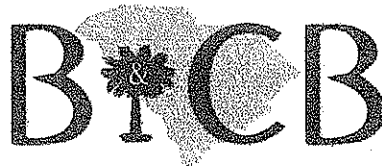


NIKKI HALEY, CHAIRMAN
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

State Budget Division
Les Boles
DIRECTOR

(803) 734-2280
Fax: (803) 734-0645

HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

MARCIA S. ADAMS
EXECUTIVE DIRECTOR

April 17, 2012

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

Dear Senator Leatherman:

The State Budget Division submits the following items for review at the April 25, 2012 meeting of the Joint Bond Review Committee.

From the General Services Division:

- 1) Coastal Carolina University Lease for Student Housing at University Place in Conway.

From the State Budget Division:

- 1) University of South Carolina Research University Infrastructure Project.
- 2) Summary 7-2012, including 15 permanent improvement project requests and three land acquisitions.

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

Sincerely,

A handwritten signature in cursive script that reads "Carol P. Routh".

Carol P. Routh
Manager, Capital Budgeting

Enclosures

cc: George Dorn, Tim Rogers, Ted Pitts, Bill Leidinger, Rick Harmon, Jim Holly, John White, Patricia Dennis, Courtney Blake, Les Boles, Charles Shawver, Stephen Gardner, John McEntire, Sandy Williams, Ernie Torres, John Malmrose, Mandy Kibler, Bill McCallum, Jim Berry, Derek Gruner, David Simms

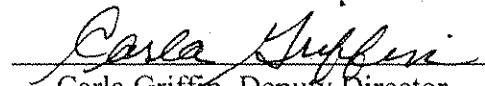
JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: ^{APRIL 25} May 9, 2012

Regular Agenda

1. Submitted by:

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


Carla Griffin, Deputy Director

2. Subject: Coastal Carolina University Lease for Student Housing at University Place in Conway

3. Summary Background Information:

Coastal Carolina University requests approval to sublease from Coastal Housing Foundation, LLC (LLC) 54.38 acres with improvements, located approximately 0.25 miles from the campus in Conway for continued use as student housing. The leased property consists of an apartment complex commonly known as *University Place*, containing 46 apartment buildings, an office building with food service and two pool/activity houses with a collective area of approximately 708,481 square feet, as well as two pools, parking and common grounds. The leased property has 2,425 bedrooms, including 67 bedrooms reserved for resident advisors and staff, and is expected to provide housing for approximately 2,312 students for the Fall 2012 semester in 295 double occupancy bedrooms and 1,784 single occupancy bedrooms.

The property is owned by the CCU Student Housing Foundation (Foundation) and leased to the LLC. The Foundation purchased the property in phases between 2003 and 2009. Coastal Housing Foundation, LLC is a South Carolina Limited Liability Company, of which the Foundation is the sole member. The University currently markets, operates, leases and maintains *University Place* in accordance with management agreements with the LLC. The University currently directs students to *University Place* pursuant to support agreements signed in 2005 and 2009. The management agreements will terminate as of the commencement date of the lease, contingent upon the approval of the lease by the Joint Bond Review Committee and the Budget and Control Board; however, the 2005 and 2009 support agreements will not.¹

The lease term will be thirty (30) years commencing July 1, 2012, after which the University may exercise successive optional renewal terms of one (1) year each. Annual rent during the initial term will be equal to 30% above the annual debt service owed by the LLC with annual rent for the first year of the lease not to exceed \$7,983,556.75. The portion of rent paid above the debt service payment will be allocated by the LLC to a surplus fund, expenditures from which will be restricted to such amounts necessary to defray the cost of capital assets, major property expenses, capital expenses requested by the University to improve student living (such as food service or fitness facility upgrades), and operating expenses of the Foundation, including all expenses relating to the bonds secured by the Foundation for *University Place*. Rent for any optional renewal term is \$1.00 per year. In addition to rent, the University will be responsible for paying an amount for "Maintenance and Renewal" estimated at \$383,544.32 for the first year and escalating 3% each year thereafter, which amounts may be adjusted according to the actual use of this escrow fund. All amounts in the Maintenance and Renewal fund will

¹ The 2005 Student Housing Support Agreement was subject to the South Carolina Consolidated Procurement Code. At the University's request, and pursuant to regulation, the Procurement Services Division has ratified the University's execution of the 2005 Student Housing Support Agreement.

be available for reimbursement to the University of approved expenses for capital improvements and/or routine maintenance expenses. Additionally, the University will be responsible for all operating costs for the property which is estimated at \$3,800,000 for the first year, and includes the cost of employees, security services, maintenance supplies, insurance, telephones, cable, utilities, etc. Based on the maximum rent the University can pay under the lease, the expected Maintenance and Renewal fee, and the expected operating costs, the estimated maximum amount the University will pay over the term is as follows:

Year	Period	Rent	Maintenance & Renewal ²	Operating ³	Total	Cost Per Bed
1	7-1-12 to 6-30-13	\$ 7,983,556.75	\$ 383,544.32	\$ 3,790,891.69	\$ 12,157,992.75	\$ 5,258.65
2	7-1-13 to 6-30-14	\$ 7,981,249.25	\$ 395,050.64	\$ 3,862,874.08	\$ 12,239,173.97	\$ 5,293.76
3	7-1-14 to 6-30-15	\$ 7,982,191.10	\$ 406,902.16	\$ 3,936,181.05	\$ 12,325,274.31	\$ 5,331.00
4	7-1-15 to 6-30-16	\$ 7,986,124.25	\$ 419,109.23	\$ 4,010,835.65	\$ 12,416,069.13	\$ 5,370.27
5	7-1-16 to 6-30-17	\$ 7,986,091.75	\$ 431,682.51	\$ 4,086,861.27	\$ 12,504,635.53	\$ 5,408.58
6	7-1-17 to 6-30-18	\$ 7,981,671.75	\$ 444,632.98	\$ 4,164,281.67	\$ 12,590,586.40	\$ 5,445.76
7	7-1-18 to 6-30-19	\$ 7,985,246.75	\$ 457,971.97	\$ 4,243,120.97	\$ 12,686,339.69	\$ 5,487.17
8	7-1-19 to 6-30-20	\$ 7,987,814.25	\$ 471,711.13	\$ 4,323,403.67	\$ 12,782,929.05	\$ 5,528.95
9	7-1-20 to 6-30-21	\$ 7,985,393.00	\$ 485,862.46	\$ 4,405,154.64	\$ 12,876,410.10	\$ 5,569.38
10	7-1-21 to 6-30-22	\$ 7,981,623.00	\$ 500,438.34	\$ 4,488,399.10	\$ 12,970,460.44	\$ 5,610.06
11	7-1-22 to 6-30-23	\$ 7,984,223.00	\$ 515,451.49	\$ 4,573,162.70	\$ 13,072,837.19	\$ 5,654.34
12	7-1-23 to 6-30-24	\$ 7,985,978.00	\$ 530,915.03	\$ 4,659,471.44	\$ 13,176,364.47	\$ 5,699.12
13	7-1-24 to 6-30-25	\$ 7,986,563.00	\$ 546,842.48	\$ 4,747,351.72	\$ 13,280,757.20	\$ 5,744.27
14	7-1-25 to 6-30-26	\$ 7,984,405.00	\$ 563,247.76	\$ 4,836,830.33	\$ 13,384,483.09	\$ 5,789.14
15	7-1-26 to 6-30-27	\$ 7,986,062.50	\$ 580,145.19	\$ 4,927,934.46	\$ 13,494,142.15	\$ 5,836.57
16	7-1-27 to 6-30-28	\$ 7,986,225.00	\$ 580,145.19	\$ 5,038,096.05	\$ 13,604,466.24	\$ 5,884.28
17	7-1-28 to 6-30-29	\$ 7,984,600.00	\$ 580,145.19	\$ 5,150,460.88	\$ 13,715,206.07	\$ 5,932.18
18	7-1-29 to 6-30-30	\$ 7,980,895.00	\$ 580,145.19	\$ 5,265,073.00	\$ 13,826,113.19	\$ 5,980.15
19	7-1-30 to 6-30-31	\$ 7,981,220.00	\$ 580,145.19	\$ 5,381,977.36	\$ 13,943,342.55	\$ 6,030.86
20	7-1-31 to 6-30-32	\$ 7,981,626.25	\$ 580,145.19	\$ 5,501,219.81	\$ 14,062,991.25	\$ 6,082.61
21	7-1-32 to 6-30-33	\$ 7,983,251.58	\$ 580,145.19	\$ 5,622,847.11	\$ 14,186,243.88	\$ 6,135.92
22	7-1-33 to 6-30-34	\$ 7,985,282.50	\$ 580,145.19	\$ 5,746,906.96	\$ 14,312,334.65	\$ 6,190.46
23	7-1-34 to 6-30-35	\$ 7,987,070.00	\$ 580,145.19	\$ 5,873,448.00	\$ 14,440,663.19	\$ 6,245.96
24	7-1-35 to 6-30-36	\$ 7,981,382.50	\$ 580,145.19	\$ 6,002,519.87	\$ 14,564,047.56	\$ 6,299.33
25	7-1-36 to 6-30-37	\$ 7,985,607.50	\$ 580,145.19	\$ 6,134,173.17	\$ 14,699,925.86	\$ 6,358.10
26	7-1-37 to 6-30-38	\$ 7,987,362.50	\$ 580,145.19	\$ 6,268,459.54	\$ 14,835,967.23	\$ 6,416.94
27	7-1-38 to 6-30-39	\$ 7,985,380.00	\$ 580,145.19	\$ 6,405,431.63	\$ 14,970,956.82	\$ 6,475.33
28	7-1-39 to 6-30-40	\$ 7,984,892.50	\$ 580,145.19	\$ 6,545,143.17	\$ 15,110,180.86	\$ 6,535.55
29	7-1-40 to 6-30-41	\$ 7,984,210.00	\$ 580,145.19	\$ 6,687,648.93	\$ 15,252,004.12	\$ 6,596.89
30	7-1-41 to 6-30-42	\$ 7,981,642.50	\$ 580,145.19	\$ 6,833,004.82	\$ 15,394,792.51	\$ 6,658.65
Total for 30 Years		\$239,528,841.18			\$408,877,691.46	
Average for 30 Years		\$7,984,294.71			\$13,629,256.38	\$5,895.01

² Bonds require a 3% increase yearly in Maintenance and Renewal, calculated per bedroom, unless revisited by an external consultant. A 3% escalation is assumed for the first fifteen (15) years. The University intends to have the required reserve amount revisited regularly.

³ Assumes a 2% operating expense increase per year.

Rent for comparable apartments near the University is more expensive and, as off-campus housing, does not offer many of the services of on-campus housing such as shuttle services, security and resident assistants.

The University has adequate funds for the lease according to a Budget Approval Form submitted January 10, 2012, which also includes a multi-year plan. Lease payments will be made from revenue received from student housing fees collected for *University Place*, which is \$6,620 per bed for a single occupancy bedroom or \$5,890 per bed for a double occupancy bedroom collectively for the fall and spring semesters of the 2012-2013 school year. Assuming an annual average occupancy at *University Place* of 85%, the University will realize a positive cash flow of approximately \$485,000 in the first year of the lease, which will be used for improving student experiences, including increased programming and residential academic opportunities. The University has the option to purchase the property at the expiration of the initial term or during any extended term for \$1.00 plus any costs remaining to satisfy outstanding bond obligations on the property. Environmental assessments dated September 9, 2005 and September 30, 2009 revealed no on-site environmental conditions associated with the property.

The lease was approved by David A. DeCenzo, President of Coastal Carolina University and by Nancy Z. Jarrett, Manager of Coastal Housing Foundation, LLC. The lease is contingent upon the approval of the Commission on Higher Education, which will consider the lease at its May 3, 2012 meeting.

4. What is JBRC asked to do? Approve the proposed thirty (30) year lease and optional renewal terms of one year each for Coastal Carolina University at *University Place* in Conway contingent upon the approval of the Commission on Higher Education.

5. What is recommendation of the Division of General Services? Approval of the proposed thirty (30) year lease and optional renewal terms of one year each for Coastal Carolina University at *University Place* in Conway contingent upon the approval of the Commission on Higher Education.

6. List of Supporting Documents:

- (a) Letter from Coastal Carolina University dated March 21, 2012
- (b) SC Code of Laws Sections 1-11-55 and 1-11-56



Vice President
for Finance and Administration

March 21, 2012

Lisa H. Catalanotto, Esquire
SC Budget and Control Board
Division of General Services
Wade Hampton Building
1200 Senate Street, Suite 460
Columbia, SC 29201

Dear Lisa:

Please accept this letter as a request for State Budget and Control Board approval of the Governmental Real Estate Lease Agreement for University Place, an apartment-style student housing facility, between the Coastal Housing Foundation, LLC, as landlord, and Coastal Carolina University as tenant. The term of the lease shall be for a period commencing on July 1, 2012, and ending on June 30, 2042. The University will pay annual rent in semi-annual installments in the amounts set forth in the Rent Schedule as attached to the enclosed proposed lease agreement. A lease agreement, as opposed to the current management agreement between the University and the Student Housing Foundation, would allow University Place to be included under the umbrella of University Housing, thus making all student housing consistent and uniform with regard to rate settings.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Stacie A. Bowie".

Stacie A. Bowie
CFO/Vice President
Finance & Administration

Enclosure

/jad

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. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility.

(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.

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: April 25, 2012

Regular Agenda

1. Submitted By:

- (a) Agency: State Budget Division
(b) Authorized Official Signature:


Carol Routh, Capital Budget Manager

2. Subject: University of South Carolina Research University Infrastructure Project

3. Summary Background Information:

The South Carolina SmartState Review Board has certified the University of South Carolina for \$13,333,334 in general obligation debt to be issued under the South Carolina Research University Infrastructure Act (RUIA) for Innovista Phase II. The Act requires the Review Board to certify to the Joint Bond Review Committee and the Budget and Control Board that at least 50% of the cost of each research infrastructure project is being provided by private, federal, municipal, county or other local government sources.

The USC research infrastructure project consists of the following aspects that were certified by the Review Board:

- 1) The RUIA projects consists of the upfit of 47,024 square feet on the ground and fourth floors of the Horizon Building to provide laboratory space, support areas and offices to house research for the two nuclear science SmartState Centers of Economic Excellence, as well as the Hydrogen Economy SmartState Center of Economic Excellence, the Renewable Fuel Cells SmartState Center of Economic Excellence, and the USC Aerospace Program, in the amount of \$13.4 million of which \$13,333,334 will be funded with general obligation debt to be issued.
- 2) The total cost of the Research Infrastructure Project is approximately \$26,840,386.
- 3) The completed schedule and projected construction period during which the proceeds of the requested general obligation will be executed is from February 2012 to June 2014.
- 4) The RUIA project, for which \$13,333,334 in general obligation debt is requested to be issued, was approved by the SmartState Review Board on February 27, 2012.
- 5) At least 50% of the cost of the USC RUIA Project is matched by private, federal, municipal, county or other local government sources. This match totaling \$13,440,386 conforms to RUIA Cost Share Accounting Policy.
- 6) The provisions of Code Section 11-51-70 have been met, the source and validity of the match have been verified, and the USC RUIA Project complies with the provisions of Title 11, Chapter 51 of the Code, subject to confirmation of financing to be provided by the State Treasurer's Office.
- 7) The Review Board has determined that the USC RUIA Project conforms to the purposes and goals of the Research University Infrastructure Act. The Review Board has approved the USC RUIA Project in accordance with the Act and the Board's implementation guidelines.

The Joint Bond Review Committee is asked to do the following: 1) approve the USC Innovista Phase II Research University Infrastructure Project and 2) approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

4. What is JBRC asked to do?

Approve the USC Innovista Phase II Research University Infrastructure Project and approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

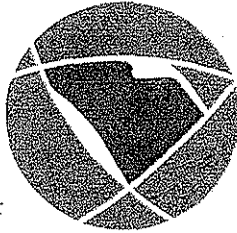
5. What is the recommendation of the State Budget Division?

Approve the USC Innovista Phase II Research University Infrastructure Project and approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

6. List of Supporting Documents:

1. SmartState Review Board Letter dated February 27, 2012
2. Certification and Statement of the SmartState Review Board
3. Match Summary Sheet
4. Pro Forma Schedules on Research University Infrastructure Bonds
5. Additional Annual Operating Costs
6. LEED Cost Benefit Analysis

Regan Voit, Chair
Melvin Williams, Vice Chair
Keith Munson, Secretary



SmartState™

SC Centers of Economic Excellence

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

RECEIVED

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BUDGET & CONTROL BOARD
OFFICE OF THE COMPTROLLER

February 27, 2012

RE: Certification of Research University Infrastructure Act (RUIA) Project
for University of South Carolina: Innovista Phase II

Dear Senator Leatherman:

On behalf of the SmartState Review Board (Review Board), I am pleased to transmit to you certification of \$13,333,333 in general obligation debt to be issued under the South Carolina Research University Infrastructure Act for the Innovista Phase II project on the University of South Carolina-Columbia campus.

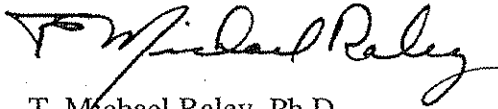
The Act requires that the Review Board “certify to the state board that at least fifty percent of the cost of each research infrastructure project is being provided by private, federal, municipal, county, or other local government sources.” The Act further stipulates that “[t]his portion of the cost, in the discretion of the [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.”

University of South Carolina submitted supporting information to Commission on Higher Education staff on February 12, 2012, and presented this information to the Review Board on February 27, 2012. 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 Review Board voted to certify the request from University of South Carolina on February 27, 2012.

Please find enclosed a Certification that summarizes the information required from the Review Board pursuant to the South Carolina Research University Infrastructure Act. This information has also been presented to the Budget and Control Board (State Board). If the Joint Bond Review Committee or the State Board requires additional supporting information, the Review Board welcomes the opportunity to provide additional information supporting this certification.

The Review Board believes that this project represents an exciting opportunity for University of South Carolina 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,

A handwritten signature in black ink, appearing to read "T. Michael Raley". The signature is fluid and cursive, with a large initial "T" and "M".

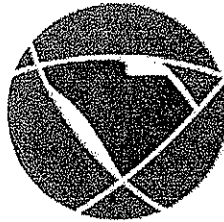
T. Michael Raley, Ph.D.

CHE Director of Academic Affairs & Licensing

cc: Ms. Carol Routh, S.C. Budget & Control Board
Mr. George Dorn, Joint Bond Review Committee
Mr. Rick Harmon, State Treasurer's Office

Enclosure: USC Innovista Phase II Certification

Regan Voit, Chair
Melvin Williams, Vice Chair
Keith Munson, Secretary



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SC Centers of Economic Excellence

CERTIFICATION AND STATEMENT OF THE SMARTSTATE REVIEW BOARD

This Certification and Statement is made by the SmartState 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 Certification and Statement concerns the proposed Research University Infrastructure Act (RUIA) Project, as defined in S.C. Code Section 11-51-30(4), to be developed on and near the University of South Carolina (USC) campus in Columbia, South Carolina.

The RUIA Project consists of the following original building components:

- **47,024 square footage up-fit of Ground and Fourth Floors of Horizon Building** (known formerly as Beta Research Facility), located at the corner of Assembly Street and Blossom Street on the USC Columbia campus. The entire facility is occupied by faculty drawn from the following USC colleges and departments: the College of Arts and Sciences' Department of Chemistry and the College of Engineering and Computing's Departments of Chemical Engineering and Mechanical Engineering. Significant programmatic space is dedicated to a number of SmartState Program research centers and SmartState Endowed Chairs. The impacted floors (Ground and Fourth Floors) will provide laboratory space, support areas and offices to house research for the two nuclear science SmartState Centers of Economic Excellence, as well as the Hydrogen Economy SmartState of Economic Excellence, the Renewable Fuel Cells SmartState Center of Economic Excellence, and the USC Aerospace Program. **Cost: \$13,400,000.** [See Exhibits A, B & E.]

TOTAL COMPONENT COST: \$13,400,000

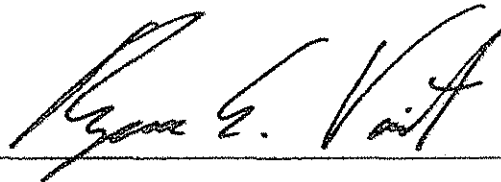
The SmartState Review Board hereby certifies and states to the Joint Bond Review Committee and the Budget and Control Board the following:

- (1) The total cost of the Research Infrastructure Project is approximately \$26,840,386.
- (2) The completed schedule (projected construction period) during which the proceeds of the requested general obligation will be executed is as follows:
February 2012 to June 2014
- (3) The USC RUIA Project, for which \$13,333,334 in general obligation debt is requested to be issued, is described in the February 17, 2012, letter and project summary [Exhibit A] from USC. The USC RUIA Project was presented and approved by the SmartState Review Board on February 27, 2012.

SMARTSTATE REVIEW BOARD CERTIFICATION AND STATEMENT

- (4) Pursuant to S.C. 11-51-70, at least 50 percent of the cost of the USC RUIA Project is matched by private, federal, municipal, county or other local government sources. This match, totaling \$13,440,386, conforms to the S.C. Research University Infrastructure Act Cost Share Accounting Policy. [See Exhibit E 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 have been verified, and the USC RUIA Project, as described in the Revised USC 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 USC RUIA Project conforms to the purposes and goals of the South Carolina Research University Infrastructure Act. The Board has approved the USC RUIA Project in accordance with the Act and the Board's implementation guidelines.

This Certificate and Statement is made this 27th day of February, 2012, by the Board:



Regan Voit
Chair, SmartState Review Board

Research University Infrastructure Act
University of South Carolina Phase II Project Certification
Match Summary Sheet

I. Project Components:

1. Horizon Building Up-fit.....\$13,400,000
 [Non-match funding source is \$13,333,333 in RUIA bonds
 and \$66,666 from grant indirect costs.]

II. Matching Components:

1. IBM Computer Software and Equipment Gift.....\$12,782,682¹
 [See Exhibits C-1 & C-2.]
2. Department of the Air Force Grant.....\$657,704
 [See Exhibit D.]

TOTAL MATCH.....\$13,440,386

TOTAL PROJECT COST.....\$26,840,386

Pursuant to S.C. 11-51-70, at least 50 percent of the cost of each RUIA Project must be matched by private, federal, municipal, county, or other local government sources. Based on the total project cost of \$26,840,386, the match for the USC RUIA Project must be at least \$13,420,193.

USC has obtained \$20,193 in overmatch of non-state funds (as permitted by the Research University Infrastructure Act Cost Share Accounting Policy, Item III).

¹ USC claimed as a non-state match \$38 million of the Years I and II IBM gift (\$50,782,682 total) in its January 2012 Phase I RUIA Project Recertification. Here USC claims the remainder total of the Year II IBM gift.

PRO FORMA SCHEDULE SHOWING PRINCIPAL AND INTEREST REQUIREMENTS ON
 \$13,335,000 STATE GENERAL OBLIGATION RESEARCH UNIVERSITY INFRASTRUCTURE BONDS
 AT AN AVERAGE ANNUAL INTEREST RATE OF
 TWO AND ONE HUNDREDTHS PERCENT (2.01%)

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
June 30, 2013	\$ 790,000.00	\$ 216,682.32	\$ 1,006,682.32
June 30, 2014	825,000.00	213,630.30	1,038,630.30
June 30, 2015	830,000.00	209,323.80	1,039,323.80
June 30, 2016	835,000.00	203,865.16	1,038,865.16
June 30, 2017	840,000.00	197,240.84	1,037,240.84
June 30, 2018	850,000.00	189,437.24	1,039,437.24
June 30, 2019	860,000.00	179,283.98	1,039,283.98
June 30, 2020	875,000.00	166,727.98	1,041,727.98
June 30, 2021	885,000.00	152,062.98	1,037,062.98
June 30, 2022	905,000.00	135,318.78	1,040,318.78
June 30, 2023	925,000.00	116,241.38	1,041,241.38
June 30, 2024	945,000.00	95,850.68	1,040,850.68
June 30, 2025	965,000.00	74,108.12	1,039,108.12
June 30, 2026	990,000.00	50,975.14	1,040,975.14
June 30, 2027	1,015,000.00	26,288.50	1,041,288.50
Total	\$ <u>13,335,000.00</u>	\$ <u>2,227,037.20</u>	\$ <u>15,562,037.20</u>

SCHEDULE SHOWING PRINCIPAL AND INTEREST REQUIREMENTS FOR ALL SERIES OF
 STATE GENERAL OBLIGATION RESEARCH UNIVERSITY INFRASTRUCTURE BONDS
 ISSUED PURSUANT TO THE PROVISIONS OF TITLE 11, CHAPTER 51,
 CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Fiscal Year Ending	Principal	Interest	Debt Service
June 30, 2012	\$ 13,860,000.00	\$ 6,959,925.00	\$ 20,819,925.00
June 30, 2013	14,305,000.00	6,318,818.75	20,623,818.75
June 30, 2014	14,790,000.00	5,662,093.75	20,452,093.75
June 30, 2015	15,335,000.00	4,965,862.50	20,300,862.50
June 30, 2016	15,935,000.00	4,227,356.25	20,162,356.25
June 30, 2017	15,485,000.00	3,489,212.50	18,974,212.50
June 30, 2018	16,105,000.00	2,788,375.00	18,893,375.00
June 30, 2019	16,785,000.00	2,130,000.00	18,915,000.00
June 30, 2020	17,520,000.00	1,490,000.00	19,010,000.00
June 30, 2021	16,010,000.00	891,950.00	16,901,950.00
June 30, 2022	3,875,000.00	537,000.00	4,412,000.00
June 30, 2023	4,025,000.00	379,000.00	4,404,000.00
June 30, 2024	4,185,000.00	214,800.00	4,399,800.00
June 30, 2025	4,370,000.00	65,550.00	4,435,550.00
Total	<u>\$ 172,585,000.00</u>	<u>\$ 40,119,943.75</u>	<u>\$ 212,704,943.75</u>

SCHEDULE SHOWING PRINCIPAL AND INTEREST REQUIREMENTS FOR ALL SERIES OF
 STATE GENERAL OBLIGATION BONDS ISSUED PURSUANT TO THE PROVISIONS OF
 TITLE 11, CHAPTER 51, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED,
 INCLUDING THE PROPOSED NOT EXCEEDING \$13,335,000 PRINCIPAL AMOUNT
 STATE GENERAL OBLIGATION RESEARCH UNIVERSITY INFRASTRUCTURE BONDS
 AT AN AVERAGE ANNUAL INTEREST RATE OF
 TWO AND ONE HUNDREDTHS PERCENT (2.01%)

Fiscal Year Ending	Principal	Interest	Debt Service
June 30, 2012	\$ 13,860,000.00	\$ 6,959,925.00	\$ 20,819,925.00
June 30, 2013	15,095,000.00	6,536,467.99	21,631,467.99
June 30, 2014	15,620,000.00	5,876,690.95	21,496,690.95
June 30, 2015	16,170,000.00	5,176,127.10	21,346,127.10
June 30, 2016	16,775,000.00	4,432,129.33	21,207,129.33
June 30, 2017	16,330,000.00	3,687,321.58	20,017,321.58
June 30, 2018	16,960,000.00	2,978,634.04	19,938,634.04
June 30, 2019	17,650,000.00	2,310,046.06	19,960,046.06
June 30, 2020	18,395,000.00	1,657,417.06	20,052,417.06
June 30, 2021	16,900,000.00	1,044,702.06	17,944,702.06
June 30, 2022	4,785,000.00	672,913.26	5,457,913.26
June 30, 2023	4,950,000.00	495,730.46	5,445,730.46
June 30, 2024	5,135,000.00	311,139.76	5,446,139.76
June 30, 2025	5,340,000.00	140,032.16	5,480,032.16
June 30, 2026	995,000.00	51,229.32	1,046,229.32
June 30, 2027	1,020,000.00	26,418.00	1,046,418.00
Total	\$ 185,980,000.00	\$ 42,356,924.13	\$ 228,336,924.13

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY
Code H27 Name USC Columbia

2. PROJECT
Project # 6081 Name Horizon I Ground and Fourth Floors Upfit

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

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2013/14 (partial year)	\$190,309.50	\$	\$	\$190,309.50
2) 2014/15	\$380,619.00	\$	\$	\$380,619.00
3) 2015/16	\$380,619.00	\$	\$	\$380,619.00

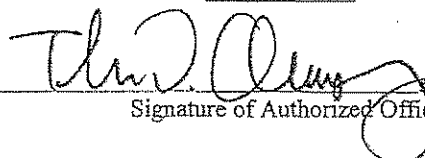
5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget?
If no, how will additional funds be provided? YES NO

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Custodial</u>	<u>43,307.00</u>
2. <u>Maintenance</u>	<u>43,307.00</u>
3. <u>Waste Management</u>	<u>1,202.50</u>
4. <u>Utilities</u>	<u>102,493.00</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>190,309.50</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 3

9. Submitted By:  Associate VP, Facilities 2/14/12
Signature of Authorized Official and Title Date

Cost Benefit Analysis

University of South Carolina- Horizon Ground and Fourth Floors

In accordance with the Energy Independence and Sustainable Construction Act of 2007, the construction of the Horizon Ground and Fourth Floor will meet, at a minimum, Silver Level LEED CI Criteria. All costs are estimated as energy modeling was not a part of the Phase I Scope for this project. Below is a preliminary Cost Benefit Analysis as a produced at the conclusion of the Phase I Design Process. Baseline energy costs are provided below.

Estimated Cost Associated with LEED Silver Level Certification and Improved Energy Performance	
Basic and Enhanced Commissioning Fees	\$ 40,000
Energy Modeling and LEED Management Fees	\$ 10,000
LEED Administration	\$ 12,000
Additional Design cost and LEED administration support	\$ 25,000
Measurement and Verification	\$ 10,000
Renewable Energy Credit Purchase	\$ 4,000
Misc increase of construction costs for items such as HVAC controls, energy star appliances, certified wood and rapidly renewable materials and general contractor overhead	\$ 25,000
TOTAL	\$ 126,000

Estimated Annual Operating Costs of Horizon Ground and Fourth Floors				
	square footage	cost per sq. ft.	annual cost	30 year cost
Power	47,024	\$ 1.72	\$ 80,881	\$ 2,426,438
Water	47,024	\$ 0.19	\$ 8,935	\$ 268,037
Maintenance	47,024	\$ 1.50	\$ 70,536	\$ 2,116,080
TOTAL			\$ 160,352	\$ 4,810,555

Estimated Annual Operating Costs of Horizon Ground and Fourth Floors				
Power (goal 20% reduction)	47,024	\$ 1.38	\$ 64,893	\$ 1,946,794
Water (goal 35% reduction)	47,024	\$ 0.12	\$ 5,643	\$ 169,286
Maintenance (assumed 10% reduction)	47,024	\$ 1.35	\$ 63,482	\$ 1,904,472
TOTAL			\$ 134,018	\$ 4,020,552

SAVINGS OVER 30 YEAR LIFE CYCLE	\$ 26,333	\$ 790,003
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**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 February 9, 2012 to April 16, 2012**

Item 1. Agency: H12 Clemson University Project: 9899, Douthit Hills Development Action Proposed: Establish Project for A&E Design Total budget.....\$1,852,000.00 [9] Other, Housing Improvement Fund.....\$1,852,000.00 Purpose: To begin design work to construct new student housing at Clemson. The work will include constructing housing for approximately 1,450 students and constructing a 400-seat dining hall and main bookstore, along with other student services and retail space. Douthit Hills will be constructed on property at the front door to the campus in two sections, ones that will accommodate apartment-style housing for upperclassmen and women and one that will provide residence halls to house students in the Bridge program. Over the past ten years, Clemson’s student population has grown by 30% and no new student housing has been added. Clemson currently has 1,300 fewer beds than it did in 2001, the average age of housing facilities is 31 years old, and 52% of available beds are more than 40 years old. The construction will allow Clemson to increase the number of students living on campus from approximately 36% to 50%. The new housing will provide a safe environment conducive to learning. Ref: Supporting document pages 1-5	CHE Approval Date: 04/05/12 Committee Review Date: B&C Board Approval Date: Budget After Action Proposed <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>Other, Housing Improvement Fund</td> <td style="text-align: right;">1,852,000.00</td> </tr> <tr> <td>Total Funds</td> <td style="text-align: right;">1,852,000.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Other, Housing Improvement Fund	1,852,000.00	Total Funds	1,852,000.00
<u>Source</u>	<u>Amount</u>						
Other, Housing Improvement Fund	1,852,000.00						
Total Funds	1,852,000.00						

Item 2. Agency: H17 Coastal Carolina University Project: 9593, Hicks Dining Hall Expansion Action Proposed: Establish Project for A&E Design Total budget.....\$37,500.00 [9] Other, Auxiliary Services.....\$37,500.00 Purpose: To begin design work to construct an addition to the Hicks Dining Hall at Coastal Carolina. The work will include constructing a 6,700 square foot addition and possible outdoor patio seating to provide three additional food stations, a beverage station and approximately 175 additional seats. To meet the university’s strategic plan to grow to 12,500 students by 2020, the university will be adding 1,270 beds to university housing. Hicks Dining Hall will provide food service for this additional housing and expansion is needed to meet this growth. Ref: Supporting document pages 6-10	CHE Approval Date: 04/05/12 Committee Review Date: B&C Board Approval Date: Budget After Action Proposed <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>Other, Auxiliary Services</td> <td style="text-align: right;">37,500.00</td> </tr> <tr> <td>Total Funds</td> <td style="text-align: right;">37,500.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Other, Auxiliary Services	37,500.00	Total Funds	37,500.00
<u>Source</u>	<u>Amount</u>						
Other, Auxiliary Services	37,500.00						
Total Funds	37,500.00						

State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
February 9, 2012 April 16, 2012

<p>Item 3. Agency: H24 South Carolina State University</p> <p style="margin-left: 40px;">Action Proposed: Establish Project for A&E Design</p> <p>Total budget.....\$26,250.00 [7] Federal.....\$26,250.00</p> <p>Purpose: To begin design work to renovate the 1890 extension facility annex at SC State. The work on the 6,036 square foot facility will include reconfiguring space to create efficient offices, conference rooms, work rooms and support spaces, renovating the HVAC, electrical, and plumbing systems, and replacing windows and finishes. The renovation is needed because the annex is not adequate to meet the programmatic or business needs of the 1890 Extension Program or to fulfill the land grant mission of providing research, teaching and service to the citizens of the state.</p> <p>Ref: Supporting document pages 11-15</p>	<p>Project: 9648, 1890 Extension Annex Renovation</p>	<p>CHE Approval Date: N/A Committee Review Date: B&C Board Approval Date:</p>	<p style="text-align: center;">Budget After Action Proposed</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Source</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>Federal</td> <td style="text-align: right;">26,250.00</td> </tr> <tr> <td>Total Funds</td> <td style="text-align: right;">26,250.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Federal	26,250.00	Total Funds	26,250.00
<u>Source</u>	<u>Amount</u>								
Federal	26,250.00								
Total Funds	26,250.00								

<p>Item 4. Agency: H24 South Carolina State University</p> <p style="margin-left: 40px;">Action Proposed: Establish Project for A&E Design</p> <p>Total budget.....\$20,250.00 [7] Federal.....\$20,250.00</p> <p>Purpose: To begin design work to construct an 1890 extension facility at Camp Harry Daniels in Ellore for SC State. The work will include constructing an approximately 9,000 square foot facility that will include offices, a conference room, a food and nutrition lab, a computer lab, meeting and support spaces. Existing facilities at Camp Daniels are unsafe and dilapidated and there are no facilities conducive to providing extension programs. The facility is needed to fulfill the university's land grant mission of providing research, teaching and service to the citizens of the state.</p> <p>Ref: Supporting document pages 16-20</p>	<p>Project: 9649, Camp Harry Daniels 1890 Extension Facility Construction</p>	<p>CHE Approval Date: N/A Committee Review Date: B&C Board Approval Date:</p>	<p style="text-align: center;">Budget After Action Proposed</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Source</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>Federal</td> <td style="text-align: right;">20,250.00</td> </tr> <tr> <td>Total Funds</td> <td style="text-align: right;">20,250.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Federal	20,250.00	Total Funds	20,250.00
<u>Source</u>	<u>Amount</u>								
Federal	20,250.00								
Total Funds	20,250.00								

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
February 9, 2012 to April 16, 2012**

Item 5. Agency: H51 Medical University of South Carolina Project: 9823, Basic Science Building Craniofacial Biology Research Renovations

CHE Approval Date: 04/05/12
Committee Review Date:
B&C Board Approval Date:

Action

Proposed: Establish Project for A&E Design

Budget After Action Proposed

Total budget.....\$39,000.00
[9] Other, College of Dental Medicine Clinical Revenue.....\$39,000.00

<u>Source</u>	<u>Amount</u>
Other, College of Dental Medicine Clinical Revenue	39,000.00
Total Funds	39,000.00

Purpose: To begin design work to renovate a portion of the Basic Science Building at MUSC. The work will include reconfiguring approximately 9,000 square feet on the second floor to create wet lab bench space and support spaces including tissue culture rooms, an autoclave room, a dark room, a microscopy room and lab technician areas for the Dental School's Department of Craniofacial Biology. The work will also include replacing the HVAC, electrical, fire alarm and plumbing systems and installing new finishes in the space. The Department of Craniofacial Biology does not have any research lab space and completion of the new Dental Clinics Building resulted in vacated space, making this renovation to provide research lab space possible.

Ref: Supporting document pages 21-25

Item 6. Agency: H59 State Board for Technical and Comprehensive Education Project: 6053, Aiken - Center for Energy and Advanced Technology Construction

CHE Approval Date: 04/05/12
Committee Review Date:
B&C Board Approval Date:

Action

Proposed: Establish Project for A&E Design

Budget After Action Proposed

Total budget.....\$92,958.00
[9] Other, Local College.....\$92,958.00

<u>Source</u>	<u>Amount</u>
Other, Local College	92,958.00
Total Funds	92,958.00

Purpose: To begin design work to construct a Center for Energy and Advanced Technology at Aiken Tech. The work will include constructing an approximately 27,600 square foot facility to house classrooms, labs and offices for Industrial Technology programs and training rooms for business use, constructing parking for the facility, and doing related site work. Existing facilities housing Industrial Technology programs do not have sufficient lab space, have inadequate technology, do not meet current life safety codes, and have significant deferred maintenance needs. Renovating the existing facilities is not a cost effective option to meet the increased demands for industrial technology skills.

Ref: Supporting document pages 26-32

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 February 9, 2012 to April 16, 2012**

Item 7.	Agency: F03 Budget and Control Board	Project: 9909 Sims-Aycock Building Roof/Penthouse Wall Leak Repairs	CHE Approval Date: Committee Review Date: B&C Board Approval Date:	N/A
	Action Proposed: Establish Project for A&E Design		Budget After Action Proposed	
	Total budget.....	\$19,800.00	<u>Source</u>	<u>Amount</u>
	[9] Other, Depreciation Reserve.....	\$19,800.00	Other, Depreciation Reserve	19,800.00
	Purpose: To begin design work to repair the roof and wall leaks on the Sims-Aycock Building. The work will include repairing or replacing the roof and repairing wall penetrations on the fourth floor penthouse after evaluation of the existing roof system, flashing conditions and roof penetrations is completed during pre-design to determine the full scope of work to be done. The building leaks at the roof and fourth floor penthouse, causing damage to the building's interior and affecting working conditions inside the building. The roof is out of warranty and leaks.		Total Funds	19,800.00
	Ref: Supporting document pages 33-37			

Item 8.	Agency: H17 Coastal Carolina University	Project: 9582, Student Center Annex Construction	CHE Approval Date: Committee Review Date: B&C Board Approval Date:	01/18/12
	Action Proposed: Establish Construction Budget for \$12,050,000.00		Budget After Action Proposed	
	(Add \$6,000,000.00 [9] Other, Horry County Higher Education Commission)		<u>Source</u>	<u>Amount</u>
	(Add \$3,000,000.00 [9] Other, Institutional Capital Project Funds)		Other, Horry County Higher Education Commission	6,000,000.00
	(Add \$2,690,000.00 [9] Other, Renovation Reserve/Plant Expansion)		Other, Institutional Capital Project Funds	3,000,000.00
	Purpose: To construct the first of two annexes to the Student Center at Coastal Carolina. The project was established in March 2011 for pre-design work for both annexes which is now complete. The first annex will be approximately 39,052 square feet and will include a 250-seat theater/auditorium, a recreation and game room, and spaces for student organizations, administration and lounges. The Student Center was constructed in 1978 when the enrollment was 1,760 students, while Fall 2011 enrollment was 9,084. The center lacks lobby and lounge areas and general social space for students and the university needs this student life space to develop a stronger student community. The annex will be constructed to LEED Silver certification and will include water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality measures. The LEED cost benefit analysis shows a positive cost benefit of \$1,101,399 over 30 years. The agency reports the total projected cost of this phase is \$12,050,000 and additional annual operating costs of \$147,500 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is May 2013 and for completion of construction is August 2014.		Other, Renovation Reserve/Plant Expansion	3,050,000.00
			Total Funds	12,050,000.00
	Ref: Supporting document pages 38-44			

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 February 9, 2012 to April 16, 2012**

Item 9. Agency: H51 Medical University of South Carolina Project: 9819, College of Nursing Floors 2-5 Interior Renovation

CHE Approval Date: 04/05/12
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$8,000,000.00

(Add \$4,880,000.00 [9] Other, Institutional Capital Project Funds)
 (Add \$3,000,000.00 [9] Other, College of Nursing Tuition)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Institutional Capital Project Funds	5,000,000.00
Other, College of Nursing Tuition	3,000,000.00
Total Funds	8,000,000.00

Purpose: To renovate four floors in the College of Nursing Building at MUSC. The project was established in November 2011 for pre-design work which is now complete. The work will include reconfiguring space to provide more efficient classrooms and offices, renovating the HVAC, plumbing, electrical and fire alarm systems, installing a new fire sprinkler system, and replacing the roof. The building was constructed in 1956 and designed as a nursing dormitory. It has not been substantially renovated since construction, still has remnants of the original dormitory usage, and is deteriorated. The lack of efficient space and condition of the building systems threaten growth of the college. Energy savings and conservation measures will include the installation of energy efficient lighting and HVAC systems, a lighting control system, and water-conserving plumbing fixtures. The agency reports the total projected cost of this project is \$8 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 January 2013 and for completion of construction is April 2014.

Ref: Supporting document pages 45-49

Item 10. Agency: H59 State Board for Technical and Comprehensive Education Project: 9899, Piedmont - Abbeville County Extension Center Construction

CHE Approval Date: 02/29/12
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$1,560,000.00

(Add \$1,500,000.00 [9] Other, Local Plant)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Local Plant	1,560,000.00
Total Funds	1,560,000.00

Purpose: To construct an approximately 9,489 square foot extension center for Piedmont Tech College in Abbeville. The project was established in December 2004, put on hold, and then restarted with pre-design recently completed. The building will include classrooms, offices, computer rooms, vending and support spaces for associate degree and certificate programs. The building is needed to replace a facility leased year to year consisting of a farm house and block building, which are old, have space restrictions, and are not code compliant. As a result, curriculum and continuing education offerings are limited in Abbeville due to small classrooms and space accommodations. Energy savings and conservation measures will include the installation of energy efficient lighting, HVAC system, energy management controls, lighting sensor/controls, auto flush valves, and other features. The agency reports the total projected cost of this project is \$1,560,000 and additional annual operating costs ranging from \$27,000 to \$29,767 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is September 2012 and for completion of construction is July 2013.

Ref: Supporting document pages 50-56

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
February 9, 2012 to April 16, 2012**

**SUMMARY 7-2012 Page 6 of 10
Forward to JBRC 04/17/12**

Item 11. Agency: F03 Budget and Control Board Project: 9904, DEW - David Building Chiller Replacement

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

Action

Proposed: Establish Construction Budget for \$590,728.00

Budget After Action Proposed

(Add \$582,128.00 [9] Other, Miscellaneous Revenue - DEW)

<u>Source</u>	<u>Amount</u>
Other, Miscellaneous Revenue - DEW	590,728.00
Total Funds	590,728.00

Purpose: To replace the chiller at the Department of Employment and Workforce’s David Building. The project was established in November 2011 for pre-design work which is now complete. The work will include replacing the chiller, associated piping, valves and pumps, and making any structural modifications needed to ensure efficient and maintainable installation. The chiller is 35 years old, at the end of its service life, not energy efficient, and uses an obsolete and environmentally-restricted refrigerant. Because this is the building’s only chiller, the building would be uninhabitable most of the year if the chiller failed. Energy savings and conservation measures will include the installation of an energy efficient chiller. The agency reports the total projected cost of this project is \$590,728 and annual operating cost savings of \$15,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is October 2012 and for completion of construction is March 2013.

Ref: Supporting document pages 57-61

Item 12. Agency: F03 Budget and Control Board Project: 9907, Five Points Building Chiller and Cooling Tower Replacement

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

Action

Proposed: Establish Construction Budget for \$653,620.00

Budget After Action Proposed

(Add \$646,920.00 [9] Other, Depreciation Reserve)

<u>Source</u>	<u>Amount</u>
Other, Depreciation Reserve	653,620.00
Total Funds	653,620.00

Purpose: To replace HVAC equipment at the Five Points Building. The project was established in March 2012 for pre-design work which is now complete. The work will include replacing the chiller, cooling tower, pumps and controls and associated electrical work. The equipment is 37 years old and original to the building. The chiller has failed and is completely inoperable and the cooling tower cannot be further repaired due to the lack of replacement parts for a unit its age. A rental chiller will provide cooling this summer until the new chiller is installed. Energy savings and conservation measures will include the installation of an energy efficient chiller and cooling tower. The agency reports the total projected cost of this project is \$653,620 and annual operating cost savings of \$16,361 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is July 2012 and for completion of construction is November 2012.

Ref: Supporting document pages 62-66

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 February 9, 2012 to April 16, 2012**

Item 13. Agency: J12 Department of Mental Health

Project: 9723, Broad River CI Sexually Violent Predator Treatment Program Renovations

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

Action

Proposed: Establish Construction Budget for \$552,750.00

Budget After Action Proposed

(Add \$546,300.00 [4] Excess Debt Service)

<u>Source</u>	<u>Amount</u>
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Purpose: To renovate facilities at the Broad River Correctional Institution for the Department of Mental Health’s Sexually Violent Predator Treatment (SVPT) Program. The project was established in January 2012 for pre-design work which is now complete. The work will include renovating four facilities at Broad River, including installing security measures, converting a kitchen facility to administration and visitation space, renovating four cells to provide medical treatment rooms, doing electrical and HVAC renovations, and related work. Mental Health’s SVPT Program is experiencing unprecedented growth, has outgrown space in the Edisto Unit at Broad River, and has worked with the Department of Corrections to expand into the Congaree Unit to increase capacity by 90 cells for clients. Energy savings and conservation measures will include the installation of energy efficient lighting and energy saving transformers. The agency reports the total projected cost of this project is \$552,750 and additional annual operating costs of \$165,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is November 2012 and for completion of construction is March 2013.

Excess Debt Service	552,750.00
Total Funds	552,750.00

Ref: Supporting document page 67-71

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 February 9, 2012 to April 16, 2012**

Item 14. Agency: H12 Clemson University

Project: 9889, Wind Turbine Drivetrain Test Facility/Grid Simulator
 Construction

CHE Approval Date: 04/05/12
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Increase budget from \$64,000,000.00 to \$84,977,278.00

Budget After Action Proposed

(Add \$15,423,364.00 [9] Other, Institutional Capital Project Funds)
 (Add \$ 3,553,914.00 [9] Other, Private)
 (Add \$ 2,000,000.00 [9] Other, Charleston Redevelopment Authority)

<u>Source</u>	<u>Amount</u>
Federal	45,000,000.00
Other, Institutional Capital Project Funds	18,423,364.00
Other, Charleston Redevelopment Authority	8,000,000.00
Other, State of SC	7,000,000.00
Other, Private	3,553,914.00
Other, State Commerce Funds	3,000,000.00
Total Funds	84,977,278.00

Purpose: To provide additional funds for the drivetrain test facility and to add construction of a grid simulator to the Clemson project in Charleston. The project was established in January 2010 to design and construct a Wind Turbine Drivetrain Test Facility. Additional funds are needed for the drivetrain test facility to meet current seismic and wind codes, because of the anticipated complexity of the project, and because of changes to the facility's capabilities driven by industry feedback to support a sustainable business plan. In addition, a 15 MW Hardware-in-the-loop Grid Simulator will also be constructed to leverage the electrical infrastructure of the Wind Turbine Drivetrain Test Facility. The facilities will allow Clemson to test and validate new technologies for enhancement of the power infrastructure. The facility will be constructed to LEED Silver certification and will include recycling energy generated by the test specimen, air venting main test bays, and water cooling equipment. The LEED cost benefit analysis is still under development and will be submitted when it is completed. The agency reports the total projected cost of this project is \$84,977,278 and additional annual operating costs ranging from \$800,000 to \$1,210,000 will result in the three years following project completion. The agency also reports the date for execution of the construction contract was June 2011 and the projected date for completion of construction is May 2013.

Ref: Supporting document pages 72-77

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 February 9, 2012 to April 16, 2012**

Item 15. Agency: F03 Budget and Control Board Project: 9891, Data Center Computer Room Electrical Upgrade CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action
 Proposed: Increase Budget from \$206,789.00 to \$686,991.00 Budget After Action Proposed

(Add \$480,202.00 [9] Other, Division of State Information Technology Revenue) Source Amount

Purpose: To increase the delivery capacity of uninterrupted power at the State Data Center. The project was established in February 2011 and increased for the construction budget in January 2012. Since that time, the need for increasing the uninterruptible power supply (UPS) capacity has become time critical as client demands have changed and is directly related to the original scope of the project which has not yet been advertised for bid. The work will now include installing a new UPS module and battery string, along with adding power distribution units, remote distribution cabinets and the related electrical work needed to address growing client demands and future client service needs. Energy savings and conservation measures will include the installation of energy efficient service platforms. The agency reports the total projected cost of this project is \$686,991 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 August 2012 and for completion of construction is February 2013.

Other, Division of State Information Technology Revenue 686,991.00
 Total Funds 686,991.00

Ref: Supporting document pages 78-83

Item 16. Agency: H17 Coastal Carolina University Project: 9583, Baseball/Softball Stadium Land Donation CHE Approval Date: 02/29/12
 Committee Review Date:
 B&C Board Approval Date:

Action
 Proposed: Final Land Acquisition Budget After Action Proposed

Purpose: To acquire 19.44 acres of land by donation from the Coastal Educational Foundation to Coastal Carolina. The project was established in April 2011 to procure the investigative studies required to evaluate property prior to acquisition, which are now complete. The donation will include the existing baseball, softball and tennis facilities used by the university and will provide the land for the construction of new baseball and softball stadiums, approved for construction under a separate project. The State Budget Division has reviewed the environmental study and approves its use in granting this request. The agency reports the total projected cost of this donation is \$20,000 for the investigative studies and no additional annual operating costs will result from the donation.

Other, One Cent Sales Tax 20,000.00
 Total Funds 20,000.00

Ref: Supporting document pages 84-94

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 February 9, 2012 to April 16, 2012**

Item 17. Agency: H27 University of South Carolina Project: 6095, Key Road Properties Acquisition CHE Approval Date: 02/15/12
 Committee Review Date:
 B&C Board Approval Date:

Action
 Proposed: Final Land Acquisition Budget After Action Proposed

Total budget.....	\$5,300,000.00	<u>Source</u>	<u>Amount</u>
[9] Other, Institutional Funds.....	\$5,300,000.00	Other, Institutional Funds	5,300,000.00
		Total Funds	5,300,000.00

Purpose: To acquire two properties for the University of South Carolina. The properties to be acquired from ETV include 4.48 acres with an 11,190 square foot multi-use building on George Rogers Boulevard at Key Road and 1.95 acres with a 4,918 square foot building on Key Road. The acquisition is proposed due to the location and proximity to Williams Brice Stadium and to provide needed space for relocation of programs and institutes that do not require a central campus location. The ownership by USC will allow greater control of activities in that area including security measures to protect the public using the event venue. Relocating programs not requiring a central campus location to this facility will make additional space available in core campus areas for student-focused academic functions. The properties have been appraised for \$5,275,000 and ETV has agreed to sell for that amount. The State Budget Division has reviewed the appraisals, environmental studies and building condition assessments and approves their use in granting this request. The agency reports the total projected cost of the project, including investigative studies, is \$5.3 million and additional annual operating costs of \$800,789 will result in the three years following property acquisition.

Ref: Supporting document pages 95-110

Item 18. Agency: P28 Department of Parks, Recreation and Tourism Project: 9723, Mountain Bridge White Tract Donation CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action
 Proposed: Final Land Acquisition Budget After Action Proposed

		<u>Source</u>	<u>Amount</u>
		Appropriated State	5,000.00
		Total Funds	5,000.00

Purpose: To acquire 110 acres of land by donation from The Nature Conservancy to the Department of Parks, Recreation and Tourism. The project was established in February 2012 for the investigative studies required to evaluate property prior to acquisition, which are now complete. The land is a key component of the overall Mountain Bridge vision for connecting more than 50,000 acres of mountain lands from the Table Rock Watershed to the Poinsett Watershed. It represents a critical linkage to the eastern portion of this conservation bridge and is bordered on two sides by conservation lands. The State Budget Division has reviewed the environmental study and approves its use in granting this request. The agency reports the total projected cost of this project is \$5,000 for the investigative studies and no additional annual operating costs will result from the donation.

Ref: Supporting document pages 111-116