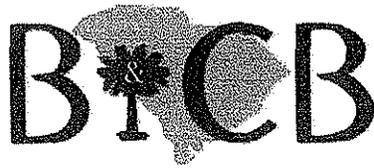


NIKKI R. HALEY, CHAIR
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

Office of State Budget
Les Boles
DIRECTOR

(803) 734-2280
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HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE
COMMITTEE

DANIEL T. COOPER
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

ELEANOR KITZMAN
EXECUTIVE DIRECTOR

March 29, 2011

The Honorable Hugh K. Leatherman, Sr., Chairman
Joint Bond Review Committee
111 Gressette Senate Office Building
Columbia, SC 29201

Dear Senator Leatherman:

The Office of State Budget submits the following items for review at the April 6, 2011 meeting of the Joint Bond Review Committee.

From the Division of General Services:

- 1) College of Charleston Lease Amendment for Warren Place Apartments in Charleston.

From the Office of State Budget:

- 2) Summary 4-2011, including 18 permanent improvement project requests.

If you have any questions or need additional information on these items, please do not hesitate to call me at 803-737-0699.

Sincerely,

Carol P. Routh
Manager, Capital Budgeting

Enclosures

cc: George Dorn, Tim Rogers, Ted Pitts, Bill Leidinger, Frank Rainwater, Rick Harmon, Jim Holly, John White, Patricia Dennis, Courtney Blake, Les Boles, Charles Shawver, Stephen Gardner, John McEntire, John Malmrose, Mandy Kibler, Brenda Day, Pete Morrison, Marsha Kjoller, Dewey Yeatts, Monica Scott, Shirley Wilson, Joe Pearman, Carole Collins

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: April 6, 2011

Regular Agenda

1. Submitted by:

- (a) Agency: Division of General Services
- (b) Authorized Official Signature:



Karen H. Roberts, Interim Director

2. Subject: College of Charleston Lease Amendment for Warren Place Apartments in Charleston

3. Summary Background Information:

The Joint Bond Review Committee approved on April 20, 2004 and the Budget and Control Board approved on May 4, 2004 a lease between the College of Charleston and Warren Place, a Joint Venture, which is owned by GWB Associates, L.L.C., a South Carolina Limited Liability Company, and Brumley Properties Limited Partnership, a South Carolina Limited Partnership, for space at Warren Place in Charleston for student housing. The leased space is two blocks from the main campus and consists of approximately 108,048 square feet in three buildings located at 1, 10 and 20 Warren Street as well as 121 parking spaces in the surface lot contiguous to the buildings. The College leases 24,107 SF on a portion of the 1st floor and the entire 2nd and 3rd floors of the three-story, 27,491 SF building located at 1 Warren Street. The College leases 47,941 square feet on a portion of the 1st floor and the entire 2nd, 3rd, 4th, and 5th floors of the five-story, 52,448 square foot building located at 10 Warren Street. The College also leases the entire four-story, 36,000 square foot building located at 20 Warren Street. The leased space provides 289 beds in 85 housing units to accommodate 287 students. A two bedroom apartment is reserved for a resident hall advisor.

The College currently leases the described space at Warren Place under a nine-year lease expiring August 14, 2013 at an annual cost of \$1,000,000 with annual adjustments made after the second year of the lease based on changes in the Residential Consumer Price Index (CPI). The total annual rent for the current period beginning August 15, 2010 and ending August 14, 2011 is \$1,161,330. In addition to rent, the College is responsible for all maintenance and operating costs, totaling approximately \$860,500 annually, and includes the cost of employees, maintenance and repairs, taxes, insurance and utilities. Including maintenance and operating costs, the average annual cost per bed is \$6,995.95. Assuming rent remains at its current rate and maintenance and operating costs remain constant, the total annual cost of the lease is \$2,021,830 (\$18.71 per square foot).

In order to secure the long-term continued use of the leased space for student housing, the College requests approval to amend the lease to extend the term ten years, which would change the termination date of the lease to August 14, 2023, with six optional renewal terms of one

year each. In addition, rent will continue to adjust annually based on CPI fluctuations, if any; however, the lease amendment will limit rent increases by placing a 3% cap on annual increases of rent and a 3% floor on annual decreases over the immediately preceding rental year. No other terms of the lease will be modified.

Assuming the cost of utilities per apartment are the same as at Warren Place, comparables of similar housing with parking leased in Downtown Charleston within five blocks of campus are as follows:

Location	Annual Cost per Individual Bed
145-B Coming Street	\$10,928.52
117-A Wentworth Street	\$11,924.52
65-J Vanderhorst Street	\$11,924.52
235-A St. Philip Street	\$14,780.52

The College has adequate funds for the lease according to a Budget Approval Form submitted January 12, 2011, which also includes a multi-year plan. Lease payments will be made from revenue received from student housing fees collected for Warren Place, which is \$8,944 per bed annually. Assuming the leased space is one hundred percent (100%) occupied with two beds reserved for staff and that rent has no CPI fluctuations, the College will realize a positive cash flow of \$545,098 annually. The College has the right of first negotiation for the purchase of the properties in the event of a sale. No environmental assessment has been performed on the subject properties.

The lease was approved by Stephen C. Osborne, Executive Vice President for Business Affairs on behalf of the College of Charleston and by Frank W. Brumley, Managing Partner of Warren Place, a Joint Venture. The lease was approved by the Commission on Higher Education on March 3, 2011.

4. What is JBRC asked to do? Approve the proposed amendment to extend the lease term ten years with six optional renewal terms of one year each subject to the review and approval of the Division of General Services for the College of Charleston at 1, 10 and 20 Warren Street in Charleston.

5. What is recommendation of the Division of General Services? Approval of the proposed amendment to extend the lease term ten years with six optional renewal terms of one year each subject to the review and approval of the Division of General Services for the College of Charleston at 1, 10 and 20 Warren Street in Charleston.

6. List of Supporting Documents:

- (a) Letter from the College of Charleston dated January 19, 2011
- (b) SC Code of Laws Sections 1-11-55 and 1-11-56

January 19, 2011

Lisa H. Catalanotto
Program Manager/Attorney, Real Property Management
South Carolina Budget and Control Board
General Services Division
Property Services
1201 Main Street, Suite 420
Columbia, SC 29201

RE: WARREN PLACE APARTMENTS/LEASE NUMBER 002727

Dear Ms. Catalanotto:

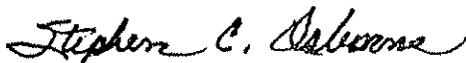
The College requests approval of a second amendment to the Warren Place lease, number 002727. The purpose of the amendment is to extend the initial term for ten years with an end date of August 14, 2023, followed by the right to extend the term for up to six consecutive periods of one year each. All other terms and conditions will remain unchanged.

This lease provides the College with 289 beds and 121 parking spaces located within two blocks of the center of campus. The beds and parking spaces are used by upperclassmen students.

We are requesting an amendment at this time in order to secure the long-term continued use of this dorm space and parking lot. There are no other facilities with a comparable number of beds and parking spaces located within equal or closer proximity to campus. If this amendment is not approved, the College will have less than two years to come up with an alternative in order to meet our current student housing and parking needs.

We appreciate your assistance in obtaining JBRC and Budget and Control Board approval for the requested amendment of this lease.

Sincerely,



Stephen C. Osborne
Executive Vice President for Business Affairs

SECTION 1-11-55. Leasing of real property for governmental bodies.

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches of this State. Governmental body excludes the General Assembly, Legislative Council, the Office of Legislative Printing, Information and Technology Systems, and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Budget and Control Board is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Office of General Services of its requirement on rental request forms prepared by the office. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the office agree meets necessary requirements and standards for state leasing as prescribed in procedures of the board as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.

(4) The board shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Office of General Services or his designee.

SECTION 1-11-56. Program to manage leasing; procedures.

The State Budget and Control Board, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of state agencies. The board's regulations, upon General Assembly approval, shall include procedures for:

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency,
 - (b) a dissolution of the agency, and
 - (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 1.	<u>Agency:</u> H12 Clemson University	Project: 9893, Clemson Engineering Technology Lab Repair and Refurbishment	CHE Approval Date: 01/20/11	
			Committee Review Date:	
			B&C Board Approval Date:	
	<u>Action</u>		Budget After Action Proposed	
	<u>Proposed:</u> Establish Project for A&E Design			
	Total budget	\$15,000.00	<u>Source</u>	<u>Amount</u>
	[9] Other, Private.....	\$15,000.00	Other, Private	15,000.00
	<u>Purpose:</u> To begin design work to refurbish the Clemson Engineering Technology Lab at Clemson’s Advanced Materials Research Center in Pendleton. The work will include refurbishing the mechanical systems, replacing both cooling towers, repairing or replacing a chiller and a boiler, replacing the roof, correcting window flashing problems, and upgrading the keying and card access system. The building was constructed in 1991 and the systems are original to the building. The roof leaks and damages building interiors. The mechanical components are corroded and some are non-functional.		Total Funds	15,000.00
	Ref: Supporting document pages 1-7			

Item 2.	<u>Agency:</u> H12 Clemson University	Project: 9894, Indoor Football Practice Facility Construction	CHE Approval Date: 03/03/11	
			Committee Review Date:	
			B&C Board Approval Date:	
	<u>Action</u>		Budget After Action Proposed	
	<u>Proposed:</u> Establish Project for A&E Design			
	Total budget	\$150,000.00	<u>Source</u>	<u>Amount</u>
	[9] Other, Private.....	\$150,000.00	Other, Private	150,000.00
	<u>Purpose:</u> To begin design work to construct an indoor football practice facility at Clemson. The new facility will be approximately 80,000 square feet, will house a full-sized synthetic turf football field and will include a coaches’ tower, training room, video recording platforms, proper lighting and suitable sound systems. The facility will be located adjacent to the football practice fields and the indoor track facility. The football program currently has no adequate indoor location for practice. The new facility will provide space to accomplish meaningful athletic work regardless of the weather. It will benefit the program by significantly improving efficiency in scheduling practices and will have a positive impact in attracting the best student-athletes. The building will also provide refuge for other sports teams, youth camps, and event attendees participating in outdoor activities when dangerous weather alerts are issued.		Total Funds	150,000.00
	Ref: Supporting document pages 8-14			

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 5. Agency: D17 Governor’s Office - OEPP Project: 9522, Dolly Cooper Veterans Cemetery Area J Expansion

CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Project for A&E Design

Total budget \$18,825.00
 [9] Other, Increased Enforcement Collections \$18,825.00

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Increased Enforcement Collections	18,825.00
Total Funds	18,825.00

Purpose: To begin design work to expand burial spaces in the M.J. “Dolly” Cooper Veterans Cemetery in Anderson for the Governor’s Office Department of Veterans Affairs. The work will include constructing approximately 500 double-depth in-ground burial crypts in Area J of the cemetery, providing up to 1,000 additional burial spaces. In-ground crypts expedite burials and make for more efficient use of available burial space. The 30-acre cemetery was opened in late 2007 and the existing supply of in-ground crypts is expected to be exhausted between February and June 2012.

Ref: Supporting document pages 27-31

Item 6. Agency: F03 Budget and Control Board Project: 9896, Brown Building Main Air Handler Replacement

CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Project for A&E Design

Total budget \$11,250.00
 Other, Depreciation Reserve \$11,250.00

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Depreciation Reserve	11,250.00
Total Funds	11,250.00

Purpose: To begin design work to replace the main air handler that serves four floors in the Brown Building. The work will also include replacing the fans, dampers, filters, coils, and housing of the air handler. The existing air handler is 39 years old, original to the building, and beyond its expected life. The air handler and its related components are inefficient, difficult to repair, and replacement parts are not readily available. The new technology will be more energy efficient and will improve the indoor air quality of the building.

Ref: Supporting document pages 32-36

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 7. Agency: N04 Department of Corrections Project: 9699, Perry Correctional Institution Multi-Purpose Building Construction

CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Project for A&E Design

Budget After Action Proposed

Total budget \$8,250.00
 Other, Donation..... \$8,250.00

<u>Source</u>	<u>Amount</u>
Other, Donation	8,250.00
Total Funds	8,250.00

Purpose: To begin design work to construct a multi-purpose building at the Perry Correctional Institution in Simpsonville. The approximately 6,000 square foot facility will be a site adaptation of the Department’s prototypical multi-purpose building design, which is a prefabricated metal building structure. The facility will house administrative space, restrooms, a workroom and an open area for assemblies. Perry Correctional Institution does not currently have dedicated space in its facilities for chapel, counseling and small group assembly programs.

Ref: Supporting document pages 37-42

Item 8. Agency: H09 The Citadel Project: 9605, Daniel Library Building Envelope Renovation

CHE Approval Date: 02/16/11
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$906,748.00

Budget After Action Proposed

(Add \$850,216.00 [9] Other, Student Fees)
 (Add \$ 33,300.00 [9] Other, Gifts)

<u>Source</u>	<u>Amount</u>
Other, Student Fees	873,448.00
Other, Gifts	33,300.00
Total Funds	906,748.00

Purpose: To address deferred maintenance and repair the building envelope on the Daniel Library at The Citadel. The project was established in December 2010 for pre-design work which is now complete. The work will include repairing the stucco building finish, applying a waterproof coating, replacing all window units, and making limited roof repairs. The building envelope has deteriorated over the 51-year life of the building and extensive cracking of the stucco finish is visible. The poor condition of the stucco allows moisture into the building, which causes deterioration of the building structure and increases the likelihood of mold, indoor air quality and health issues. The existing windows are not insulated, are not energy efficient, do not close properly, and allow air and moisture into the building. Energy savings and conservation measures will include replacing the non-insulated steel windows with new energy efficient units. The agency reports the total projected cost of this project is \$906,748 and annual operating cost savings of \$13,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is June 2011 and for completion of construction is October 2011.

Ref: Supporting document pages 43-48

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 9. Agency: H15 College of Charleston Project: 9645, Grice Marine Lab Complex Structural and Envelope Repairs

CHE Approval Date: 03/03/11
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$1,600,000.00

Budget After Action Proposed

(Add \$1,577,500.00 [9] Other, College Fees)

<u>Source</u>	<u>Amount</u>
Other, College Fees	1,600,000.00
Total Funds	1,600,000.00

Purpose: To make structural, building envelope and other repairs to the College of Charleston’s Grice Marine Lab Complex at Fort Johnson. The project was established in December 2010 for pre-design work which is now complete. The work will include repairing the foundation columns, piers, beams, and girders, repairing exterior finishes and stucco, and replacing plumbing lines and electrical conduit. The work is needed to correct cracking and separation of surfaces, to replace lines that have rusted because of moisture intrusion through the cracks, and to prevent further rusting due to the harsh salt air environment. Most of the plumbing and conduit are original to the 1933 building. Energy savings and conservation measures will include restoring the building envelope, replacing failed window glazing gaskets, and installing new caulking to reduce energy loss. The agency reports the total projected cost of this project is \$1.6 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is December 2011 and for completion of construction is June 2012.

Ref: Supporting document pages 49-55

Item 10. Agency: H51 Medical University of South Carolina Project: 9814, Institute of Psychiatry 30 Bathrooms Renovation

CHE Approval Date: 03/03/11
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$750,000.00

Budget After Action Proposed

(Add \$738,750.00 [9] Other, Hospital Revenue)

<u>Source</u>	<u>Amount</u>
Other, Hospital Revenue	750,000.00
Total Funds	750,000.00

Purpose: To renovate 30 inpatient bathrooms in the Institute of Psychiatry Hospital at MUSC. The project was established in December 2010 for pre-design work which is now complete. The work will include installing new bathroom fixtures, upgrading the HVAC exhaust system, applying epoxy flooring, and making cosmetic repairs and improvements. The work is needed to decrease the chances of patient self harm and will also provide for better balancing the HVAC system. Energy savings and conservation measures will include the installation of energy efficient and low-flow bathroom fixtures. The agency reports the total projected cost of this project is \$750,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is September 2011 and for completion of construction is June 2012.

Ref: Supporting document pages 56-60

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 11. Agency: F03 Budget and Control Board

Project: 9890, Calhoun Building Emergency Generator Installation

CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$832,000.00

(Add \$610,825.00 [9] Other, Deferred Maintenance)
 (Add \$212,175.00 [9] Other, Depreciation Reserve)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Deferred Maintenance	619,825.00
Other, Depreciation Reserve	212,175.00
Total Funds	832,000.00

Purpose: To install an emergency generator to serve the Calhoun Building on the Capitol Complex. The project was established in September 2010 for pre-design work which is now complete. The Calhoun Building houses the SC Court of Appeals and critical administrative functions of the Judicial Department, including computer systems which serve the court system statewide, and does not have an emergency generator. The proposed emergency generator will provide backup and emergency power in the event of a power outage to support those computer systems and related supplemental cooling required by the computer systems and will be sized to add the Wade Hampton Building to the generator at a later date. Energy savings and conservation measures are not applicable to this generator project. The agency reports the total projected cost of this project is \$832,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is September 2011 and for completion of construction is April 2012.

Ref: Supporting document pages 61-66

Item 12. Agency: J16 Department of Disabilities and Special Needs

Project: 9842, Whitten Center Electrical Power Grid Upgrade

CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$1,000,000.00

(Add \$992,500.00 [4] Excess Debt Service)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Excess Debt Service	1,000,000.00
Total Funds	1,000,000.00

Purpose: To upgrade the electrical power grid at DDSN's Whitten Center in Clinton. The project was established in September 2010 for pre-design work which is now complete. The work will include replacing the electrical power poles, transformers, conductor units and underground units and converting the system from a low voltage system to a higher voltage system, consistent with the City of Clinton's utility infrastructure. The existing electrical power system is 50 years old, antiquated and inefficient. The majority of the poles are in deteriorated condition and pole mounted transformers and platforms are dangerous. Failure to replace the damaged poles, power lines and transformers will result in more frequent power outages on campus during high wind and storm events and possible power grid failure. Energy savings and conservation measures will include the installation of energy efficient transformers and power lines. The agency reports the total projected cost of this project is \$1 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is June 2011 and for completion of construction is June 2012.

Ref: Supporting document pages 67-71

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 13. Agency: H24 South Carolina State University

Project: 9626, Chestnut Street Entry Construction

CHE Approval Date: 03/14/11
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Increase Budget from \$1,400,000.00 to \$1,470,414.36

(Add \$60,000.00 [9] Other, SCDOT)
 (Add \$10,414.36 [9] Other, Tuition and Fees)

Purpose: To cover an expenditure overdraft and close SC State’s project for construction of a new Chestnut Street entry to the campus. The project and construction budget were established in January 2006 to construct the new campus entry, a round-about, a bridge over a drainage canal and a new security house with funds from the SC Department of Transportation (DOT). As the project neared completion, DOT directed that two change orders be made for realigning the existing ditch and reengineering traffic pole foundations. In February 2008, DOT allocated the funds for the change orders. However, the expenditure of the additional funds resulted in the final project cost exceeding the originally approved budget. Ratification of the budget increase is needed to cover all project expenditures and to close the project on the state’s project accounting system.

Ref: Supporting document pages 72-78

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, SCDOT	1,460,000.00
Other, Tuition and Fees	10,414.36
Total Funds	1,470,414.36

Item 14. Agency: H24 South Carolina State University

Project: 9631, Dawson Stadium - New Playing Field Turf Installation

CHE Approval Date: 03/14/11
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Increase Budget from \$578,000.00 to \$641,912.05

(Add \$63,912.05 [9] Other, Tuition and Fees)

Purpose: To cover an expenditure overdraft and close SC State’s project for installing new playing field turf at Dawson Stadium. The project and construction budget were established in August 2006 to replace the existing natural grass playing field with a synthetic grass playing field over a drainage mat. Because the project was originally expected to be under the \$500,000 permanent improvement project level, work on the field had already begun when a primary subcontractor was found to be unacceptable. Finding a replacement subcontractor resulted in the estimated project cost going above the \$500,000 level, requiring approval of establishment of the project. Because the turf installation had to be completed by the start of the home football season in mid-September 2006, the project was quickly approved with cost information available at that time. However, as construction proceeded, four unforeseen change orders were required that resulted in the final cost exceeding the originally approved budget. Ratification of the budget increase is needed to cover all project expenditures and to close the project on the state’s project accounting system.

Ref: Supporting document pages 79-84

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Institutional Capital	
Project Funds	578,000.00
Other, Tuition and Fees	63,912.05
Total Funds	641,912.05

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 15. <u>Agency:</u> H59 State Board for Technical and Comprehensive Education	Project: 6000, Northeastern - Dillon Campus Construction	CHE Approval Date: 03/14/11 Committee Review Date: B&C Board Approval Date:										
<u>Action</u> <u>Proposed:</u> Increase Budget from \$1,126,420.00 to \$1,236,809.00		Budget After Action Proposed										
(Add \$64,741.00 [6] Appropriated State) (Add \$45,648.00 [7] Federal)		<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Source</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>Appropriated State</td> <td style="text-align: right;">385,426.00</td> </tr> <tr> <td>Federal</td> <td style="text-align: right;">690,648.00</td> </tr> <tr> <td>Other, Allied Health Funds</td> <td style="text-align: right;">160,735.00</td> </tr> <tr> <td>Total Funds</td> <td style="text-align: right;">1,236,809.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Appropriated State	385,426.00	Federal	690,648.00	Other, Allied Health Funds	160,735.00	Total Funds	1,236,809.00
<u>Source</u>	<u>Amount</u>											
Appropriated State	385,426.00											
Federal	690,648.00											
Other, Allied Health Funds	160,735.00											
Total Funds	1,236,809.00											
<u>Purpose:</u> To add a lab classroom to the scope of construction of a new Dillon Campus building for Northeastern Tech. The construction budget was established in December 2009 to construct a new, approximately 4,700 square foot building on the campus to house instructional classrooms and offices. When bids for the new building came in, they were lower than anticipated and the building, currently under construction, will now be expanded to include an approximately 1,300 square foot lab classroom for teaching lab sciences such as biology and microbiology. With the addition of the lab, students will be able to take lab sciences at this campus and complete an Associate in Science Degree in Dillon County, which has not been possible until now because the campus has no lab facility. The lab will also allow more students to pursue a pathway into the Northeastern Tech nursing program. The agency reports the total projected cost of this project is \$1,236,809 and additional annual operating costs of \$44,543 will result in the three years following project completion. The facility is expected to be completed this summer for use in Fall 2011.												
Ref: Supporting document pages 85-90												

Item 16. <u>Agency:</u> Department of Corrections	Project: 9695, Broad River Correctional Institution Outdoor Lighting Upgrades	CHE Approval Date: N/A Committee Review Date: B&C Board Approval Date:						
<u>Action</u> <u>Proposed:</u> Increase Budget from \$248,230.00 to \$394,000.00		Budget After Action Proposed						
(Add \$145,770.00 [7] Federal)		<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Source</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>Federal</td> <td style="text-align: right;">394,000.00</td> </tr> <tr> <td>Total Funds</td> <td style="text-align: right;">394,000.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Federal	394,000.00	Total Funds	394,000.00
<u>Source</u>	<u>Amount</u>							
Federal	394,000.00							
Total Funds	394,000.00							
<u>Purpose:</u> To meet the current estimated cost for outdoor lighting upgrades at the Broad River Correctional Institution. The construction budget was established in November 2010 based on the utilization of in-house inmate labor to do most of the work. The work will include replacing 187 lighting fixtures with 72 lower wattage fixtures and installing 8 new retractable poles. Due to time constraints from other construction and maintenance projects and in order to meet the deadline for expenditure of ARRA energy grant funds, the department will competitively bid the work for contract, which increased the original projected construction estimate. In addition, the original cost estimate did not include the cost to furnish and install new concrete bases for the poles. The lighting upgrades will minimize existing shadowed areas on the compound and significantly reduce energy costs. Energy savings and conservation measures will include the installation of energy efficient lighting. The agency reports the total projected cost of this project is \$394,000 and annual operating cost savings of \$27,400 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is July 2011 and for completion of construction is December 2011.								
Ref: Supporting document pages 91-95								

**State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 16, 2010 to March 23, 2011**

Item 17. Agency: Department of Corrections Project: 9696, Kirkland Correctional Institution Outdoor Lighting Upgrades

CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Increase Budget from \$283,460.00 to \$358,000.00

(Add \$74,540.00 [7] Federal)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Federal	358,000.00
Total Funds	358,000.00

Purpose: To meet the current estimated cost for outdoor lighting upgrades at the Kirkland Correctional Institution. The construction budget was established in December 2010 based on the utilization of in-house inmate labor to do most of the work. The work will include replacing 96 lighting fixtures with 54 lower wattage fixtures and installing 7 new retractable poles. Due to time constraints from other construction and maintenance projects and in order to meet the deadline for expenditure of ARRA energy grant funds, the department will competitively bid the work for contract, which increased the original projected construction estimate. In addition, the original cost estimate did not include the cost to furnish and install new concrete bases for the poles. The lighting upgrades will minimize existing shadowed areas on the compound and significantly reduce energy costs. Energy savings and conservation measures will include the installation of energy efficient lighting. The agency reports the total projected cost of this project is \$358,000 and annual operating cost savings of \$15,250 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is July 2011 and for completion of construction is December 2011.

Ref: Supporting document pages 96-100

Item 18. Agency: P24 Department of Natural Resources Project: 9922, Laurens - Reedy River/Boyd's Mill Pond Land Acquisition

CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Project for Preliminary Land Studies

Total budget \$20,000.00
 [9] Other, Reedy River Mitigation Trust Fund..... \$20,000.00

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Reedy River Mitigation Trust Fund	20,000.00
Total Funds	20,000.00

Purpose: To procure the investigative studies required to adequately evaluate property prior to purchase. The Department of Natural Resources is considering the purchase of approximately 500 acres of land on the Reedy River near Boyd's Mill Pond in Laurens County. The acquisition will protect water quality, conserve wildlife habitat and provide recreational opportunities. The acquisition will also work toward fulfilling the goals of the Reedy River Final Restoration Plan for mitigation from the Colonial Pipeline oil spill in 1996. The agency will manage the property as part of the Wildlife Management Area Program with the intent of protecting the riparian corridor and increasing recreational access to the Reedy River as required by the Final Restoration Plan.

Ref: Supporting document pages 101-105