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

Dear Senator Leatherman:

The Office of State Budget submits the following items for review at the August 5, 2010 meeting of the Joint Bond Review Committee.

From the General Services Division:

1) Department of Health and Human Services Lease at 4130 Faber Place Drive in North Charleston.
2) Budget and Control Board Lease at 1201 Main Street in Columbia.
3) Tri-County Technical College Sale of 1.16 Acres to Pickens County.

From the Office of State Budget:

1) Clemson Research University Infrastructure Project.
2) Summary 1-2011, which includes 20 permanent improvement project and five land acquisition 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
Assistant Director, Capital Budgeting

Enclosures

cc: George Dorn, Tim Rogers, Lib Croft, Scott English, Grant Gillespie, Brandon Gaskins, Frank Rainwater, Rick Harmon, Jim Holly, Les Boles, Charles Shawver, Stephen Gardner, John White, Patricia Dennis, Courtney Blake, John McEntire, John Malmrose, Mandy Kibler, Pete Morrison, Shirley Wilson, Joe Pearman, Monica Scott, Sandy Williams, Cathy Swartz, David Owen, Carole Collins
1. Submitted by:
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: M. Richbourg Roberson, Director

2. Subject: Department of Health and Human Services Lease at 4130 Faber Place Drive in North Charleston

3. Summary Background Information:

   The Department of Health and Human Services (HHS) requests approval to continue leasing from Ashley Corporate Center, LLC (Landlord) 18,981 square feet on the 3rd floor at the Ashley Corporate Center located at 4130 Faber Place Drive in North Charleston. Landlord is a South Carolina limited liability company.

   HHS currently leases the same space at a rate of $20.82 per square foot plus annual increases in operating costs up to a five percent maximum under a lease that expires January 14, 2011. The leased space is used by HHS for its county Medicaid Eligibility and Community Long Term Care offices.

   The new lease was negotiated after a solicitation for space was issued. The lease term will be seven years commencing January 15, 2011, with one optional renewal term of five years. The optional renewal term will be subject to staff review and approval by the Division of General Services. Rent will be $27,285.19 per month or $327,422.28 per year ($17.25 per square foot rounded) fixed for the term of the lease. Rent for the optional renewal term is fixed at $18.00 per square foot. Beginning at the end of the second year of the lease, HHS will be responsible for increases in annual operating expenses over the previous year up to a three percent cap. The proposed lease will save HHS $76,220 in the first year of the lease over its current lease agreement and $446,016 over the term. The proposed lease further avoids moving, network wiring and other costs associated with relocating HHS to a new location.

   Assuming operating expenses increase at three percent per year, the maximum rent over the term of the lease is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Period</th>
<th>Base</th>
<th>Operating</th>
<th>Rate/SF</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1-15-11 to 1-14-12</td>
<td>$9.50</td>
<td>$7.75</td>
<td>$17.25</td>
<td>$327,422.25</td>
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<td>2</td>
<td>1-15-12 to 1-14-13</td>
<td>$9.50</td>
<td>$7.98</td>
<td>$17.48</td>
<td>$331,787.88</td>
</tr>
<tr>
<td>3</td>
<td>1-15-13 to 1-14-14</td>
<td>$9.50</td>
<td>$8.22</td>
<td>$17.72</td>
<td>$336,343.32</td>
</tr>
<tr>
<td>4</td>
<td>1-15-14 to 1-14-15</td>
<td>$9.50</td>
<td>$8.47</td>
<td>$17.97</td>
<td>$341,088.57</td>
</tr>
<tr>
<td>5</td>
<td>1-15-15 to 1-14-16</td>
<td>$9.50</td>
<td>$8.72</td>
<td>$18.22</td>
<td>$345,833.82</td>
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<tr>
<td>6</td>
<td>1-15-16 to 1-14-17</td>
<td>$9.50</td>
<td>$8.98</td>
<td>$18.48</td>
<td>$350,768.88</td>
</tr>
<tr>
<td>7</td>
<td>1-15-17 to 1-14-18</td>
<td>$9.50</td>
<td>$9.25</td>
<td>$18.75</td>
<td>$355,893.75</td>
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<tr>
<td></td>
<td>Total for 7 years</td>
<td></td>
<td></td>
<td></td>
<td>$2,389,138.47</td>
</tr>
<tr>
<td></td>
<td>Average for 7 years</td>
<td></td>
<td></td>
<td>$17.98</td>
<td>$341,305.50</td>
</tr>
</tbody>
</table>
Renewal Term Maximum Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Period</th>
<th>Base</th>
<th>Operating</th>
<th>Rate/SF</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>1-15-18 to 1-14-19</td>
<td>$10.25</td>
<td>$9.53</td>
<td>$19.78</td>
<td>$375,444.18</td>
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<tr>
<td>9</td>
<td>1-15-19 to 1-14-20</td>
<td>$10.25</td>
<td>$9.81</td>
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<td>$380,758.86</td>
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<tr>
<td>10</td>
<td>1-15-20 to 1-14-21</td>
<td>$10.25</td>
<td>$10.11</td>
<td>$20.36</td>
<td>$386,453.16</td>
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<tr>
<td>11</td>
<td>1-15-21 to 1-14-22</td>
<td>$10.25</td>
<td>$10.41</td>
<td>$20.66</td>
<td>$392,147.46</td>
</tr>
<tr>
<td>12</td>
<td>1-15-22 to 1-14-23</td>
<td>$10.25</td>
<td>$10.72</td>
<td>$20.97</td>
<td>$398,031.57</td>
</tr>
<tr>
<td></td>
<td>Total for 12 years</td>
<td></td>
<td></td>
<td></td>
<td>$4,321,973.70</td>
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<tr>
<td></td>
<td>Average for 12 years</td>
<td></td>
<td></td>
<td>$18.98</td>
<td>$360,164.48</td>
</tr>
</tbody>
</table>

Comparables of similar state agency office space leased in the North Charleston area are as follows:

<table>
<thead>
<tr>
<th>Lease Date</th>
<th>Agency/Location</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/08</td>
<td>Governor's Office-Continuum of Care, 7410 Northside Drive, Suite 201</td>
<td>$20.16</td>
</tr>
<tr>
<td>7/07</td>
<td>Department of Social Services, 2420 Mall Drive</td>
<td>$18.30</td>
</tr>
<tr>
<td>9/09</td>
<td>College of Charleston, 5300 International Boulevard</td>
<td>$18.68</td>
</tr>
</tbody>
</table>

HHS has adequate funds for the lease according to a Budget Approval Form submitted July 16, 2010, which also includes a multi-year plan. Lease payments will be made from a combination of state appropriations, federal funding from the US Department of Health and Human Services, and from funding for the Medicaid Eligibility office from the Medical University of South Carolina. The space allocation of the new lease is 213 square feet for each of the 89 employees housed at the Ashley Corporate Center. This includes all office space, conference rooms, reception area, copy/fax area, storage, file cabinets, work areas, break room/kitchenette area, computer server room and common areas.

No option to purchase the property is included in the lease. The Ashley Corporate Center building was constructed in 1985. An environmental assessment dated June 4, 2002 revealed no environmental conditions for the site. The lease was approved by Emma Forkner, Director of HHS and Arthur H. Applegate, managing member of Ashley Corporate Center, LLC.

4. What is JBRC asked to do? Approve the proposed seven year lease and optional renewal term of five years subject to the review and approval by the Division of General Services for the Department of Health and Human Services at 4130 Faber Place Drive in North Charleston.

5. What is recommendation of the Division of General Services? Approval of the proposed seven year lease and optional renewal term of five years subject to the review and approval by the Division of General Services for the Department of Health and Human Services at 4130 Faber Place Drive in North Charleston.

6. List of Supporting Documents:
   (a) Letter from Department of Health and Human Services dated July 16, 2010.
   (b) SC Code of Laws Sections 1-11-55 and 1-11-56
July 16, 2010

Mrs. Lisa H. Catalanotto
South Carolina Budget and Control Board
General Services Division
1201 Main Street, Suite 420
Columbia, South Carolina 29201

Dear Mrs. Catalanotto:

As you are aware, Regulation 19-477.1000 requires that leases, which commit one million dollars or more in a five-year period, must be approved by the Budget and Control Board and reviewed by the Joint Bond Review committee.

The South Carolina Department of Health and Human Services (SCDHHS) administers the South Carolina Medicaid Program, which provides health care coverage for about one quarter of the population of South Carolina. The mission of the agency is to manage the state’s Medicaid program to provide the best healthcare value for South Carolinians. One of SCDHHS’ county offices for Community Long Term Care and Medicaid Eligibility has been co-located together and housed at the leased office space located at 4130 Faber Place Drive, Suite 300, North Charleston since January 15, 2006. The current lease for the above-mentioned space expires January 14, 2011.

SCDHHS in coordination with the General Services Division, Real Property Services Office, initiated a competitive solicitation for available space in March 2010 in order to determine whether other suitable commercial office space alternatives were available, that would provide an opportunity for cost savings within the more competitive current commercial real estate market. Fourteen (14) proposals were received in response to the solicitation. After reviewing the proposals submitted, SCDHHS has determined that none of the proposed sites would be as cost effective in accommodating the needs of the agency as the present site and hereby
requests approval of a lease to remain at our current location at 4130 Faber Place Drive, Suite 300 through the negotiated lease term.

The proposed new lease with Ashley Corporate Center, LLC is to begin October 1, 2010 for a term of seven years with an expiration date of September 30, 2017. The basic rental rate begins at $17.25, compared to the current rate of $20.82. The lease rate will increase in increments of approximately twenty-five cents each year thereafter with the annual basic rent the first year being $327,422.00.

The lower rate negotiated by the General Services Division through this proposed new lease will result in a significant cost savings of over $76,220.00 in the first year of the lease. The estimated cost savings over the seven year term will be $446,016.00.

The state’s process is designed to meet the requirements of Regulation 19-447.1000 and the proposed lease terms and conditions are consistent with the State’s standard lease terms. A portion of the funds that were previously obligated within the agency’s budget for continuation of the current lease will be utilized to fund the new lease at the lower rate, and a financial plan has been submitted.

Therefore, I respectfully request that the proposed lease with Ashley Corporate Center, LLC be approved by the Budget and Control Board.

Sincerely,

Emma Forkner
Director

EF/wcm
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.
1. Submitted by:
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: M. Richbourg Roberson, Director

2. Subject: Budget and Control Board Lease at 1201 Main Street in Columbia

3. Summary Background Information:

   The South Carolina Budget and Control Board (B&CB) requests approval to lease from U.S. REIF/MJW Capitol Center Fee, LLC (Landlord) 92,385 square feet (comprising the entire 3rd, 4th, 5th and 6th floors and a portion of the 7th floor) at its current location at the Capitol Center building located at 1201 Main Street in Columbia. Landlord is a Delaware limited liability company with its principal office in Chicago, Illinois.

   The B&CB currently leases 119,383 square feet (3rd through 8th floors) at the Capitol Center at the rate of $14.22 per square foot plus all increases in operating expenses under a lease that expired June 30, 2010. The B&CB is currently in a holdover status. Under the new lease, the space will be used by the Budget and Control Board to house its Employee Insurance Programs, Board Information Technology group, Division of General Services offices, Office of General Counsel, Office of State Budget, Insurance and Grants Services, Materials Management Office, Office of Internal Operations, and Internal Audit Services. The reduction in leased area was realized by consolidating space and relocating the B&CB’s Office of Human Resources to the Archives and History Center. In addition, the space will accommodate the Insurance and Grants Services, Office of Local Government, who will be relocating from other commercial space. The leased space under the new agreement is a reduction of 26,998 square feet in the Capitol Center alone, and the B&CB will realize a total reduction of 30,310 square feet over its formerly occupied space in all buildings as a result of its consolidation efforts.

   The new lease was negotiated after a solicitation for space was issued. The lease term will be ten years beginning with a retroactive commencement date of July 1, 2010 (and a refund of excess rent paid), with one optional renewal term of five years. The optional renewal term will be subject to staff review and approval by the Division of General Services. Rent will be $99,005.92 per month or $1,188,071.04 per year ($12.86 per square foot rounded) for the first five years of the lease. Rent for the last five years of the lease will be fixed at a rate of $13.86 per square foot. Rent for the optional five year renewal term is fixed at $14.36 per square foot. Beginning at the end of the second year, tenant will additionally be responsible for cumulative annual increases in operating costs, which increases are capped at three percent per year. Over the first five years, the B&CB will save $2,547,775 over its previous lease at the Capitol Center and $2,989,150 over its total previously occupied space. The proposed lease further avoids moving, network wiring and other costs associated with
relocating to a new location.

Assuming operating expenses increase at three percent per year, the maximum rent over the term of the lease is as follows:

### Initial Term Maximum Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Date</th>
<th>Base</th>
<th>Operating</th>
<th>Rate/SF</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>7-1-10</td>
<td>$5.06</td>
<td>$7.80</td>
<td>$12.86</td>
<td>$1,188,071.04</td>
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<tr>
<td>2</td>
<td>7-1-11</td>
<td>$5.06</td>
<td>$8.03</td>
<td>$13.09</td>
<td>$1,209,319.65</td>
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<tr>
<td>3</td>
<td>7-1-12</td>
<td>$5.06</td>
<td>$8.27</td>
<td>$13.33</td>
<td>$1,231,492.05</td>
</tr>
<tr>
<td>4</td>
<td>7-1-13</td>
<td>$5.06</td>
<td>$8.52</td>
<td>$13.58</td>
<td>$1,254,588.30</td>
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<tr>
<td>5</td>
<td>7-1-14</td>
<td>$5.06</td>
<td>$8.78</td>
<td>$13.84</td>
<td>$1,278,608.40</td>
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<tr>
<td>6</td>
<td>7-1-15</td>
<td>$6.06</td>
<td>$9.04</td>
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<td>$1,395,013.50</td>
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<tr>
<td>7</td>
<td>7-1-16</td>
<td>$6.06</td>
<td>$9.31</td>
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<tr>
<td>8</td>
<td>7-1-17</td>
<td>$6.06</td>
<td>$9.59</td>
<td>$15.65</td>
<td>$1,445,825.25</td>
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<td>9</td>
<td>7-1-18</td>
<td>$6.06</td>
<td>$9.88</td>
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<tr>
<td>10</td>
<td>7-1-19</td>
<td>$6.06</td>
<td>$10.17</td>
<td>$16.23</td>
<td>$1,499,408.55</td>
</tr>
</tbody>
</table>

Total for 10 years $13,394,901.09
Average for 10 years $1,339,490.11

### Renewal Term Maximum Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Date</th>
<th>Base</th>
<th>Operating</th>
<th>Rate/SF</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>7-1-20</td>
<td>$6.56</td>
<td>$10.48</td>
<td>$17.04</td>
<td>$1,574,240.00</td>
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<tr>
<td>12</td>
<td>7-1-21</td>
<td>$6.56</td>
<td>$10.79</td>
<td>$17.35</td>
<td>$1,602,879.75</td>
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<tr>
<td>13</td>
<td>7-1-22</td>
<td>$6.56</td>
<td>$11.11</td>
<td>$17.67</td>
<td>$1,632,442.95</td>
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<tr>
<td>14</td>
<td>7-1-23</td>
<td>$6.56</td>
<td>$11.45</td>
<td>$18.01</td>
<td>$1,663,853.85</td>
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<tr>
<td>15</td>
<td>7-1-24</td>
<td>$6.56</td>
<td>$11.79</td>
<td>$18.35</td>
<td>$1,695,264.75</td>
</tr>
</tbody>
</table>

Total for 15 years $21,563,582.39
Average for 15 years $1,437,572.16

The B&CB will utilize an additional 16,775 square feet of space it occupies under the previous lease until renovations to accommodate the proposed consolidated leased area are completed. The B&CB will pay rent on the additional space at the same rate of $12.86 per square foot and will return and cease to pay rent on the additional space to Landlord upon completion of the renovations.

Comparables of similar state agency office space leased in the Columbia area are as follows:

<table>
<thead>
<tr>
<th>Lease Date</th>
<th>Agency/Location</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/07</td>
<td>Department of Insurance, 1201 Main, 10&lt;sup&gt;th&lt;/sup&gt; floor</td>
<td>$14.45</td>
</tr>
<tr>
<td>4/09</td>
<td>Department of Commerce, 1201 Main, 15&lt;sup&gt;th&lt;/sup&gt; and 16&lt;sup&gt;th&lt;/sup&gt; floors</td>
<td>$12.81</td>
</tr>
<tr>
<td>5/09</td>
<td>Workers' Compensation Commission, 1333 Main Street, 5&lt;sup&gt;th&lt;/sup&gt; Floor</td>
<td>$13.55</td>
</tr>
</tbody>
</table>

Landlord has committed up to $200,000 to renovate the leased space at their expense—this will be used to accommodate the downsizing of space. Landlord is also providing a leasing incentive of $100,000 to the B&CB primarily for data relocation resulting from the downsizing of space. In addition to the tenant improvement allowance and the leasing incentive, Landlord
will also provide new carpet and paint in the common area hallways and lobby areas on the 3\textsuperscript{rd}, 4\textsuperscript{th}, 5\textsuperscript{th}, and 6\textsuperscript{th} floors of the building over the first two years of the lease.

The B&CB has adequate funds for the lease according to a Budget Approval Form dated July 23, 2010, which also includes a multi-year plan. The space allocation of the new lease is 299 square feet for each of the 309 employees housed at the Capitol Center. This includes all office space, conference rooms, reception areas, copy/fax area, storage, file cabinets, work areas, break room/kitchenette areas, computer server room and common areas.

No option to purchase the property is included in the lease. The Capitol Center Building was constructed in 1989. An environmental assessment dated June 16, 2008 recommends no further assessment is necessary. The leases were approved by Frank Fusco, Executive Director of the Budget and Control Board, and by Zoran M. Urosevic on behalf of Landlord.

4. **What is JBRC asked to do?** Approve the proposed ten year lease and optional renewal term of five years subject to the review and approval by the Division of General Services for the Budget and Control Board at 1201 Main Street in Columbia.

5. **What is recommendation of the Division of General Services?** Approval of the proposed ten year lease and optional renewal term of five years subject to the review and approval by the Division of General Services for the Budget and Control Board at 1201 Main Street in Columbia.

6. **List of Supporting Documents:**
   (a) Letter from the Budget and Control Board dated July 26, 2010
   (b) SC Code of Laws Sections 1-11-55 and 1-11-56
The Honorable Hugh C. Leatherman, Sr.
Chairman, Joint Bond Review Committee
111 Gressette Building
Columbia, SC 29201

RE: Budget and Control Board Lease at 1201 Main Street, Columbia, SC

Dear Senator Leatherman:

The South Carolina Budget and Control Board has been leasing office space at the Capitol Center Building at 1201 Main Street in Columbia since 1985. The current lease for this space expired June 30, 2010, and is currently in holdover status.

The Board’s Division of General Services, Real Property Services office initiated a competitive solicitation for available space in January 2009 in order to determine whether other suitable commercial office space alternatives were available that would achieve cost savings for the agency. Four (4) proposals were received in response to the solicitation. The Division of General Services worked with the offices of the Budget and Control Board located in the Capitol Center to determine the present space needs of the offices and negotiated a lease at the Capitol Center that results in substantial cost savings over the other proposals submitted as well as the current lease.

We have been very vigilant of the budget crisis facing our agency and the State as a whole in negotiating terms for this lease. Our primary goals have been to achieve the best lease rate possible and most efficient space to accommodate our present needs. As part of this effort, the Division of General Services identified vacant space at the Archives and History Center to house the Board’s Office of Human Resources, previously split in two locations at the Capitol Center and state-owned space at 1401 Senate Street. The Board also plans to re-locate its Office of Local Government from more expensive commercial space at 1122 Lady Street in Columbia to the Capitol Center. Through careful space planning, the Board will realize a space reduction of 26,998 square feet leased in the Capitol Center and 30,310 square feet over its formerly occupied space in all buildings.

The proposed new lease with REIF/MJW Capitol Center Fee, LLC is to begin with a retroactive date of July 1, 2010, resulting in further cost savings for the Board, for a term of ten (10) years ending June 30, 2020. The Division of General Services successfully negotiated a reduction in the lease rate at the Capitol Center from $14.22 per square foot annually to $12.86 per square foot annually for the first five years of the lease. The lease rate for the last five years of the lease will be fixed at $13.86 per square foot annually and the rates for an optional renewal term of an additional five years are set at $14.46 per square foot. The landlord will also provide a leasing incentive of $100,000, carpet and paint in the common area hallways and lobby areas.
throughout most of the leased space, and an additional $200,000 in renovations to accommodate the Board’s downsizing of space.

The lower rate negotiated and the consolidation efforts headed by the Division of General Services will result in significant cost savings over the next five (5) years of $2,547,775 over the Board’s previous lease at the Capitol Center and $2,989,150 over its total previously occupied space. By successfully negotiating a new lease at our current location for many of the Board’s offices, the Board also avoids relocation costs associated with moving to a new location.

I respectfully request the approval of the proposed lease at the Capitol Center.

Sincerely,

[Signature]
Frank W. Fusco
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.
Meeting Scheduled for: August 5, 2010

1. Submitted By:
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: M. Richbourg Roberson, Director

2. Subject: Tri-County Technical College Sale of 1.16 Acres to Pickens County

3. Summary Background Information:

Tri-County Technical College owns approximately 37 acres at 1774 Powdersville Road in Easley, which is the site for the College’s new Easley Campus. Pickens County plans to make roadway improvements at the intersection of Powdersville Road (S-28) and Cardinal Drive and needs to acquire land along the frontage of the Easley Campus for a highway right-of-way. The roadway improvements will benefit the College by providing safe and efficient access to its campus.

The College requests approval to sell 1.16 acres to Pickens County for the appraised value of $35,960. Tri-County Technical College will keep the proceeds from the sale in accordance with Proviso 80A.35 of the 2010 General Appropriations Act and SC Code of Laws §59-53-53.

The proposed property sale was approved by the Tri-County Technical College Area Commission on July 22, 2010 and the State Board for Technical and Comprehensive Education on July 23, 2010.

4. What is the Joint Bond Review Committee asked to do?

Approve the sale of 1.16 acres from Tri-County Technical College to Pickens County.

5. What is the recommendation of the Division of General Services?

Approval of the property conveyance as requested.

6. List of Supporting Documents:

   (a) Letter from Tri-County Technical College dated July 22, 2010
   (b) SC Code of Laws Sections 1-11-65 and 59-53-53
   (c) Proviso 80A.35 of the 2010 General Appropriations Act
Date: May 13, 2010
To: Budget and Control Board
From: Tri-County Technical College
Re: Land Transfer

Tri-County Technical requests permission to deed 1.16 acres of property to Pickens County for road improvements along Powdersville Road to facilitate the development of our new Easley Campus. The improvements include turning lanes and a traffic signal to allow for safe and efficient access to the campus.

Powdersville Road has no right-of-way easements; therefore, any widening requires that the affected property be obtained from current property owners. Pickens County has contributed funds for the widening and its administering the project. Once the project is complete, SCDOT will take over ownership.

The property, 50,536 square feet (1.16 acre), is owned by Tri-County Technical College and has an appraised value of $35,960. Since it is a narrow strip several hundred feet long adjacent to the existing road, it has little practical value to the College. The benefits of the road improvements far outweigh the book value.

Permission to transfer this parcel will provide safe and adequate access to Tri-County Technical College's Easley Campus for students and residents of Pickens County.

Sincerely,

Ronnie L. Booth, Ph.D.
President
SECTION 1–11–65. Approval and recordation of real property transactions involving governmental bodies.

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution.
SECTION 59-53-53. Borrowing by area commissions; special fees; disposing of excess real property.

(A) The area commission of any technical education institution under the jurisdiction of the South Carolina technical education system may borrow for capital improvements from a federal or other lending agency an amount not to exceed its ability to repay the loan through the imposition of a special fee. The terms of the loan may not exceed forty years. An area commission may issue covenants, enter into mortgages, and grant liens limiting the sale or use of certain parcels of real or personal property in its possession when required as a condition of accepting a grant, loan, or donation for specified capital improvement projects.

To amortize the loan, a special fee must be imposed within the limits established by the state board, the proceeds of which must be deposited in a special account to be used for payment of the loan in accordance with the terms negotiated by the commission and the lender. No funds other than the revenue from the special fee may be pledged for payment of the loan.

(B) The governing body for each technical college shall review the real property titled in the name of its institution to determine if such property is in excess of the institution's anticipated needs and is available for disposal. All real properties determined to be in excess may be disposed of with the approval of the State Board for Technical and Comprehensive Education, the Budget and Control Board, and the Joint Bond Review Committee. The proceeds of such sales are to be disposed of as follows:

(1) if the property was acquired by gift, or through tuition, student fees, county funds, or earned income, the proceeds may be retained by the selling institution for use in accord with established needs;

(2) if the property was acquired through state appropriations, state capital improvement bonds, or formula funds, the proceeds shall revert to the state general fund.

The responsibility for providing any necessary documentation including, but not limited to, documenting the fund source of any real property proposed for sale rests with each respective institution.
BCB: Sale of Surplus Real Property. Up to 50% of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining 50% of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture’s Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce’s Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission’s Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds shall only be used for the renovation of the ETV Telecommunications Center. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, and the Forestry Commission shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.
Meeting Scheduled for: August 5, 2010

1. Submitted By:
   (a) Agency: Office of State Budget
   (b) Authorized Official Signature: Carol P. Routh, Assistant Director

2. Subject: Clemson Research University Infrastructure Project

3. Summary Background Information:

The South Carolina Centers of Economic Excellence (CoEE) Review Board has certified Clemson University for $7 million in general obligation debt to be issued under the South Carolina Research University Infrastructure Act. The Act requires the Review Board to certify that at least 50% of the cost of each research infrastructure project is being provided by a private, federal, municipal, county or other local government source. The initial project was approved by the CoEE Board in September 2005 and the initial certification of $3.5 million associated with the project was approved by JBRC and the Budget and Control Board in June 2007. This certification for $7 million replaces the original certification of $3.5 million for completion of the project. The Clemson research university infrastructure project consists of the following aspects that were recertified by the Review Board for funding or as part of the required match. The total project cost is $19,102,867.

In support of the Innovative Biomedicine and Bioengineering Project

1) the upfit of 29,135 square feet of unfinished leased space on the Greenville Hospital Patewood Campus to be occupied by 50 researchers in the areas of bioengineering, biological sciences, biochemistry and genetics, chemistry, materials science and engineering, mechanical engineering, business and management, and nursing, to be funded with state Research University Infrastructure Bonds in the amount of $5,887,000;

2) the purchase of various types of equipment for use in the areas noted above, to be funded with state Research University Infrastructure Bonds in the amount of $1,113,000;

3) the utility costs for the Patewood facility, valued at $2,434,229, provided by Clemson University;

4) the donation of the lease of 29,135 square feet of space on the Greenville Hospital Patewood Campus, valued at $6,428,638, providing a portion of the required 50% match;

5) the donation of equipment and the discounted usage of equipment, valued at $3,240,000, providing a portion of the required 50% match.

The Joint Bond Review Committee is asked to approve the following: 1) approve Clemson's research university infrastructure project on the Greenville Hospital Patewood Campus; and 2) approve an increase to the existing permanent improvement project, H12-9878, Clemson University Translational Bioengineering Research Center Upfit, of $3.5 million from $3.5 million to $7 million to be funded with Research University Infrastructure bonds.
4. **What is JBRC asked to do?**

Approve Clemson University's research university infrastructure project on the Greenville Hospital Patewood Campus and approve an increase to the permanent improvement project, H12-9878, Clemson University Translational Bioengineering Research Center Upfit, of $3.5 million to $7 million to be funded with Research University Infrastructure Bonds.

5. **What is the recommendation of the Budget Office?**

Approve Clemson University's research university infrastructure project on the Greenville Hospital Patewood Campus and approve an increase to the permanent improvement project, H12-9878, Clemson University Translational Bioengineering Research Center Upfit, of $3.5 million to $7 million to be funded with Research University Infrastructure Bonds.

6. **List of Supporting Documents:**

1. Letter to Chairman
2. Centers of Economic Excellence Review Board Recertification and Statement
3. Exhibit C-1 Showing Cost and Match for Project
4. Additional Annual Operating Costs
June 7, 2010

The Honorable Hugh K. Leatherman, Sr.
Chairman, Joint Bond Review Committee
111 Gressette Building
Columbia, SC 29202

RE: Recertification of Clemson University Patewood Research University Infrastructure Act Project

Dear Senator Leatherman:

On behalf of the South Carolina Centers of Economic Excellence (CoEE) Review Board, I am pleased to transmit to you certification of $7,000,000 in general obligation debt to be issued under the South Carolina Research University Infrastructure Act for the Clemson University Innovative Biomedicine and Bioengineering Project (Project) on the Patewood campus of the Greenville Hospital System University Medical Center in Greenville, South Carolina.

As you will recall, the CoEE Review Board certified $3,500,000 in general obligation debt for the Project on May 11, 2007, with the understanding that Clemson University would come forward for an additional $3,500,000 in general obligation debt at a later date to complete the Project. Clemson University is now requesting its full share of the general obligation debt available via the Research University Infrastructure Act for the Project ($7,000,000). Because several aspects of the original certification have changed (including Project definition and non-state match components), the CoEE Review Board is issuing, in accordance with its guidelines, a recertification of the original Project. The estimated total Project cost has increased from $14,247,706 to $19,102,867; however, this increase does not reflect a request by Clemson University for additional RUIA funds beyond what it originally indicated it would need ($7 million). The total Project cost increases include the second phase of RUIA funding ($3,500,000) and additional non-state matching funds.

The Act requires that the CoEE Review Board “certify to the state board that at least fifty percent of the cost of each research infrastructure project is being provided by private, federal, municipal, county, or other local government sources” (S.C. 11-51-70). The Act further stipulates that “[t]his portion of the cost, in the discretion of the Research Centers of Excellence Review Board, may be in the form of cash; cash equivalent; buildings including sale-lease back; gifts in kind including, but not limited to, land, roads, water, and sewer, and maintenance of infrastructure; facilities and administration costs; equipment; or furnishings” (S.C. 11-51-70).
Clemson University submitted supporting information to the CoEE Review Board concerning its original request for the Project on September 16, 2005, and a certification was issued on May 11, 2007. Subsequently, Clemson University submitted supporting information to the CoEE Review Board for a recertification of the original certification as well as supporting information for the additional general obligation debt on June 7, 2010. If the Committee finds that it lacks any supporting information, the CoEE Review Board welcomes the opportunity to provide additional information supporting this recertification.

With the stipulation that all of the universities use the services and talents of South Carolinians to the maximum extent possible in conducting such infrastructure projects, the CoEE Review Board voted to certify the request from Clemson University. A Recertification and Statement are enclosed. These documents summarize the information required from the CoEE Review Board pursuant to the South Carolina Research University Infrastructure Act.

The CoEE Review Board believes that this project represents an exciting opportunity for Clemson University and the State. Please do not hesitate to contact me should you have any questions or if I can provide any additional assistance in this matter.

Sincerely,

Gail M. Morrison, Ph.D.
CHE Deputy Director, Director of Academic Affairs & Licensing

cc: Mr. Frank Fusco, S.C. Budget & Control Board
Ms. Carol Routh, S.C. Budget & Control Board
Mr. George Dorn, Joint Bond Review Committee
Ms. Lib Croft, Joint Bond Review Committee
Mr. Rick Harmon, State Treasurer’s Office
Mr. O. Wayne Corley, McNair Law Firm

Enclosures: Clemson University Project Recertification & Statement; Exhibits
This Amended Certification and Statement is made by the South Carolina Centers of Economic Excellence Review Board to the South Carolina Joint Bond Review Committee and the South Carolina State Budget & Control Board in accordance with Sections 11-51-70 and 11-51-80 of the Code of Laws of South Carolina (1976), as amended (the "Code"). This Amended Certification and Statement replaces the Certification and Statement made by the South Carolina Centers of Economic Excellence [then Research Centers of Excellence] Review Board on May 11, 2007 [Exhibit A], and concerns the proposed Research Infrastructure Project, as defined in S.C. Code Section 11-51-30(4), to be developed at the Patewood campus of the Greenville Hospital System University Medical Center (GHS) in Greenville, South Carolina.1

The Research Infrastructure Project is to consist of the following:

- **29,135 square foot research facility**, known as Patewood 4C, to be occupied by 50 researchers from the following Clemson University departments: Bioengineering, Biological Sciences, Biochemistry and Genetics, Chemistry, Materials Science and Engineering, Mechanical Engineering, Business and Management and Nursing. Facility usage will focus on research and development for vascular diseases and devices, orthopedic devices and rehabilitation and performance enhancement. The facility will also house data management and clinical trial management, as well as the administrative office of the Center of Biomedical Research Excellence in Regenerative Medicine. Also included is incubator space for early stage translational research spin-off companies. **Cost: $6,428,638** [See Exhibits C-1, C-2 and E.]

- **Utility costs** for the Patewood 4C facility. **Cost: $2,434,229** [See Exhibits C-1, C-2 and E.]

- **Up-fit costs** for the Patewood 4C facility. **Cost: $5,887,000** [See Exhibits D and F.]

- **Estimated Equipment, Donated Equipment, and Donated Lab Space** for the Patewood 4C facility. **Cost: $4,353,000** [See Exhibits F, G-1 through G-4.]

**Total Cost:** **$19,102,867**

1 The May 2007 Certification and Statement stated that Clemson would eventually come forward for $3.5 million in RUIA funds for a second phase project on the Greenville Memorial Campus (GMC Project). Clemson no longer wishes to use RUIA funds for the GMC Project, and instead seeks to apply the additional $3.5 million in RUIA funds to the Patewood Campus Project.
The CoEE Review Board hereby certifies and states to the Joint Bond Review Committee and the Budget and Control Board the following:

(1) The total cost of this component of the Research University Infrastructure Act (RUIA) Project is approximately $19,102,867.

(2) The tentative time schedule (projected construction period) during which the proceeds of the requested general obligation will be executed is as follows:

- Patewood Phase II of Amended Proposal: November 2009-June 2010
- Patewood Phase III of Amended Proposal: August 2010-January 2011

(3) The RUIA Project, for which $7,000,000 in general obligation debt is requested to be issued, is fully described in the “Clemson University Infrastructure Act Project on Innovative Biomedicine and Bioengineering Amendment” (Amended Proposal) [Exhibit B-1]. This document was presented to the CoEE Review Board at the June 7, 2010, Review Board meeting. The Amended Proposal, plus its match, was approved at the June 7, 2010, Review Board meeting.

(4) Pursuant to S.C. 11-51-70, at least 50 percent of the cost of the RUIA Project is matched by private, federal, municipal, county or other local government sources. This match, totaling $9,668,623, conforms to the S.C. Research University Infrastructure Act Cost Share Accounting Policy. [See Exhibits C-1, C-2, E, G-1, G-2, G-3 and G-4 for match details.]

(5) Therefore, the provisions of S.C. 11-51-70 of the Code have been met, the source and validity of the match has been verified, and the RUIA Project, as described in the Clemson Amended Proposal, complies with the provisions of Title 11, Chapter 51 of the Code, subject to confirmation of financing to be provided to the State Treasurer’s Office.

(6) The Board has determined that the RUIA Project as described in the Clemson Amended Proposal conforms to the purposes and goals of the South Carolina Research University Infrastructure Act. The Board has approved the RUIA Project in accordance with the Act and the Board’s implementation guidelines.
This Certificate and Statement is made this 7th day of June, 2010, by the Board:

Pamela P. Lackey
Vice-Chair, CoEE
## Clemson University

**Innovative Biomedicine and Bioengineering Research and Training Program**

GHS Palewood: June 7, 2010

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<tbody>
<tr>
<td><strong>A</strong></td>
<td><strong>B</strong></td>
<td><strong>C</strong></td>
<td><strong>D</strong></td>
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<tr>
<td><strong>Lease Costs:</strong></td>
<td>Total Cost of Project</td>
<td>Provided by GHS</td>
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<tr>
<td>Total Sq ft leased</td>
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<tr>
<td>Cost per sq ft</td>
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<td>Annual cost of leased space (b6 x b8)</td>
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<td>Lease term in years</td>
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<tr>
<td>Total value of lease (b10 x b12)</td>
<td>$6,428,623</td>
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<tr>
<td>Cost to Clemson ($1 per yr for 15 yrs)</td>
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<tr>
<td>Match provided by GHS (b14 - b16)</td>
<td>$6,428,623</td>
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<td><strong>Upfit Costs:</strong></td>
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<tr>
<td>Clemson cost to upfit (per A-1) [RUIA FUNDS] *</td>
<td>$5,887,000</td>
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<tr>
<td><strong>Utility Costs:</strong></td>
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<tr>
<td>Total sq ft leased</td>
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<tr>
<td>Utility cost per sq ft</td>
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<td>Annual utility costs (b30 x b32)</td>
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<tr>
<td>Lease term in years</td>
<td>15</td>
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<tr>
<td>Total Utility Costs (b34 x b36)</td>
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<td><strong>Estimated Equipment &amp; Discounted Usage Items:</strong></td>
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<tr>
<td>Clemson costs for equipment (per A-1) [RUIA FUNDS] *</td>
<td>$1,113,000</td>
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<tr>
<td>ORFC Bioskills Laboratory/Equipment Discounted Usage</td>
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<td>Total Equipment &amp; Discounted Usage Costs</td>
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<td>Total Project Cost (b16 + b26 + b38 + b40)</td>
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<td>Match Requirement</td>
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<td>Required Match / Actual Match</td>
<td>$9,551,434</td>
<td>$9,668,623</td>
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*Total RUIA Funds: $7 million
## ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY CODE: H12 NAME: Clemson University

2. PROJECT #: 9876 NAME: CU Translational Bioengineering Research Center-Upfit

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

<table>
<thead>
<tr>
<th>( ) COSTS</th>
<th>( ) SAVINGS</th>
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4. TOTAL ADDITIONAL OPERATING COSTS/SAVINGS
Projected Financing Sources

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<td>3) 2011-12</td>
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<td>3) 2012-13</td>
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<td>$162,282.00</td>
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</table>

5. If “Other” sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.)

6. Will the additional costs be absorbed into your existing budget? ( ) Yes ( ) No
   If no, how will the additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year:

<table>
<thead>
<tr>
<th>COST FACTORS</th>
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<tr>
<td>Operating/Utilities</td>
<td>$162,262.00</td>
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</table>

8. If personal services or costs are reported in section 7 above, please indicate the number of additional positions required or positions saved. 0

9. Submitted By: 
   Signature of Authorized Official and Title
   John McEntire, Director Capital Projects

Date: 3/25/10
Item 1. Agency: H12 Clemson University  
Project: 9891, Freeman Hall Expansion

Action Proposed: Establish Project for A&E Design

Total budget ................................................................. $97,500.00
[9] Other, Institutional Capital Project Fund......................... $97,500.00

Purpose: To begin design work to construct an approximately 24,000 square foot addition to Freeman Hall at Clemson. The 54,521 square foot facility was constructed in 1926 and houses the Industrial Engineering Department. The expansion will provide additional classroom and office space and include upgrades to existing infrastructure. Additional space is needed to meet growth in the department at the undergraduate and graduate levels, the addition of a Masters degree in Industrial Engineering, and enrollment increases in the college. It is needed to continue to provide appropriate services to students, faculty, and staff and to allow the university to be nationally competitive. Space planning and a feasibility study indicate the need for approximately 24,000 square feet.

Ref: Supporting document pages 1-3

Item 2. Agency: H51 Medical University of SC  
Project: 9808, Thurmond Gazes Building Envelope/Exhaust Systems Renovations

Action Proposed: Establish Project for A&E Design

Total budget ................................................................. $105,000.00
[9] Other, Institutional Capital Project Fund......................... $105,000.00

Purpose: To begin design work to make building envelope and exhaust system renovations to the Thurmond Gazes Building at MUSC to improve indoor air quality. The work will include replacing the exhaust system, providing separate exhaust chases on two floors, sealing floor to floor penetrations, replacing wall flashing, and recaulking or resealing windows and other penetrations. The building lacks exterior envelope moisture resistance, which has resulted in moisture, mold and mildew in the building, and the exhaust system runs non-stop and does not have sufficient supply air to balance the system.

Ref: Supporting document pages 4-6
<table>
<thead>
<tr>
<th>Item</th>
<th>Agency</th>
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<th>Action Proposed</th>
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<tr>
<td>3</td>
<td>H51</td>
<td>9809</td>
<td>Establish Project for A&amp;E Design</td>
<td>$15,000.00</td>
<td>To begin design work to replace the chilled water piping risers in the Harborview Office Tower at MUSC. The chilled water risers carry chilled water throughout the building that feed the HVAC fan coil units used to cool the building. The risers are more than 30 years old and are severely corroded. One is currently leaking and all four are in danger of failing.</td>
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<td>9810</td>
<td>Establish Project for A&amp;E Design</td>
<td>$8,400.00</td>
<td>To begin design work to replace the sanitary sewer risers in the Storm Eye Institute at MUSC. The copper pipe risers collect and drain sewage from the laboratory sinks and plumbing fixtures in the 90,400 square foot facility. The risers are more than 35 years old, are corroded and leaking, and need to be replaced to prevent further damage to the building. The copper pipe risers will be replaced with a more durable, acid resistant piping.</td>
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<td>Other, Institutional Capital Project Fund</td>
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</table>
ITEM 5

**Agency:** H51  
**Project:** 9811, Basic Science Building Dental Medicine Classroom/Office Renovation

**Action Proposed:** Establish Project for A&E Design

**Proposed:**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Other, College of Dental Medicine</td>
<td>$38,250.00</td>
</tr>
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</table>

**Total budget:** $38,250.00

**Purpose:**

To begin design work to renovate approximately 15,000 square feet in the Basic Science Building for the College of Dental Medicine at MUSC. Completion of the new College of Dental Medicine will free up space assigned to the college in the Basic Science Building for other dental medicine uses. The work will include constructing two large classrooms to support 75 students in former dental clinic space and renovating approximately 10,000 square feet on several floors to provide offices for dental faculty, dental departments relocating from another facility, and dental offices moving from within the building. The renovation will create more classroom space, consolidate dental faculty and staff, and result in increased efficiencies for the expanding dental medicine program.

**Ref:** Supporting document pages 13-15

ITEM 6

**Agency:** H51  
**Project:** 9812, Basic Science Building East Side Exhaust/Emergency Power Improvements

**Action Proposed:** Establish Project for A&E Design

**Proposed:**

<table>
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<th>Source</th>
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<tr>
<td>Other, Institutional Capital Project Fund</td>
<td>$41,250.00</td>
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</table>

**Total budget:** $41,250.00

**Purpose:**

To begin design work to renovate the exhaust and emergency power systems in the east half of the Basic Science Building at MUSC. The work will include installing a new exhaust system to support planned conversion of space to research labs, a new emergency generator to support planned renovation of the east half of the building, and floor to floor supply air dampers to allow air flow control. The east half of the building does not have a lab exhaust system and the emergency generator is at its maximum capacity. Floor to floor air flow control does not exist for different types of space in the building, which is inefficient and costly and results in poor temperature and humidity control.

**Ref:** Supporting document pages 16-18
Item 7. Agency: H51 Medical University of SC  
Project: 9813, Basic Science Building East Side Air Handler Replacement

Action Proposed: Establish Project for A&E Design

Total budget ................................................................. $60,000.00
[9] Other, Institutional Capital Project Fund ......................................................... $60,000.00

Purpose: To begin design work to replace the air handler in the east half of the Basic Science Building at MUSC. The building was constructed in 1970 and the air handler is original to the facility. It is beyond its useful life and does not have the capacity to support labs and classrooms. Replacement of the air handler will allow the east side of the building to be utilized for research lab and classroom space.

Ref: Supporting document pages 19-21

Project: 6021, Trident - Building 700/800 Reroofing

Action Proposed: Establish Project for A&E Design

Total budget ................................................................. $12,750.00
[9] Other, Local Institutional .............................................................. $12,750.00

Purpose: To begin design work to replace the roof on Building 700/800 at Trident Technical College. The roof is 32 years old and leaks, causing damage to interior building finishes in the classroom and lab facility. The roof needs to be replaced before leaks cause safety and air quality issues. Numerous repairs have been made, but the roof is at the end of its intended life and continues to leak.

Ref: Supporting document pages 22-25
<table>
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<th>Item</th>
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<td>Establish Project for A&amp;E Design for Tri-County - Anderson Welding/HVAC Building Renovation</td>
<td>08/04/10</td>
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<td>Purpose: To begin design work to renovate an approximately 43,008 square foot office/warehouse facility for Tri-County Technical College. The new facility will be renovated and upfitted to adapt it for educational use for the welding and HVAC programs. Over the past five years, enrollment in the welding program has more than tripled and the HVAC program has grown by 90%. To handle growing enrollment and meet current industry requirements, the programs need to relocate to a modern facility with upgraded equipment to provide the state-of-the-art training required by today’s manufacturing processes. The existing facility is obsolete for current manufacturing standards, requirements and safety regulations. Moving these programs will also free up 10,000 square feet of classroom space in a second building.</td>
<td>Supporting document pages 26-28</td>
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<td>Establish Project for A&amp;E Design for Calhoun Building Emergency Generator Installation</td>
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<tr>
<td></td>
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<td>Purpose: To begin design work to install an emergency generator for the Calhoun Building. The building houses the Court of Appeals and critical administrative functions of the Judicial Department, including computer systems which serve the court system statewide. The proposed emergency generator will support those computer systems and related supplemental cooling required by the computer systems. It will be sized so the Wade Hampton Building can be added at a later date. Currently, no emergency generator exists to meet these needs in the event of a power outage.</td>
<td>Supporting document pages 29-32</td>
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### Item 11. Agency: J16 Department of Disabilities and Special Needs

| Project | 9842, Whitten Center Electrical Power Grid Upgrade |

**Action Proposed:** Establish Project for A&E Design

**Total Budget:** $7,500.00

**Excess Debt Service:** $7,500.00

**Purpose:** To begin design work to upgrade the high voltage electrical distribution grid at DDSN’s Whitten Center in Clinton. The electrical power grid is more than 50 years old and original to the facility. The majority of power poles are in poor condition and the pole mounted transformers pose a danger of cracking and falling in the event of a high wind or storm. Failure to replace the damaged poles and transformers will result in more frequent power outages during storms and the possibility of entire grid failure. The pre-design work will include prioritizing the improvements needed for this multi-phase project.

**Ref:** Supporting document pages 33-35

### Item 12. Agency: H24 South Carolina State University

| Project | 9645, Campuswide Energy Performance Contract |

**Action Proposed:** Increase Budget for A&E Design from $300,000.00 to $698,297.00

- **(Add $198,297.00) [7] Federal**
- **(Add $200,000.00) [9] Other, Institutional Fees**

**Purpose:** To complete the detailed energy audits of campuswide buildings and begin lighting upgrades toward implementation of an energy performance contract at SC State. The project was established in February 2010 for pre-design work and detailed energy audits on 50% of the buildings, which are now complete. The work will include completing the investment grade audits on remaining campus buildings and implementing energy retrofit lighting upgrades on twelve buildings for which energy audits have been completed. Because of the state-imposed energy stimulus funding deadline for expenditure by December 15, 2010, lighting upgrades in 12 buildings will be done immediately to meet the expenditure deadline. Once the investment grade audits are completed, SC State will request funding approval for the energy performance contract in full. The agency reports the total projected cost of this project is $17 million and annual operating cost savings ranging from $62,464 to $64,988 will result in the three years following project completion on the lighting upgrades only.

**Ref:** Supporting document pages 36-38
### Item 13. Agency: H12 Clemson University  
**Project:** 9867, Memorial Stadium West End Zone II/  
Northwest Plaza Construction

- **Proposed Action:** Establish Construction Budget for $17,304,061  
  (Add $1,153,000.00 [9] Other, Private)

**Purpose:** To make additional improvements at Clemson’s Memorial Stadium. The project was established in August 2006 to make improvements to the stadium’s west end zone and revised in February 2010 to begin pre-design work to construct a northwest plaza, which is now complete. The additional improvements will include constructing an elevated concrete slab plaza at the main concourse level and approximately 10,876 square feet of enclosed shell spaces under the plaza for the future upfit of recruiting and support spaces. The additional improvements are needed to improve the pedestrian flow between the existing west end zone plaza and the north concourse. Energy savings and conservation measures will include the installation of energy efficient windows and lighting. The agency reports the total projected cost of these improvements is $2.5 million and of the entire multi-phase project is $17,304,061 and no additional annual operating costs will result from these improvements. The agency also reports the projected date for execution of the construction contract is February 2011 and for completion of construction is July 2011.

**Ref:** Supporting document pages 39-43

<table>
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### Item 14. Agency: H15 College of Charleston  
**Project:** 9642, Hungry Cougar Renovation and Expansion

- **Proposed Action:** Establish Construction Budget for $1,900,000.00  
  (Add $1,885,000.00 [9] Other, Auxiliary)

**Purpose:** To renovate and expand the Hungry Cougar dining facility at the College of Charleston. The project was established in December 2009 for pre-design work which is now complete. The work will include renovating and converting spacing in the existing 5,640 square foot facility to provide an all-you-can-eat meal alternative, expanding into an adjacent covered exterior area to bring total space to 7,260 square feet, and converting an adjacent office into a 3,175 square foot sandwich shop. The work will include replacing mechanical ductwork, equipment and lighting, improving the fire alarm system and some plumbing, and installing new finishes, furniture, casework and equipment. Many residents choose the Hungry Cougar as their dining location due to its proximity to their residence halls. Currently, 50% of resident students are housed in this campus area and 59% of academic traffic is closer to the Hungry Cougar or equidistant from the main cafeteria. Energy savings and conservation measures will include installing energy efficient lighting and HVAC system and other sustainable conservation measures. The agency reports the total projected cost of this project is $1.9 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 March 2011 and for completion of construction is August 2012.

**Ref:** Supporting document pages 44-48

<table>
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<tr>
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Item 15. Agency: H51 Medical University of SC  
Project: 9802, Psychiatric Institute Generators, ATS and Switchgear Replacement

**Action Proposed:** Establish Construction Budget for $2,550,000

*(Add $1,240,000.00 [9] Other, Institutional Capital Project Fund)  
(Add $1,275,000.00 [9] Other, Hospital Revenue)*

**Purpose:** To replace electrical equipment in MUSC’s Psychiatric Institute Building. The project was established in December 2008 for pre-design work which is now complete. The work will include replacing the generators, automatic transfer switches and main switchgear in the building which houses MUSC’s main computer data center. The existing equipment is beyond its useful life, unreliable, under-rated for current building loads, and located in a flood zone. Replacement is needed to support the continued uninterrupted operation of the data center that serves University and Hospital Authority missions. The new equipment will be relocated out of the flood zone on a new structure elevated above 20 feet. The new equipment will be more energy efficient than the existing equipment it replaces. The agency reports the total projected cost of this project is $2,550,000 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 February 2011 and for completion of construction is February 2012.

**Ref:** Supporting document pages 49-51

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Item 16. Agency: H51 Medical University of SC  
Project: 9807, Clinical Sciences Building Third Floor Neurosciences Renovation - Phase II

**Action Proposed:** Establish Construction Budget for $2,250,000.00

*(Add $2,220,000.00 [9] Other, College of Medicine Practice Plan)*

**Purpose:** To renovate approximately 18,800 square feet in the Clinical Sciences Building at MUSC for the Department of Neurosciences. The project was established in June 2010 for pre-design work which is now complete. The work will include reconfiguring the space, renovating the HVAC system, and installing new interior finishes, ceilings and lighting. The renovation will expand office availability for physicians and mid level practitioners, consolidate faculty of the Department of Neurosciences in one location, and increase efficiency and patient satisfaction. Energy savings and conservation measures will include energy efficient lighting, HVAC controls and water fixtures. The agency reports the total projected cost of this project is $2,250,000 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 March 2011 and for completion of construction is November 2011.

**Ref:** Supporting document pages 52-54
Item 17. Agency: H59 State Board for Technical and Comprehensive Education  
Project: 9996, Trident - Building 940 Roof Replacement

**Action Proposed:** Establish Construction Budget for $640,000.00

(Add $631,525.00 [9] Other, Local Institutional)

**Purpose:** To replace the roof on Building 940 at Trident Technical College. The project was established in June 2009 for pre-design work which is now complete. The work will include removing the existing roof, repairing or replacing roof decking, and installing a new cool roof system, gutters and downspouts. The roof is approximately 30 years old and leaks, causing damage to interior building finishes. Numerous repairs have been made, but the roof is at the end of its intended life. The new cool roof system is highly reflective and can reduce roof surface temperatures and heat transferred into the building during the summer, thereby reducing energy costs. The agency reports the total projected cost of this project is $640,000 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 January 2011 and for completion of construction is July 2011.

Ref: Supporting document pages 55-58

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Project: 6014, Horry-Georgetown - Conway Building 300 Replacement

**Action Proposed:** Establish Construction Budget for $12,500,000.00

(Add $5,812,500.00 [9] Other, One Cent Sales Tax)  
(Add $6,500,000.00 [9] Other, Local College)

**Purpose:** To construct a 45,000 square foot building to replace Building 300 at Horry-Georgetown Technical College to house engineering, construction management and golf and sports turf management programs. The project was established in February 2010 for pre-design work, which is now complete. The work will include demolishing Building 300 and constructing a 45,000 square foot facility with classrooms, labs and faculty offices. Building 300 was constructed in the mid-1970’s, is not conducive to academic instruction, cannot accept more students, and is not energy efficient. The new facility will help accommodate growth in student enrollment, which in Spring 2010 was more than 17% higher than the prior year. The facility will be constructed to LEED Silver certification and include sustainable site, water and energy efficiency, and indoor air quality measures. The agency reports the total projected cost of this project is $12.5 million and additional annual operating costs ranging from $103,280 to $111,708 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is March 2011 and for completion of construction is April 2012.

Ref: Supporting document pages 59-64
Item 19. **Agency:** H17 Coastal Carolina University  
**Project:** 9575, Prudential Building and Land Acquisition  

**Action Proposed:** Establish Project for Preliminary Land Studies  

**Total budget:** $20,000.00  
**Other, One Cent Sales Tax:** $20,000.00  

**Purpose:** To procure the investigative studies required to adequately evaluate property prior to purchase. Coastal Carolina University is considering the purchase of approximately 83 acres of land with a 5,450 square foot building, which it currently leases, and exercising the purchase option associated with the current lease. The facility is located near the front entrance of the university and provides much needed office space for the administrative Human Resources and Payroll Departments. The facility has 18 offices, lobby and reception space, workroom spaces and a conference room.

**Ref:** Supporting document pages 65-67

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Item 20. **Agency:** H59 State Board for Technical and Comprehensive Education  
**Project:** 6023, Spartanburg - Downtown Campus Acquisition/Exchange  

**Action Proposed:** Establish Project for Preliminary Land Studies  

**Total budget:** $25,000.00  
**Other, Local College:** $25,000.00  

**Purpose:** To procure the investigative studies required to adequately evaluate property prior to purchase. Spartanburg Community College is considering the acquisition of the 105,177 square foot Evans Building on 4.59 acres of land in downtown Spartanburg from Spartanburg County. The property will be used as an academic facility to draw up to 3,000 students to the college for pre-college coursework, general education courses, and a new accelerated Honors College program ultimately allowing for University Transfer. The college is considering acquiring the property from the County by exchanging the 29,895 square foot Dent Building on 2.6 acres to the County as partial consideration for the County building.

**Ref:** Supporting document pages 68-71
### Item 21
**Agency:** H18  
**Project:** 9560, Athletic Complex Land Acquisition

**Purpose:** To accept the donation of 3.11 acres of land by Francis Marion University from the Francis Marion University Foundation. The project was established in December 2009 to allow Francis Marion to accept the donation of 81.96 acres from the foundation for the construction of an athletic complex and that donation has been completed. The additional acreage is needed to meet the final design and site layout of the new athletic complex and to eliminate the need to use property designated as wetlands by the Army Corps of Engineers. The Office of State Budget has reviewed the environmental study and approves its use in granting this request. The agency reports the foundation is paying all costs associated with the donation and no additional annual operating costs will result from the donation.

**Ref:** Supporting document pages 72-77

### Item 22
**Agency:** H59  
**Project:** 6017, Florence-Darlington - National Guard Land Acquisition

**Purpose:** To purchase 16 acres of land in Darlington County for Florence-Darlington Technical College. The project was established in March 2010 to procure the investigative studies required to evaluate property prior to purchase, which are now complete. The property will be leased to and used by the National Guard to construct a joint use vehicle maintenance facility with instructional facilities. The facilities will be shared by Florence-Darlington Tech for automotive repairs and bodywork to complement and enhance the College’s automotive program. The property has been appraised for $163,000 and the seller has agreed to sell for $158,035. The Office of State Budget has reviewed the appraisal and environmental study and approves their use in granting this request. The agency reports the total projected cost of the acquisition, including investigative studies, is $165,000 and no additional annual operating costs will result from the acquisition.

**Ref:** Supporting document pages 78-84
Project: 6018, Tri-County - Highway 76 Land Acquisition  

**Action Proposed:** Final Land Acquisition  
(Add $990,000.00 [9] Other, Local)  

**Purpose:** To purchase approximately 6.48 acres of land with a 43,008 square foot facility in Anderson County for Tri-County Technical College. The project was established in June 2010 to procure the investigative studies required to acquire property, which are now complete. The office/warehouse facility will be used for the college’s welding and HVAC programs which are currently housed in a facility that is obsolete for today’s manufacturing standards, requirements and safety regulations. Over the past five years, enrollment in the welding program has more than tripled and the HVAC program has grown by 90%. The property has been appraised for $1,165,000 and the seller has agreed to sell for $975,000. The Office of State Budget has reviewed the appraisal, environmental study and building condition assessment and approves their use in granting this request. The agency reports the total projected cost of the acquisition, including investigative studies, is $1,010,000 and additional annual operating costs of $60,000 will result in the three years following acquisition.

**Ref:** Supporting document pages 85-95

Project: 9596, Campbells Crossroads/Lewis Group Exchange  

**Action Proposed:** Final Land Acquisition  

**Purpose:** To accept 43.5 acres of land in Chesterfield County by exchange for the Forestry Commission. The project was established in February 2010 to procure the investigative studies required to evaluate property prior to purchase, which are now complete. The Forestry Commission will exchange 29 acres it owns as an out-holding near Patrick to acquire 43.5 acres which is an in-holding within the Sandhills State Forest. The 43.5 acres is located near two clusters of Red Cockaded Woodpeckers (RCW), a federal endangered species, and acquisition will allow it to be protected as part of the RCW recovery buffer area and eliminate an in-holding in the forest. Both properties have been appraised for $68,000 and the exchange will be an equal value exchange. The Office of State Budget has reviewed the appraisals and environmental study and approves their use in granting this request. The agency reports no projected cost of this acquisition as the owner of the in-holding is paying all costs associated with the exchange and no additional annual operating costs will result from the acquisition.

**Ref:** Supporting document pages 96-106
Item 25. Agency: P24 Department of Natural Resources  
Project: 9920, Aiken County Land Acquisition

Action Proposed: Final Land Acquisition


Purpose: To acquire 20 acres of land adjoining the Gopher Tortoise Heritage Preserve and Wildlife Management Area in Aiken County for the Department of Natural Resources. The project was established in May 2010 to procure the investigative studies required to evaluate property prior to purchase, which are now complete. The acquisition will help satisfy requirements of the Army Corps of Engineers wetland permits obtained by DNR to mitigate approximately 1.5 acres of wetland impacts at the Cohen Campbell Fish Hatchery in West Columbia. These impacts are associated with restructuring nine hatchery ponds and installing a new water line to the facility. Conservation and restoration of the 20-acre tract will save the agency from spending approximately $100,000 in mitigation credits. The property has been appraised for $32,000 and the sellers have agreed to sell for that amount. The Office of State Budget has reviewed the appraisal and environmental study and approves their use in granting this request. The agency reports the total projected cost of the acquisition, including investigative studies, is $41,350 and no additional annual operating costs will result from the acquisition.

Ref: Supporting document pages 107-115