration Bldg. Repairs	3,000,000			3,000,000

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USC-Beaufort	Performing Arts Ctr. Renovation	3,450,014			3,450,014
	Marine Sci. Bldg. Renov./Add.	2,077,761			2,077,761
	Campus-wide Landscaping/Paving Improv.	675,803			675,803
USC-Lancaster	Hubbard Hall Renovation	985,000			985,000
	Medford Library Renov. & Expansion	1,950,000			1,950,000
USC-Salkehatchie	Science/Technology/Train. Ctr.	9,046,625			9,046,625
	Walterboro Classroom Bldg. HVAC Repl.	761,250			761,250
	LRC Water Infiltration Project	75,900			75,900
	Deferred Maintenance/Code Compliance	2,100,000	1,000,000		1,100,000
	Walterboro Site Improvements	244,750			244,750
	Hut Addition/Renovation	292,380			292,380
USC-Sumter	Instructional Laboratories Bldg.	7,950,000			7,950,000
	Deferred Maintenance Items	500,000			500,000
USC-Union	Facility Upgrades/Maintenance	500,000			500,000
	Landscaping Improvements	1,000,000			1,000,000
Winthrop	Thurmond Auditorium/Lecture Hall Add.	1,700,000			1,700,000
	Byrnes Auditorium (Music Constr.) Renov.	21,500,000			21,500,000
	Peabody Health/Phys. Ed. Renov./Add.	10,269,757	4,400,000	2,000,000	3,869,757
	Dacus Library Building	20,000,000			20,000,000
	Window Replacement 14 Campus Bldgs.	1,778,000		1,540,000	239,000
	Sims Science Building Complex Renov.	2,500,000			2,500,000
Aiken TC	Chilled Water Plant Repl.	971,600		500,000	471,600
	Class/Lab Renovations	5,118,479			5,118,479
Central Carolina TC	Various Campus Bldgs. Repair/Renov.	3,135,630		500,000	2,635,630
	Solomon Property Acq. Adj. To Campus	1,000,000			1,000,000
Denmark TC	Lighting/Electrical Sys. Upgrd.	591,338			591,338
	Library Renovation	3,242,000	2,000,000		1,242,000
	Roofing Replacements	280,166			280,166
	Lab Facility-Early Childhood	428,841			428,841
Florence-Darlington TC	Adv. Appl. Tech. Ctr.	12,000,000		2,000,000	10,000,000
Greenville TC	Industrial Complex HVAC/Renov.	4,500,000		1,500,000	3,000,000
	Student Ctr. Renov.	1,702,500			1,702,500
	Repave Parking Lot 1	302,500			302,500
	Re-roof Eng. Tech. Bldg.	195,500			195,500
Horry-Georgetown TC	Grand Strand Campus Renov.	1,597,650		1,000,000	597,650
	Gmd.Strd. LRC/Admin. Renov.	1,927,650			1,927,650
	Gmd.Strd. Campus Renov. Bldg. 200	1,040,000			1,040,000
	GT Campus Classroom Wing	1,038,400			1,038,400
	Conway Campus Renov. Bldg. 400	1,815,568			1,815,568
	Conway Campus Roof Replacements	489,400			489,400
	Conway Campus Parking Lot Resurf/Curb	200,000			200,000
Midlands TC	NE Campus Class/StuSer	15,200,000		1,000,000	14,200,000
	Beltline Lindau Eng. Tech. Renovation	6,000,000			6,000,000
Northeastern TC	Renov. Admin. Bldg. & LRC, Lighting	300,000			300,000
	Technology Ctr. Bldg.	3,200,000			3,200,000
Orangeburg TC	Renovate Air Delivery Systems	175,000			175,000
Piedmont TC	Various Campus Bldgs.	2,040,000		1,500,000	540,000
	Business/Indust. Tech. Bldg.	3,676,800			3,676,800
	McCormick County Ctr	1,072,000			1,072,000
	Deferred Maint - 10 Bldgs.	800,000			800,000
Spartanburg TC	Student Life Bldg	5,708,000	1,000,000	3,000,000	1,708,000
	Renov. East & West Bldgs.	2,806,400			2,806,400
	New Acad./Library Bldg.	9,000,000			9,000,000
TC Low Country	Deferred Maint - Classrooms	927,500			927,500
	Parking Facil. Improvements	223,000			223,000
	Renovate Admin. Offices	1,197,800			1,197,800
	Renov. Of Bldgs. 6&8/Code Compliance	1,524,000			1,524,000
Tri-County TC	Parking Garage	5,136,000			5,136,000
	Renovate Classrooms & Labs	2,700,000			2,700,000
	Deferred Maint. Campus-Wide	5,948,000			5,948,000
Trident TC	Indust. Econ. Complex Phase II	7,000,000			7,000,000
	Indust. Econ. Develop Ctr. Renovation	9,800,000		3,500,000	6,300,000
	Indust. Econ. Complex Phase III	3,780,000			3,780,000
Williamsburg TC	Technology/Stu. Ctr.	6,400,000		1,000,000	5,400,000
	Repl. Wiring/Plumbing in 30-yr Bldgs.	150,000			150,000
York TC	Classroom Bldg-Chester Cty.	6,400,000		1,000,000	5,400,000
Greenville Univ. Ctr.	Renovations to Existing Facility	900,000			900,000
Total Number of Projects		137			
Total		957,317,179	67,600,000	70,290,000	\$819,427,042