STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, April 28, 2020 -- 2:00 P. M.

2779 Fish Hatchery Road
West Columbia, SC 29172

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AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Citadel Lease-out to the Marine Corps Recruit Depot Parris Island, SC

The Citadel desires to lease barracks and associated space to the Marine Corps Recruit Depot Parris Island, SC (MCRDPI) via an Intergovernmental Service Agreement (the “Lease”) for the housing and enrolling of “poolees” (new, entrant Marine Corps recruits) in response to the COVID-19 pandemic. The Lease will provide the Citadel with additional revenues, while assisting the MCRDPI in protecting Marine personnel.

Due to MCRDPI’s spatial and geographic limitations, along with the potential for destructive weather, MCRDPI requires lodging, meals, laundry and related ancillary installation services for placing poolees in a 3-day receiving period and a 14-day restriction of movement (ROM), for the purpose of verifying that such poolees are not sick with, nor potentially contagious carriers of COVID-19. The number of poolees may vary each week, with a peak population of 1800 personnel, including poolees and support personnel per day projected. The Citadel will also provide barracks rooms/office spaces to the extent available for MCRDPI support personnel (not to exceed 300) required to receive, join, screen, sustain, prepare/orient, protect, treat and transfer poolees.

The term of the Lease will begin on May 1, 2020 and shall terminate upon 15 days’ notice by either party and shall in no way interfere with the reopening of the Citadel when State of South Carolina COVID-19 restrictions are lifted. As part of the Lease, the Citadel will provide the following services:

a. maintenance, custodial, janitorial, and cleaning service including hygiene (showering and bathroom or “head”) facilities, stairways, and walkways;
b. “group” laundry services (up to four times per week) where clothing is provided by poolees to a common collection point, sorted by whites/colors into separate mesh bags, for washing, drying, and returned to a common distribution point;
c. refuse removal (poolees to consolidate at a common collection point);
d. communications (telephone, internet, television, hand-held radios, other) to the extent requested and available without interfering with current operations of the Citadel;
e. intra-campus transportation in the nature of golf-carts or the equivalent, to the extent requested and available without interfering with current operations of the Citadel;
f. food service;
g. medical facility accommodations;
h. open warehouse or gymnasium space;
AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Citadel Lease-out to the Marine Corps Recruit Depot Parris Island, SC

i. physical fitness and open training areas;

j. religious service areas;

k. classroom and education space;

l. mail service;

m. access to Citadel retail space;

n. campus security; and

o. any required final cleaning in compliance with COVID-19 guidelines.

The barracks will consist of at least 190 usable “dorm rooms” and a varying number of additional rooms. The number of barracks occupied will vary depending on need. The Citadel shall, from time to time, provide MCRDPI a list of buildings and/or spaces that are expected to be available upon request for MCRDPI use, and any restrictions on such use. MCRDPI will provide notice to The Citadel no less than 7 days prior to initiating use of a barracks facility and no less than 3 days prior to substantially vacating a barracks facility. MCRDPI will pay for barracks and ancillary services at a rate of seven-hundred fifty thousand ($750,000) dollars per month for each barracks occupied. The use of a barracks shall be from the time it is requested for barracks services until it is finally vacated. The initial occupation (or agreed availability of occupation) by MCRDPI and the final vacating of a barracks for return to use by the Citadel, will be billed based on the days used in that month, pro rata (number of days used in the month divided by the days in that month). Additionally, MCRDPI will reimburse the Citadel for meals logged by the Citadel and provided to poolees and support personnel. The total value of the contract may not exceed $4.9 million.

The Lease has been approved by JBRC.

AUTHORITY ACTION REQUESTED:

As recommended by the Department of Administration, Facilities Management and Property Services, approve the proposed lease out of barracks from The Citadel to the Marine Corps Recruit Depot Parris Island, SC, to begin May 1, 2020 and terminating upon 15 days’ notice by either party for a total contract value not exceed $4.9 million.

ATTACHMENTS:
Agenda item worksheet; SC Code of Laws Sections 1-11-55 and 1-11-56; Letter from Citadel dated April 24, 2020; JBRC Letter dated 4/27/20
1. Submitted by:

(a) Agency: Department of Administration
(b) Authorized Official Signature: Ashlie Lancaster, Director

2. Subject: Citadel Lease-out to the Marine Corps Recruit Depot Parris Island, SC

3. Summary Background Information:

The Citadel desires to lease barracks and associated space to the Marine Corps Recruit Depot Parris Island, SC (MCRDPI) via an Intergovernmental Service Agreement (the “Lease”) for the housing and enrolling of “poolees” (new, entrant Marine Corps recruits) in response to the COVID-19 pandemic. The Lease will provide the Citadel with additional revenues, while assisting the MCRDPI in protecting Marine personnel.

Due to MCRDPI’s spatial and geographic limitations, along with the potential for destructive weather, MCRDPI requires lodging, meals, laundry and related ancillary installation services for placing poolees in a 3-day receiving period and a 14-day restriction of movement (ROM), for the purpose of verifying that such poolees are not sick with, nor potentially contagious carriers of COVID-19. The number of poolees may vary each week, with a peak population of 1800 personnel, including poolees and support personnel per day projected. The Citadel will also provide barracks rooms/office spaces to the extent available for MCRDPI support personnel (not to exceed 300) required to receive, join, screen, sustain, prepare/orient, protect, treat and transfer poolees.

The term of the Lease will begin on May 1, 2020 and shall terminate upon 15 days’ notice by either party and shall in no way interfere with the reopening of the Citadel when State of South Carolina COVID-19 restrictions are lifted. As part of the Lease, the Citadel will provide the following services:

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d. communications (telephone, internet, television, hand-held radios, other) to the extent requested and available without interfering with current operations of the Citadel;
e. intra-campus transportation in the nature of golf-carts or the equivalent, to the extent requested and available without interfering with current operations of the Citadel;
f. food service;
g. medical facility accommodations;
h. open warehouse or gymnasium space;
i. physical fitness and open training areas;
j. religious service areas;
k. classroom and education space;
l. mail service;
m. access to Citadel retail space;
n. campus security; and
o. any required final cleaning in compliance with COVID-19 guidelines.

The barracks will consist of at least 190 usable “dorm rooms” and a varying number of additional rooms. The number of barracks occupied will vary depending on need. The Citadel shall, from time to time, provide MCRDPI a list of buildings and/or spaces that are expected to be available upon request for MCRDPI use, and any restrictions on such use. MCRDPI will provide notice to The Citadel no less than 7 days prior to initiating use of a barracks facility and no less than 3 days prior to substantially vacating a barracks facility. MCRDPI will pay for barracks and ancillary services at a rate of seven-hundred fifty thousand ($750,000) dollars per month for each barracks occupied. The use of a barracks shall be from the time it is requested for barracks services until it is finally vacated. The initial occupation (or agreed availability of occupation) by MCRDPI and the final vacating of a barracks for return to use by the Citadel, will be billed based on the days used in that month, pro rata (number of days used in the month divided by the days in that month). Additionally, MCRDPI will reimburse the Citadel for meals logged by the Citadel and provided to poolees and support personnel. The total value of the contract may not exceed $4.9 million.

The Lease has been approved by JBRC.

4. **What is the Authority asked to do?** Approve the proposed lease out.

5. **What is recommendation of the Division of Facilities Management and Property Services?** Approve the proposed lease out.

6. **List of Supporting Documents:**
   
   (a) SC Code of Laws Section 1-11-55 and 1-11-56
   
   (b) Letter from the Citadel dated April 24, 2020
SECTION 1-11-55. Leasing of real property for governmental bodies.

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

(2) The Division of General Services of the Department of Administration is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility.

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

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

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

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note
The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener’s error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

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

(A) The Division of General Services of the Department of Administration, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department's regulations, upon General Assembly approval, shall include procedures for:

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:

(a) a nonappropriation for the renting agency;

(b) a dissolution of the agency; and
(c) the availability of public space in substitution for private space being leased by the agency;

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

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

(6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and

(7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.


Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C).
April 27, 2020

Ms. Ashlie Lancaster
Director, Facilities Management and Property Services
1200 Senate Street, 6th Floor
Columbia, SC 29201

Re: Proposed Lease
The Citadel, The Military College of South Carolina, as Lessor,
To Marine Corps Recruit Depot Parris Island, SC

Dear Ms. Lancaster:

The Committee has reviewed the captioned lease proposal for The Citadel to lease barracks and associated space pursuant to an Intergovernmental Service Agreement to be executed by the United States Marine Corps and The Citadel.

The lease is expected to begin on or about May 1, 2020, will terminate on 15 days’ notice by either party, and will not interfere with the reopening of The Citadel when the State’s COVID-19 restrictions are lifted. The lessee will pay $750,000 per month per barracks occupied, based on the number of days used in the month on a pro rata basis. Additionally, The Citadel will be reimbursed for meals provided pursuant to the Agreement. The total value of the contract will not exceed $4.9 million.

Additional details and provisions are contained within the Agreement as more fully described in the submission made by the Department of Administration on behalf of The Citadel on April 24, 2020. Moreover, the Committee has received a copy of correspondence dated April 25, 2020, addressed to Representative Stavrinakis, a member of the Committee, identifying measures and precautions the United States Marine Corps and The Citadel are undertaking to promote health and safety during the term of the Agreement. These details, provisions, measures and precautions are conditions of the Committee’s recommendation.

The Committee recommends approval of the lease, with Representative Stavrinakis recorded as voting against the recommendation. The Committee requests that a copy of this letter and the correspondence enclosed herewith accompany the agenda item to be considered by the State Fiscal Accountability Authority.
Ms. Ashlie Lancaster  
Columbia, SC  29201  
April 27, 2020
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The request for review is made pursuant to Section 1-11-56 of the South Carolina Code of Laws, which requires review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority of any real property lease involving commitments exceeding $200,000 annually or $1 million in a five-year period.

Please advise if you need any further information.

Very truly yours,

Hugh K. Leatherman, Sr.  
Chairman

c:  General Glenn M. Walters, USMC (Retired)  
President  
The Citadel, The Military College of South Carolina  
171 Moultrie Street  
Charleston, South Carolina 29409

Mr. Grant Gillespie  
Executive Director
State Fiscal Accountability Authority  
Box 12444  
Columbia, South Carolina 29211
April 25, 2020

Representative Leon Stavrinakis

via email to

_In Re: Lease of certain facilities at The Citadel to United States Marine Corps_

Representative Stavrinakis:

The Citadel respectfully requests that you approve the Intergovernmental Service Agreement (IGSA) between Marine Corps Recruit Depot Parris Island, SC, and The Citadel. As you know, since President Donald J. Trump’s declaration of a State of Emergency in the United States and Governor McMaster’s declaration of a State of Emergency in the State of South Carolina, the Secretary of Defense directed each of the military services to develop strategies to maintain basic training despite the COVID-19 pandemic, in support of national security. Marine Corps Recruit Depot Parris Island subsequently contacted The Citadel for use of its barracks facilities to host recruits awaiting in-processing at Parris Island for basic training. A team of Marines from Parris Island traveled to The Citadel last week, and over the last seven (7) days, The Citadel and the Marine Corps have reached an agreement under which The Citadel will host hundreds of active duty Marines and even more recruits on a temporary basis.

You have expressed concerns about the possibility that COVID-19 positive recruits will be at The Citadel. Please know that the Marine Corps is taking great care to prevent that possibility. Recruits must self-quarantine for the fourteen (14) days before they leave their home; just prior to leaving home, they undergo a medical examination at a Department of Defense approved facility. If they test positive for COVID-19, or if they are symptomatic of any flu-like or COVID-19 type symptoms, they remain at home. Otherwise, they are then sworn in to the Marine Corps and issued a mask that they must wear until they arrive in Padgett Thomas Barracks at The Citadel. Upon arrival, Marine Corps medical personnel will administer a COVID-19 test on the quadrangle of Padgett Thomas Barracks. If a recruit tests positive at that time or any other time, he or she will be isolated on a separate floor of the barracks or in Murray Infirmary, which will be staffed by USMC medical personnel.

There will be virtually no interaction between recruits and Charleston residents. Sodexo, which serves as both The Citadel’s food service provider and the Marine Corps’s food service provider at Marine Corps Recruit Depot on Parris Island, is designing procedures to severely limit
interaction with recruits. Recruits will not eat “family-style,” but instead, in a greatly restricted speed-line fashion. There will not be open salad bars, etc. Citadel laundry workers will perform laundry services for recruits in a similar fashion as they provide for members of the South Carolina Corps of Cadets, but without direct contact with recruits. Likewise, The Citadel’s janitorial contractor, Budd Group, will perform janitorial services in a similar fashion, but without direct contact with recruits.

Both recruits and Marine Corps personnel will be strictly limited to The Citadel’s campus during the time of the school’s agreement with the Marines. Indeed, Marine Corps personnel movement will be limited to only a few buildings on campus; recruits’ presence will be even more limited.

I trust this information answers your concerns. If you have any further questions, please do not hesitate to contact me. My cell phone is [redacted].

With best regards, I am

Yours truly,

Mark C. Brandenburg
General Counsel

cc: Gen Glenn M. Walters, USMC (Ret.)
CAPT Eugene Paluso, USN (Ret.)
Col Thomas G. Philipkosky, USAF (Ret.)
COL Cardon Crawford, USA (Ret.)
April 24, 2020

Ms. Ashlie Lancaster, Director
Division of Facilities Management and
Property Services
South Carolina Department of
Administration
1200 Senate Street, Suite 460
Columbia, SC 29201

In Re: Lease of certain facilities at The Citadel to United States Marine Corps

Ms Lancaster:

The Citadel respectfully requests that the appropriate authorities approve the Intergovernmental Service Agreement (IGSA) between Marine Corps Recruit Depot Parris Island, SC, and The Citadel. As you know, since President Donald J. Trump’s declaration of a State of Emergency in the United States and Governor McMaster’s declaration of a State of Emergency in the State of South Carolina, the Secretary of Defense directed each of the military services to develop strategies to maintain basic training despite the COVID-19 pandemic, in support of national security. Marine Corps Recruit Depot Parris Island subsequently contacted The Citadel for use of its barracks facilities to host recruits awaiting in-processing at Parris Island for basic training. A team of Marines from Parris Island traveled to The Citadel last week, and over the last seven (7) days, The Citadel and the Marine Corps have reached an agreement under which The Citadel will host hundreds of active duty Marines and even more recruits on a temporary basis.

The details of The Citadel’s obligations are described in the IGSA I sent to you last night. The Marine Corps’ use of the school’s facilities will not interfere with its educational mission, as cadets departed the campus weeks ago pursuant to Governor McMaster’s Executive Orders. The financial consideration the Marine Corps has agreed to pay to The Citadel, meanwhile, will help offset the economic losses The Citadel has already suffered, and expects to suffer, as a result of the COVID-19 pandemic.

If you have any questions concerning this request, please do not hesitate to contact me.

With best regards, I am

Yours truly,

Mark C. Brandenburg
General Counsel

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