

MINUTES OF THE STATE FISCAL ACCOUNTABILITY AUTHORITY MEETING

June 28, 2023 – 2:00 P. M.

The State Fiscal Accountability Authority (Authority) met at 2:00 p.m. on Wednesday, June 28, 2023, in Room 252 in the Edgar A. Brown Building with participation available by video. The following members participated in the meeting:

Governor Henry McMaster, Chair;
Mr. Curtis M. Loftis, Jr., State Treasurer;
Mr. Brian J. Gaines, Comptroller General;
Senator Harvey S. Peeler, Jr., Chairman Senate Finance Committee; and
Representative Bruce W. Bannister, Chairman, Ways and Means Committee.

Also participating in the meeting were State Fiscal Accountability Authority Executive Director Grant Gillespie; Authority General Counsel Keith McCook; State Auditor George Kennedy; Governor's Deputy Chief of Staff Mark Plowden; Treasurer's Chief of Staff Clarissa Adams; Deputy Comptroller General Ronnie Head; Joint Bond Review Committee Director of Research Rick Harmon; Ways and Means Chief of Staff Daniel Boan; Authority Secretary Delbert H. Singleton, Jr.; and other State Fiscal Accountability Authority staff.

Adoption of Agenda for State Fiscal Accountability Authority

Upon a motion by Senator Peeler, seconded by Mr. Loftis, the Authority adopted the agenda as proposed.

Minutes of Previous Meetings

Upon a motion by Mr. Loftis, seconded by Senator Peeler, the Authority approved the minutes of the May 23, 2023, State Fiscal Accountability Authority meeting.

State Treasurer's Office: Bond Counsel Selection (Regular Session Item #1)

Upon a motion by Representative Bannister, seconded by Mr. Loftis, the Authority received the State Treasurer's Office report on the assignment of bond counsel as information in accord with Authority policy.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 2

CONDUIT/OTHER ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$22,500,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Educational Facilities Revenue Bonds, Series 2023; Atlantic Collegiate Academy	Atlantic Collegiate Academy Conduit: SCJEDA	Howell Linkous & Nettles – Alan Linkous and Sam Howell	Burr Forman – Michael Seezen and Assatta Williams	5/19/2023

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$20,210,000; State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of the Medical University of South Carolina), Series 2023; College of Health Professions	State of South Carolina (on behalf of the Medical University of South Carolina)	Pope Flynn Group – Bill Musser	South Carolina Attorney General	9/15/2022
\$85,650,000; State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of the Medical University of South Carolina), Series 2023; College of Medicine	State of South Carolina (on behalf of the Medical University of South Carolina)	Pope Flynn Group – Bill Musser	South Carolina Attorney General	5/22/2023

Information relating to this matter has been retained in these files and is identified as Exhibit 1.

State Treasurer's Office: State Auditor's update regarding the status of their engagement to test the reconciliation of statewide cash balances as of December 31, 2022, to the cash balances by fund as presented in the State's annual comprehensive financial report (ACFR) (Regular Session Item #2)

The State Auditor was requested to provide an update and answer questions regarding the status of their engagement to test the reconciliation of statewide cash balances as of December 31, 2022, to the cash balances by fund as presented in the State's annual comprehensive financial report (ACFR).

Mr. Loftis asked Mr. Kennedy if he thought the testing of the reconciliation would be complete the week of July 10, 2023. Mr. Kennedy said they are in the process of receiving responses to their confirmations. He said that it is a process that, while not time consuming, does take a lot of time. He further stated that he is not aware of any responses they have received that present issues for them. He said if that continues, they should be able to issue their report by the week of July 10th.

Mr. Loftis asked Mr. Kennedy to explain why the testing was being done for the period ending December 31, 2022, and not June 30, 2022. Mr. Kennedy said that was a decision of the committee that included the Treasurer's Office, the Comptroller's Office, and the Department of Administration. Mr. Loftis asked is it the assumption that if the testing for this period works out then testing of the previous period works out as well. Mr. Kennedy said that is correct and that their next testing would be for June 30, 2023. Mr. Loftis asked what happens if the testing does not work for the prior period. Mr. Kennedy said that if it does not, they will have to address the issue.

Upon a motion by Representative Bannister, seconded by Mr. Loftis, the Authority received the State Auditor's update regarding the status of their engagement to test the reconciliation of statewide cash balances as of December 31, 2022, to the cash balances by fund as presented in the State's annual comprehensive financial report (ACFR) as information.

Information relating to this matter has been retained in these files and is identified as Exhibit 2.

Dept. of Administration, Executive Budget Office: Permanent Improvement Projects (Regular Session Item #3)

The Authority was asked to approve the following permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Executive Budget Office as noted herein. All items were reviewed favorably by the Joint Bond Review Committee (JBRC).

- (a) Project: JBRC Item 1: Clemson University
H12.9956: Tillman Hall Auditorium Renovation

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 4

Request: Establish Phase II Full Construction Budget to renovate the auditorium in the historic Tillman Hall to create a major gathering space in the heart of campus.

Included in CPIP: Yes – 2022 CPIP Priority 7 of 9 in FY23 (estimated at \$11,500,000)
Phase I Approval: April 2022 (estimated at \$11,500,000) (SFAA)
CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Maintenance & Stewardship	230,000		230,000	11,270,000	11,500,000
All Sources	<u>230,000</u>		<u>230,000</u>	<u>11,270,000</u>	<u>11,500,000</u>

Summary of Work: The work will include renovating the approximately 13,165 square foot auditorium to make it function as both a large scale, 600-seat classroom and an auditorium. It will also include installing new restrooms in a portion of the existing main building, returning the stage to a more manageable scale, creating back-of-house spaces for guest lecturers and performers, and opening the space to more natural light. The renovation will further address planned maintenance, including replacing fan coil units and lighting, upgrading some interior finishes, and upgrading the fire protection and electrical systems.

Rationale: Tillman Hall has not been renovated since 1981 (42 years ago). Per the university, the auditorium is not suitable for classroom instruction or for hosting campus speakers for students, faculty and staff. The large stage for theatrical productions is no longer needed and reducing the stage will provide more seating opportunities. The renovation will also allow for upgrading the auditorium to current ADA standards. With this renovation, the auditorium will become the largest teaching auditorium on campus.

Facility Characteristics: Tillman Auditorium is 95,700 square feet and was constructed in 1893 (130 years old) as the campus chapel. It was expanded in 1924 (99 years ago), to reorient the stage and add balconies. Tillman Hall was last renovated in 1981 (42 years ago). This renovation will return the space to the original design and provide approximately 600 seats to serve large classes and special events on campus. Tillman Hall will serve more than 5,000 students per week for instructional activities, which may increase

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 5

due to the increased capacity provided by the renovation, per the university. Additionally, the space will be used for special events in the evenings for guest speakers, small concerts, award ceremonies, and seminars with seating up to 600 seats.

Financial Impact: This project will be funded from Other, Maintenance & Stewardship Funds (uncommitted balance \$23.18 million at April 11, 2023) Revenue to the fund is generated from tuition, matriculation and other debt retirement and plant transfer revenues that are not formally obligated to fund debt service in the current period and that are responsibly transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use. The project is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$1,005 per student per semester, and has increased from \$738 to \$1,005 for the academic years 2014-2015 to 2022-2023. \$380 of the \$1,005 is currently pledged for debt service. The balance of the fee, \$625 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$11,500,000 (internal) funded by Maintenance & Stewardship Funds. Contract execution is expected in August 2023 and completion of construction in December 2024.

(b) Project: JBRC Item 2: College of Charleston
 H15.9681: Grice Marine Lab Annex Renovation

Request: Establish Phase I Pre-Design Budget to address structural issues.

Included in CPIP: Yes – 2022 CPIP Priority 2 of 7 in FY24 (estimated at \$3,622,500)
CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement Project				142,500	142,500
All Sources				<u>142,500</u>	<u>142,500</u>

Summary of Work: The project will address structural issues including extensively damaged sill plates and chimneys. Asbestos and lead-based paint will be abated.

Wall systems and exterior siding will be repaired. Windows, doors, mechanical, electrical, plumbing and fire life safety systems will be replaced. Major ADA and building code issues will be addressed. Interior reconfigurations and finish updates will also be completed.

Rationale: Much of the infrastructure is original to the building. Air conditioning is currently supplied through window units, leading to indoor air quality issues. Per the college, windows, doors, and lapboard siding are falling into disrepair. Sill plate replacements are crucial to the building's structural health.

Facility Characteristics: Grice Marine Lab Annex is 7,144 gross square feet and was constructed in 1932 (91 years old). The last renovation was completed in 1987 (36 years ago). The one-level historic building is on James Island. It was constructed as a federal quarantine hospital and the college secured ownership in partnership with MUSC in 1952 (71 years ago). The facility now serves as a core facility in support of approximately 400 undergraduate majors and 55 graduate students in pursuit of a BS or MS degree in Marine Biology, as well as faculty and student independent research.

Financial Impact: This project will be funded from Other, Capital Improvement Project Funds (uncommitted balance \$44.13 million at April 4, 2023). Revenue to this fund is generated by the Capital Improvement Fee that exceeds current annual debt service related to bonds. The project is expected to result in a decrease of \$6,200 (year 1), \$6,386 (year 2), and \$6,578 (year 3), in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has increased from \$781 to \$906 for the academic years 2014-2015 to 2022-2023. \$622 of the \$906 is currently pledged for debt service. The balance of the fee, \$284 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$5,700,000 (internal) funded by Capital Improvement Project Funds. The Phase I amount requested is 2.50% of the total estimated cost to complete the project because the procurement method will be Design-Bid-Build. The additional funds will be used to cover overhead costs to solicit and retain a contracting partner earlier in the process than the usual Design-Building process.

(c) **Project:** JBRC Item 3: College of Charleston
H15.9682: School of Education Exterior Repairs

Request: Establish Phase I Pre-Design Budget to make interior and exterior repairs

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 7

to the building.

Included in CPIP: No – This project was estimated to be less than \$2 million and therefore not included in the 2022 CPIP submission.

CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement Project				55,500	55,500
All Sources				<u>55,500</u>	<u>55,500</u>

Summary of Work: The project will repair and/or replace windows, doors, roof, siding and moldings on the addition portion of the building. The entry courtyard will be regraded to divert stormwater away from the building. Light repairs will be completed on the original building as needed. Additionally, repairs will be completed for damaged sheetrock and ceiling tiles due to water intrusion. All roofing material options will be evaluated during the Phase I process.

Rationale: A September 2022 building envelope assessment by REI Engineers showed the modified bitumen surface ply roof exhibited granular loss, early cracking, open laps, and improper terminations. Nine roof leaks were observed and traced back to improper sealing of roof drains and HVAC piping. Wood siding and penetrations within were unsealed or improperly sealed. Gaps were observed in siding and window sheet metal flashings and end dams at sills and corners were missing. Sealant was missing between the windowsill and wooden sub sill directly below, causing sagging and negative drainage slope. The assessment also showed that the windows are not defective, and the water intrusion issues appear to be due to incorrect installation of flashing. Additionally, a roof assessment cited improper flashing. The membrane remains intact but select areas improperly flashed show minimal building infiltration. Nonhistorical doors and moldings have deteriorated due to incorrect installation of flashing. The siding was originally specified as cementitious planks but prohibited by the City Board of Architectural Review. Treated pine was used instead and due to questionable installation, some boards have rotted from improper caulking and warping.

Facility Characteristics: The original School of Education Building is 7,700 gross square feet and

was constructed in 1875 (148 years old). The last significant renovation occurred in 2007. A 21,000 gross square foot addition to the building was constructed in 2007 (16 years old). The building houses the School of Education offices, Department of Teacher Education, Office of Student Services and Credentialing, Office of Professional Development in Education, Alumni Center, and the Jeremy Warren Vann Teacher Education Center. Approximately 1,170 undergraduate students, 760 graduate students, 23 faculty, 22 staff and clients, visitors, and parents, utilize the facility regularly.

Financial Impact: This project will be funded from Other, Capital Improvement Project Funds (uncommitted balance \$44.13 million at April 4, 2023). Revenue to this fund is generated by the Capital Improvement Fee that exceeds current annual debt service related to bonds. The project is expected to result in a decrease of \$2,100 (year 1), \$2,163 (year 2), and \$2,228 (year 3), in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has increased from \$781 to \$906 for the academic years 2014-2015 to 2022-2023. \$622 of the \$906 is currently pledged for debt service. The balance of the fee, \$284 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$2,220,000 (internal) funded by Capital Improvement Project Funds. The Phase I amount requested is 2.50% of the total estimated cost to complete the project because the procurement method will be Design-Bid-Build. The additional funds will be used to cover overhead costs to solicit and retain a contracting partner earlier in the process than the usual Design-Building process.

Other: A claim has not been filed with the Insurance Reserve Fund. The college intends to confer with their in-house counsel to explore litigation options. Per the college, the general contractor for the addition cannot be reached and appears to be out of business.

(d) Project: JBRC Item 4: College of Charleston
H15.9683: Sottile Theatre Envelope, Safety, and HVAC Upgrades

Request: Establish Phase I Pre-Design Budget to address moisture infiltration in the theatre.

Included in CPIP: Yes – 2022 CPIP Priority 7 of 9 in FY23 (estimated at \$5,200,000)
CHE Approval: 06/01/23

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 9

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement Project				130,000	130,000
All Sources				<u>130,000</u>	<u>130,000</u>

Summary of Work: The project will address moisture infiltration in at least 12 documented areas, structural reinforcements over the audience section, life safety upgrades and HVAC system replacement. A comprehensive building envelope assessment was completed in May 2021 and recommends 1) repairs to exterior brick, stucco, concrete coping/ornamentation, coatings, penetrations, fenestrations, metal/clay-tile roofs and historic entrance canopies. 2) replacements of exterior wall sealant system, low-slope roofs, pop-up/penthouse roofs, siding, and wood windows. 3) structural reinforcement of original steel roof trusses to account for current structural load; preparation, priming, and painting of various exterior metal surfaces. 4) replacement of wood “catwalk” walkways above audience seating with code-compliant metal systems for lighting and HVAC equipment access. All roofing material options will be evaluated during the Phase I process.

Rationale: Building envelope issues are allowing water intrusion from the roof, exterior walls and basement foundation. As a historically protected building, demolition is not an option.

Facility Characteristics: The Sottile Theatre is 59,081 gross square feet and was constructed in 1927 (96 years old). The attic level containing the catwalks is approximately 20,000 gross square feet. All other renovations apply to the exterior of the building. The theatre is utilized by the entire campus community including student programming, student organizations, and academic departments. In addition to internal college use, the theatre hosts local, regional, and national performances and is one of the primary venues for the Spoleto Arts Festival. The facility averages 623 patrons per event and serves approximately 43,000 patrons a year.

Financial Impact: This project will be funded from Other, Capital Improvement Project Funds (uncommitted balance \$44.13 million at April 4, 2023). Revenue to this fund is generated by the Capital Improvement Fee that exceeds current annual debt service related to bonds. The project is expected to result in a decrease of \$9,000 (year 1), \$9,270 (year 2), and \$9,548 (year 3), in annual operating expenditures. No student fees or tuition will be

increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has increased from \$781 to \$906 for the academic years 2014-2015 to 2022-2023. \$622 of the \$906 is currently pledged for debt service. The balance of the fee, \$284 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$5,200,000 (internal) funded by Capital Improvement Project Funds. The Phase I amount requested is 2.50% of the total estimated cost to complete the project because the procurement method will be Design-Bid-Build. The additional funds will be used to cover overhead costs to solicit and retain a contracting partner earlier in the process than the usual Design-Building process.

(e) Project: JBRC Item 5: Coastal Carolina University
H17.9624: Indoor Practice Facility Construction

Request: Establish Phase II Full Construction Budget to construct an indoor practice facility.

Included in CPIP: Yes – 2022 CPIP Priority 1 of 4 in FY23 (estimated at \$15,000,000)
Phase I Approval: June 2022 (estimated at \$15,000,000) (SFAA)
CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Project Reserves	375,000		375,000	4,625,000	5,000,000
Other, Donor Gifts				15,000,000	15,000,000
All Sources	<u>375,000</u>		<u>375,000</u>	<u>19,625,000</u>	<u>20,000,000</u>

Summary of Work: The project will construct a pre-engineered metal building for an indoor practice facility that will include a full-sized synthetic turf football field, a coach's tower, a training room, video recording platforms, lighting and sound systems, restrooms, and storage space. High ceilings will allow for special teams' work. The building will not be conditioned. The new building will include a Vertical-Rib, Sealed Joint, Standing-Seam Metal Roof Panel System that will come with a minimum 20-year material and workmanship warranty.

Rationale: Per the university, the football program currently has no adequate indoor practice location. An indoor practice facility will assist with alleviating conflicts among multiple sports for practice space which promotes student-athlete welfare by allowing more flexibility around student-athlete academic schedules. In inclement weather, this facility will enable consistency with practices and provide enhanced safety allowing practices to continue during inclement weather. Practice time is highly regulated by NCAA rules and is largely perishable. A lost practice cannot be made up without special waivers to rules. During off-peak usage it can be utilized by other athletic programs, club sports, as a campus gathering place for special events, and in extreme cases, provide another large scale local/regional asset for potential emergency management use.

Facility Characteristics: The new 93,365 gross square foot indoor practice facility will be located south of Brooks Stadium. The facility will be used by approximately 100 football players and 35 coaching and support staff.

Financial Impact: This phase of the project will be funded from Other, Capital Project Reserve Funds (uncommitted balance \$8.59 million at April 19, 2023), and Donor Gifts (uncommitted balance \$15 million at April 19, 2023). Revenue to the Capital Project Reserve Fund is from a September 2019 redemption of outstanding Series 2010A General Obligation Bonds. The transaction was funded entirely by existing university resources and funds that would have been used to service this debt is collected into this account. The Chanticleer Athletic Foundation has secured donations restricted to this project. The project is expected to result in an increase of \$80,394 (year 1), and \$160,87 (years 2 thru 3), in annual operating expenditures. No student fees or tuition will be increased because of the project. A portion of tuition is designated for capital improvements, currently \$405 per student per semester, and has decreased from \$595 to \$405 for the academic years 2014-2015 to 2022-2023.

Full Project Estimate: \$20,000,000 (internal) funded by Capital Project Reserves and Donor Gift Funds. Contract execution is expected in October 2023 and completion of construction in January 2025.

(f) **Project:** JBRC Item 6: University of South Carolina - Columbia
H27.6131: Thornwell College Maintenance Renovation

Request: Increase Phase II Full Construction Budget and Revise Scope to increase the proposed renovated area included for the renovation of the residential portion of the building.

Included in CPIP: No – The project was not included in the 2022 CPIP submission because the need to revise the scope and increase the budget was not determined

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 12

Phase I Approval: until early 2023.
 August 2019 (estimated at \$12,000,000) (SFAA)
 Phase II Approval: June 2022 (estimated at \$12,590,000) (SFAA)
 CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Housing Maintenance Reserve	165,000	12,425,000	12,590,000	9,410,000	22,000,000
All Sources	<u>165,000</u>	<u>12,425,000</u>	<u>12,590,000</u>	<u>9,410,000</u>	<u>22,000,000</u>

Summary of Work: The project scope is being expanded to renovate the entire building, gutting and reconfiguring both the interior student residence areas and repurposing approximately 16,000 square feet of areas that have historically been used for administrative offices, and will now become student residences. The previously approved scope was limited to renovation of the residential portion of the building. The reconfiguration will convert the apartment-style units and offices to suite-style units and add approximately 79 beds within the existing building footprint. The renovation will replace all mechanical, plumbing, and electrical infrastructure. Additionally, a new generator will be provided to power life safety and emergency systems in Thornwell and the adjacent Maxcy College. Electronic access door hardware will be added to unit entrances to match university housing standards. The roof was surveyed and was determined to be in salvageable condition requiring only localized repairs. An approximately 1,696 square foot expansion will be constructed at the south façade to serve as a new main entrance and to create public space at each floor level. Other public spaces include new corridors, kitchens, egress stairs and a laundry. Exterior improvements will be executed at the south courtyard to remove the non-historic fire escape balconies and enhance accessibility. Patios will be created for exterior study and social space. Administrative staff that operates in the office portion of Thornwell will be relocated to available space elsewhere on campus.

Rationale: The revised scope will add another 61 student beds beyond the 78 beds that were programmed in the previously approved scope of work. Per the university, adding on-campus beds is a primary campus objective and responds to enrollment growth and high demand from students who wish to continue living on campus after their freshman year. The residence hall and office areas have not been renovated in decades and require systems

replacement to enhance functionality and occupant comfort. The reconfiguration will update the unit style to suites that are deemed to be most beneficial to students and add beds in a desirable location near the campus core. Removing the fire escape balconies will improve building aesthetics, reduce maintenance, and be more sympathetic to the building’s historic architectural character. The replacement of aged mechanical and electrical systems will reduce energy consumption and save utility cost, per the university.

Facility Characteristics: Thornwell College is 38,421 gross square feet and was constructed in 1913 (110 years old). After project completion, Thornwell College will be a total of 39,921 gross square feet. The building is proposed to have 139 student beds with the increased renovated area as requested. The building will be entirely utilized for student housing.

Financial Impact: This project will be funded from Other, Housing Maintenance Reserve Fund (uncommitted balance \$23.77 million at April 13, 2023). Revenue to the fund is generated from housing fees and revenues generated by laundry operations, conferences, and interest. The building will be designed to meet Two Green Globes certification standards with anticipated energy savings of \$661,202 over a 30-year period. The project is expected to result in a decrease of \$38,920 (year 1), \$39,477 (year 2), and \$40,056 (year 3), in annual operating expenditures. No student fees or tuition will be increased because of the project. A portion of tuition is designated for capital improvements, currently \$320 per student per semester, and has not increased for the academic years 2014-2015 to 2022-2023.

Full Project Estimate: \$22,000,000 (internal) funded by Housing Maintenance Reserve Funds. Contract execution is expected in April 2024 and completion of construction in July 2025.

(g) Project: JBRC Item 8: University of South Carolina - Columbia
H27.6149: River Property Land Acquisition

Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of four parcels of land totaling approximately 589 acres in Richland County.

Included in CPIP: Yes – 2022 CPIP Priority 15 of 15 in FY24 (estimated at \$3,000,000)
CHE Approval: 06/01/23

	Cumulative		Total Budget
Original	Changes	Adjustment	After Current

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 14

Source of Funds	Budget Amount	Since Original Budget	Current Budget	Requested	Adjustment
Other, Institutional/Land Reserve				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

Rationale: Acquisition of the property will complete a long-term plan to use the proceeds from a previous sale of surplus land (The Wedge Property). Per the university, this property will more effectively serve the university mission. The property can support agricultural and archeological research, future recreation fields, passive forms of recreation such as hiking and camping, and land for other future development opportunities.

Characteristics: The four contiguous parcels are 547-acres, 5-acres, 25-acres and 12-acres, and are contiguous with, and surrounded by university property. There are no buildings located on the property.

Financial Impact: The 5-acre, 12-acre and 25-acre parcels are offered by the USC Development Foundation as a donation. The 547- acre parcel is offered by the USC Development Foundation for an undetermined purchase price, but is anticipated to be at least \$3,000,000, but less than \$3,300,000. The due diligence activities will be funded from Institutional Funds/Land Reserve Funds (uncommitted balance \$28.52 million/\$3.38 million, at April 19, 2023). Revenue to this fund is derived from tuition and fees, sales and services activities, and other miscellaneous sources. The project is expected to result in an increase of \$130,000 (years 1 thru 3), in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$320 per student per semester, and has not increased for the academic years 2014-2015 to 2022-2023.

Full Project Estimate: \$3,000,000 to \$3,300,000 (internal) funded by Institutional/Land Reserve Funds.

Senator Peeler said he did not want to stop Phase I of the project from going forward, but that before Phase II is approved, he would encourage USC to keep the Joint Bond Review Committee and the State Fiscal Accountability Authority informed about its development plans.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 15

(h) Project: JBRC Item 9: University of South Carolina – Aiken
H29.9558: Softball Facility Construction

Request: Establish Phase II Full Construction Budget to create a basic softball field near the baseball stadium.

Included in CPIP: Yes – 2022 CPIP Priority 2 of 4 in FY23 (estimated at \$3,500,000)

Phase I Approval: March 2023 (estimated at \$2,600,000) (SFAA)

CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional	39,000		39,000	2,561,000	2,600,000
All Sources	<u>39,000</u>		<u>39,000</u>	<u>2,561,000</u>	<u>2,600,000</u>

Summary of Work: This project will create a basic softball field to include dugouts, bleachers for approximately 200 spectators, a ticket kiosk, lighting, and fencing for crowd control. As a cost savings measure, the existing scoreboard and batting cage will be relocated to the new facility. The buildings will include metal roofs that will come with a 20-year material and workmanship warranty. The existing softball field will be repurposed as the location of the new SC National Guard Cyber Center/DreamPort and Advanced Manufacturing Collaborative Building.

Rationale: Relocating the existing softball facility to the periphery of campus enables academic programs to be developed in the campus core.

Facility Characteristics: The new softball facility will include a softball field, dug outs with restrooms, fencing, and scoreboard. The alternates include field lighting, bleachers, press box, concessions and restrooms totaling 1,005 square feet. The new facility will accommodate approximately 200 spectators, and approximately 60 players and coaches.

Financial Impact: The project will be funded from Institutional Funds (uncommitted balance \$2.6 million at April 19, 2023). Institutional Funds are available to the university from a variety of sources including tuition and fees, sales and service activities, and other miscellaneous sources. The project is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$12 per

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 16

student per semester, and has not increased for the academic years 2014-2015 to 2022-2023.

Full Project Estimate: \$2,600,000 (internal) funded by Institutional Funds. The estimated cost to complete this project has decreased from the 2022 CPIP submission because the project scope was reduced to construct a basic softball competition facility. Future work may be funded with gifts or university funds to be allocated later and would include a press box and other enhancements to upgrade the softball facility. Contract execution is expected in October 2023 and completion of construction in June 2024.

(i) Project: JBRC Item 10: University of South Carolina – Upstate
H34.9555: Rampey Building Expansion and Renovation

Request: Establish Phase I Pre-Design Budget to construct an addition to the Rampey Building to accommodate the relocation and expansion of the Health Services Facility.

Included in CPIP: Yes – 2022 CPIP Priority 1 of 4 in FY24 (estimated at \$2,500,000)
CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional Capital Project				37,500	37,500
All Sources				<u>37,500</u>	<u>37,500</u>

Summary of Work: This project will construct a 5,000 gross square foot addition that will include exam rooms, sick and well waiting rooms, triage space, laundry space, a nurse’s station with lab, supply room, storage room, records rooms, administrative offices, and conference space. All roofing material options for the addition will be evaluated during the Phase I process. Minor interior modifications to the existing building will enable connectivity to the addition.

Rationale: Health Services is currently located on the opposite side of campus from most student housing and is in an older facility. Per the university, the Rampey Center is in a better location to serve the students campus life, but the existing facility is not adequate space for the entire Health Services team and the resources they provide. The expansion of the Rampey

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 17

Building will enable the department to expand services to students and be closer in proximity to the majority of the residence halls.

Facility Characteristics: The current Health Services Facility is 2,400 gross square feet and was constructed in 1995 (28 years old). The existing Rampey Building is 7,172 square feet and was constructed in 1995 (28 years old). 95% of the existing building houses Counseling Services and 5% houses Health Services. The addition will house the Health Services functions being relocated from elsewhere on campus.

Financial Impact: The project will be funded from Other, Institutional Capital Project Funds (uncommitted balance \$11.60 million at April 19, 2023). Institutional Capital Project Funds are generated from the portion of tuition and fees designated for bond and renovation reserve. These funds pay debt service first and the remainder is used for capital improvements. The project is expected to result in an increase of \$7,250 (year 1), and \$14,500 (years 2 thru 3), in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$295 per student per semester, and has not increased for the academic years 2014-2015 to 2022-2023.

Full Project Estimate: \$2,500,000 (internal) funded by Institutional Capital Project Funds.

(j) **Project:** JBRC Separate Item: Medical University of South Carolina
H51.9855: College of Medicine Office and Academic Building

Request: Revise Scope and Establish Phase II Full Construction Budget to construct a seven story, approximately 187,000 gross square foot building at the corner of President and Bee Streets.

Included in CPIP: Yes – 2022 CPIP Priority 7 of 11 in FY23 (estimated at \$150,000,000)
Phase I Approval: April 2022 (estimated at \$172,000,000) (SFAA)
CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Institution Bonds				85,000,000	85,000,000
FY22 Capital Reserve (22)				6,250,000	6,250,000

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 18

			25,000,000	25,000,000
FY23 Capital Reserve (18)	3,440,000	3,440,000	51,310,000	54,750,000
Other, Clinical Revenue			20,000,000	20,000,000
Other, Gifts			9,000,000	9,000,000
Other, Deferred Maintenance				
All Sources	<u>3,440,000</u>	<u>3,440,000</u>	<u>196,560,000</u>	<u>200,000,000</u>

Summary of Work: The project will construct a seven-story building of which more than 50% of the building will be medical teaching space including the majority of the first three stories. Floors 4-6 are faculty offices and support spaces to support students. Approximately 50% of the 7th floor will contain mechanical/electrical rooms with offices in the other half. The roof to be installed on the new building will be a Built-Up Roofing (BUR) Membrane system and will come with a minimum 20-year material and workmanship warranty. Additionally, the project will expand the existing Basic Science Building mechanical room (MRE) and install additional chill water capacity to supply the new College of Medicine Building needs. The new MRE square footage is approximately 6,000 gross square feet. The existing 6,984 square foot Vince Moseley Building will be demolished as part of this project.

Rationale: The new building will allow the College of Medicine to consolidate faculty, staff, and students at one location to improve efficiency, mentoring of students, and collaboration within the department, per the university.

Facility Characteristics: The new facility (which is not a replacement facility), will be approximately 187,000 gross square feet and will support the College of Medicine medical student education activities, to include classrooms, study space, relaxation and wellness areas, large auditorium, and programmatic teaching adjacencies. The College of Medicine Dean's Office, to include its education team, will be located in this space, to allow for enhanced access by medical students. A number of College of Medicine departments, comprised of faculty, staff, and trainees, will also be located within the proposed building. In responding to MUSC's master facility plan over the coming years, those academic departments may include the following: Anesthesia, Dermatology, Medicine, Neurology,

Neurosurgery, Ob/GYN, Orthopedics, Otolaryngology, Pathology, Pediatrics, Radiology, Radiation Oncology, Surgery, and Urology. It is anticipated that approximately 1,075 faculty and staff will utilize the space on a regular basis, with additional faculty and staff utilizing the building on a more ad hoc basis. The current medical student enrollment is approximately 720, and there are approximately 816 resident physicians.

Financial Impact: This phase of the project will be funded from Institution Bonds (to be issued), FY22 & FY23 Capital Reserve (uncommitted balance \$31.25 million at April 19, 2023), Clinical Revenue (uncommitted balance \$54.75 million at April 19, 2023), Gifts and Donations (uncommitted balance \$20 million at April 19, 2023), and Deferred Maintenance Funds (uncommitted balance \$11 million at April 19, 2023). Revenue in the Clinical Revenue Fund is clinical revenues generated by patient services (College of Medicine). Revenue in the Deferred Maintenance (RCM) Fund is based on the adopted Responsibility Centered Management budgeting model. Under RCM a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$599,068 over a 30-year period. The project is expected to result in an increase of \$1,400,000 (year 1), and \$2,100,000 (years 2 thru 3), in annual operating expenses. MUSC does not charge a separate plant improvement fee to the students. No student fees or tuition will be increased as a consequence of the project.

Full Project Estimate: \$200,000,000 (internal) funded by Institution Bonds, Capital Reserve, Clinical Revenues, Gifts, and Deferred Maintenance Funds. Contract execution is expected in August 2024 and completion of construction in October 2026.

(k) Project: JBRC Separate Item: Medical University of South Carolina
H51.9854: College of Health Professions President Street Academic Building

Request: Increase the Phase II Full Construction Budget to cover higher than anticipated costs to construct a six story, approximately 94,000 gross square foot building on President Street.

Included in CPIP: Yes – 2022 CPIP Priority 1 of 11 in FY23 (estimated at \$50,000,000)
Phase I Approval: December 2021 (estimated at \$40,000,000) (SFAA)
Phase II Approval: November 2022 (estimated at \$50,000,000) (SFAA)
CHE Approval: 06/01/23

	Original	Cumulative Changes	Adjustment	Total Budget After Current
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Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 20

Source of Funds	Budget Amount	Since Original Budget	Current Budget	Requested	Adjustment
State Institution Bonds		25,225,000	25,225,000	19,775,000	45,000,000
Other, Institutional Capital Reserves	600,000	4,400,000	5,000,000		5,000,000
Other, CHP Clinical Reserves		19,775,000	19,775,000	225,000	20,000,000
All Sources	<u>600,000</u>	<u>49,400,000</u>	<u>50,000,000</u>	<u>20,000,000</u>	<u>70,000,000</u>

Summary of Work: The building will be constructed north of the Bioengineering building. It will include 5,000 square feet of research space, teaching lab and multipurpose classroom spaces and a minimum of an additional 30 faculty and staff office and support space. The bottom four floors will be finished for immediate occupancy, the top two floors will be shell space for future College of Health Professions expansion. The roof to be installed will be a two-ply modified bitumen roof membrane system with a cover board and polyisocyanurate insulation over metal roof deck. The roof will come with a minimum 20-year material and workmanship warranty.

Rationale: The July 2022 schematic design cost estimate included in the Phase II request did not properly account for the unprecedented increases in subcontractor and materials pricing that have occurred over the last year. The current cost estimate from the Construction Manager at Risk is based on preliminary bidding from various strategic sub-contractors. The current estimate indicates construction cost is approximately \$19,000,000 higher than the previous Phase II estimate based on current cost conditions. There is a \$1,000,000 increase in professional services. The new facility is needed to support growth of the various academic programs within the College of Health Professions.

Facility Characteristics: The new facility will be 94,000 gross square feet and will support the Bachelor of Science in Healthcare Studies, Health Administration (Masters and Doctorate), Health Informatics, Doctor of Philosophy in Health and Rehabilitation Science, Cardiovascular Perfusion, Physician Assistant Studies, Anesthesia for Nurses, Speech Language Pathology, Physical Therapy, Occupational Therapy, and Proposed Genetic Counseling Program (pending CHE approval with potential start date of Fall 2023). Per the university, the current College of Health Professionals student body of approximately 800 students is expected to increase 20% over the

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 21

next four years and is projected as follows: Physician Assistant Studies program, from 60 to 97 students; New Speech Language Pathology Program (first cohort of 43 students matriculated in Fall 2021); Proposal and development of a Genetic Counseling program. The facility will be accessible by students, faculty, staff and MUSC constituents.

Financial Impact: This phase of the project will be funded from Institution Bonds (to be issued), and College of Health Professional Clinical (CHP) Revenues (uncommitted balance \$33.7 million at April 20, 2023). Revenue to the CHP Clinical Reserves Fund is derived from clinical revenue generated by patient services. The project will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$675,464 over a 30-year period. The project is expected to result in an increase of \$631,000 (years 1 thru 3), in annual operating expenses. MUSC does not charge a separate plant improvement fee to the students. No student fees or tuition will be increased as a consequence of the project.

Full Project Estimate: \$70,000,000 (internal) funded by State Institution Bonds and CHP Clinical Revenues. Contract execution is expected in August 2023 with construction completion in June 2025.

(l) Project: JBRC Separate Item: Medical University of South Carolina H51.9875: Acquisition of College of Health Professions A, B, Ashley Rutledge Garage and Donation of 12 Properties

Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of 9.185 acres and the College of Health Professions Buildings in Charleston County.

Included in CPIP: No – The project relies on a complex set of solutions addressing needs of the University and Hospital, the pieces of which did not come together until recently.

CHE Approval: 06/01/23

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Project Reserves				260,000	260,000
All Sources				<u>260,000</u>	<u>260,000</u>

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 22

Rationale: The Charleston High School Development Company (a MUSC related entity) has and continues to ground lease CHP Buildings A, B, and the Ashley Rutledge Garage from the Foundation since November 2003. The lease between CHS Development Company and the Foundation does not contain reversion language. The university desires to acquire the CHP Buildings and 12 other properties from the Foundation to continue its use as academic, administrative and faculty office space and parking. This acquisition will relieve the encumbering debt on these properties and will allow the university to maintain control of critical pieces of its campus in perpetuity.

Characteristics: Rutledge 159-A (3 stories), is 38,474 gross square feet and was constructed in 2005 (18 years old). Rutledge 159-B (4 stories) is 42,380 gross square feet and was constructed in 2005 (18 years old). Ashley Rutledge Garage (9 stories/636 parking spaces) is 239,025 gross square feet and was constructed in 2005 (18 years old). The remaining 12 properties total 7.24 acres. These buildings total 136,269 square feet combined, and their age is unknown.

Financial Impact: The properties are offered by Medical University of South Carolina Foundation for the proposed purchase price of \$14,810,216. The due diligence activities will be funded from Capital Project Reserves (uncommitted balance \$10.21 million at April 11, 2023). Revenue to this fund is derived from prior capital investments set aside for major long-term investment projects or other anticipated capital expenses. The project is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. MUSC does not charge a separate plant improvement fee to the students. No student fees or tuition will be increased as a consequence of the project.

Full Project Estimate: \$14,810,216 (internal). Final Land Acquisition will be funded by Capital Project Reserves and Patient Fees.

(m)Project: JBRC Item 11: Tri-County Technical College
H59.6267: TCTC Pendleton Campus Pickens Hall Renovation

Request: Establish Phase I Pre-Design Budget to renovate Pickens Hall.

Included in CPIP: Yes – 2022 CPIP Priority 1 of 2 in FY24 (estimated at \$12,000,000)
CHE Approval: 06/01/23

	Cumulative		Total Budget
Original	Changes	Adjustment	After Current

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 23

Source of Funds	Budget Amount	Since Original Budget	Current Budget	Requested	Adjustment
Other, Accumulated Maintenance				240,000	240,000
All Sources				<u>240,000</u>	<u>240,000</u>

Summary of Work: The project will renovate existing classrooms, computer labs and offices making the classrooms and labs more efficient, functional, and optimal-sized. Life safety upgrades will be completed, including updating the fire protection and detection systems along with building circulation and access. Additionally, energy efficiency enhancements such as LED lighting, updated HVAC system, and tie-in to the college’s existing chilled water plant will also be completed. For the building envelope, larger and additional windows will be installed, and brick joints will be repointed. For the building infrastructure, new underground sanitary sewer lines will be installed along with new electrical switchgear and IT cabling & infrastructure.

Rationale: The last capital invest in this building, excluding normal building maintenance, was completed in 2002. The renovation will allow for efficient space utilization & circulation and provide an active learning environment utilizing current technology and best practices, per the college.

Facility Characteristics: Pickens Hall is 40,232 square feet and was constructed in 1963 (60 years old). The building is utilized by approximately 800 students and 45 faculty/staff.

Financial Impact: This phase of the project will be funded from Other, Accumulated Maintenance Funds (uncommitted balance \$38.8 million at March 31, 2023). The project is expected to result in a decrease of \$29,674 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$16,000,000 (internal). Phase II will be funded \$11,000,000 in Accumulated Maintenance and \$5,000,000 in Appropriated State (nonrecurring) Funds requested during the FY23-24 budget process. If the Appropriated State Funds are not received, the project will be fully funded with Accumulated Maintenance Funds.

(n) **Project:** JBRC Item 16: Office of the Adjutant General
 E24.9793, Armory Revitalization (Annualized)

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 24

Request: Increase the Phase II Full Construction Budget to cover additional cost for the final design of Laurens and Union, the construction of Laurens and Union, and the design of Wellford and Hartsville.

Included in CPIP: Yes - 2022 CPIP Priority 3 of 24 in FY23 (estimated at \$53,199,600)

Phase II Approval: November 2016 (estimated at \$10,500,000) (SFAA)

Phase II Increase Approval: September 2018 (estimated at \$13,500,000) (Admin.)

CSOF Approval: September 2018 (estimated at \$13,500,000) (JBRC Staff)

Phase II Increase Approval: December 2019 (estimated at \$19,600,000) (SFAA)

CSOF Approval: April 2020 (estimated at \$20,000,000) (Admin.)

Phase II Increase Approval: June 2020 (estimated at \$21,000,000) (SFAA)

Phase II Increase Approval: October 2020 (estimated at \$23,100,000) (SFAA)

Phase II Increase Approval: March 2021 (estimated at \$45,524,000) (SFAA)

Phase II Increase Approval: April 2022 (estimated at \$41,000,000) (SFAA)

CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY16 Capital Reserve	5,000,000		5,000,000		5,000,000
FY19 Capital Reserve		3,000,000	3,000,000		3,000,000
Appropriated State, FY20 Proviso		3,050,000	3,050,000		3,050,000
118.16(B)(18)(b)			2,000,000		
		2,000,000			2,000,000
Appropriated State, FY22 Proviso				608,513	608,513
118.18(B)(69)(b)					
Appropriated State, FY23 Proviso				6,500,000	6,500,000

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 25

118.19(B)(74)(A)

FY22 Appropriated
 State,
 Carryforward

Federal, National Guard Bureau	5,500,000	10,874,600	16,374,600	7,108,513	16,374,600
Other, FY20 Armory Maintenance		500,000	500,000		500,000
All Sources	<u>10,500,000</u>	<u>19,424,600</u>	<u>29,924,600</u>	<u>14,217,026</u>	<u>44,141,626</u>

Summary of Work: The project was established to complete significant repairs at eleven (11) Readiness Centers (aka; Armories) that are in the worst conditions of disrepair of the 63 RCs and are chosen based on the A/E's assessment/design. The centers include Greenwood, Lancaster, Greenville, Florence, Sumter, Clemson, Laurens, Union, Hartsville, Easley and Wellford. Each of these facilities has varying issues that need to be repaired or renovated, but the major cost items include 1) Roof replacement or repairs. Roofs will be replaced at Florence, Sumter, Easley, Laurens, Clemson, Union, and Hartsville because each roof is approximately 40+ years old. Five armories have built-up bituminous roofing systems and two have standing seam metal roofs and all will be replaced with the same roofing material. All roofs will come with a minimum 20-year material and workmanship warranty. 2) HVAC systems maintenance and/or repairs. 3) Replacing existing exterior windows, doors, and storefront systems. 4) Interior renovations of latrines, kitchen, lighting, fire suppression, carpeting/flooring, painting of interior & exterior walls. 5) Electrical system upgrades. 6) Site improvements and repairs of parking lots, stormwater systems, security fencing, security lighting. 7) Foundation, structure, and exterior wall repairs.

Rationale: In most cases, items require replacement since they have exceeded their service life. In accordance with Federal law, the State of South Carolina is obligated to the National Guard Bureau to provide operation and maintenance funding for those facilities if there is a federally recognized unit assigned to the facilities.

Facility Characteristics: Each armory is 45,000 to 65,000 square feet and was constructed in 1970 (53 years old). The agency has relocated and/or consolidated force

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 26

structure to other RCs and closed the sub-standard RCs that could be closed. Each armory will be utilized by 300+ National Guardsman statewide.

Financial Impact: This increase will be funded with FY23 Appropriated State (nonrecurring) (uncommitted balance \$2.5 million at April 20, 2023), FY22 Appropriated State, Carryforward (uncommitted balance \$6.5 million at April 20, 2023), and Federal, National Guard Bureau Funds (uncommitted balance \$10 million at April 20, 2023). Revenue to this fund is received from the Construction and Facilities Management Office’s Master Cooperative Agreement funds. The Laurens and Union Armories are expected to result in a decrease of \$750 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$53,199,600 (internal) funded by Capital Reserve, Appropriated State, National Guard Bureau and Armory Maintenance Funds. Contract execution for Laurens is expected in July 2023 and completion of construction in July 2024. Contract execution for Union is expected in September 2023 and completion of construction in November 2024.

Other: 6 of 11 facilities (Greenwood/Lancaster/Greenville/Florence/Sumter/Easley) have been completed. Laurens and Union are currently in final design.

(o) Project: JBRC Item 19: Department of Mental Health
 J12.9811: Waccamaw Center for Mental Health HVAC, Sprinkler, Fire Alarm and Roof Replacement

Request: Establish Phase II Full Construction Budget to replace 25 HVAC units, HVAC controls, sprinkler, fire alarm and roof at the Waccamaw Center for Mental Health in Conway.

Included in CPIP: Yes – 2022 CPIP 6 of 48 in FY23 (estimated at \$1,920,000)
Phase I Approval: December 2021 (estimated at \$1,600,000) (SFAA)
CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	24,000		24,000	2,597,384	2,621,384

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 27

All Sources	<u>24,000</u>	<u>24,000</u>	<u>2,597,384</u>	<u>2,621,384</u>
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Summary of Work: The project includes replacing the outside air and return dampers, ductwork, refrigerant lines, AHU's, condensers and HVAC controls. The gypsum board ceiling will be removed to allow access for fire sprinkler and HVAC replacement and installing new acoustical ceiling for better maintenance access. Additionally, the fire sprinkler system and fire alarm systems will also be replaced. The existing ceiling mounted fluorescent and incandescent light fixtures will be replaced with LED fixtures. The existing steep sloped shingle roof will be replaced with an architectural asphalt shingle roof system that will come with a minimum 20-year material and workmanship warranty. Due to the magnitude of the project, flooring replacement and wall refinishing will be included as an alternate option

Rationale: The mechanical equipment is original to the building, has outlived its lifespan, and is now becoming more and more costly to maintain. The shingle roof is also original to the building and has experienced multiple water intrusions and needs to be replaced. The sprinkler system has several leaks in the system and needs to be replaced.

Facility Characteristics: The Waccamaw Area Center for Mental Health is 33,326 square feet and was constructed in 1993 (30 years old). The center provides emergency services, case management, outpatient counseling and psychiatric treatment for children, adolescents, adults, and families in Georgetown, Horry, and Williamsburg Counties. The facility has 145 staff and sees 6,000 patients a year.

Financial Impact: The project will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$20.88 million at April 14, 2023). Revenue to this fund is authorized by Proviso 35.7 (Act 97 of 2017) permitting deposit of amounts appropriated for deferred maintenance and other one-time funds from any source into an interest-bearing fund held by the State Treasurer for, among other purposes and subject to required approvals, capital projects and ordinary repair and maintenance. The project is expected to result in a decrease of \$3,000 (year 1), and \$2,500 (years 2 and 3) in annual operating expenditures.

Full Project Estimate: \$2,621,384 (internal) funded by Capital Improvement & Maintenance Funds. Contract execution is expected in January 2024 and completion of construction in December 2024.

(p) Project: JBRC Item 21: Department of Mental Health
J12.9757: Roof and Sprinkler Replacement at Orangeburg Mental Health Center

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 28

Request: Increase Phase II Full Construction Budget and Revise Scope to add lighting upgrades, fire alarm system replacement, and the costs incurred as a result of multiple pipe breaks that resulted in water damage that occurred in December 2022.

Included in CPIP: No – The agency was not aware that an increase would be needed at the time of the 2022 CPIP submission.

Phase I Approval: August 2017 (estimated at \$500,000) (JBRC)

Phase II Approval: December 2017 (estimated at \$575,000) (JBRC)

Revise Scope Approval: May 2019 (estimated at \$575,000) (Admin)

Phase II Increase &

Revise Scope Approval: December 2019 (estimated at \$900,000)

Phase II Increase,

Revise Scope, &

Change Project Name

Approval: December 2021 (estimated at \$1,575,000) (SFAA)

Phase II Increase

Approval: June 2022 (estimated at \$1,835,091) (SFAA)

CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	7,500	1,827,591	1,835,091	242,828	2,077,919
All Sources	<u>7,500</u>	<u>1,827,591</u>	<u>1,835,091</u>	<u>242,828</u>	<u>2,077,919</u>

Summary of Work: This project was established to replace the existing 20-year-old asphalt shingle roof over a plywood deck. The roof was replaced with 50-year shingles and included a 20-year manufacturer’s warranty. In December 2021 a scope revision was approved to add the replacement of the entire sprinkler system. This scope revision request will add lighting upgrades, fire alarm system replacement, and the costs incurred as a result of multiple pipe breaks that resulted in water damage that occurred in December 2022.

Rationale: After the bid was awarded for the sprinkler replacement project, additional funds were available. The lighting improvements and Fire Alarm were going to be separate projects but since there was enough money left over, it was decided to include them in the change order. As a result of the water

damage, the agency is working with the adjusters and the Insurance Reserve Fund for the full cost to repair the flooring and sheetrock removed during the water remediation. Since there will be a General Contractor on site and funds from the Insurance claim, it also made sense to include the December water damage repairs in the project. By including the water damage repair with the project, it avoided having 2 contractors working in one space at the same time.

Facility Characteristics: The facility is 25,595 square feet and was constructed in 1998 (25 years old). It houses the general administration for all facilities and the following support services: Child, Adolescent and Family Clinic Based Services, School Based Services when out of school; ACT Like Teams; Crisis Intervention, Diversion and After Hours Teams; Clinical Intake Team; Adult Short Term Outpatient; Adult Assertive Case Management; Peer Support Team; State Care Coordination Team; Vocational Rehabilitation Representative; TLC, Residential and Homeshare Teams; Medication Clinic with Nurses; Psychiatric Clinic with Doctors and Tele-psychiatry. There is a total of 59 staff members who provide a total of 30,774 services to 1,096 clients on average a year.

Financial Impact: The project will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$22 million at March 14, 2023). Revenue to this fund is authorized by Proviso 35.7 (Act 97 of 2017) permitting deposit of amounts appropriated for deferred maintenance and other one-time funds from any source into an interest-bearing fund held by the State Treasurer for, among other purposes and subject to required approvals, capital projects and ordinary repair and maintenance. The project is expected to result in a decrease of \$5,000 (year 1), and \$10,000 (years 2 thru 3), in annual operating expenditures. The agency has received a partial payment of \$120k for the repair of the water damage from the Insurance Reserve Fund and are seeking an additional \$65k to help cover the full amount of the repair.

Full Project Estimate: \$2,077,919 (internal) funded by Capital Improvement & Maintenance Funds. Construction completion is anticipated in October 2023.

(q) Project: JBRC Item 22: Department of Mental Health
J12.9804: Morris Village Fire Alarm Replacement

Request: Increase Phase II Full Construction Budget to cover higher than anticipated bid costs to upgrade the fire alarm system at Morris Village.

Included in CPIP: No – The need to increase the project budget was unknown at the time of the 2022 CPIP submission.

Phase I Approval: October 2021 (estimated at \$490,000) (JBRC)

Phase II Approval: January 2022 (estimated at \$615,000) (JBRC)

CHE Approval: N/A

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 31

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	7,350	607,650	615,000	594,070	1,209,070
All Sources	<u>7,350</u>	<u>607,650</u>	<u>615,000</u>	<u>594,070</u>	<u>1,209,070</u>

Summary of Work: The project will replace the existing analog phone line system with a new cellular dialer system. The project includes replacing panels, sensors, cellular dialers, etc.

Rationale: The current Simplex Fire Alarm panels have been discontinued and have not been supported since 2017. Due to the age of the system, replacement or compatible parts are becoming difficult to source. By upgrading the campus fire alarm system, the agency can ensure a fast accurate response from the fire department in the event of an emergency.

Facility Characteristics: The Morris Village Alcohol and Drug Addiction Treatment Center is located on the Crafts Farrow State Hospital Campus in Columbia. The 32 buildings total 89,191 square feet and were constructed in 1975 (48 years old). The existing fire alarm panels were installed in the early 2,000s. The campus houses 130 staff and currently serves 60 patients at a time. Annually, 1,200 patients are rehabbed at the campus.

Financial Impact: The project will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$22 million at March 14, 2023). Revenue to this fund is authorized by Proviso 35.7 (Act 97 of 2017) permitting deposit of amounts appropriated for deferred maintenance and other one-time funds from any source into an interest-bearing fund held by the State Treasurer for, among other purposes and subject to required approvals, capital projects and ordinary repair and maintenance. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$1,209,070 (internal) funded by Capital Improvement & Maintenance Funds. Contract execution is expected in June 2023 with construction completion in May 2022.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 32

- (r) Project: JBRC Item 24: Department of Corrections
 N04.9796: Lee Engineering Room Upgrades
- Request: Establish Phase I Pre-Design Budget to replace water heating units in 14 building mechanical rooms at Lee Correctional Institution.
- Included in CPIP: No – Due to a shortage of maintenance personnel at Lee CI since COVID, the need for this project was not communicated until recently.
- CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating				30,679	30,679
All Sources				<u>30,679</u>	<u>30,679</u>

Summary of Work: The project will hire a contractor to remove existing piping, demo boilers and pumps, replace water heaters, and replace all electrical wiring in the building mechanical rooms.

Rationale: The heating units are not functioning properly due to age, leaking water from corroded pipes, pumps and heat systems. Existing systems are outdated, and parts are no longer available.

Facility Characteristics: Lee Correctional Institution totals 505,194 square feet and was constructed in 1992 (31 years old) The 14 engineering rooms are 150 square foot each, totaling 2,100 square feet. They are used to house the utilities for operation of the buildings at Lee Correctional Institution. The correctional institution houses approximately 1,270 inmates and has an average of 250 staff members.

Financial Impact: The project will be funded from Appropriated State, Operating Funds (uncommitted balance \$37.11 million at April 12, 2023). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$2,283,548 (internal) funded by Appropriated State, Operating Funds.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 33

(s) Project: JBRC Item 25: Department of Corrections
 N04.9788: Agency Proprietary Fire Alarm Monitoring Station/Emergency Response Center

Request: Establish Phase I Full Construction Budget to construct a Proprietary Fire Alarm Monitoring Stations and Emergency Response Center.

Included in CPIP: Yes – 2022 Priority 2 of 7 in FY24 (estimated at \$8,000,000)
 Phase I Approval: December 2022 (estimated at \$8,000,000) (SFAA)
 CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	120,000		120,000	7,880,000	8,000,000
All Sources	<u>120,000</u>		<u>120,000</u>	<u>7,880,000</u>	<u>8,000,000</u>

Summary of Work: The project will construct an approximately 8,156 square foot single story brick and load bearing masonry wall supporting open web with metal trusses with 4” concrete slab on top of the metal decking roof. The roof to be installed will be 60 mil TPO on top of R38 Insulation and 4” light weight concrete with metal decking. The roof of the building will be flat and tapped insulation sloped to runoff to the roof drains. The roof will come with a minimum 20-year material and workmanship warranty. The building will include 10 offices, 1 conference room and 1 computer room. In the center of the building is a great room about 2,000 SQ FT with monitoring stations and multiple monitors overlooking all SCDC institutional cameras and fire alarms. The building is fully sprinkled and has a backup generator for power.

Rationale: This centralized facility will monitor the day-to-day operations of every institution in the state, including the monitoring of the fire alarms and video surveillance. In addition to being a central facility to coordinate a response in the event of an emergency within the agency, this building will incorporate other emergency/security functions which are currently housed in a separate building that does not meet the requirements for a proprietary fire alarm monitoring station due to the type of construction. As the agency updates its fire alarm systems it is no longer able to monitor the fire alarm system in the control rooms due to changes in code.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 34

Facility Characteristics: The approximately 8,245 square foot building to be constructed will support the entire agency to include all 21 correctional institutions and all support buildings throughout the state. This building will replace an emergency action center, which will be repurposed into office space after this new building is constructed. The new building will have approximately 11 employees per shift and will serve the entire agency which has approximately 4,000 employees and 16,000 inmates.

Financial Impact: The project will be funded from Appropriated State, Operating Funds (uncommitted balance \$37.11 million at April 12, 2023). The project is expected to result in an increase of \$11,638 (year 1), and \$23,275 (years 2 thru 3), in annual operating expenditures.

Full Project Estimate: \$8,000,000 (internal) funded by Appropriated State, Operating Funds. Contract execution is expected in October 2023 with construction completion in November 2025.

(t) **Project:** JBRC Item 26: Department of Corrections
 N04.9790: Statewide Fire Alarm Upgrades

Request: Establish Phase II Full Construction Budget to upgrade the fire alarm systems at Broad River, Ridgeland and Allendale Correctional Institutions.

Included in CPIP: Yes – 2022 Priority 3 of 7 in FY24 (estimated at \$9,000,000)

Phase I Approval: December 2022 (estimated at \$9,000,000) (SFAA)

CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	135,000		135,000	8,948,184	9,083,184
All Sources	<u>135,000</u>		<u>135,000</u>	<u>8,948,184</u>	<u>9,083,184</u>

Summary of Work: The project will repair and replace fire alarms, and make any related repairs and upgrades required for the new fire alarm system to operate. This work will be completed by an electrical/fire alarm contractor.

Rationale: The upgrades will increase fire life safety and operations in these correctional institutions. The existing fire alarm systems at these institutions are obsolete and spare parts are increasingly difficult to obtain to repair the systems.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 35

Facility Characteristics: Broad River Correctional Institution is approximately 442,092 square feet and the fire alarm system was installed in 1985 (38 years old). This institution has an operating capacity of 1,529 inmates and currently has 196 staff. Ridgeland Correctional Institution is approximately 373,716 square feet and the fire alarm system was installed in 2007 (16 years old). This institution has an operating capacity of 1,094 inmates and currently has 109 staff. Allendale Correctional Institution is approximately 291,199 square feet and the fire alarm system was installed in 2002 (21 years old). This institution has an operating capacity of 1,103 inmates and currently has 142 staff.

Financial Impact: The project will be funded from Appropriated State, Operating Funds (uncommitted balance \$37.11 million at April 12, 2023). The project is not expected to result any change in annual operating expenses.

Full Project Estimate: \$9,083,184 (internal) funded by Appropriated State, Operating Funds. Contract execution is expected in October 2023 with construction completion in December 2028.

(u) Project: Department of Corrections
 N04.9791: Statewide HVAC Controls Replacement

Request: Establish Phase II Full Construction Budget to replace HVAC controls at Lee, Ridgeland and Turbeville Correctional Institutions.

Included in CPIP: Yes – 2022 Priority 1 of 7 in FY24 (estimated at \$10,000,000)

Phase I Approval: December 2022 (estimated at \$10,000,000) (SFAA)

CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	150,000		150,000	10,025,000	10,175,000
All Sources	<u>150,000</u>		<u>150,000</u>	<u>10,025,000</u>	<u>10,175,000</u>

Summary of Work: The project will consist of changing supply water and return water sensors, chilled water and hot water control valves, actuators, control panels, wiring and upgraded software and monitors to control the heating and cooling at Lee, Ridgeland and Turbeville.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 36

Rationale: The HVAC controls are original to the institutions and are outdated and obsolete. Due to their age these systems are in poor shape and replacement parts and manufacturer support are increasing in cost and becoming harder to acquire, per the agency.

Facility Characteristics: Lee Correctional Institution is approximately 505,194 square feet and was constructed in 1993 (30 years old). This institution has an operating capacity of 1,358 inmates and currently has 167 staff. Ridgeland Correctional Institution is approximately 373,716 square feet and was constructed in 1995 (28 years old). This institution has an operating capacity of 1,094 inmates and currently has 109 staff. Turbeville Correctional Institution is approximately 428,630 square feet and was constructed in 1994 (29 years old). This institution has an operating capacity of 1,546 inmates and currently has 167 staff.

Financial Impact: The project will be funded from Appropriated State, Operating Funds (uncommitted balance \$37.11 million at April 12, 2023). The project is expected to result in a decrease of \$70,000 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$10,175,000 (internal) funded by Appropriated State, Operating Funds. Contract execution is expected in October 2023 with construction completion in December 2027.

(v) **Project:** JBRC Item 28: Clemson University - PSA
P20.9568: Poultry Science Research Facility Construction

Request: Establish Phase I Pre-Design Budget to construct a Poultry Science Research Facility near Clemson’s main campus.

Included in CPIP: Yes – 2022 Priority 8 of 8 in FY23 (estimated at \$5,375,000 – this component estimated at \$5,125,000)

CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY23 Proviso 118.19, (B) (42) (c)				85,350	85,350
All Sources				<u>85,350</u>	<u>85,350</u>

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 37

Summary of Work: The project will construct a new facility that will include a poultry grower layer and intensive research facilities located on the grounds of the recently decommissioned swine farm. The existing facility is being demolished as part of a separate project (P20-9566).

Rationale: This new facility will allow for expansion of the poultry research capacity while capitalizing on existing swine facility utilities and infrastructure.

Facility Characteristics: The existing facilities at the Morgan Poultry Center were constructed prior to or during the 1970's (53 years old). They do not provide environments that replicate current commercial poultry operations, making research more labor intensive and less applicable to commercial growers. The new poultry research center will be constructed on the Piedmont Research and Education Center main campus, on the Starkey Swine Center site after demolition of the existing facilities. The facility will be used to conduct multi-disciplinary research. The facility. All facilities will be fitted with state-of-the-art lighting, feeding, and ventilation systems, allowing faculty to simulate various industry-relevant conditions. The total square footage of the new facility will be determined during the Phase I process. The facilities will be used by students, faculty and staff of PSA's Piedmont Research and Education Center.

Financial Impact: This phase of the project will be funded from Appropriated State (nonrecurring) Funds (uncommitted balance \$1.125 million at May 11, 2023). The project is expected to result in a decrease in annual operating expenditures, but those amounts have not yet been determined.

Full Project Estimate: \$5,690,000 (internal). Phase II will be funded by \$1,039,650 in FY23 Appropriated State (nonrecurring) Funds, and by \$4,565,000 in Appropriated State (nonrecurring) funds being requested in the FY23-24 Budget process.

(w)Project: JBRC Item 29: Department of Natural Resources
P24.6080: Pickens – Pickens County Range Improvements

Request: Establish Phase I Pre-Design Budget to renovate the existing Pickens County Shooting Range northeast of Liberty in Pickens County.

Included in CPIP: Yes – 2022 Priority 31 of 51 in FY23 (estimated at \$1,000,000)
CHE Approval: N/A

Source of Funds	Original Budget	Cumulative Changes Since	Current	Adjustment Requested	Total Budget After Current Adjustment
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Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 38

	Amount	Original Budget	Budget
Appropriated State, FY23 Proviso 118.19, (B) (44) (g)	37,500		37,500
All Sources	<u>37,500</u>		<u>37,500</u>

Summary of Work: The project includes lead reclamation on all affected areas, reconstructing the 100 yard rifle range, including higher containment and impact berms along with a new covered shooting line, new 5 stand shotgun range with covered firing line, addition of a Trap field, renovation of the archery range, new multi-use storage/office/restroom building including utilities, paved parking area, constructing ADA accessibility throughout and associated items needed to improve safety and function. All range design components will meet or exceed those set by the National Rifle Association.

Rationale: Most of the amenities have outlived their useful life and the entire facility needs a complete renovation and expansion to accommodate the increasing demand for shooting sports and to provide improvements for ADA accessibility, improved safety, and functionality, per the agency.

Facility Characteristics: The Pickens County Range is comprised of a 10 position 10-yard rifle range, 12 position 25-yard pistol range, archery range and open field for shotgun sports, and was constructed in 1987 (36 years old). The 2,400 square foot open sided rifle range building, and 1,500 square foot office/storage/bathroom building will be renovated. The range receives an average of 12,000 visitors annually.

Financial Impact: This phase of the project will be funded from Appropriated State (nonrecurring) Funds (uncommitted balance \$250K at April 5, 2023). The project is expected to result in an increase of \$581 (year 1), and \$700 (years 2 thru 3), in annual operating expenditures.

Full Project Estimate: \$2,500,000 (internal). Phase II will be funded by \$212,500 in FY23 Appropriated State (nonrecurring) Funds, and by \$2,250,000 in Federal, US Fish & Wildlife Grant Funds.

Upon a motion by Representative Bannister, seconded by Mr. Gaines, the Authority approved the permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Executive Budget Office. Governor McMaster,

Mr. Gaines, Senator Peeler, and Representative Bannister voted for the item. Mr. Loftis voted against the item.

Information relating to this matter has been retained in these files and is identified as Exhibit 3.

Department of Administration, Facilities Management and Property Services: Real Property Conveyance – Department of Corrections (Regular Session #4)

The Department of Administration, Facilities Management and Property Services requested approval of the following real property conveyance from South Carolina Department of Corrections to Charleston County for not less than the appraised value:

Controlling Agency:	Department of Corrections
Acreage:	3.0± acres of land and improvements
Location:	3765 Leeds Avenue, North Charleston
County:	Charleston
Purpose:	To dispose of surplus real property.
Price/Transferred To:	Charleston County/Not less than appraised value
Disposition of Proceeds:	To be divided between the Department of Administration and the Department of Corrections pursuant to Proviso 93.8.

Upon a motion made by Mr. Loftis, seconded by Representative Bannister, the Authority approved the real property conveyance from South Carolina Department of Corrections to Charleston County for not less than the appraised value, as recommended by the Department of Administration, Facilities Management and Property Services.

Information relating to this matter has been retained in these files and is identified as Exhibit 4.

Department of Administration, Facilities Management and Property Services: South Carolina Office of Resilience at 632 Rosewood Drive in Columbia Lease (Regular Session #5)

The South Carolina Office of Resilience requested approval to continue sub-leasing ±19,817 square feet of space located at 632 Rosewood Drive in Columbia from Precoat Metals Corp for their headquarters office as authorized by Precoat Metals Corps' Landlord.

Minutes of State Fiscal Accountability Authority
June 28, 2023 – Page 40

After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for 3, 5, 7 and 10-year terms. The current location was the only offer received in response to the solicitation.

The requested sublease term is two years and nine and one half months commencing January 17, 2024 and ending at the end of the Master Lease term on October 31, 2026. The rate for the first year of the term will be \$14.57/SF (which is an increase of \$0.42 from their current rate of \$14.15/SF) for an annual aggregate of \$288,733.69. After the first year, the rate will escalate by 3%. This is a full gross sublease and includes all operating expenses.

<u>TERM</u>	<u>PERIOD: FROM - TO</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>BASIC RENT</u>
YEAR 1	1/17/2024 – 1/16/2025	\$288,733.69	\$24,061.14	\$14.57
YEAR 2	1/17/2025 – 1/16/2026	\$297,453.17	\$24,787.76	\$15.01
YEAR 3	1/17/2026 – 10/31/2026	\$242,131.78	\$25,530.90	\$15.46

The sublease meets the state space standard of 210 SF/person with a density of 162 SF/person.

The following chart represents comparable lease rates of similar space in the area:

Tenant	Location	Rate
Current Location	636 Rosewood Dr, Columbia	\$17.50*
Vacant	1200 Colonial Life Blvd, West Columbia	\$15.00**
Vacant	200 Center Point Circle, Columbia	\$21.50**

*Initial proposed rate for a 3-year gross lease term before negotiations.

**May be subject to base rent and/or operating expenses escalations.

The sublease also provides for free parking in the surrounding lot.

There are adequate funds for the lease according to the Budget Approval Form submitted by the Office of Resilience on May 17, 2023. Sublease payments will be funded through state appropriations and federal funding. No option to purchase the property is included in the sublease. The sublease was approved by JBRC on June 20, 2023.

Upon a motion by Mr. Loftis, seconded by Senator Peeler, as requested by Department of Administration, Facilities Management and Property Services, the Authority approved the proposed two years and nine and one half months sublease for the South Carolina Office of Resilience for ±19,817 square feet of space at 632 Rosewood Drive in Columbia from Precoat Metals Corp., as recommended by the Department of Administration, Facilities Management and

Property Services.

Information relating to this matter has been retained in these files and is identified as Exhibit 5.

Division of Procurement Services: Florence Darlington Technical College (FDTC) – Gift Card Program Recommendations (Regular Session #6)

At its May 23, 2023, meeting, the Authority received as information, the final audit report by Mauldin & Jenkins (M&J) on Florence Darlington Technical College's (FDTC) Gift Card Program. At that time, the Authority directed the Division of Procurement Services (DPS) to make recommendations for corrective actions by FDTC based on the observations and recommendations in M&J's report. DPS's recommendations are attached.

Dr. Jermaine Ford, President of Florence-Darlington Technical College, appeared before the Authority on this matter. Dr. Ford stated that based upon the recommendations they received from DPS they have removed gift cards from the bookstore to the business office and locked them in a vault. He stated that they have developed a plan and have been working with DPS to ensure that the plan is approved. He said he has met with his board and informed them that nothing will be done with the cards until approval of the plan is received from DPS. Dr. Ford also noted that one of the recommendations was that the school submit quarterly reports. He said they will be judicious in that regard. He said there will be no buying or selling of cards without instruction from DPS under his leadership. He further stated that they called the vendors from where the cards were procured and they would not take the cards back.

Senator Peeler asked Dr. Ford what is the value of the cards in their possession. Dr. Ford said the value is \$84,000.

Upon a motion by Mr. Loftis, seconded by Representative Bannister, the Authority directed Florence Darlington Technical College to take the corrective actions recommended by the Division of Procurement Services.

Information relating to this matter has been retained in these files and is identified as Exhibit 6.

Medical University of South Carolina: Not Exceeding \$20,210,000 State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2023 (Regular Session #7)

The Authority was asked to adopt a resolution making provision for the issuance and sale of not exceeding \$20,210,000 State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2023.

The bonds will defray the cost to construct, equip and furnish a six-story building to be used for general University purposes and by the University's College of Health Professions, and construct an elevated pedestrian bridge, on the campus of The Medical University of South Carolina.

Upon a motion by Mr. Loftis, seconded by Representative Bannister, the Authority adopted a resolution making provision for the issuance and sale of not exceeding \$20,210,000 State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of The Medical University Of South Carolina), Series 2023.

Information relating to this matter has been retained in these files and is identified as Exhibit 7.

Medical University of South Carolina: Not Exceeding \$85,650,000 State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2023 (Regular Session #8)

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$85,650,000 State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2023.

The bonds will defray the cost to construct, equip and furnish an approximately 187,000 square foot building to be used by the University's College of Medicine with space for classrooms, office and support space for University faculty and staff, and (ii) expand and improve the existing mechanical facilities which supply chilled water to the northeast corner of the University's campus.

Upon a motion by Mr. Loftis, seconded by Representative Bannister, the Authority adopted a resolution making provision for the issuance and sale of not exceeding \$85,650,000 State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of The Medical University Of South Carolina), Series 2023.

Information relating to this matter has been retained in these files and is identified as Exhibit 8.

Executive Director: Amendment to the 2023 South Carolina State Ceiling Allocation Plan (Regular Session #9)

In May 2023, Governor McMaster signed Senate Bill 739, a joint resolution regarding South Carolina's housing tax credits. Section 1 of the resolution requires the State Housing Finance and Development Authority to develop a plan to allocate the South Carolina Housing Tax Credits and nonrecurring, one-time funding made available pursuant to the joint resolution as supplemental financial support to certain multifamily housing projects.

Pursuant to Act 202 of 2022, the State Fiscal Accountability Authority (State Authority) adopted a State Ceiling Allocation Plan in August 2022 for calendar year 2023. As initially adopted, the plan required authorized requests for an allocation of state ceiling, as well as requests for issuance approval for projects using carryforward from prior years, be made at the State Authority's regularly scheduled meetings of March 28th and August 29th of 2023.

Projects receiving supplemental financial support pursuant to the joint resolution may also involve either a request for an allocation of state ceiling or a request for issuance approval regarding a project using carryforward from prior years. State Housing, however, cannot determine which projects will receive supplemental financial support in time for the August meeting because, prior to awarding any supplemental financial support, State Housing must submit its proposed plan to the Joint Bond Review Committee for review and comment. Housing must submit its plan no later than June 30th. The Committee's first meeting after June 30th is tentatively scheduled for August 22nd.

Given these circumstances, State Housing has asked the State Authority to delay its consideration of such requests until its October meeting. This change requires an amendment to the State Plan.

Such a delay would impact requests for non-housing projects, such as those regarding economic development. Accordingly, SFAA staff contacted both the South Carolina Coordinating Council for Economic Development and the South Carolina Jobs Economic Development Authority. Neither identified any concerns with the proposed change.

In order to approve the proposed amendment to the 2023 State Ceiling Allocation Plan, the Authority, pursuant to 1-11-520(B), must make a finding that the above facts presented by State Housing create exceptional and compelling circumstances warranting amendment.

Upon a motion by Mr. Loftis, seconded by Representative Bannister, the Authority:

1. Found that the enactment of Senate Bill 739 creates exceptional and compelling circumstances warranting amendment of the 2023 State Ceiling Allocation Plan.
2. Approved the proposed Amendment to the 2023 State Ceiling Allocation Plan.

Information relating to this matter has been retained in these files and is identified as Exhibit 9.

State Fiscal Accountability Authority: Future Meeting (Regular Session Item #10)

Upon a motion by Mr. Loftis, seconded by Senator Peeler, the Authority agreed to meet at 10:00 a.m. on Tuesday, August 29, 2023, in Room 252, Edgar A. Brown Building.

Senator Peeler asked the Authority members to consider having the Authority meetings in the afternoon, when not in session. Mr. Gillespie stated that staff is communicating with Authority members' offices to coordinate meeting times.

Adjournment

The meeting was adjourned at 2:13 p.m.

[Secretary's Note: In compliance with Code Section 30-4-80, public notice of and the agenda for this meeting were posted near the Board Secretary's office in the Wade Hampton Building, and in the lobbies of the Wade Hampton Building and the Edgar A. Brown Building at 11:00 a.m. on Monday, June 26, 2023.]