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COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

State Budget Division
Les Boles
DIRECTOR

(803) 734-2280
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May 28, 2013

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

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

MARCIA S. ADAMS
EXECUTIVE DIRECTOR

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 June 5, 2013 meeting of the Joint Bond Review Committee:

For the General Services Division:

- 1) College of Charleston Lease – Fountain Walk
- 2) College of Charleston Lease – Fitness Center
- 3) Department of Health and Human Services Lease

For the State Budget Division:

- 4) Summary 7-2013, including 15 permanent improvement project requests.

If you have any questions or need additional information on these items, please do not hesitate to contact me at 803-737-0699 or crouth@budget.sc.gov.

Sincerely,

Carol P. Routh
Manager, Capital Budgeting

Enclosures

cc: Dianne Carraway, Tim Rogers, Ted Pitts, Bill Leidinger, Bill Condon, Rick Harmon, Jim Holly, John White, Patricia Dennis, Courtney Blake, Les Boles, Charles Shawver, Stephen Gardner, Monica Scott, John McEntire, Sandy Williams, Rick Elam, Jim Berry, Derek Gruner, Rhonda Walker, John Warner, Willie Calloway

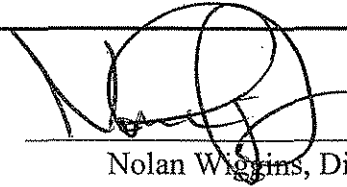
JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: June 5, 2013

Regular Agenda

1. Submitted by:

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



Nolan Wiggins, Director

2. Subject: College of Charleston Lease – Fountain Walk

3. Summary Background Information:

The College requests approval to lease 41,000 SF of space at Fountain Walk located at 360 Concord Street in downtown Charleston from R. E. R. Investments, Limited Company. The facility will be used for offices, classrooms, art studios and science labs.

This is a prime location as the property is adjacent to a parking garage already used by the College as well as a public transportation stop. The site is also within walking distance of the main campus. The College will begin the renovation of the Rita Hollings Science Center and Simons Center for the Arts (two major academic buildings) within the next 12 months. This will require the relocation of occupants for the duration of the renovations. There is also the need to complete renovations and reconfigurations of existing space to meet the programmatic needs of academic and administrative units. The College does not have available space on campus to accommodate the shifts of these departments. Therefore, the College is seeking a long-term lease solution in the immediate downtown Charleston area.

The initial term of the lease is for seven years beginning on January 1, 2014 and ending on December 31, 2020, with one renewal period of seven additional years. The cost per square foot during the first year of the initial term is \$29/RSF, for an annual aggregate amount of \$1,189,000. For the remainder of the initial term and for the extended term, basic rent shall be adjusted annually for any change in the U.S. Consumer Price Index for all Urban Consumers (CPI-U) based on the percent change in the monthly index for April of each year, subject, however, to a 3% cap on annual increases over the immediately preceding year, regardless of whether the percent change in the CPI-U is higher than said cap. The rate includes all expenses with the exception of utilities, which will be the responsibility of the College. The utility expense estimate is \$3.50/SF. Additionally, the landlord has agreed to provide \$30/SF in upfit costs.

Lease payments will be funded with College fees. No fee increase will be associated with this lease. Based on the NTE (Not to Exceed) data, the total estimated lease cost over the seven year term is \$9,110,667.53.

Year	Basic Rent PSF (Rounded)	Maximum Basic Annual Rent	Monthly Maximum Basic Rent
1	\$29.00	\$1,189,000.00	\$99,083.33
2	\$29.87	\$1,224,670.00	\$102,055.83
3	\$30.77	\$1,261,410.10	\$105,117.51
4	\$31.69	\$1,299,252.40	\$108,271.03
5	\$32.64	\$1,338,229.98	\$111,519.16
6	\$33.62	\$1,378,376.87	\$114,864.74
7	\$34.63	\$1,419,728.18	\$118,310.68
Total		\$9,110,667.53	
AVG	\$31.74		\$108,460.33

There will be an additional 14,000 SF available for lease in mid to late 2014. The College anticipates a need to lease this space as well. The requested action amount does not account for this additional square footage. Separate approval of this space will be sought through a lease amendment.

Comparables of similar state agency space and other commercial property lease rates in the Charleston area are as follows:

Agency/Location	Rate/SF
SC Department of Revenue 1 South Park Circle	\$27.32
Vacant 25 Calhoun Street	\$35.00
Vacant 40 Calhoun Street	\$32.50

The College of Charleston has adequate funds for the lease according to a Budget Approval Form, which also includes a multi-year plan.

The lease was approved by the Commission on Higher Education at its meeting on May 2, 2013.

4. **What is JBRC asked to do?** Approve the proposed lease for College of Charleston at Fountain Walk in Charleston.

5. **What is recommendation of the General Services Division?** Approval of the proposed lease for College of Charleston at Fountain Walk in Charleston.

6. **List of Supporting Documents:**

- (a) Letter from College of Charleston dated April 24, 2013
- (b) SC Code Section 1-11-55 and 1-11-56

April 24, 2013

Ashlie Lancaster
South Carolina Budget and Control Board
General Services Division
Property Services
1201 Main Street, Suite 420
Columbia, SC 29201

RE: Swing Space at Fountain Walk

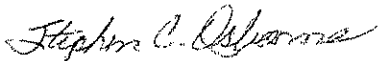
Dear Ms. Lancaster:

The College will begin the renovation of two of its major academic buildings within the next 12 months, which requires the relocation of occupants for the duration of the renovations. There is also the need to complete renovations and reconfigurations of existing space to meet the programmatic needs of academic and administrative units.

The College does not have available "swing space" on campus to accommodate the shifts of these departments. Therefore, the College is requesting approval to lease approximately 41,000SF of space at Fountain Walk located at 100 Aquarium Wharf in downtown Charleston. This is a prime location as the property is adjacent to a parking garage already used by the College as well as a public transportation stop. The site is also within walking distance of the main campus.

We respectfully request that this lease be included on the agenda for the Budget and Control Board meeting in June.

Sincerely,



Stephen C. Osborne
Executive Vice President for Business Affairs

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

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

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

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

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

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

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

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

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(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.

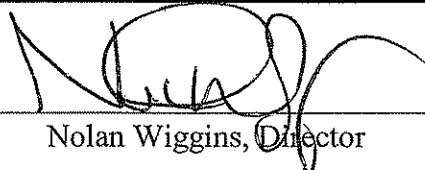
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Meeting Scheduled for: June 5, 2013

Regular Agenda

1. Submitted by:

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



Nolan Wiggins, Director

2. Subject: College of Charleston Lease – Fitness Center

3. Summary Background Information:

The College requests approval to lease 17,764 SF of space on the first floor of the building located at 50 George Street in downtown Charleston from Charleston College Housing LLC. The facility will be used for a Fitness Center.

Improved fitness facilities are important to the College of Charleston's strategic goal of educating the whole student. There are currently two small fitness areas located in the Stern Student and Silcox Centers, and the College has a contract with East Shore Athletic Club (ESAC) ending August 14, 2013 that provides students non-exclusive access to its 5,000 SF facility located about a half mile from campus. These facilities are inadequate to meet the needs of the student body, and they are not centrally located. Additionally, the Stern Student Center and Silcox both have core space needs, and the fitness areas occupy valuable space that prevents them from growing in place.

The College's 2012 Campus Master Plan identified the need for an adequately sized student fitness center located near the core of campus. To that end, the College has identified a 17,764 square foot fitness facility located in a privately-owned building that is being constructed adjacent to the center of campus at 50 George Street. The size of this space and its proximity to campus make it an ideal solution to their fitness facility needs. The space will be available August 30, 2013 and will be ready for immediate occupancy.

There are no other fitness facilities or suitable spaces with a comparable number of square feet located adjacent to the campus.

The initial term of the lease is for ten (10) years beginning on August 30, 2013, with two potential ten (10) year renewal periods. The cost per square foot during the first year of the initial term is \$27.31/RSF, for an annual aggregate amount of \$485,134.84. For the remainder of the initial term, basic rent shall be adjusted annually for any change in the U.S. City Average Consumer Price Index for all Urban Consumers (CPI-U) based on the percent change in the monthly index for June of each year, subject, however, to a 3% cap on annual increases over the immediately preceding year, regardless of whether the percent change in the CPI-U is higher than said cap. Basic Rent at the beginning of each renewal term shall be increased to fair market value as determined by three MAI designated appraisers doing business in Charleston, South Carolina, one of which is chosen by each of

Landlord and Tenant, and the third of whom is chosen by the two appraisers so designated, and thereafter increased by the same CPI-U, not to exceed a three (3%) percent increase each lease year.

Lease payments will be funded with College fees. No fee increase will be associated with this lease. For the purpose of this request, the College estimates a three percent escalation per year. Based on the NTE (Not to Exceed) data, the total estimated lease cost over the ten (10) year term is \$5,561,527 with an average annual cost of \$556,153 as follows:

Year	Basic Rent PSF (Rounded)	Maximum Basic Annual Rent	Monthly Maximum Basic Rent
1	\$27.31	\$485,134.84	\$40,427.90
2	\$28.13	\$499,688.89	\$41,640.74
3	\$28.97	\$514,679.55	\$42,889.96
4	\$29.84	\$530,119.94	\$44,176.66
5	\$30.74	\$546,023.54	\$45,501.96
6	\$31.66	\$562,404.24	\$46,867.02
7	\$32.61	\$579,276.37	\$48,273.03
8	\$33.59	\$596,654.66	\$49,721.22
9	\$34.60	\$614,554.30	\$51,212.86
10	\$35.63	\$632,990.93	\$52,749.24
Total		\$5,561,527.26	
AVG	\$31.31	\$556,152.73	\$46,346.06

The College will purchase fitness equipment with an estimated cost of less than \$500,000. Parking is not included as part of the lease. The requested lease does not include maintenance or utilities, and the College estimates an additional \$124,348 will be incurred per year.

The College of Charleston has adequate funds for the lease according to a Budget Approval Form, which also includes a multi-year plan.

The lease was approved by the Commission on Higher Education at its meeting on May 2, 2013.

4. **What is JBRC asked to do?** Approve the proposed lease for College of Charleston at 50 George Street in Charleston.

5. **What is recommendation of the General Services Division?** Approval of the proposed lease for College of Charleston at 50 George Street in Charleston.

6. **List of Supporting Documents:**

- (a) Letter from College of Charleston dated April 24, 2013
- (b) SC Code Section 1-11-55 and 1-11-56

April 24, 2013

Ashlie Lancaster
South Carolina Budget and Control Board
General Services Division
Property Services
1201 Main Street, Suite 420
Columbia, SC 29201

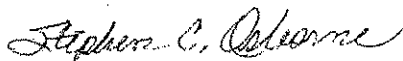
RE: Fitness Center

Dear Ms. Lancaster:

The College is requesting approval to lease approximately 19,000SF of fitness center space in a privately-owned building that is being constructed adjacent to the center of the campus located at 50 George Street. The size of this space and its proximity to campus make it an ideal solution to the College's fitness facility needs. The space will be available at the beginning of September 2013 and will be ready for immediate occupancy.

We respectfully request that this lease be included on the agenda for the Budget and Control Board meeting in June.

Sincerely,



Stephen C. Osborne
Executive Vice President for Business Affairs

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

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(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.

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(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.

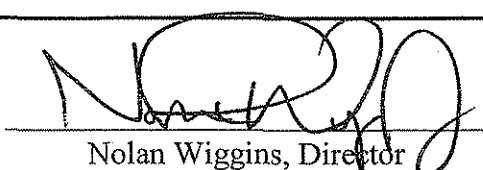
JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: June 5, 2013

Regular Agenda

1. Submitted by:

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


Nolan Wiggins, Director

2. Subject: SC Department of Health and Human Services Lease

3. Summary Background Information:

The SC Department of Health and Human Services (HHS) requests approval to continue leasing from AMOMMARC I, LLC and AAC Columbia Limited Partnership (Landlord) 141,031 rentable square feet in the basement and mezzanine areas and all 14 floors of the Tower building and 7,200 rentable square feet of receiving space in the Theatre building located at 1801 Main Street in Columbia, commonly known as Jefferson Square. The leased space will house all administrative offices of HHS. HHS' current lease at the location expires June 30, 2013. As a result of negotiations and termination and consolidation of two other leases at 1813 Main Street, HHS will save over \$9.4M over the 10 year term of the new lease as compared with the current leases.

The lease term will be for ten (10) years commencing on July 1, 2013. Rent will be \$2,031,588.60 per year (\$14.15/RSF for the Tower and \$5.00/RSF for the Theatre annually) plus parking for the first five (5) years of the lease. Thereafter, basic rent increases by 1.5% annually for the Tower space only. Comparables of similar state agency office space in the Columbia area are as follows:

Agency/Location	Rate
SC Department of Commerce	\$16.00
SC Department of Insurance	\$15.62
SC Retirement System Investment Commission	\$14.65

HHS will continue to lease parking spaces for its employees in the parking garage located adjacent to the leased building. The rate under the new lease remains at \$34/space per month for 475 spaces. The annual cost for parking is \$193,800; however, HHS will recoup \$57,000 of this cost annually from its employees.

Landlord will provide up to \$250,000 in renovations over the term of the lease. There is an option to purchase the ~~lease~~^{building} within the first two (2) years of the lease term with Board approval at the time of purchase. Should tenant exercise the option, Landlord will credit \$1/RSF per year from the commencement of the lease term up to the date of purchase toward the purchase price.

No operating cost increases are applicable to the Theatre space. For the Tower, operating

cost increases are capped at three (3%) percent (down from five (5%) percent in the current lease), beginning with the first year of the lease. Assuming operating expenses increase at three (3%) percent per year, the maximum rent over the term of the lease is as follows:

YR	Annual Basic Office Rent	Annual Basic Receiving Rent	Annual Parking Rent less Credit	Annual Total (Office, Receiving, Parking)	Monthly Amount Total	Basic Rent Office PSF (Rounded)	Basic Rent Receiving PSF
1	\$1,995,588.60	\$36,000	\$136,800	\$2,168,388.60	\$180,699.05	\$14.15	\$5.00
2	\$1,995,588.60	\$36,000	\$136,800	\$2,168,388.60	\$180,699.05	\$14.15	\$5.00
3	\$1,995,588.60	\$36,000	\$136,800	\$2,168,388.60	\$180,699.05	\$14.15	\$5.00
4	\$1,995,588.60	\$36,000	\$136,800	\$2,168,388.60	\$180,699.05	\$14.15	\$5.00
5	\$1,995,588.60	\$36,000	\$136,800	\$2,168,388.60	\$180,699.05	\$14.15	\$5.00
6	\$2,149,312.44	\$36,000	\$136,800	\$2,322,112.44	\$193,509.37	\$15.24	\$5.00
7	\$2,181,552.12	\$36,000	\$136,800	\$2,354,352.12	\$196,196.01	\$15.47	\$5.00
8	\$2,214,275.40	\$36,000	\$136,800	\$2,387,075.40	\$198,922.95	\$15.70	\$5.00
9	\$2,247,489.60	\$36,000	\$136,800	\$2,420,289.60	\$201,690.80	\$15.94	\$5.00
10	\$2,281,201.92	\$36,000	\$136,800	\$2,454,001.92	\$204,500.16	\$16.18	\$5.00
Total	\$21,051,774.48	\$360,000	\$1,368,000	\$22,779,774.48			
Avg	\$2,105,177.45	\$36,000	\$193,800	\$2,277,977.45	\$189,831.45	\$14.93 PSF	\$5.00 PSF

HHS has adequate funds for the lease according to a Budget Approval Form, which also includes a multi-year plan. Lease payments will be made from state appropriations, federal funding from the US Department of Health and Human Services, funds collected from overpayments, fraud and abuse, and third party liability used to offset administrative costs as authorized by legislative provisos.

The space allocation for the new lease is 86,970 square feet for staff. Space is allocated for 666 employees. The remaining 61,620 square feet is to be utilized for storage, conference rooms, reception area, work areas, library, break room, computer server area, receiving space and common areas.

The lease was approved by Anthony Keck, Director of HHS, and by Landlord.

4. What is JBRC asked to do? Approve the proposed ten (10) year lease for HHS at 1801 Main Street in Columbia.

5. What is recommendation of the General Services Division? Approval of the proposed ten (10) year lease for HHS at 1801 Main Street in Columbia.

6. List of Supporting Documents:

- (a) Letter from HHS dated May 16, 2013
- (b) SC Code Section 1-11-55 and 1-11-56



May 16, 2013

Mr. Noland Wiggins, Director
S.C. Budget & Control Board
Division of General Services
1200 Senate Street, Suite 460
Columbia, SC 29201

Dear Mr. Wiggins:

As you are aware, Regulation 19-447.1000 requires that leases, which commit one million dollars or more in a five-year period, be approved by the Budget and Control Board (B&CB) 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 administrative offices of SCDHHS have been housed in leased office space at the current location at 1801 Main Street since August 14, 1984. The current lease expires June 30, 2013.

SCDHHS in coordination with General Services Division, Real Property Services, initiated a competitive solicitation for available space to lease in September 2012, in order to determine whether other suitable commercial office space alternatives were available and to obtain the best value for the State. After reviewing the proposals submitted as a result of this solicitation, SCDHHS has determined that none of the proposed sites would be as suitable in accommodating the needs of the Department as the present site at 1801 Main Street; therefore, we are requesting that the B&CB negotiate a lease for SCDHHS to remain in our current location.

Sincerely,

Anthony E. Keck
Director

AEK/jym

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(4) rejecting an agency's request for additional space or space at a specific location, or both;

(5) directing agencies to be located in public space, when available, before private space can be leased;

(6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period; and

(7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.

State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2013 to May 20, 2013

Item 1. Agency: H15 College of Charleston	Project: 9652, Addlestone Library Adaptation	CHE Approval Date:	04/04/13
		Committee Review Date:	
		B&C Board Approval Date:	
Action		Budget After Action Proposed	
Proposed: Establish Project for A&E Design - Carried Over at 4/24/13 Meeting			
Total budget.....	\$75,000.00	<u>Source</u>	<u>Amount</u>
[9] Other, Capital Improvement Project Funds.....	\$75,000.00	Other, Capital Improvement Project Funds	75,000.00
Purpose: To begin design work to make adaptations to the interior of the Addlestone Library at the College of Charleston. The eight-year old library was designed with the flexibility to use compact shelving in order to make adaptations to the floor space as space needs change. The work will include installing 35,000 linear feet of compact shelving for the general book collection, adding 168 general purpose seats, three new group study rooms and a new 50-seat modular lecture/classroom, and expanding seating in the Special Collections reading room. These adaptations are needed to increase space for rare books and manuscripts provided by the SC Historical Society, to provide students and faculty with space to more effectively collaborate on digital projects, and to meet library seating needs, which currently can only accommodate 13% of the student body at one time.		Total Funds	75,000.00
Ref: Supporting document pages 1-6			

Item 2. Agency: H12 Clemson University	Project: 9911, CU-ICAR Advanced Powertrain Lab Upgrade	CHE Approval Date:	05/02/13
		Committee Review Date:	
		B&C Board Approval Date:	
Action		Budget After Action Proposed	
Proposed: Establish Project for A&E Design			
Total budget.....	\$75,000.00	<u>Source</u>	<u>Amount</u>
[9] Other, Maintenance and Stewardship Funds.....	\$75,000.00	Other, Maintenance and Stewardship Funds	75,000.00
Purpose: To begin design work to upgrade the Advanced Powertrain Lab at the Campbell Graduate Engineering Center on Clemson's ICAR campus. The work in the 1,900 square foot lab will include replacing the lab floor to provide additional foundations to support new equipment, upfitting the interior to create three testing chambers or cells, and upgrading electrical power, transformer, HVAC, and information technology systems to support the space. The center currently has only one test cell which has become a bottleneck. The upgrade to provide three new test cells will enable work on the integration of alternative powertrains and investigations of advanced internal combustion engine technologies, energy storage and vehicle electrification. It will prepare the Campbell Graduate Engineering Center for expected further expansion of activities in powertrain research.		Total Funds	75,000.00
Ref: Supporting document pages 7-13			

State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2013 to May 20, 2013

Item 3. Agency: H17 Coastal Carolina University	Project: 9599, Williams Brice Renovation	CHE Approval Date:	05/07/13
		Committee Review Date:	
		B&C Board Approval Date:	
Action		Budget After Action Proposed	
Proposed: Establish Project for A&E Design			
Total budget.....	\$34,500.00	<u>Source</u>	<u>Amount</u>
[9] Other, Renovation Reserve/Plant Expansion.....	\$34,500.00	Other, Renovation Reserve/ Plant	
		Expansion	34,500.00
		Total Funds	34,500.00

Purpose: To begin design work to renovate portions of the Williams Brice Building at Coastal Carolina. The work on the recreation and academic facility will include replacing a portion of the roof, replacing the HVAC system, main switchgear and floor and wall tiles at the pool, and upfitting the interior to include painting, installing new carpet and replacing ceiling tiles. The building is 41 years old and the renovations will address maintenance needs of the facility.

Ref: Supporting document pages 14-18

Item 4. Agency: H73 Vocational Rehabilitation Department	Project: 9597, Walterboro VR Center Reroofing	CHE Approval Date:	N/A
		Committee Review Date:	
		B&C Board Approval Date:	
Action		Budget After Action Proposed	
Proposed: Establish Project for A&E Design			
Total budget.....	\$11,000.00	<u>Source</u>	<u>Amount</u>
[9] Other, Work Training Center Program Income.....	\$11,000.00	Other, WTC Program Income	11,000.00
		Total Funds	11,000.00

Purpose: To begin design work to reroof the Walterboro VR Center for the Department of Vocational Rehabilitation (VR). The work will include removing the existing roof, applying a new vented built up roofing system with associated flashings and metal work, and removing asbestos-containing soffit material. The roof is approximately 24 years old, well past its life expectancy, and has developed leaks that have been repaired. It needs to be replaced before water deteriorates the roof decking, ceiling and building contents.

Ref: Support document pages 19-24

State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2013 to May 20, 2013

Item 5. Agency: J12 Department of Mental Health	Project: 9727, Roddey Nursing Home Roof Replacement	CHE Approval Date:	N/A
Action		Committee Review Date:	
Proposed: Establish Project for A&E Design		B&C Board Approval Date:	
Budget After Action Proposed			
Total budget.....	\$50,000.00	<u>Source</u>	<u>Amount</u>
[9] Other, Legal Settlement.....	\$50,000.00	Other, Legal Settlement	50,000.00
Purpose: To begin design work to replace the roof on the Department of Mental Health’s Roddey Nursing Home in Columbia. The work will include replacing the purlins, plywood decking, fascia framing, metal fascia and shingles. The existing roof is 22 years old, leaking, and in poor condition. When it was reroofed in 1991, plywood deck and shingles were installed over existing fire retardant treated wood (FRTW) decking. The FRTW purlins and deck are splitting and cracking at numerous locations and need to be replaced or the FRTW materials will continue to deteriorate over time, creating a safety issue.		Total Funds	50,000.00
Ref: Supporting document pages 25-30			

Item 6. Agency: H12 Clemson University	Project: 9903, Watt Innovation Center Construction	CHE Approval Date:	05/06/13
Action		Committee Review Date:	
Proposed: Establish Construction Budget for \$30,543,000.00		B&C Board Approval Date:	
Budget After Action Proposed			
(Add \$27,043,000.00 [2] Institution Bonds)		<u>Source</u>	<u>Amount</u>
(Add \$ 3,257,000.00 [9] Other, Private Gifts)		Institution Bonds	27,043,000.00
Purpose: To construct an approximately 70,000 square foot cutting edge facility at Clemson. The project was established in June 2012 for pre-design work which is now complete. The work will include constructing a new facility for teaching and research in science, technology and engineering that will include studios, smart classrooms and project areas with flexible infrastructure to serve the needs of an increasingly diverse student community and to accommodate current and emerging technologies with minimal cost and effort. The new facility is needed to address key University goals of providing for student leadership and related opportunities, to leverage the university’s information technology investments and assets, and to introduce teaching and research modules based on the university’s core competencies and marketplace relevance. It also addresses the campus’s less than adequate classroom space. The facility will be constructed to LEED Silver certification and will include sustainable sites, energy and atmosphere, indoor environmental quality and other measures. The LEED cost benefit analysis shows a negative cost benefit of \$320,000 based on preliminary figures, but Clemson staff anticipate the negative benefit will be negligible once the design nears completion. The agency reports the total projected cost of this project is \$30,543,000 and additional annual operating costs ranging from \$240,000 to \$254,616 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is August 2013 and for completion of construction is December 2015.		Other, Private Gifts	3,500,000.00
Ref: Supporting document pages 31-39		Total Funds	30,543,000.00

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 April 5, 2013 to May 20, 2013**

Item 7. Agency: H27 University of South Carolina Project: 9905, Hamilton College Renovation

CHE Approval Date: 04/17/13
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$15,000,000.00

Budget After Action Proposed

(Add \$14,700,000.00 [9] Other, Institutional Capital Project Fund)

<u>Source</u>	<u>Amount</u>
Capital Improvement Bonds	300,000.00
Other, Institutional Capital Project Fund	14,700,000.00
Total Funds	15,000,000.00

Purpose: To renovate the two wings of Hamilton College at USC. The project was established in April 2001 for design work but has been delayed because of lack of funding for a comprehensive renovation. The full renovation of the Pendleton Street wing will include reconfiguring interior space, installing an intermediate floor within existing space and adding an elevator and, in the Pendleton and Pickens Street wings, additional work will include upgrading the HVAC system, connecting to the central steam and chilled water systems, installing a fire sprinkler system, upgrading the fire alarm system, and restoring windows. The renovation will create a three-story comprehensive unit to consolidate departmental offices, classrooms and programs for the College of Social Work, currently located in five buildings across campus, and will address deferred maintenance needs. The renovation will be constructed to LEED Silver certification and will include installation of sustainable sites, energy and atmosphere, indoor air quality and other measures. The LEED cost benefit analysis shows a positive cost benefit of \$751,623 over 30 years. The agency reports the total projected cost of this project is \$15 million and additional annual operating costs ranging from \$94,865 to \$109,865 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is April 2014 and for completion of construction is August 2015.

Ref: Supporting document pages 40-47

State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
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Item 8. Agency: H27 University of South Carolina Project: 6090, Indoor Practice Facility Construction

CHE Approval Date:
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$14,550,000.00

(Add \$12,100,000.00 [3] Athletic Revenue Bonds)
 (Add \$ 2,240,000.00 [8] Athletic Operating)

Budget After Action Proposed

Purpose: To construct an indoor football practice facility for USC. The project was established in November 2011 for pre-design work which is now complete. The work will include constructing a 100,280 square foot building large enough to contain a regulation size football field and tall enough to accommodate field goal kicking with support facilities including restrooms, storage and training rooms and parking. The building will provide a safe environment for student-athletes to practice during inclement weather including storms or extreme heat and humidity when heat exhaustion is possible and will also occasionally serve as a practice facility for soccer, baseball and softball. The facility will be constructed to LEED Silver certification and will include sustainable sites, energy and atmosphere, indoor environmental quality and other measures. The LEED cost benefit analysis shows a positive cost benefit of \$1,516,704 over 30 years. The agency reports the total projected cost of this project is \$14,550,000 and additional annual operating costs of \$387,683 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is March 2014 and for completion of construction is February 2015. Approval of this project is requested contingent on CHE approval on June 6, 2013.

<u>Source</u>	<u>Amount</u>
Athletic Revenue Bonds	12,100,000.00
Athletic Operating	2,450,000.00
Total Funds	14,550,000.00

Ref: Supporting document pages 48-55

Item 9. Agency: H27 University of South Carolina Project: 6098, Sumwalt Laboratory Renovations

CHE Approval Date: 04/17/13
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$1,934,000.00

(Add \$1,905,500.00 [9] Other, Institutional)

Budget After Action Proposed

Purpose: To renovate approximately 5,070 square feet in the Sumwalt Building at USC to provide three additional teaching labs. The project was established in January 2013 for pre-design work which is now complete. The work will include demolishing existing partitions and fixtures, installing new partitions, ceilings, finishes, lab equipment and furniture, and reconfiguring the mechanical, electrical and plumbing systems to accommodate the new lab functions. Additional lab space is needed to meet current student demand for introductory and intermediate science lab courses in the College of Arts and Sciences. Energy savings and conservation measures will include installing mechanical supply and exhaust systems with variable volume technology to reduce airflow when space load requirements are satisfied. The agency reports the total projected cost of this project is \$1,934,000 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 December 2013 and for completion of construction is July 2014.

<u>Source</u>	<u>Amount</u>
Other, Institutional	1,934,000.00
Total Funds	1,934,000.00

Ref: Supporting document pages 56-61

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 April 5, 2013 to May 20, 2013**

Item 10. Agency: H27 University of South Carolina Project: 6099, Broadcast Studio Construction

CHE Approval Date: 04/17/13
 Committee Review Date:
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$1,500,000.00

(Add \$1,177,500.00 [9] Other, Institutional)
 (Add \$ 300,000.00 [9] Other, Private)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Institutional	1,200,000.00
Other, Private	300,000.00
Total Funds	1,500,000.00

Purpose: To construct a broadcast studio adjacent to the Health Sciences Building that will be renovated to house the College of Mass Communications and Information Studies at USC. The project was established in January 2013 for pre-design work which is now complete. The work will include demolishing an existing greenhouse and constructing a 1,315 square foot facility with an open studio, an office/green room, restrooms and storage areas. The existing single studio is used by the capstone senior program and broadcast classes that require studio production time which creates scheduling challenges and results in studio time not being available for other uses. The new studio will act as a communications hub that will serve the university as a whole while enhancing the curriculum and student experience by creating additional opportunities to practice live reporting techniques. Energy savings and conservation measures will include the installation of energy efficient lighting, occupancy sensors, and mechanical systems, tinted window glass, rigid insulation, and low flow plumbing fixtures. The agency reports the total projected cost of this project is \$1,500,000 and additional annual operating costs of \$15,966 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is September 2014 and for completion of construction is July 2015.

Ref: Supporting document pages 62-69

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 April 5, 2013 to May 20, 2013**

Item 11. Agency: H27 University of South Carolina Project: 6103, Carolina Stadium Repairs

CHE Approval Date:
 Committee Review Date:
 B&C Board Approval Date:

Action
 Proposed: Establish Construction Budget for \$4,965,000.00

Budget After Action Proposed

Total budget.....\$4,965,000.00
 [8] Athletic Operating.....\$4,965,000.00

<u>Source</u>	<u>Amount</u>
Athletic Operating	4,965,000.00
Total Funds	4,965,000.00

Purpose: To stabilize, replace and repair construction in the left field corner at USC's Carolina Stadium which has been subject to cracking and settlement. The project is being established for design and construction in response to an emergency procurement which was recently bid. The work will include removing existing concourse slab seating and associated fixtures in the left field concourse area, installing a micropile system for structural support and sub-soil stabilization, installing new concrete slabs, metal pipe and grout infill, and expanding the dewatering system. Extensive investigations have been conducted since water infiltration in the left field grounds area and cracking and settlement in the left field concourse area were observed. Repairs are required to stabilize sub-surface voids with grout injection, stabilize the structure, and control groundwater movements throughout the left field area. Energy savings and conservation measures are not applicable to this repair project. The agency reports the total projected cost of this project is \$4,965,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the first construction contract is June 2013 and for completion of all construction is February 2014. Approval of this project is requested contingent on CHE approval on June 6, 2013.

Ref: Supporting document pages 70-77

Item 12. Agency: D17 Governor's Office - Veterans Affairs Project: 9522, MJ Dolly Cooper Veterans Cemetery Areas I and J Expansion

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

Action
 Proposed: Establish Construction Budget for \$2,452,465.00

Budget After Action Proposed

(Add \$2,201,941.00 [7] Federal)

<u>Source</u>	<u>Amount</u>
Federal	2,452,465.00
Total Funds	2,452,465.00

Purpose: To add additional crypts at the MJ Dolly Cooper Veterans Cemetery in Anderson for the Governors Office Department of Veterans Affairs. The project was established in May 2011 for pre-design work, increased to do additional design work during 2012, and was recently bid to meet federal VA requirements for funding. The work will include constructing an additional 1,995 double depth, in-ground crypts in existing Areas I and J and installing in-ground irrigation systems in Areas H, I and J, a drainage system, and a retaining wall. The work is needed because all in-ground crypts have been exhausted. The additional crypts will provide for burial of up to 3,990 veterans and eligible dependents. Energy savings and conservation measures are not applicable to this site development project. The agency reports the total projected cost of this project is \$2,452,465 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is June 2013 and for completion of construction is January 2014.

Ref: Supporting document pages 78-85

State Budget and Control Board, State Budget Division – Capital Budgeting Unit
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Item 13. Agency: H63 Governor’s School for the Arts and Humanities Project: 9513, SCGSAH Administration Building Construction

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

Action

Proposed: Establish Construction Budget for \$2,250,000.00

(Add \$600,000.00 [6] Appropriated State)
 (Add \$400,000.00 [9] Other, Foundation Gift)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Appropriated State	1,850,000.00
Other, Foundation Gift	400,000.00
 Total Funds	 2,250,000.00

Purpose: To construct a welcome center and administration building for the Governor’s School for the Arts and Humanities in Greenville. The project was established in October 2012 for pre-design work which is now complete. The 11,413 square foot facility will be the welcome center for prospective students and donors and will include enrollment and outreach spaces, administrative offices, the print shop, and programmatic and presentation space for the dance and drama programs. Currently, visitors must walk through campus with no supervision to find the admissions and outreach offices. The new facility will allow visitors to access these offices without entering the main part of campus. It will strengthen the dance and drama programs and free up space in existing buildings for the new film and animation programs. Energy savings and conservation measures will include the installation of energy efficient building envelope, lighting and mechanical systems. The agency reports the total projected cost of this project is \$2,250,000 and additional annual operating costs of \$9,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is September 2013 and for completion of construction is July 2014.

Ref: Supporting document pages 86-92

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 April 5, 2013 to May 20, 2013**

Item 14. Agency: J12 Department of Mental Health

Project: 9703, Bryan Hospital C&A Renovation and Addition

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

Action

Proposed: Establish Construction Budget for \$13,759,850.00

Budget After Action Proposed

(Add \$12,953,850.00 [9] Other, Operating Revenue)

<u>Source</u>	<u>Amount</u>
Other, Operating Revenue	13,759,850.00
Total Funds	13,759,850.00

Purpose: To renovate and construct new space at the Bryan Psychiatric Hospital for the Department of Mental Health's Child and Adolescent (C&A) programs. The project was established in September 2006 to originally construct a new facility and revised in October 2012 to begin pre-design work to renovate Bryan Hospital instead, which is now complete. The work will include constructing approximately 21,000 square feet of new space to house C&A admissions and administration and reconfiguring, renovating and improving building systems in five existing buildings to provide housing, classrooms, dining and activity spaces for the C&A programs. The work is needed to relocate the C&A programs from the Bull Street campus because of excessive costs to renovate Hall Institute buildings and to make available 18 additional acres on the Bull Street campus to be sold. Energy savings and conservation measures will include the installation of energy efficient roof, wall, and window insulation, energy efficient HVAC components, lighting and power systems, and low flow plumbing fixtures. The agency reports the total projected cost of this project is \$13,759,850 and annual operating cost savings of \$335,057 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is March 2014 and for completion of construction is April 2015.

Ref: Supporting document pages 93-98

State Budget and Control Board, State Budget Division – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
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Item 15. Agency: H95 State Museum

Project: 9501, Observatory/Planetarium/Theater Construction

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

Action

Proposed: Increase Budget from \$20,534,478.38 to \$21,034,478.38

Budget After Action Proposed

(Add \$500,000.00 [9] Other, Foundation Cash)

<u>Source</u>	<u>Amount</u>
Capital Improvement Bonds	3,000,000.00
Capital Reserve Fund	500,000.00
Appropriated State	8,000,000.00
Other, JEDA Bond	5,500,000.00
Other, Foundation Cash	2,000,000.00
Other, NASA	1,996,000.00
Other, Foundation	38,478.38
Total Funds	21,034,478.38

Purpose: To provide additional funding to complete the observatory, planetarium and theater at the State Museum. The project construction budget was established in June 2010 and the project is under construction. Since that time, additional design and project bids have determined additional funds are needed due to four factors, underestimated scope in theatrical and exhibit lighting, sound quality requirements in the 4D theater and planetarium, the complexity of construction in the outer dome of the planetarium, and changes in fire protection requirements. The additional funds will be provided from donations to the State Museum Foundation that are restricted by donors to support the construction and operational needs of the project. Energy savings and conservation measures will include the installation of energy efficient HVAC and lighting systems and low flow plumbing fixtures. The agency reports the total projected cost of this project is \$21,034,478 and additional annual operating costs of \$1.6 million will result in the three years following project completion. The agency also reports the project is currently under construction and the projected date for completion of the construction contract is May 2014.

Ref: Supporting document pages 99-105