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SC BUDGET AND CONTROL BOARD

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February 14, 2013

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 February 27, 2013 meeting of the Joint Bond Review Committee:

For the State Budget Division:

- 1) Summary 5-2013, including eight permanent improvement project requests, one of which was carried over from the prior meeting, and one land acquisition request which was also carried over from the prior meeting.

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](mailto: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, Pete Creighton, Scott Speares, Sandy Williams, James Grigg, Mandy Kibler, Shirley Wilson, Melinda Woodhurst, Derek Gruner

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
 Summary of Permanent Improvement Project Actions Proposed by Agencies  
 January 8, 2013 to February 6, 2013**

Item 1.	Agency: J04 Department of Health and Environmental Control  Project: 9522, Florence County Health Department Roof Replacement/Façade Repair	CHE Approval Date: N/A Committee Review Date: B&C Board Approval Date:							
	Action Proposed: Establish Project for A&E Design - Carried Over at 1/23/13 JBRC Meeting		Budget After Action Proposed						
	Total budget.....\$4,500.00 [9] Other, DHEC Earned Funds.....\$4,500.00		<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><u>Source</u></td> <td style="width: 20%; text-align: right;"><u>Amount</u></td> </tr> <tr> <td>Other, DHEC Earned Funds</td> <td style="text-align: right;">4,500.00</td> </tr> <tr> <td><b>Total Funds</b></td> <td style="text-align: right;"><b>4,500.00</b></td> </tr> </table>	<u>Source</u>	<u>Amount</u>	Other, DHEC Earned Funds	4,500.00	<b>Total Funds</b>	<b>4,500.00</b>
<u>Source</u>	<u>Amount</u>								
Other, DHEC Earned Funds	4,500.00								
<b>Total Funds</b>	<b>4,500.00</b>								
	Purpose: To begin design work to replace the roof and make façade repairs to DHEC’s Florence County Health Department. The work will include replacing the existing roof, insulation and flashing and evaluating and replacing damaged areas of the façade to provide a water tight building envelope. The 21 year-old roof is reaching the end of its expected life and the façade needs to be patched, resurfaced or replaced to provide a weather tight exterior. The roof and façade both leak, which has damaged building interiors over time, and both have been patched and repaired numerous times. The new roof and façade repairs will lower maintenance costs and time and will provide a more efficient building system by maintaining its insulation value.								
	Ref: Supporting document pages 1-5								

Item 2.	Agency: P24 Department of Natural Resources  Project: 9928, Horry - Lewis Ocean Bay Land Donation	CHE Approval Date: N/A Committee Review Date: B&C Board Approval Date:							
	Action Proposed: Final Land Acquisition - Carried over at 1/23/13 JBRC Meeting		Budget After Action Proposed						
	Purpose: To acquire approximately 754 acres of land by donation in Horry County for the Department of Natural Resources. The project was established in October 2012 to procure the preliminary studies required to adequately evaluate property prior to acquisition, which are now complete. The property is adjacent to and surrounded by the Lewis Ocean Bay Heritage Preserve which contains 23 Carolina bays. Acquisition will protect the habitat for red-cockaded woodpeckers, endangered plants and other species and will provide additional hunting opportunities to the public. Under an easement to the donor, the property will also be used to establish a mitigation bank for restoring long-leaf pine habitat following the 2009 forest fire that burned more than 19,000 acres within the preserve. 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 acquisition, including the investigative studies, is \$10,000 and no additional annual operating costs will result from the acquisition.		<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><u>Source</u></td> <td style="width: 20%; text-align: right;"><u>Amount</u></td> </tr> <tr> <td>Other, Heritage Land Trust</td> <td style="text-align: right;">10,000.00</td> </tr> <tr> <td><b>Total Funds</b></td> <td style="text-align: right;"><b>10,000.00</b></td> </tr> </table>	<u>Source</u>	<u>Amount</u>	Other, Heritage Land Trust	10,000.00	<b>Total Funds</b>	<b>10,000.00</b>
<u>Source</u>	<u>Amount</u>								
Other, Heritage Land Trust	10,000.00								
<b>Total Funds</b>	<b>10,000.00</b>								
	Ref: Supporting document pages 6-14								

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
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<p>Item 3. Agency: H17 Coastal Carolina University                      Project: 9596, Singleton Building Renovation</p> <p>Action          Proposed: Establish Project for A&amp;E Design</p> <p>Total budget.....\$60,000.00          [9] Other, Renovation Reserve/Plant Expansion.....\$60,000.00</p> <p>Purpose: To begin design work to renovate the 32,635 square foot Singleton Building at Coastal Carolina. The work will include renovating the HVAC, electrical and plumbing systems, replacing the existing elevator and installing a second elevator for ADA compliance, removing remaining asbestos in ceilings and floors, and upgrading lighting and interior finishes. The building, which houses university administrative offices, is 50 years old and has not had a major renovation since it was constructed. Chilled water lines are rusting and beginning to rupture and the building needs electrical wiring and other technology cabling upgrades to meet today’s needs.</p> <p>Ref: Supporting document pages 15-19</p>	<p>CHE Approval Date: 02/07/13          Committee Review Date:          B&amp;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 style="padding-left: 20px;">Other, Renovation Reserve/Plant Expansion</td> <td style="text-align: right;">60,000.00</td> </tr> <tr> <td style="padding-left: 20px;">Total Funds</td> <td style="text-align: right;">60,000.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Other, Renovation Reserve/Plant Expansion	60,000.00	Total Funds	60,000.00
<u>Source</u>	<u>Amount</u>						
Other, Renovation Reserve/Plant Expansion	60,000.00						
Total Funds	60,000.00						

<p>Item 4. Agency: H09 The Citadel    Project: 9606, Deferred Maintenance - Mark Clark Hall Building Envelope Repairs</p> <p>Action          Proposed: Establish Construction Budget for \$1,128,804.00</p> <p>(Add \$317,365.00 [9] Other, Deferred Maintenance Reserve)</p> <p>Purpose: To repair the exterior building envelope of Mark Clark Hall at The Citadel. The project was established in October 2011 with 2010-11 Capital Reserve Funds appropriated for deferred maintenance for this facility. The work will include making stucco repairs to the building’s exterior, replacing windows and doors, making limited roof repairs, and doing related exterior work. All design work has been completed, the project has been bid, and all bids exceeded appropriated funds due to more extensive stucco work needed and a higher cost for window replacement than anticipated when the funds were requested. The increase will allow the low bid to be accepted to do the needed exterior repair work. The building is 58 years old and the exterior is cracking, which allows moisture to penetrate the building envelope. Energy savings and conservation measures will include the installation of energy efficient windows and a storefront with insulated glazing. The agency reports the total projected cost of this project is \$1,128,804 and annual operating cost savings of \$12,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is March 2013 and for completion of construction is September 2013.</p> <p>Ref: Supporting document pages 20-25</p>	<p>CHE Approval Date: 01/25/13          Committee Review Date:          B&amp;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 style="padding-left: 20px;">Capital Reserve Fund</td> <td style="text-align: right;">811,439.00</td> </tr> <tr> <td style="padding-left: 20px;">Other, Deferred Maintenance Reserve</td> <td style="text-align: right;">317,365.00</td> </tr> <tr> <td style="padding-left: 20px;">Total Funds</td> <td style="text-align: right;">1,128,804.00</td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Capital Reserve Fund	811,439.00	Other, Deferred Maintenance Reserve	317,365.00	Total Funds	1,128,804.00
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Capital Reserve Fund	811,439.00								
Other, Deferred Maintenance Reserve	317,365.00								
Total Funds	1,128,804.00								

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
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Item 5. Agency: H17 Coastal Carolina University Project: 9588, Science Annex II Construction

CHE Approval Date: 02/07/13  
 Committee Review Date:  
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$30,000,000.00

(Add \$ 6,165,660.00 [2] Institution Bonds)  
 (Add \$18,000,000.00 [9] Other, One Cent Sales Tax)  
 (Add \$ 5,624,340.00 [9] Other, Institutional Capital Project Fund)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Institution Bonds	6,375,660.00
Other, One Cent Sales Tax	18,000,000.00
Other, Institutional Capital Project Fund	5,624,340.00
<b>Total Funds</b>	<b>30,000,000.00</b>

Purpose: To construct a 67,800 square foot science annex at Coastal Carolina. The project was established in August 2011 for pre-design work which is now complete. This second science annex will include teaching and research labs, classrooms, faculty offices, and associated prep rooms and support spaces and will house the biology, marine science and chemistry departments. The College of Science is the largest of the four academic colleges and its departments are spread throughout several locations on campus. This building will consolidate the departments within the College of Science onto the University's main campus and will accommodate the expanding student population and faculty growth. Constructing a third floor to this facility will eliminate the need for a third science annex. The facility will be constructed to LEED Gold 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 \$3,546,849 over 30 years. The agency reports the total projected cost of this project is \$30 million and additional annual operating costs of \$398,805 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 November 2015.

Ref: Supporting document pages 26-31

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
 Summary of Permanent Improvement Project Actions Proposed by Agencies  
 January 8, 2013 to February 6, 2013**

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

CHE Approval Date: 02/04/13  
 Committee Review Date:  
 B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$8,845,000.00

Budget After Action Proposed

(Add \$2,445,000.00 [6] Appropriated State)  
 (Add \$2,600,000.00 [7] Federal)  
 (Add \$2,000,000.00 [9] Other, Aiken Tech Foundation)  
 (Add \$1,707,042.00 [9] Other, Local College)

<u>Source</u>	<u>Amount</u>
Appropriated State	2,445,000.00
Federal	2,600,000.00
Other, Aiken Tech Foundation	2,000,000.00
Other, Local College	1,800,000.00
<b>Total</b>	<b>8,845,000.00</b>

Purpose: To construct an approximately 27,600 square foot facility to house the Center for Energy and Advanced Technology at Aiken Tech. The project was established in May 2012 for pre-design work which is now complete. The facility will include classrooms, welding, mechatronics and radiation protection labs, offices, support spaces and a training room for business seminars for the Industrial Technology programs. The two metal buildings where these functions are housed were built in the 1970s, are too small, have inadequate technology and antiquated wiring, do not meet current life safety codes, and have significant deferred maintenance issues. The facility will be constructed to LEED Silver certification and will include sustainable sites, water efficiency, energy and atmosphere, and other measures. The LEED cost benefit analysis shows a positive cost benefit of \$28,566 over 30 years. The agency reports the total projected cost of this project is \$8,845,000 and annual operating cost savings of \$342,350 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is October 2013 and for completion of construction is June 2015.

Ref: Supporting document pages 32-42



**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
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Item 9. Agency: H27 University of South Carolina

Project: 6082, South Tower Mechanical Renovation/Roof Replacement

CHE Approval Date: 02/07/13

Committee Review Date:

B&C Board Approval Date:

Action

Proposed: Change Source of Funds

Budget After Action Proposed

Purpose: To change the source of funds to replace the mechanical system and roof at USC's South Tower residence hall from \$6.7 million Housing Maintenance Reserve funds to \$6.7 million Housing Revenue Bonds. The project was established for pre-design in December 2010 and the construction budget was approved in January 2012, funded with Other, Housing Maintenance Reserve funds. Since that time, the University's Housing Master Plan was completed and evaluated and it recommended a different allocation of housing funds for maintenance and deferred maintenance projects that need to be accomplished. This project is for roof and mechanical system replacements which have a useful life of at least 20 years. These projects are appropriately funded with bond financing, leaving the Housing Maintenance Reserve funds available for smaller projects with a shorter useful life. Energy savings and conservation measures will include the installation of energy efficient heat recovery systems, variable speed drives, variable air volume boxes, and multiple speed fans in residence rooms. The agency reports the total projected cost of this project is \$6.7 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is March 2013 and for completion of construction is July 2014.

<u>Source</u>	<u>Amount</u>
Housing Revenue Bonds	6,700,000.00
Total Funds	6,700,000.00

Ref: Supporting document pages 59-64