

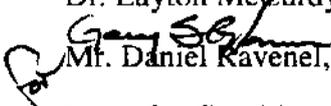


South Carolina Commission on Higher Education

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February 29, 2008

TO: Dr. Layton McCurdy, Chair, and Members, Commission on Higher Education
FROM:  Mr. Daniel Ravenel, Chair, Committee on Finance & Facilities
SUBJECT: Items for Consideration on March 6

Attached are items for your review and consideration at the March 6 Commission meeting. Please note the Committee on Finance and Facilities has not yet acted on the interim capital projects or lease but is scheduled to review and develop recommendations at its meeting scheduled for 9:00 a.m. on March 6. The Committee will bring its recommendations to the Commission for consideration at the Commission meeting. Staff recommendations are included for your information.

The Committee reviewed and approved the Master Land Acquisition Plan (MLAP) at its February 7 meeting.

If you have any questions about a particular item, or if you need additional information, please contact me or Gary Glenn at (803) 737-2155.

7.04A Interim Capital Projects

- A. Clemson University
 - i. Dining Hall/Post Office Demolition/Construction – Phase I
-establish project
- B. Orangeburg-Calhoun Technical College
 - i. Transportation & Logistics Center
-increase budget, revise scope, change project name
- C. Piedmont Technical College
 - i. Saluda County Extension Center
-increase budget, revise scope

7.04B Lease

- A. Medical University of South Carolina
 - i. 30 Bee Street
-renewal

7.04C Master Land Acquisition Plan (MLAP)

- A. York Technical College

7.04D List of Staff Approvals for February 2008 (For Information)

DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

March 6, 2008

CLEMSON UNIVERSITY

PROJECT NAME: Dining Hall/Post Office Demolition/Construction – Phase I
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$600,000
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Professional Service Fees	\$0	\$550,000	\$550,000
Labor Costs	\$0	\$50,000	\$50,000
Total	\$0	\$600,000	\$600,000

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Dining Services Revenue	\$0	\$600,000	\$600,000
Total	\$0	\$600,000	\$600,000

DESCRIPTION:

The University requests to establish a project to demolish and replace Harcombe Dining Hall and Post Office, which is part of the Core Campus Precinct Plan. The current scope of the project is to complete the pre-design phase in accordance with the new Joint Bond Review Committee policy. The dining portion of the project (61,000 SF) will include a dining facility, convenience store with retail food options, and administrative offices for the vendor and Campus Services' staff. The proposed Post Office (15,000 SF) will replace the Student Post Office located in the Student Union and the postal operations in the Dillard Building. The University proposes to begin design during summer 2008 with an estimated construction completion date in 2011.

Harcombe Dining Hall and retail food options are located in the Johnstone Hall/Student Union complex which is a 55-year-old facility with an increasingly deficient utility infrastructure. The layout of the facility is inefficient for dining operations and for energy consumption. The Post Office replacement will combine operations into a single location thereby improving efficiency as well as providing adequate space. With the construction of this facility, combined with other initiatives and program relations, Harcombe and the majority of the Student Union can be demolished to allow for a new Student Union in the near future.

E&G DEFERRED MAINTENANCE REDUCTION:

N/A – Auxiliary

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.

ORANGEBURG-CALHOUN TECHNICAL COLLEGE

PROJECT NAME: Transportation & Logistics Center
REQUESTED ACTION: Increase Budget, Revise Scope, Change Project Name
REQUESTED ACTION AMOUNT: \$4,778,000*
INITIAL CHE APPROVAL DATE: October 16, 2006

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Professional Service Fees	\$225,000	\$330,000	\$105,000
Equipment and/or Materials	\$0	\$250,000	\$250,000
Site Development	\$0	\$730,000	\$730,000
New Construction (25,000 GSF)	\$0	\$3,423,000	\$3,423,000
Other Permanent Improvements (data wiring)	\$0	\$50,000	\$50,000
Contingency	\$0	\$420,000	\$420,000
Total	\$225,000	\$5,203,000	\$4,978,000

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Appropriated State Program Source (FY2007-08)*	\$0	\$200,000	\$200,000
Federal	\$0	\$1,500,000	\$1,500,000
Local	\$225,000	\$3,503,000	\$3,278,000
Total	\$225,000	\$5,203,000	\$4,978,000

**State-appropriated funds supersede CHE approval authority; therefore, the amount of this approval is \$4,778,000.*

DESCRIPTION:

The College requests to increase the budget, revise the scope, and change the project name for a 25,000 GSF transportation and logistics facility for automotive training. The proposed facility will consolidate existing programs in one area of the campus as well as provide additional space for new programs such as paint and body work, forklift repair, and refrigerated trailer repair. These programs have been requested by local industry. The building will house lab, simulation, classroom, and office space. The College has worked with Quackenbush Architects and Planners to program the space, complete schematic design, and obtain initial cost estimates, which were received in February 2008. The cost per square foot is \$208.

The College must begin construction by December 2008 in order to comply with regulations associated with the \$1.5 million federal grant received. The project is included on the Commission's FY2008-09 statewide priority list for capital improvement bonds.

E&G DEFERRED MAINTENANCE REDUCTION:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Utilities, custodial services, insurance, miscellaneous supplies, waste disposal, and pest control will require additional operating costs ranging between \$16,500 and \$40,000 in the three years following project completion. The costs will not be absorbed into the existing budget. The College will increase its annual budget request to the two supporting counties.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

PIEDMONT TECHNICAL COLLEGE

PROJECT NAME: Saluda County Extension Center
REQUESTED ACTION: Increase Budget, Revise Scope
REQUESTED ACTION AMOUNT: \$3,408,000
INITIAL CHE APPROVAL DATE: October 11, 2004

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Professional Service Fees	\$250,000	\$250,000	\$0
Equipment and/or Materials	\$0	\$64,331	\$64,331
Site Development	\$0	\$456,000	\$456,000
New Construction (16,000 GSF)	\$0	\$2,590,108	\$2,590,108
Landscaping	\$0	\$6,000	\$6,000
Other (inspections)	\$0	\$25,000	\$25,000
Contingency	\$0	\$266,561	\$266,561
Total	\$250,000	\$3,658,000	\$3,408,000

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Federal	\$0	\$1,500,000	\$1,500,000
Saluda County Referendum	\$0	\$1,500,000	\$1,500,000
Local	\$250,000	\$658,000	\$408,000
Total	\$250,000	\$3,658,000	\$3,408,000

DESCRIPTION:

The College requests to increase the budget and revise the project scope to construct a 16,000 SF facility on approximately 10 acres of land owned by the Piedmont Technical College Area Commission in Saluda County. The facility will contain flexible classroom and lab space intended to target workforce development in healthcare, manufacturing, and agricultural technical training. The College has worked with McMilan Smith & Partners to develop costs estimates based on schematic design, which were received in February 2008. The cost per square foot is \$229. Currently, the College is using four mobile classrooms totaling 4,800 SF. Class offerings are limited due to inadequate space and building functionality.

In November 2006, the citizens of Saluda County approved a referendum for the county to contribute \$1.5 million toward the project. In January 2008, the College received a \$1.5 million grant from the United States Department of Commerce. The project is included on the Commission's FY2008-09 statewide priority list for capital improvement bonds.

E&G DEFERRED MAINTENANCE REDUCTION:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Utilities, custodial services, and maintenance will require additional operating costs ranging between \$48,000 and \$52,920 in the three years following project completion. The costs will be absorbed into the existing budget.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

DESCRIPTION OF LEASE FOR CONSIDERATION

March 6, 2008

MEDICAL UNIVERSITY OF SOUTH CAROLINA

LEASE NAME: 30 Bee Street
REQUESTED ACTION: Lease Renewal
REQUESTED ACTION AMOUNT: \$371,339

DESCRIPTION:

The University requests approval to renew the current lease for 9,988 SF in the first floor of 30 Bee Street. The purpose of the lease is to house Student Health, the Counseling and Psychological Services (CAPS) program, some College of Dental Medicine department offices, and the MRI Neurosciences research operation.

The monthly rental rate will be \$15,472, resulting in an annual cost of \$185,670. The requested lease term is two years with a total lease cost of \$371,339. The per-square-foot rate is \$18.59. Operating expenses are not included in the lease, and the University estimates those costs to be approximately \$7.40 per SF in addition to the lease. The operating expenses include maintenance, grounds, contracts (i.e. exterminator), electricity, and water.

RECOMMENDATION:

Staff recommends approval of this lease provided the rates and terms are approved by the Budget and Control Board.

MASTER LAND ACQUISITION PLAN (MLAP) FOR CONSIDERATION

March 6, 2008

The Commission's current policy for accepting MLAPs from institutions is as follows:

Institutions may present master plans that outline proposed land acquisitions to the Finance and Facilities Committee and the Commission for conceptual approval. The granting of conceptual approval shall be good for an initial five-year period and may be renewed by action of the Commission. If the plan is endorsed by the Commission, future land acquisitions, provided they were included in the master plan presentation and had received Property Management acceptance for the environmental study and appraisal, and provided that no student fee increase is required, will be considered by the CHE staff and will not require additional review by the Finance and Facilities Committee or the Commission. CHE staff will report any acquisition activity to the Finance and Facilities Committee monthly.

YORK TECHNICAL COLLEGE

The College is developing a comprehensive campus master plan to meet its growing needs. The plan will outline the location of current and proposed facilities on the campus and will serve as a blueprint for recommending growth over the next 10 to 15 years. The proposed MLAP is based on acquisitions needed to meet the legislative mandate to support and advance economic development in the three-county service area and to provide a strong educational environment for students.

The College continues to grow at an accelerated rate with an 11 percent increase in enrollment over last year. Double-digit growth is anticipated to continue over the next few years. A number of factors have contributed to this growth. The quality and reputation of the academic programs, especially health and industrial, continues to improve. New industries requiring workers with specialized skills have relocated to the area. Enrollment in non-credit programs has doubled over the last several years. The textile industry continues to experience layoffs and plant closings, resulting in workforce reductions and creating the need for retraining of employees.

The main campus is currently located on 112 acres surrounded by technology parks, commercial enterprises, residential and city housing, and unimproved land and green spaces. Areas surrounding the College have experienced unprecedented growth which is expected to continue. Therefore, it is imperative that the College acquires adjacent property for future development. Decisions regarding these acquisitions will be made over time, while remaining consistent with the College's Master Plan.

The proposed MLAP would allow for the acquisition of new land in order to keep pace with the growth. As student enrollment increases and partnerships with business and industry continue to develop, the College will be confronted with a shortage of available property to expand operations. With the ability to acquire property adjoining the main campus, a more unified campus can be achieved.

RECOMMENDATION:

The Committee on Finance and Facilities recommends conceptual approval of the proposed Master Land Acquisition Plan for York Technical College, such approval to be good for an initial five-year period after which it must be renewed by the Commission.

INFORMATION ITEM

PERMANENT IMPROVEMENT PROJECTS APPROVED BY STAFF

February 2008

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget
2/7/2008	New	USC Columbia	Cliff Apartments Kitchen Renovations	Establish	\$0	\$150,000
2/7/2008	TBD	SC State	Mays Hall I - HVAC System Repair/Replacement - Phase I	Decrease Budget, Revise Scope	(\$5,000)	\$100,000
2/7/2008	TBD	SC State	Williams Hall - HVAC System Repair/Replacement - Phase I	Decrease Budget, Revise Scope	(\$46,000)	\$74,000
2/26/2008	9788	USC Columbia	Thurmond Fitness & Wellness Center Construction	Decrease Budget, Close Project	(\$542,852)	\$48,710,889
2/26/2008	9990	USC Columbia	McKissack Museum Window Replacements	Decrease Budget, Close Project	(\$562,498)	\$12,502
2/26/2008	9942	USC Columbia	East and West Energy Motor Control Centers Replacement	Decrease Budget, Close Project	(\$41,294)	\$248,706
2/26/2008	9993	USC Columbia	Circuit #1 Electrical Distribution Upgrades	Decrease Budget, Close Project	(\$17,456)	\$672,544
2/26/2008	9996	USC Columbia	Sweeting MEMS/NEMS Laboratory Construction	Decrease Budget, Close Project	(\$123,672)	\$376,328
2/26/2008	6007	USC Columbia	Bates West Kitchen and Bathroom Upgrades	Decrease Budget, Close Project	(\$16,073)	\$1,443,927
2/26/2008	6034	USC Columbia	USC ROIC Center Renovations	Change Source of Funds	\$0	\$690,000

†Project canceled.