



January 23, 2006

TO: Members, Commission on Higher Education

FROM: Rosemary Byerly, Chair, and Members
Committee on Finance and Facilities

SUBJECT: Committee Recommendations

The Finance and Facilities met on Thursday, January 19, to consider Interim Capital Projects for recommendation to the full Commission at the February Meeting. A list of staff approvals for December 2005 is attached for information.

Detailed Information on each project and Committee recommendations begin on page 2. If you have any questions about the materials, please contact me or Lynn Metcalf at (803) 737-226

Summary Listing of Interim Capital Projects

College of Charleston		
Rivers & Buist Residence Hall	\$ 1,945,000	-establish project
Historic Houses Interior & Exterior Repairs & Upgrades	\$ 895,000	-establish project
Winthrop University		
Boiler Plant Mechanical Renovation & Construction	\$ 1,000,000	-establish project
Denmark TC		
Living and Learning Center	\$ 4,824,292	-establish project
Trident TC		
Building 950 Renovation	\$ 1,500,000	-increase budget
York TC		
Waterford Training Center	\$ 2,700,000	-establish project
Chester Technology Center – Phase I	\$ 3,497,567	-increase budget

Interim Capital Projects

College of Charleston

Rivers & Buist Residence Hall	\$ 1,945,000	-establish project
Source of Funds:	\$ 1,945,000	-auxiliary housing funds

Proposed Budget:	\$ 100,000	-professional services
	1,214,000	-interior building renovations
	561,000	-exterior building renovations
	<u>70,000</u>	-contingency
Total Budget:	\$ 1,945,000	

Description

The project will include repairs to remedy mold and asbestos problems, provide HVAC upgrades and exterior repairs to the Rivers & Buist Residence Halls. The residence halls were constructed separately as two buildings but are connected by a lobby and a common roof. An itemized project description is provided below.

- Roof Replacement – \$300,000
- Asbestos Abatement (Ceilings & Pipes) – \$297,000
- Mold Remediation – \$209,000
- Window Replacement – \$145,000
- Fire Sprinkler System – \$110,000
- Exterior Door Replacement – \$6,000
- HVAC Replacement and Ductwork – \$389,800
- Mechanical Room Renovations – \$200,000
- Exterior Sealing and Painting – \$60,000
- Core Interior Door Replacements – \$50,000

E&G Deferred Maintenance Reduction:

None - Residence halls are auxiliary facilities and must be self-supporting.

Annual Operating Costs/Savings

Not Applicable (N/A)– Auxiliary

Recommendation

The Committee recommends approval of this project as proposed.

College of Charleston

Historic Houses Interior & Exterior Repairs & Upgrades	\$ 895,000	-establish project
Source of Funds:	\$ 895,000	-auxiliary housing funds

Proposed Budget:	\$ 25,000	-professional service fees
	253,600	-interior building renovations
	494,000	-exterior building renovations
	65,000	-furniture, fixtures, & equipment
	<u>57,400</u>	-contingency
Total Budget:	\$ 895,000	

Description

This project is to provide maintenance on four historic houses located on the College's campus. The project will include the following routine repair and maintenance items:

90 & 92 Wentworth Street	Roof Replacement – \$230,000 Sprinkler System – \$55,800 Exterior Repairs & Painting – \$40,000
70 & 72 Coming Street	Roof Replacement – \$144,000 Sprinkler System – \$40,800
298 & 300 Meeting Street	Roof Repair, Exterior Painting, Replacement of Bathrooms, Painting, Lighting, Floor and Furniture Replacement – \$262,000
Coming & Bull Street Houses	Roof Repairs – \$40,000

E&G Deferred Maintenance Reduction:

None - Residence halls are auxiliary facilities and must be self-supporting.

Annual Operating Costs/Savings

N/A - Auxiliary

Recommendation

The Committee recommends approval of this project as proposed.

Winthrop University

Boiler Plant Mechanical

Renovation & Construction \$ 1,000,000 -establish project

Source of Funds:	\$ 500,000	-Inst. Capital Project Funds (ICPF)
	<u>500,000</u>	-other loan funds
	\$ 1,000,000	

Proposed Budget:	\$ 95,000	-professional service fees
	450,000	-equipment and/or materials
	145,000	-interior building renovations
	300,000	-utility renovations
	<u>10,000</u>	-contingency
Total:	\$ 1,000,000	

Description

The project consists of demolishing (including asbestos abatement) the existing #3 boiler in the Central Energy Facility and replacing it with two smaller energy-efficient boilers – one gas-fire and one electrode. Completion of this project will result in providing summer reheat required for humidity control for the Lois Rhame West Center (under construction) and the Campus Center (in design stage) when the major boilers (#1 and #2) are not needed for steam purposes. Secondly, the project will provide fuel redundancy to enable the University to optimize fuel prices. Finally, the project will supply the summer steam load for the entire campus to help with the indoor air quality issues campus-wide.

E&G Deferred Maintenance Reduction:

N/A

Annual Operating Costs/Savings

As a result of the increased efficiency and by not using the small boilers in the Life Science Building and the Thomson Cafeteria during the summer, the University estimates its operating savings to be \$75,000 a year.

Recommendation

The Committee recommends approval of this project as proposed.

Denmark TC

Living and Learning Center \$ 4,824,292 -establish project

Source of Funds: \$ 1,000,000 -local funds
3,824,292 -federal funds
\$ 4,824,292

Proposed Budget: \$ 163,568 -professional fee services
544,630 -equipment & materials
258,265 -site development
3,100,750 -new construction
77,344 -landscaping
3,271 -builders risk insurance
51,862 -other capital outlay
624,602 -contingency
Total: \$ 4,824,292

Description

The purpose of the project is to construct a 33,721 sq. ft. building (\$145 cost per square foot) to serve as a main hub for academic enrichment, study groups, counseling, advising and living. The facility will be located between King Hall, the Academic Building 028, and Dawkins Hall. The first floor of the building will be occupied by the Student Services Division with classrooms, labs, and an auditorium. The second floor will have classrooms, a computer lab, an exercise room, student lounge, and laundry room. The third floor will have residential suites with shared restrooms per suite and two study labs.

The College, which serves Allendale, Bamberg, and Barnwell counties, needs additional facilities to meet continued enrollment growth. The current residential facilities, which are more

than 30 years old, will not permit upgrading through renovations under current codes. Therefore, new construction is the only way to address the need for staff and academic space and residential life facilities.

E&G Deferred Maintenance Reduction:

None – This primarily a residential facility

Additional Annual Operating Costs/Savings

The project has an initial annual operating cost of \$195,090 for two maintenance personnel, two staff salaries and fringe benefits, a maintenance supplier, and utilities. Denmark TC is one of two technical colleges for which the State provides maintenance funds. However, only the non-residential portion of the facility would be eligible to receive state funds for maintenance.

Recommendation

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

Trident TC

Building 950 Renovation \$ 1,500,000 -increase budget
(Previous Budget = \$4,100,000)

Source of Funds: \$ 1,500,000 -state appropriated funds

Proposed Budget:	\$ 560,000	-professional service fees
	60,000	-equipment & materials
	4,035,000	-interior building renovations
	415,000	-other permanent improvements
	<u>530,000</u>	-contingency
Total:	\$ 5,600,000	

Description

The project is presently in the A&E design phase. The College is requesting to increase the square footage of the area to be renovated from 25,000 sq. ft. to 48,040 sq. ft. (\$166.57 per sq. ft.) and to increase the budget from \$4,100,000 to \$5,600,000 (a \$1,500,000 increase). The additional costs will be funded by State appropriations.

Building 950 is a 71,604 sq. ft. vacant warehouse facility located at 2000 Mabeline Road. Currently, architects are designing the renovation of 25,000 sq. ft. to be used for the College bookstore, facilities management department, purchasing department, and an additional parking lot. The additional 23,040 sq. ft. will include three classrooms, a computer lab, two industrial manufacturing laboratories, a conference room, faculty offices, staff offices, and restrooms.

The additional square footage is needed to support the demand for a training space for automotive assembly workers for Daimler Chrysler, which is establishing an automotive assembly plant in the Charleston area. The State Board for Technical and Comprehensive Education's Center for Accelerated Technology Training (CATT) will be heavily involved in the training process.

E&G Deferred Maintenance Reduction:
Not Applicable.

Additional Annual Operating Costs/Savings
None to the State

Recommendation

The Committee recommends approval of this project as proposed, pending approval by SBTCE.

York TC

Chester Technology Center -- Phase I \$ 3,497,567 -increase budget
(Original budget - \$3,467,641)

Source of Funds: \$ 522,000 -state budget appropriations
 2,000,000 -federal funds
 975,567 -local funds
 \$ 3,497,567

Proposed Budget: \$ 573,974 -professional service fees
 5,769,759 -new construction (31,211 GSF)
 564,375 -utilities renovations
 57,100 -grant administration inspection
Total: \$ 6,965,208

Description

The project is presently in the A&E design of Phase I of a two-phase project to construct a facility in Chester County, part of York TC's service area. This request is to increase the square footage of the area to be constructed from 26,000 sq. ft. to 31,211 sq. ft. (\$223.17 cost per sq. ft.) and to increase the budget from \$3,467,641 to \$6,965,208. This project has received capital improvement bond funding and is adding State appropriations, Federal funds and some additional local funds.

The Technology Center will be located on five acres of land donated by the York Technical College Foundation. The acreage is part of approximately 40 acres owned by the Foundation and located on the southern side of Lancaster Highway (Hwy. 9), east of the city of Chester. The building will be used for classrooms, shop areas, faculty offices, administrative offices, a library, a conference room, testing and assessment rooms, and storage areas.

The College's original goal was to install a highly energy-efficient building with a solar hot water heating and air conditioning system using adsorption chillers. The College now desires to include an alternate energy-efficient system, a sterling engine powered by natural gas, which will produce hot water and the by-product will be electric generations at certain times of the day. The system, which will cost \$564,375, will use 70% less energy than a conventional HVAC system. The building also will have highly efficient design characteristics which will save energy, use water efficiently, and create a healthy indoor environmental for the occupants.

The additional square footage is needed to support the demand for industrial shop training space, increased economic development, change of curriculum needs, increased enrollment in continuing education courses, and increase of new credit courses offered in Chester County.

These courses will support local industry in the Chester County area, and the Chester County Economic Development Corporation has been actively recruiting companies.

E&G Deferred Maintenance Reduction:

Not Applicable

Additional Annual Operating Costs/Savings

None to the State

Recommendation

Consideration of this project was delayed pending receipt of additional information. The Committee will meet on February 2, 2006, immediately prior to the Commission meeting to consider and make a recommendation on this project.

LEASES

Medical University of South Carolina

30 Bee Street

\$ 199,168

-lease renewal

The lease renewal is for 8,316 square feet of space located at 30 Bee Street. The building is owned by the Health Sciences Foundation and leased in total to the University Medical Associates (UMA). UMA subleases the building to the University. The space houses Student Health, the Counseling and Psychological Services (CAPS) program, and some College of Dental Medicine department offices. The per-square foot rate for the renewal is \$23.95. The monthly rental rate will be \$16,597.35, resulting in an annual rent amount of \$199,168.20. Utilities and maintenance are not included in the costs.

Recommendation

The Committee recommends approval of this project as proposed, provided the Budget and Control Board approves the rates and terms of the Lease.

Medical University of South Carolina

Fishburne Street Parking Spaces

\$ 253,159

-lease renewal

The lease renewal is for 794 parking spaces located on Fishburne Street from the City of Charleston. The parking is to accommodate the Medical University of South Carolina and Medical University Hospital Authority employees and students. The per-space, per-month rent rate for the first year of this renewal is \$26.57. The monthly renewal rate will be \$21,096.58, resulting in an annual rent amount of \$253,158.96. The renewal has an automatic five percent annual rate increase. Utilities and maintenance are included in the costs.

Recommendation

The Committee recommends approval of this project as proposed, provided the Budget and Control Board approves the rates and terms of the Lease.

INFORMATION ITEM

TC of the Lowcountry

Sale of Property, 2450 Fripp Street, Beaufort

TC of the Lowcountry is notifying the Commission of its intention to sell a 1.157 acre tract of land with a 13,000 sq. ft. industrial building for the appraised value of \$180,000. The tract is located at 2450 Fripp Street in Beaufort, which is 400 ft. north of the northwest corner of the College's campus.

The property, which was assigned to the College in 1980 by the Budget and Control Board, is no longer needed by the College. The proceeds from the sale will be used to fund deferred maintenance projects at the College.

NEWS ARTICLE RELATED TO
YORK TECH PROJECT FOR WATERFORD TRAINING CENTER

Bringing the 'future of production' to Rock Hill

Julie Graham
THE ROCK HILL HERALD
Wednesday, November 30, 2005

Standing beside a three-dimensional printer, Kevin Walker of 3D Systems held a plastic gear in his hand.

The prototype was produced in four hours with a laptop, design software and a \$22,900 machine that uses digital data to "print" exact replicas of car parts, human skulls or nearly anything else imagined.

"We provide big savings in manufacturing," said Walker, the region's technical sales manager. Ordinarily, "if you make a product and it doesn't come out right, you can spend \$10,000 trying to fix it."

But with the company's three-dimensional printers, a prototype can be made quickly at a lower cost. Gov. Mark Sanford and other government and area business leaders got to check out one of the printers at a news conference Tuesday at Baxter Hood Center.

President Abe Reichental gave a presentation on the company, which is relocating its headquarters and research and development facilities from California to Rock Hill's Waterford Business Park.

He said the company looked at about 50 different locations throughout the nation before picking Rock Hill. The selection was formally announced earlier this month.

"I don't think it was by accident that we zeroed in on the Carolinas," Reichental said, naming quality of life, employment conditions, transportation and operating costs as reasons for the move.

The company got \$4 million in tax breaks over 20 years from York County. Also, York Technical College will build and operate a \$2.7 million 3D University to train workers in the company's cutting-edge technology.

3D Systems, now based in Valencia, Calif., has gotten a lot of local attention since city and county officials announced in early November the company was bringing 145 jobs with average salaries of \$80,000 per year to York County.

The company, with \$125 million in sales in 2004, has more than 360 employees and 385 patents. It plans to spend \$13 million to build the Rock Hill facility, which will open by Sept. 30.

3D Systems was founded in 1986. Since then, it has developed a global presence, persuading customers to replace traditional handcrafting and machining methods with fast, three-dimension printing, manufacturing and prototyping.

The technology is often called "rapid manufacturing."

Reichental said the process is the future of production, reducing design and manufacturing costs for businesses. 3D Systems sells three types of machines to companies so they can create prototypes before mass production.

Prototypes of hearing aids, dental molds, car parts, jewelry and tools were just some of the products on display Tuesday.

The three-dimensional printers can create a model of a human skull and other body parts for preoperative planning. The technology has been used to separate conjoined twins.

Companies that supply Formula 1 racing teams make prototypes of car parts with 3D Systems' machines.

Customers of 3D Systems include aerospace, medical and motorsport companies as well as every major automotive manufacturer.

Shares of the company traded on Nasdaq closed Tuesday at \$18.01, up 18 cents or 1 percent.

Contact Graham at (803) 329-4071 or jgraham@heraldonline.com.



Andy Burriss, The Herald

Kevin Walker with 3D Systems, left, talks about his company's products with local business leaders at Tuesday's news conference at the Baxter Hood Center. 3D Systems' desktop 3-D printer is at right.

FOR INFORMATION
Capital Projects Approved by the Staff – December 2005

Date Appr.	Project #	Institution	Project Name	Action Category	Budget Chg.	Revised Budget
12/1/2005	9771	Clemson	Rhodes Engineering Ctr HVAC	decrease budget, close	\$ (53,798)	\$ 814,202
12/1/2005	9709	Clemson	Mauldin, Smith & Barnett Life Safety	increase budget, revise scope	\$ 85,000	\$ 2,200,000
12/1/2005	9579	SCSU	Chestnut Street Land Acquisition	increase budget, change name	\$ 5,000	\$ 15,000
12/13/2005	9777	MUSC	Replace HVAC System	decrease budget	\$ (400,000)	\$ 100,000
12/13/2005	9757	MUSC	Campus High Voltage Substation Upgrade Emergency	decrease budget	\$ (500,000)	\$ 8,000,000
12/13/2005	9846	USC-Columbia	School of Public Health Const/Renov	revise scope		
12/13/2005	9921	USC-Columbia	1600 Hampton St Complex Acquisition	decrease budget	\$ (249,000)	\$ 21,769,000
12/13/2005	9834	USC-Columbia	Callcott Social Sciences Ctr Renov	decrease budget, close	\$ (27,783)	\$ 3,040,217
12/20/2005	9864	Clemson	N. Chas. Property Acq. Studies	increase budget	\$ 30,000	\$ 50,000
12/20/2005	9860	Clemson	ICAR Land Acquisition	revise scope		
12/20/2005	9806	Clemson	Tillman Hall HVAC Renovations	decrease budget, close	\$ (500,048)	\$ 999,952
12/20/2005	9752	Clemson	Cooper Library HVAC Impro. Phase II	increase budget, revise scope	\$ 500,048	\$ 5,505,048
12/20/2005	New	MUSC	Coll of Nursing Simulated Clinical Lab	establish (legislative approval)	\$ 1,500,000	
12/20/2005	9773	MUSC	Drug Discovery Building Construction	revise scope (legislative approval)		
12/20/2005	9777	MUSC	Replace HVAC System Coll of Health	close	\$ (100,000)	\$ -
12/20/2005	9529	USC-Aiken	Convocation Center	increase budget by 10% or less	\$ 2,300,000	\$ 25,720,000
12/20/2005	New	Central Carolina TC	Parking Lot Repairs	establish	\$ 200,000	
12/20/2005	New	Northeastern TC	Ingram Hall Replace Exterior Steps	establish	\$ 100,000	
12/20/2005	New	Piedmont TC	Roofs - Deferred Maintenance	establish	\$ 100,000	
12/20/2005	New	York TC	Student Center Roof Replacement	establish	\$ 153,100	