



South Carolina Commission on Higher Education

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November 30, 2007

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 December 6

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

In consultation with institutional representatives, staff has revised the per-square-foot costs included in the interim capital project summaries so they are based on the total cost of the project. Costs had previously been calculated using the costs associated with specific line items such as construction or renovation. We hope this revision will assist the Commission members in their evaluation of projects submitted.

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.

5.04A Interim Capital Projects

- A. College of Charleston
 - i. Purchase of 34 George Street
-increase budget
- B. South Carolina State University
 - i. Engineering/Computer Science Complex
-revise scope, change project name
 - ii. Replace HVAC System in Turner Hall A Wing
-establish project
 - iii. Repair & Replace HVAC System in Mitchell Hall
-establish project
 - iv. Replace HVAC System in Washington Dining Hall
-establish project
- C. University of South Carolina Columbia
 - i. Patterson Hall Seismic Upgrades and Asbestos Abatement
-establish project

5.04B List of Staff Approvals for October & November 2007

DESCRIPTION OF INTERIM CAPITAL PROJECTS FOR CONSIDERATION

December 6, 2007

COLLEGE OF CHARLESTON

PROJECT NAME: Purchase of 34 George Street
REQUESTED ACTION: Increase Budget
REQUESTED ACTION AMOUNT: \$3,618,207
INITIAL CHE APPROVAL DATE: November 2, 2007

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Land Purchase (0.38 Acres)	\$0	\$3,585,000	\$3,585,000
Professional Service Fees	\$6,500	\$6,500	
Other (Closing Costs/Attorney's Fees)	\$0	\$8,207	\$8,207
Contingency	\$0	\$25,000	\$25,000
Total	\$6,500	\$3,624,707	\$3,618,207

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Private Funds	\$6,500	\$6,500	
Institutional Capital Project Fund	\$0	\$3,618,207	\$3,618,207
Total	\$6,500	\$3,624,707	\$3,618,207

DESCRIPTION:

The College requests to increase the project budget to purchase the property known as 34 George Street. The property is 0.38 acres (16,676 SF) with a one-story, 5,500 SF concrete block building in poor condition which does not add value to the property. The site is contiguous to the College's Johnson Center. Since land in close proximity to the campus is scarce, it is critical for the College to secure the land for future programmatic building needs. In the interim, the site can accommodate 50 parking spaces. At this time, the College plans to establish a separate project to demolish the building and complete site work for the parking area.

A guarantee letter for the private funds had not been received at the time of this mailing.

E&G DEFERRED MAINTENANCE REDUCTION:

N/A – Land Purchase

ANNUAL OPERATING COSTS/SAVINGS:

The project is not expected to generate additional operating costs at this time.

RECOMMENDATION:

Staff recommends approval of this project provided the guarantee letter for the private funds is received prior to the Committee's December 6 meeting.

SOUTH CAROLINA STATE UNIVERSITY

PROJECT NAME: Engineering/Computer Science Complex Construction
REQUESTED ACTION: Revise Scope, Change Project Name
REQUESTED ACTION AMOUNT: \$0
INITIAL CHE APPROVAL DATE: October 7, 2004

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Professional Service Fees	\$1,500,000	\$1,500,000	
Equipment and/or Materials	\$800,000	\$800,000	
Site Development	\$700,000	\$700,000	
New Construction (100,000 GSF)	\$19,475,000	\$19,475,000	
Landscaping	\$100,000	\$100,000	
Other Capital Outlay	\$500,000	\$500,000	
Labor Costs	\$100,000	\$100,000	
Contingency	\$1,500,000	\$1,500,000	
Total	\$24,675,000	\$24,675,000	\$0

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Institution Bonds	\$24,675,000	\$24,675,000	
Total	\$24,675,000	\$24,675,000	\$0

DESCRIPTION:

The University requests to revise the project scope and change the project name to allow the construction of a 100,000 SF engineering/computer science complex. Preliminary estimates show that the construction of a new facility will be more cost effective than the original plan to rehabilitate 31,000 SF in Harold Crawford Engineering Hall and to add an additional 60,000 SF. The building, constructed in 1939, is listed on the National Historic Register and has significant deferred maintenance issues. At this time, the institution has not determined future plans for this facility.

The new facility is needed to accommodate growth in enrollment expected in the Engineering and Computer Science programs with the new Nuclear Engineering program underway and the 2004 national accreditation of the computer science program. The new complex will include teaching and research labs, innovative classrooms, office spaces, and other support spaces. The building will be constructed on the site currently occupied by the Bethea Hall Residence Hall which has been shut down and slated for demolition. Site development will provide additional parking spaces.

The current budget is based on pre-programming which includes cost estimates obtained in January 2007. The total project cost per square foot is \$247. This project and the renovation and expansion of Hodge Hall (a science facility) have exhausted the institutional bond capacity. Therefore, the University anticipates that if architectural and engineering work determines the costs to be above the current budget, the project scope will be revised.

E&G DEFERRED MAINTENANCE REDUCTION:

N/A – New Construction

ANNUAL OPERATING COSTS/SAVINGS:

Custodial services, maintenance, utilities, and insurance will require additional operating costs ranging between \$153,450 and \$319,000 in the three years following project completion.

RECOMMENDATION:

Staff recommends approval of this project as proposed.

SOUTH CAROLINA STATE UNIVERSITY

PROJECT NAME: Replace HVAC System in Turner Hall A Wing
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$1,481,000
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Professional Service Fees		\$95,000	\$95,000
Interior Building Renovations (22,602 SF)		\$1,260,000	\$1,260,000
Contingency		\$126,000	\$126,000
Total	\$0	\$1,481,000	\$1,481,000

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Master Lease Program		\$1,481,000	\$1,481,000
Total	\$0	\$1,481,000	\$1,481,000

DESCRIPTION:

The University requests to establish a project to replace the HVAC system in Turner Hall 'A' Wing, a three-story 22,600 SF academic and office facility built in 1956. The current system is over 20 years old, past its useful life, and has been repaired many times including at least one recently-replaced compressor. Many other component repairs and replacements have occurred over the years while other major components, such as fan coil units, remain inoperable, and therefore, rendering the system ineffective.

Continuous service calls from building occupants to in-house personnel prompted the University to request a wholesale evaluation of the system for sufficiency. The evaluation resulted in a report and schematic design that recommended replacement of the entire system with an air-cooled system which is more energy efficient and less costly to install and maintain due to the reduced number of parts required for operation. The renovation cost per square foot is \$66.

E&G DEFERRED MAINTENANCE REDUCTION:

The project will alleviate a portion of the \$2,351,549 in existing deferred maintenance in the building.

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.

SOUTH CAROLINA STATE UNIVERSITY

PROJECT NAME: Repair & Replace HVAC System in Mitchell Hall
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$2,649,700
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Professional Service Fees		\$202,000	\$202,000
Interior Building Renovations (56,438 SF)		\$200,000	\$200,000
Utilities Renovations		\$1,800,000	\$1,800,000
Exterior Building Renovations		\$132,700	\$132,700
Other (Program Administration)		\$75,000	\$75,000
Contingency		\$240,000	\$240,000
Total	\$0	\$2,649,700	\$2,649,700

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Master Lease Program		\$2,649,700	\$2,649,700
Total	\$0	\$2,649,700	\$2,649,700

DESCRIPTION:

The University requests to establish a project to replace major components and repair minor parts of the HVAC system in Mitchell Hall. The facility is a three-story, 56,438 SF student residence hall constructed in 1975. The current system is 31 years old and past its useful life. Many of the component parts have been repaired or replaced over the years with the augmentation of a leased mobile chiller/compressor unit due to the system's failure to the demand during the cooling season. Continued replacement of component parts and the leasing of mobile units only prolong the inevitability of having the entire unit replaced and costing the University money that could be reallocated to other pressing maintenance and repair projects.

Continuous service calls from building occupants to in-house personnel prompted the University to request a wholesale evaluation of the system for sufficiency. The evaluation resulted in the decision to replace major components and repair minor parts of the system. The renovation cost per square foot is \$49.

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.

SOUTH CAROLINA STATE UNIVERSITY

PROJECT NAME: Replace HVAC System in Washington Dining Hall
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$2,224,630
INITIAL CHE APPROVAL DATE: N/A

Project Budget	Previous	Revised	Change
Professional Service Fees		\$134,500	\$134,500
Interior Building Renovations (22,300 SF)		\$1,900,000	\$1,900,000
Contingency		\$190,130	\$190,130
Total	\$0	\$2,224,630	\$2,224,630

Source of Funds	Previous	Revised	Change
Master Lease Program		\$2,224,630	\$2,224,630
Total	\$0	\$2,224,630	\$2,224,630

DESCRIPTION:

The University requests to establish a project to replace the HVAC system in Washington Dining Hall, a one-story, 22,300 SF food preparation and dining hall. Within the last year, there has been an extensive renovation of the student dining and service areas; however, the faculty and staff dining areas and the food preparation kitchens have not received the same work. In recent years, the facility has experienced an increased number of students and faculty and additional functions which has rendered the current HVAC system ineffective and requires replacement. Many component parts have been repaired and/or replaced while the majority of the units continue to wear out or remain inoperable.

Continuous service calls from building occupants to in-house personnel prompted the University to request a wholesale evaluation of the system for sufficiency. The evaluation resulted in a report and schematic design that recommended replacement of the entire system with an air-cooled system which is more energy efficient and less costly to install and maintain due to the reduced number of parts required for operation. The renovation cost per square foot is \$100.

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.

UNIVERSITY OF SOUTH CAROLINA COLUMBIA

PROJECT NAME: Patterson Hall Seismic Upgrades & Asbestos Abatements
REQUESTED ACTION: Establish Project
REQUESTED ACTION AMOUNT: \$4,200,000
INITIAL CHE APPROVAL DATE: N/A

<u>Project Budget</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Professional Service Fees		\$650,000	\$650,000
Interior Building Renovations (155,000 SF)		\$3,550,000	\$3,550,000
Total		\$4,200,000	\$4,200,000

<u>Source of Funds</u>	<u>Previous</u>	<u>Revised</u>	<u>Change</u>
Housing Maintenance Reserve		\$4,200,000	\$4,200,000

DESCRIPTION:

The project was carried over by the Finance and Facilities Committee at its November 2 meeting. The University was asked to provide additional information which is presented below in Q&A format. The institution notes that for comparison purposes, all costs listed are in today's dollars. Due to the volatile construction market, it is difficult to project a reasonable escalation factor for the project.

Q: What is the approximate cost to complete the renovations in addition to the \$4.2 million already identified?

A: Based on the most recent construction estimates and factoring in fees, owner costs, and other soft costs, it is estimated that the cost of the additional phases will be \$31 million. This is for work to be phased over four additional summers.

Q: What is the estimated increased life expectancy of Patterson Hall if these renovations are completed?

A: The proposed work will completely update/replace building systems and finishes as well as address code issues. It is projected that this will extend life expectancy of the facility by 30 years.

Q: What is the estimated cost to demolish the facility?

A: Based on recent costs to demolish the Towers dormitories, the projected cost of demolition of Patterson Hall is \$3 million.

Q: What is the estimated cost to construct a new facility for the same number of beds?

A: Based on recent construction bids for the Honors College dormitory, the projected costs for construction of a replacement facility is \$65 million.

Q: What is the estimated cost of losing two years availability (or if new construction would take longer) of the current 670 beds in the facility?

A: The loss of revenue is projected to be approximately \$2.2 million in housing revenue.

Q: Is there a better use for the land?

A: Patterson Hall is located in a housing corridor with other housing facilities located to the north and south of the facility. Continued use of the land for housing seems most appropriate. Patterson Hall is well situated for student housing for first-year students. It is located in close proximity to the Russell House (student center), dining facilities, the student health center, parking, and the academic core of campus where many first-year classes are taught. In addition, Patterson Hall shares emergency infrastructure with adjacent housing facilities including emergency generator/power, fire pump, and power distribution.

Other factors that led to the decision to proceed with renovation of the facility, rather than pursue demolition and new construction, include the fact that the building has become a "legacy" facility with granddaughters residing in the same facility as the one occupied by their grandmothers while attending the University. Also, with the renovation project, housing is currently planning to pay for the work from an existing revenue stream, eliminating the need to issue bonds, as would be required for construction of a new facility.

ORIGINAL PROJECT DESCRIPTION:

The University requests to establish a project to complete the initial phase of seismic upgrades and asbestos abatement for Patterson Hall, an all-female residence facility. The scope addresses seismic upgrades, and includes installation of poured-in-place concrete shear walls and new foundations for the walls through the basement level. The upgrade is required to meet code requirements for future proposed renovations to the first floor. Upgrades of the upper levels will be addressed in future projects.

Asbestos abatement will include removal of sprayed-on-ceiling texture on floors two through nine. The work is necessary to prepare for future installation of a sprinkler system and to improve the current fire alarm system. The project will also include painting of the ceiling deck, installation of new ceilings in corridors, and replacement of existing lighting. The renovation cost per square foot is \$27.

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.

INFORMATION ITEM

PERMANENT IMPROVEMENT PROJECTS APPROVED BY STAFF October 2007						
Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget
10/1/2007	9984	Central Carolina TC	Preliminary Land Acquisition (Kershaw-Lee Campus)	Revise Scope	\$0	\$20,000
10/1/2007	9881	Horry-Georgetown TC	Allied Health Wing Construction - Georgetown Campus	Decrease Budget, Close Project	(\$71,800)	\$1,933,110
10/1/2007	9979	Midlands TC	Lexington Hall Addition ¹	Increase Budget, Revise Scope	\$1,500,000	\$2,500,000
10/1/2007	9944	Spartanburg CC	West Building HVAC Renovation	Increase Budget	\$10,510	\$464,244
				Change Source of Funds (from renovation reserve to institution bonds)	\$0	\$2,025,000
10/5/2007	9548	Coastal Carolina	Science Building Renovation	Increase Budget	\$495,000	\$4,965,500
10/5/2007	9557	Francis Marion	Center for the Child Facility Construction	Increase Budget	\$1,946	\$23,479,042
10/5/2007	9573	SC State	James E. Clyburn Transportation Research and Conference Center	Decrease Budget, Close Project	(\$1,946)	\$70,554
10/5/2007	9587	SC State	237 Parker St Land Acquisition	Increase Budget	\$250,000	\$850,000
10/5/2007	9564	SC State	Camp Daniels Renovation	Increase Budget	\$0	\$495,000
10/5/2007	New	Midlands TC	Northeast Classroom/Engineering Facility - A&E Tri-County Tech Clarke/McKusick Building Replacement ²	Establish Project	\$0	\$6,067,200
10/12/2007	New	Tri-County TC	McClintock Dormitory Renovations	Decrease Budget, Close Project	(\$717,639)	\$32,361
10/12/2007	9856	USC Columbia	Equestrian Farm Acquisition	Revise Scope	\$0	\$25,000
10/17/2007	6041	USC Columbia	Clinical Sciences Building Air Handler #5 Replacement	Increase Budget, Revise Scope, Change Project Name	\$225,000	\$1,025,000
10/17/2007	9781	MUSC	Daniel Library Renovations	Establish Project	\$0	\$150,000
10/17/2007	New	The Citadel	Campus Wide Energy Performance Contract	Establish Project	\$0	\$125,000
10/17/2007	New	The Citadel	Stevens Barracks Renovation ²	Increase Budget	\$1,600,000	\$2,250,000
10/30/2007	New	Clemson	Clemson Apparel Research (CAR)	Establish Project	\$0	\$4,001
10/30/2007	9900	USC Columbia	South Campus Housing - Phase III	Decrease Budget, Close Project	(\$685,691)	\$30,714,309
			Band Building and Practice Field Land Acquisition ³	Increase Budget	\$505,500	\$515,500
10/30/2007	9553	Coastal Carolina	Campus Wide Deferred Maintenance	Close Project	\$0	\$824,624
10/30/2007	9943	Piedmont TC				

¹Of increase, \$1.175 million was through appropriations which supersedes CHF authority.

²Funds appropriated by General Assembly which supersedes CHF authority.

³Approved as part of Year One projects in 2007 CIP

LEASES APPROVED BY STAFF

October 2007

Date Approved	Lease #	Institution	Project Name	Purpose/Additional Info	Rates	Term
10/17/2007	Renewal	MUSC	5900 Cure Avenue	5404 sf for the Dept of Psychiatry and Geriatric Research Ctr 4381 sf located on the third floor, space for Senator Hollings and the Office of Development and Alumni Affairs until Sebring-Ainar House Renovations are complete.	Annual Rate (6 months) - \$52,200; Monthly Rate - \$8,700; Cost Per SF \$19.32	2/1/2008-1/31/2009
10/17/2007	Renewal	MUSC	Cannon Park Place, Third Floor		Annual Rate - \$82,809.41; Monthly Rate - \$6,900.78; Cost Per SF \$18.90	1/1/2008-6/30/2008

PERMANENT IMPROVEMENT PROJECTS APPROVED BY STAFF

November 2007

Date Approved	Project #	Institution	Project Name	Action Category	Budget Change	Revised Budget
11/2/2007	6036	USC Columbia	707 Catawba/350 Wayne Street Acquisition	increase budget	\$10,000	\$30,000
11/2/2007	6037	USC Columbia	Whaley House Acquisition	increase budget	\$11,630	\$36,630
11/2/2007	9598	Citadel	Alumni House Renovation - Deferred Maintenance	increase budget	\$109,000	\$849,000
11/2/2007	9599	Citadel	Infirmity Renovation	increase budget	\$204,000	\$1,704,000
11/2/2007	New	College of Charleston	Purchase of 34 George Street - Feasibility Studies	establish project	\$0	\$6,500
11/5/2007	New	Clemson	Institute of Environmental Toxicology	establish project	\$0	\$1,501
11/5/2007	New	Clemson	Computing & Information Technology Building Acquisition	establish project	\$0	\$1,501
11/7/2007	9521	Lander	New Student Housing Complex Construction	increase budget	\$12,115	\$16,042,478
11/7/2007	9523	Lander	Lide Student Housing Complex Renovation	increase budget	\$76,842	\$3,071,842
11/16/2007	9793	Clemson	Fraternity Dormitories Renovations	decrease budget, close project	(\$40,422)	\$26,036,578
11/16/2007	9694	Clemson	Athletic Facilities - Construction/Renovation	decrease budget, close project	(\$2,347,000)	\$60,104,000