

AGENCY: Clemson University

PROJECT/SUBJECT: Not Exceeding \$69,525,000 Athletic Facilities Revenue Bonds, Series 2015

Clemson University requests approval to issue Higher Education Athletic Facilities Revenue Bonds in an amount not to exceed \$69,525,000 to fund the comprehensive renovation of Littlejohn Coliseum (PIP Item No. 7).

The original 125,000 square feet of Littlejohn Coliseum was constructed in 1967, and an annex of approximately 75,000 square feet was added in 2001 including replacement of the original roof and truss system. The proposed renovations will modernize the 50-year-old facility and include an upgraded playing arena and seating bowl with 8,500 seats, increased premium-level seating, a NCAA regulation practice facility, additional entry ways, and upgrades to the electrical, lighting, sound, and information technology systems.

The term of the proposed athletic facilities revenue bonds is 30 years. The source of funding for debt service will be the net revenues of the Athletic Department and admission fees. The sum of these revenues for the fiscal year ending June 30, 2014, totaled \$9,992,000. Exhibit A reflects debt service requirements on all of the University's existing and proposed Athletic Facilities Revenue Bonds. The maximum annual debt service for all existing, authorized, and proposed Athletic Facilities Revenue Bonds is \$8,298,727 in 2024, and debt service coverage ranges from 1.20 to 3.71 times the annual debt service (as shown in Exhibit B).

The University anticipates the new premium-level seating to generate an additional \$15.5 million in the first five years of operation and an additional \$1.1 million annually thereafter. The range of coverage increases to 2.30 to 4.71 times annual debt service when the additional revenues from this project and other previously approved athletic projects are considered (as shown in the Pro Forma columns in Exhibit B).

In addition on November 21, 2014, the IPTAY Board of Directors authorized a contribution of up to \$6.5 million per year to the University for payment of debt service on bonds currently outstanding.

The University currently has on deposit \$60 million that could be used to pay debt service if the net revenues prove insufficient to pay the debt service on the bonds. The University could also request additional funds from IPTAY.

No student fees will be increased as a result of this project. The bonds will not commit the full faith and credit of the State or University.

COMMITTEE ACTION:

Review and approve Clemson University's request for issuance of Athletic Facilities Revenue Bonds in an amount not to exceed \$69,525,000.

ATTACHMENTS:

- 1) Summary of Refinancing Proposal including Exhibits A and B
- 2) Letter from Pope Zeigler, LLC, dated February 10, 2015
- 3) South Carolina Code of Laws Sections 59-119-930 through 59-119-960

DOCUMENTS AVAILABLE UPON REQUEST:

- 1) Bond Resolution adopted by Clemson University Board of Trustees on April 16, 1999, providing for issuance of Athletic Facilities Revenue Bonds
- 2) Series Resolution adopted by the Clemson University Board of Trustees on February 6, 2015, authorizing issuance of Athletic Facilities Revenue Bonds

Clemson University Bond Information Report

Prepared in Connection with the Proposed Authorization of

Not Exceeding \$69,525,000 of Athletics Facilities Revenue Bonds, Series 2015

February 10, 2015

Revenues Pledged to Pay the Bonds. Clemson University's Athletic Facilities Revenue Bonds are payable from, and are secured by a pledge of, the Net Revenues of the Athletic Department and the gross receipts from the imposition of the Admissions Fee and any Special Student Fee. The sum of these recurring revenues for the fiscal year ended June 30, 2014, totaled \$9,992,000. The debt service requirements on all existing, authorized, and proposed Athletic Facilities Revenue Bonds are attached as Exhibit A. Exhibit B reflects maximum annual debt service of \$8,298,727 in fiscal year 2024, and debt service coverage ranging from 1.20 to 3.71 times annual debt service, without adjustment reflecting new revenue (as of June 30, 2014).

New Revenue Generation. The proposed Littlejohn Coliseum renovation project to be funded with the proposed not exceeding \$69,525,000 of Athletic Facilities Revenue Bonds, includes, among other items, the creation of approximately 440 premium seats split between two areas. This premium seating is expected to generate \$15 million in the first five years of operation through capital contributions associated with the use of the premium seating and \$1.1 million annually from seat licenses. Also, the IPTAY Board of Directors, on November 21, 2014, authorized the contribution of up to \$6.5m per year to the University for the payment of debt service on bonds now currently outstanding. The Athletic Department anticipates requesting the inclusion of debt service related to the proposed bond issue in such commitment, should such financing be approved. Currently forecasted pro forma revenues, including those described above and those associated with other previously approved athletic projects, are reflected in the Pro Forma Net Revenues column in Exhibit B and result in an increase in debt service coverage to a range of 2.30 to 4.71 times annual debt service.

Other Funds Available to Pay Bonds. Should the Net Revenues and Admissions Fees prove insufficient to provide for debt service on the bonds, the University's Athletic Department currently has on deposit \$60 million dollars that may be applied to pay debt service at the discretion of the University. The University could also request additional funds from IPTAY.

No Student Fees, No Credit of the State. No Special Student Fee is currently imposed or contemplated. Neither the full faith and credit of Clemson University nor the State of South Carolina has been pledged to the payment of Athletic Facilities Revenue Bonds. Further, no mortgage or lien has been or will be given on any real property of Clemson University.

Exhibit A

Athletic Facilities Revenue Bonds - Debt Service

Fiscal Year	Debt Service on Proposed Bond					Total Composite Debt Service
	Existing Debt Service	Debt Service On Authorized but Unissued	Issue			
			Principal	Interest		
6/30/2015	\$ 2,696,739	\$ -	\$ -	\$ -	\$ 2,696,739	
6/30/2016	4,312,041	-	1,315,000	1,746,417	7,373,458	
6/30/2017	4,468,141	-	1,595,000	2,082,682	8,145,823	
6/30/2018	4,450,941	-	1,615,000	2,061,309	8,127,250	
6/30/2019	4,451,591	-	1,640,000	2,035,469	8,127,060	
6/30/2020	4,448,842	-	1,670,000	2,004,637	8,123,478	
6/30/2021	4,458,692	-	1,705,000	1,969,734	8,133,425	
6/30/2022	4,458,872	-	1,745,000	1,931,371	8,135,243	
6/30/2023	4,456,072	-	1,785,000	1,888,793	8,129,865	
6/30/2024	4,620,809	-	1,835,000	1,842,919	8,298,727	
6/30/2025	4,622,059	-	1,880,000	1,794,291	8,296,350	
6/30/2026	2,226,909	-	1,935,000	1,742,779	5,904,688	
6/30/2027	2,225,694	-	1,990,000	1,688,212	5,903,906	
6/30/2028	2,226,694	-	2,045,000	1,630,900	5,902,594	
6/30/2029	2,223,194	-	2,105,000	1,570,777	5,898,971	
6/30/2030	2,226,444	-	2,170,000	1,507,627	5,904,071	
6/30/2031	2,223,494	-	2,235,000	1,441,225	5,899,719	
6/30/2032	2,222,869	-	2,305,000	1,371,717	5,899,585	
6/30/2033	2,224,319	-	2,375,000	1,298,879	5,898,197	
6/30/2034	2,224,306	-	2,455,000	1,222,641	5,901,947	
6/30/2035	2,226,044	-	2,535,000	1,142,608	5,903,652	
6/30/2036	2,224,244	-	2,615,000	1,058,700	5,897,943	
6/30/2037	2,225,694	-	2,705,000	971,097	5,901,791	
6/30/2038	2,223,238	-	2,795,000	879,398	5,897,635	
6/30/2039	2,226,738	-	2,890,000	783,809	5,900,546	
6/30/2040	2,222,800	-	2,990,000	684,393	5,897,193	
6/30/2041	2,226,613	-	3,095,000	580,939	5,902,551	
6/30/2042	2,222,800	-	3,205,000	473,233	5,901,033	
6/30/2043	2,221,800	-	3,315,000	361,378	5,898,178	
6/30/2044	2,222,800	-	3,430,000	245,353	5,898,153	
6/30/2045	2,225,600	-	3,550,000	124,960	5,900,560	
Totals	<u>\$ 91,937,089</u>	<u>\$ -</u>	<u>\$ 69,525,000</u>	<u>\$ 40,138,240</u>	<u>\$ 201,600,328</u>	

Exhibit B

Athletic Revenue Bonds - Coverage

Fiscal Year	FY14		Approved				Pro Forma Coverage Ratio
	Composite Debt Service	Revenues Pledged to Debt Service	Coverage Ratio Based on FY14 Pledged Revenues	Projects Pro Forma Pledged Revenues*	Proposed Project Pro Forma Pledged Revenues	Total Pro Forma Pledged Revenues	
6/30/2015	\$ 2,696,739	\$ 9,992,000	3.71	\$ 2,696,739	\$ -	\$ 12,688,739	4.71
6/30/2016	7,373,458	9,992,000	1.36	10,000,000	3,100,000	23,092,000	3.13
6/30/2017	8,145,823	9,992,000	1.23	10,000,000	3,100,000	23,092,000	2.83
6/30/2018	8,127,250	9,992,000	1.23	10,000,000	3,100,000	23,092,000	2.84
6/30/2019	8,127,060	9,992,000	1.23	10,000,000	3,100,000	23,092,000	2.84
6/30/2020	8,123,478	9,992,000	1.23	10,000,000	3,100,000	23,092,000	2.84
6/30/2021	8,133,425	9,992,000	1.23	8,000,000	1,100,000	19,092,000	2.35
6/30/2022	8,135,243	9,992,000	1.23	8,000,000	1,100,000	19,092,000	2.35
6/30/2023	8,129,865	9,992,000	1.23	8,000,000	1,100,000	19,092,000	2.35
6/30/2024	8,298,727	9,992,000	1.20	8,000,000	1,100,000	19,092,000	2.30
6/30/2025	8,296,350	9,992,000	1.20	8,000,000	1,100,000	19,092,000	2.30
6/30/2026	5,904,688	9,992,000	1.69	7,404,688	1,100,000	18,496,688	3.13
6/30/2027	5,903,906	9,992,000	1.69	7,403,906	1,100,000	18,495,906	3.13
6/30/2028	5,902,594	9,992,000	1.69	7,402,594	1,100,000	18,494,594	3.13
6/30/2029	5,898,971	9,992,000	1.69	7,398,971	1,100,000	18,490,971	3.13
6/30/2030	5,904,071	9,992,000	1.69	7,404,071	1,100,000	18,496,071	3.13
6/30/2031	5,899,719	9,992,000	1.69	7,399,719	1,100,000	18,491,719	3.13
6/30/2032	5,899,585	9,992,000	1.69	7,399,585	1,100,000	18,491,585	3.13
6/30/2033	5,898,197	9,992,000	1.69	7,398,197	1,100,000	18,490,197	3.13
6/30/2034	5,901,947	9,992,000	1.69	7,401,947	1,100,000	18,493,947	3.13
6/30/2035	5,903,652	9,992,000	1.69	7,403,652	1,100,000	18,495,652	3.13
6/30/2036	5,897,943	9,992,000	1.69	7,397,943	1,100,000	18,489,943	3.13
6/30/2037	5,901,791	9,992,000	1.69	7,401,791	1,100,000	18,493,791	3.13
6/30/2038	5,897,635	9,992,000	1.69	7,397,635	1,100,000	18,489,635	3.14
6/30/2039	5,900,546	9,992,000	1.69	7,400,546	1,100,000	18,492,546	3.13
6/30/2040	5,897,193	9,992,000	1.69	7,397,193	1,100,000	18,489,193	3.14
6/30/2041	5,902,551	9,992,000	1.69	7,402,551	1,100,000	18,494,551	3.13
6/30/2042	5,901,033	9,992,000	1.69	7,401,033	1,100,000	18,493,033	3.13
6/30/2043	5,898,178	9,992,000	1.69	7,398,178	1,100,000	18,490,178	3.13
6/30/2044	5,898,153	9,992,000	1.69	7,398,153	1,100,000	18,490,153	3.13
6/30/2045	5,900,560	9,992,000	1.69	7,400,560	1,100,000	18,492,560	3.13

* Approved Project Pro Forma Pledged Revenues consist of incremental revenues anticipated to be generated from fully approved projects and existing, formal commitments from IPTAY as described in "New Revenue Generation" in the Bond Information Report.



POPE ZEIGLER
LAW FIRM

COLUMBIA | CHARLOTTE

Gary T. Pope, Jr.
Associate
gpopcjr@popezeigler.com
MAIN 803 354.4900
FAX 803 354.4899

Pope Zeigler, LLC
1411 Gervais St., Ste 300
Post Office Box 11509
Columbia, SC 29211
popezeigler.com

February 10, 2015

VIA HAND DELIVERY

Ms. Dianne Carraway
Senate Finance
111 Gressette Building
Columbia, South Carolina 29202

Re: Not exceeding \$69,525,000 Athletic Facilities Revenue Bonds, Series 2015 of
Clemson University, South Carolina (the "Bonds")

Dear Dianne:

On behalf of Clemson University, South Carolina, we respectfully request that the Joint Bond Review Committee review the proposed issuance of the Bonds pursuant to Section 59-119-940 of the Code of Laws of South Carolina 1976, as amended, at its meeting of February 24, 2015. In aid of such review, enclosed please find one copy of each of the following items:

1. A Bond Resolution adopted by the Board of Trustees of Clemson University (the "Board of Trustees") on April 16, 1999 providing for the issuance of Athletic Facilities Revenue Bonds of Clemson University;
2. A Series Resolution adopted by the Board of Trustees on February 6, 2015, authorizing the issuance of the Bonds; and
3. A Bond Information Report.

Please let us know should you need anything further or if you have any questions or concerns.

Very truly yours,

Gary T. Pope, Jr.

c: Steven H. Crump, Assoc. Vice President & University Controller, Clemson University

Enclosures

SECTION 59-119-930. Authorization for additional, improvement of existing athletic facilities; bond proceeds; bond refunds; bond reserve funds; interest; issuance costs.

The trustees are authorized to acquire, construct, and equip additional athletic facilities and to improve, renovate, and equip existing athletic facilities to the extent they shall determine to be necessary, and the proceeds of bonds authorized by this article are made available for that purpose. The trustees also are authorized to refund bonds that may from time to time be outstanding pursuant to this article by exchange or otherwise. A portion of the proceeds of bonds issued for any of the above purposes also may be used to fund, establish, or replenish any bond reserve fund, to pay interest on the bonds as provided in Section 59-119-1040(1), or to pay costs of issuance of the bonds or of any credit enhancement for the bonds as may be deemed necessary by the trustees.

SECTION 59-119-940. Borrowings; limitations on bonds.

Upon receiving the approval of the state board and upon review by the Joint Bond Review Committee, the trustees may from time to time borrow such sums as necessary to accomplish the purpose of this article and to evidence such borrowings by bonds issued pursuant to this article in the aggregate principal amount as they determine, except that other provisions of this article to the contrary notwithstanding, there must not be outstanding at any time bonds issued pursuant to this article in the aggregate principal amount as they determine, except that other provisions of this article to the contrary notwithstanding, there must not be outstanding at any time bonds issued pursuant to this article in excess of two hundred million dollars.

SECTION 59-119-950. Bonds payable from revenues, fee proceeds; additional pledges; abandonment of use, disposal of facilities.

Bonds issued pursuant to this article are payable from the revenues or the net revenues as designated by the trustees, as well as from proceeds of the admission fee and the special student fee. Bonds issued pursuant to this article may be further secured by such additional pledges of other revenues or fees of Clemson as Clemson may be authorized to grant pursuant to other laws of this State. The trustees may abandon the use of any portion of the athletic facilities or sell or dispose of any portion of the athletic facilities upon the receipt of a written recommendation by the chief financial officer of Clemson to the effect that such action does not adversely affect the ability of Clemson to discharge its obligations to the holders of bonds issued pursuant to this article and upon such further conditions as prescribed in the resolution of the trustees providing for the issuance of bonds.

SECTION 59-119-960. Pledge of state faith and credit prohibited; statement; personal liability.

The faith and credit of the State must not be pledged for the payment of the principal and interest of such bonds, and there must be on the face of each bond a statement plainly worded to that effect. Neither the trustees nor any other person signing the bonds is personally liable therefor.

AGENCY: B&CB - Division of General Services

PROJECT/SUBJECT: Proposed Department of Social Services Lease

The South Carolina Department of Social Services (DSS) requests approval to lease 60,559 square feet of space at 1628 Browning Road in Columbia from Browning Office Investment, LLC (SC-based). The agency currently leases 38,500 square feet at the same location and is seeking the additional space to accommodate Child Support Systems Development and Cyber-Security staff.

The term of the proposed lease is five years beginning the first day following substantial completion of renovations, which is anticipated to be no later than November 1, 2015. Rent for the first year will be \$12.95 per square foot; the rate increases approximately 2.7% per year with a final rate of \$14.43. All operating expenses are included in the base rent, and the lease is not subject to operating expense escalations. The landlord is providing an upfit allowance of \$20 per square foot.

The total rent payment over the five-year term will be \$4,142,841, or an average of \$13.68 per square foot.

The lease includes parking for agency staff and customers.

A solicitation was conducted by the Division of General Services, and two responses were received. This proposal represents the lowest bid. The Division of General Services reports that comparables for similar space in the Columbia area range from \$11.82 to \$14.50 per square foot for the initial year and \$13.75 to \$16.10 in the final year of existing leases.

ORS has adequate funds to cover the lease according to the Budget Approval Form. The Division of General Services recommends approval. JBRC review per Section 1-11-56.

COMMITTEE ACTION:

Review the proposed five-year lease and recommend approval.

ATTACHMENTS:

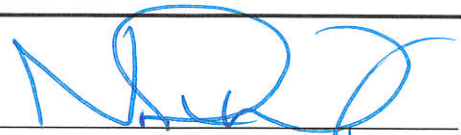
- 1) Division of General Services Lease Summary dated February 24, 2015
- 2) Sections 1-11-55 and 1-11-56 of the South Carolina Code of Laws

JBRC AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 24, 2015

1. Submitted by:

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



Nolan L. Wiggins, Jr., Director

2. Subject: SC Department of Social Services Lease - Columbia

3. Summary Background Information:

The SC Department of Social Services (DSS) requests approval to lease 60,559 rentable square feet (RSF) located at 1628 Browning Road in Columbia from Browning Office Investment, LLC, a South Carolina based company. The agency currently leases 38,500 RSF for their Information Technology Services division and is seeking to co-locate Child Support Systems Development and Cybersecurity personnel to meet federal requirements to develop an automated child support system and state requirements to establish and enforce a cyber security policy.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the lowest bid. The term of the Lease will be five (5) years beginning the first day following the date of substantial completion of the renovations of each area as designated in the lease, which is anticipated to be no later than November 1, 2015. Rent for the first year will be charged at a rate of \$12.95 per square foot and increases thereafter as shown in the chart below: :

<u>PERIOD: FROM - TO</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RENT PER SF</u>	<u>MAX POTENTIAL EXCESS OPERATING</u>
11/01/2015 – 10/31/2016	\$784,239.00	\$65,353.25	\$12.95	\$0.00
11/01/2016 – 10/31/2017	\$806,040.24	\$67,170.02	\$13.31	\$0.00
11/01/2017 – 10/31/2018	\$827,841.48	\$68,986.79	\$13.67	\$0.00
11/01/2018 – 10/31/2019	\$850,854.00	\$70,904.50	\$14.05	\$0.00
11/01/2019 – 10/31/2020	\$873,866.40	\$72,822.20	\$14.43	\$0.00
Total	\$4,142,841.12			

The agency will not be responsible for any operating expense escalations, and the lease includes free surface lot parking sufficient for staff and customers. The Landlord is providing a \$20/SF upfit allowance.

The following table represents comparable lease rates of similar business space in the Columbia area. Additionally, the Colliers International 2014 Fourth Quarter Market Report indicates an average lease rate per square foot of \$16.15 in the Columbia area.

Agency	Address	Lease Term	Initial Rate/SF	Final Rate/SF	Max Potential Excess Operating Costs	Other
University of South Carolina	220 Stoneridge Drive	7/1/11-06/30/16	\$14.50	\$16.10	\$13,264 Over 5 years	
Office of the Inspector General	111 Executive Center Drive	10/1/13-9/30/18	\$13.75	\$13.75	\$0.00	
Department of Revenue	300 Outlet Pointe Boulevard	1/1/13-12/31/22	\$11.82	\$13.86	0.00	\$282,136.61*

*DOR pays annual utilities annually adding approximately \$1.77/SF to the rate each year. Dollar amount here represents 2014 utility cost.

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by the Agency.

4. What is JBRC asked to do? Approve the proposed 5 year lease for DSS at 1628 Browning Road in Columbia.

5. What is recommendation of the Division of General Services? Recommend approval of the proposed 5 year lease for DSS at 1628 Browning Road in Columbia.

6. List of Supporting Documents:

- SC Code of Laws Section 1-11-55 and 1-11-56

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

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

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

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

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

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

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

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

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency,
 - (b) a dissolution of the agency, and
 - (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.

AGENCY: B&CB - Division of General Services

PROJECT/SUBJECT: Proposed Department of Social Services Lease

The South Carolina Department of Social Services (DSS) requests approval to continue leasing 18,073 square feet of space at 2120 Jody Road in Florence from Twenty-One Twenty Partners (SC-based) for their Child Support Enforcement and Inensive Foster Care and Clinical Services Divisions.

The term of the proposed lease is five years beginning April 1, 2015, at a rate of \$12.87 per square foot. All operating expenses are included in the base rent, and the lease is not subject to operating expense escalations.

The total rent payment over the five-year term will be \$1,162,998.

The lease includes parking for agency staff and customers.

A solicitation was conducted by the Division of General Services, and two responses were received. This proposal represents the lowest bid including moving costs. The Division of General Services reports that comparables for similar space in the Florence area range from \$12.55 to \$13.40 per square foot.

ORS has adequate funds to cover the lease according to the Budget Approval Form. The Division of General Services recommends approval. JBRC review per Section 1-11-56.

COMMITTEE ACTION:

Review the proposed five-year lease and recommend approval.

ATTACHMENTS:


- 1) Division of General Services Lease Summary dated February 24, 2015
- 2) Sections 1-11-55 and 1-11-56 of the South Carolina Code of Laws

JBRC AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 24, 2015

1. Submitted by:

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



Nolan L. Wiggins, Jr., Director

2. Subject: SC Department of Social Services Lease - Florence

3. Summary Background Information:

The SC Department of Social Services (DSS) requests approval to continue leasing 18,073 rentable square feet (combining two current leases) located at 2120 Jody Road, Suites A and D, in Florence from Twenty-One Twenty Partners, a South Carolina based company, for their Child Support Enforcement and Intensive Foster Care and Clinical Services divisions.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the lowest bid including moving costs. The initial lease term will be five (5) years beginning April 1, 2015, at a rate of \$12.87 per square foot. Additionally, the agency will not be responsible for any operating expense escalations. Total costs for the term of the lease are represented in the chart below:

Initial Term	Period (From-To)	Annual Rent	Rent per SF	Max Potential Excess Operating Costs
YEAR 1	04-01-2015 to 03-31-2016	\$232,599.51	\$12.87	\$0.00
YEAR 2	04-01-2016 to 03-31-2017	\$232,599.51	\$12.87	\$0.00
YEAR 3	04-01-2017 to 03-31-2018	\$232,599.51	\$12.87	\$0.00
YEAR 4	04-01-2018 to 03-31-2019	\$232,599.51	\$12.87	\$0.00
YEAR 5	04-01-2019 to 03-31-2020	\$232,599.51	\$12.87	\$0.00
Total		\$1,162,997.55		

The lease includes free surface lot parking sufficient for staff and customers. The following table represents comparable lease rates of similar business space in the Florence area:

Agency	Address	Lease Term	Initial Rate/SF	Final Rate/SF	Max Potential Excess Operating Costs
Continuum of Care	2120 Jody Road, Suite E	11/1/13-10/31/18	\$12.87	\$12.87	\$0.00
Department of Health and Human Services	201 N. Dozier Boulevard	5/1/14-4/30/19	\$12.55	\$12.55	\$12,375 Over 5 years
Department of Revenue	1452 West Evans Street	10/1/11-9/30/18	\$12.75	\$12.75	\$11,066 Over 7 years
Department of Transportation	2120 Jody Road, Suite B	3/1/15-2/28/20	\$13.40	\$13.40	0.00

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by the Agency.

4. What is JBRC asked to do? Approve the proposed 5 year lease for DSS at 2120 Jody Road in Florence.

5. What is recommendation of the Division of General Services? Recommend approval of the proposed 5 year lease for DSS at 2120 Jody Road in Florence.

- 6. List of Supporting Documents:**
- SC Code of Laws Section 1-11-55 and 1-11-56

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

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

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

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

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

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

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

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

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency,
 - (b) a dissolution of the agency, and
 - (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.

AGENCY: B&CB - Division of General Services

PROJECT/SUBJECT: Trident Technical College Real Property Conveyance

Trident Technical College requests that 0.02 acre be conveyed to Charleston County for no consideration.

The College owns approximately 155 acres at 7000 Rivers Avenue in North Charleston. Charleston County plans to extend the right turn lane at Rivers Avenue and Mabeline Road and needs to acquire right-of-way along the main entrance road. The project will benefit the College by alleviating traffic congestion, improving drainage, and providing safe and efficient access to its main campus. Charleston County has agreed to install a sidewalk from Rivers Avenue to an existing sidewalk at Building 950, providing safer walking access for students and staff.

The property conveyance was approved by the Area Commission of Trident Technical College on November 18, 2014, and the State Board for Technical and Comprehensive Education on January 12, 2015.

JBRC approval required per Section 59-53-53.

COMMITTEE ACTION:

Review the proposed real property conveyance and recommend approval.

ATTACHMENTS:

- 1) Division of General Services Lease Summary dated February 24, 2015
- 2) Sections 1-11-65 and 59-53-53 of the South Carolina Code of Laws

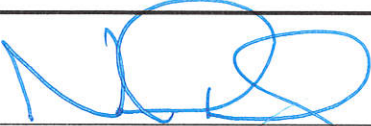
JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 24, 2015

Regular Agenda

1. Submitted By:

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



Nolan L. Wiggins, Jr., Director

2. Subject: Trident Technical College Conveyance of 0.02 Acre to Charleston County

3. Summary Background Information:

Trident Technical College (“College”) owns approximately 155 acres at 7000 Rivers Avenue in North Charleston, which serves as the College’s Main Campus. Charleston County plans to extend the right turn lane at Rivers Avenue and Mabeline Road and needs to acquire land along the main entrance road for a highway right-of-way. The road improvement project will benefit the College by alleviating traffic congestion, improving drainage, and providing safe and efficient access to its campus. Charleston County has also agreed to install a sidewalk from Rivers Avenue to the existing sidewalk at Building 950, which will allow students and staff safer walking access to campus facilities.

The College requests that 0.02 acre be conveyed to Charleston County for no consideration. The proposed property conveyance was approved by the Area Commission of Trident Technical College on November 18, 2014 and the State Board for Technical and Comprehensive Education on January 12, 2015.

4. What is the Joint Bond Review Committee asked to do?

Approve the conveyance of 0.02 acre from Trident Technical College to Charleston County.

5. What is the recommendation of the General Services Division?

Approval of the property conveyance as requested.

6. List of Supporting Documents:

- (a) Letter from Trident Technical College dated November 12, 2014
- (b) SC Code of Laws Sections 1-11-65 and 59-53-53



November 12, 2014

SC Budget and Control Board
Division of General Services
Real Property Services
Linda M. Gordon
1201 Main Street, Suite 420
Columbia, SC 29201

Dear Linda,

Trident Technical College request your approval to grant Charleston County right of way for Mabeline Road improvements.

Charleston County is requesting right of way to 0.02 acres (866 square feet) of land the College owns, which runs through TTC's Main campus adjacent to the College Center, the Nursing and Science Building and readySC's Boeing training. Charleston County needs the right of way in order to extend the right turn lane, thereby alleviating traffic congestion turning onto Rivers Avenue. Charleston County has also agreed to install a sidewalk from Rivers Avenue to the existing sidewalk at Building 950, which will allow students and staff safer walking access to campus facilities.

The College's interests would be served by this as it would alleviate traffic congestion, enhance safety, improve drainage and better accommodate bicyclists and pedestrians on Mabeline Road, which runs through TTC's Main campus.

The proposed agreement with Charleston County is attached, along with a drawing that shows the location of the property to be transferred. Also enclosed is a copy of the minutes indicating approval of the Area Commission of Trident Technical College.

If you have any questions on the matter, please contact Scott Poelker, Vice President for Finance and Administration, at 843-574-6197.

Sincerely,

Scott Poelker
Vice President for
Finance and Administration

SP/sm

SECTION 1-11-65. Approval and recordation of real property transactions involving governmental bodies.

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the Department of Administration for transactions of one million dollars or less. For transactions of more than one million dollars, approval of the State Fiscal Accountability Authority is required in lieu of the department, although the recording will be with the department. Upon approval of the transaction, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the department's and authority's approval of the transaction as required. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The department and authority may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution.

SECTION 59-53-53. Borrowing by area commissions; special fees; disposing of excess real property.

(A) The area commission of any technical education institution under the jurisdiction of the South Carolina technical education system may borrow for capital improvements from a federal or other lending agency an amount not to exceed its ability to repay the loan through the imposition of a special fee. The terms of the loan may not exceed forty years. An area commission may issue covenants, enter into mortgages, and grant liens limiting the sale or use of certain parcels of real or personal property in its possession when required as a condition of accepting a grant, loan, or donation for specified capital improvement projects.

To amortize the loan, a special fee must be imposed within the limits established by the state board, the proceeds of which must be deposited in a special account to be used for payment of the loan in accordance with the terms negotiated by the commission and the lender. No funds other than the revenue from the special fee may be pledged for payment of the loan.

(B) The governing body for each technical college shall review the real property titled in the name of its institution to determine if such property is in excess of the institution's anticipated needs and is available for disposal. All real properties determined to be in excess may be disposed of with the approval of the State Board for Technical and Comprehensive Education, the Budget and Control Board, and the Joint Bond Review Committee. The proceeds of such sales are to be disposed of as follows:

(1) if the property was acquired by gift, or through tuition, student fees, county funds, or earned income, the proceeds may be retained by the selling institution for use in accord with established needs;

(2) if the property was acquired through state appropriations, state capital improvement bonds, or formula funds, the proceeds shall revert to the state general fund.

The responsibility for providing any necessary documentation including, but not limited to, documenting the fund source of any real property proposed for sale rests with each respective institution.

AGENCY: Department of Mental Health

PROJECT/SUBJECT: State Veterans' Nursing Home Construction

At the meeting on January 21, 2015, the Joint Bond Review Committee directed the Department of Mental Health (DMH) to explore various locations and regions for the new veterans' nursing home and provide an update to the Committee at the next meeting. DMH has submitted information regarding the selection of Richland County as the site for the new facility.

DMH reports that the Columbia area was chosen for the following reasons:

- 1) Sufficient property already owned by DMH;
- 2) Co-location with an existing facility will result in operational cost savings;
- 3) Midlands Region has fewest beds in absolute number (76);
- 4) Richland is one of top five counties with highest concentration of veterans 65 and over; and
- 5) Midlands Region has the lowest percent of bed need met (7%).

Currently, DMH operates three veterans' nursing homes with a total of 516 beds: E. Roy Stone, Jr., Veterans Pavilion in Columbia with 76 beds, Richard M. Campbell Veterans Nursing Home in Anderson with 220 beds, and Veterans Victory House in Walterboro with 220 beds.

There are 394,220 veterans residing in South Carolina, with 157,487 (or approximately 40%) being age 65 or over.

In determining the location for the new nursing home, DHM considered three of the state's regions for the new facility: Upstate, Midlands, and Lowcountry (the Augusta-Aiken and Pee Dee regions are serviceable from the three regions considered). The total number of beds needed by county as well as the existing beds by county were assigned to reach region. Based on the ratio of the "Number of Existing State Veterans' Nursing Home Beds" to the "Total Number of Beds Needed," the Midlands Region has the lowest percentage of the need met.

COMMITTEE ACTION:

Receive information regarding the selected location.

ATTACHMENTS:

- 1) Letter from Mark W. Binkley, Deputy Director, DMH, dated February 17, 2015



State of South Carolina
Department of Mental Health

MENTAL HEALTH COMMISSION:

Alison Y. Evans, PsyD, Chair
Joan Moore, Vice Chair
Beverly Cardwell
Jane B. Jones
Everard Rutledge, PhD
J. Buxton Terry
Sharon L. Wilson

February 17, 2015

2414 Bull Street • P.O. Box 485
Columbia, SC 29202
Information: (803) 898-8581

John H. Magill
State Director of Mental Health

Ms. Allyn Powell
Capital Budgeting Manager
Executive Budget Office
Edgar Brown Building
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Re: Project: 9737, State Veterans Nursing Home Construction

Dear Ms. Powell:

As requested, the Department of Mental Health reviewed and updated the information concerning the State's veteran population, which was considered in the recommendation of a site on agency property in Columbia (Richland County), for the potential additional State Veterans Nursing Home.

SCDMH operates the State's current three (3) State Veterans Nursing Homes: E. Roy Stone, Jr. Veterans Pavilion in Columbia (76 beds), Richard M. Campbell Veterans Nursing Home in Anderson (220 beds), and Veterans Victory House in Walterboro (220 beds). Together, these State Homes currently have 516 beds.

The Department previously provided the following summary of its reasons for recommending a site adjacent to the agency's Columbia nursing care facilities:

- The site recommended is currently owned by SCDMH and is adjacent to existing agency nursing homes, which reduces the overall cost of the project as no purchase of additional land is required, and there are expected operational cost savings due to economies of scale.
- Of the Metropolitan Statistical Areas (MSA) designated for South Carolina by the United States Office of Management and Budget, the Midlands region has the fewest State home beds in absolute number.

MISSION STATEMENT

To support the recovery of people with mental illnesses.



- Greenville-Anderson-Mauldin, SC; Spartanburg, SC; and, Charlotte-Concord-Gastonia, NC-SC are served by Richard M. Campbell Veterans Nursing Home with 220 beds.
- Hilton Head Island-Bluffton-Beaufort, GA-SC; and, Charleston-North Charleston, SC are served by Veterans Victory House with 220 beds.
- Augusta-Richmond County, GA-SC; Columbia, SC; Sumter, SC; Florence, SC; and, Myrtle Beach-Conway-North Myrtle Beach, NC-SC are served by C.M. Tucker Nursing Care Center, Stone Pavilion, with 76 beds.
- The top five counties with the highest concentration of veterans aged 65 and over are Horry, Greenville, Charleston, Richland, and Spartanburg.
- Based on geographic service regions (Upstate, Midlands, and Lowcountry), while the Midlands has fewer veterans aged 65 and over in the absolute, it also has the lowest percent of bed need met (Upstate 13%, Midlands 7%, and Lowcountry 15%).
- Overall, the culmination of data points suggests that the optimal location for the construction of an additional veterans' nursing home is in the Midlands, and the area in the Midlands with the highest concentration of veterans is Richland County.

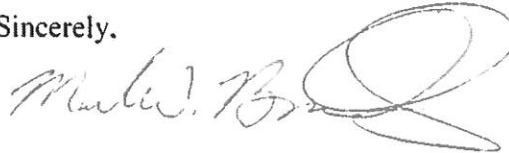
The Department reviewed the currently available information about the geographical distribution of the State's veteran population:

1. Total number of veterans age 65 and in South Carolina – According to the United States Census Bureau, 2012 American Community Survey, 1-Year Estimates (Report S2101 - Veteran Status), there are 394,220 veterans in South Carolina. Of the 394,220, 21.8% are age 65 to 74 years, and 18.1% are age 75 years and over. The total number of veterans age 65 and over is 157,487. Sub-reports provide the percentage of veterans age 65 to 74 years and age 75 years and over by county in South Carolina. (Attachment 1)
2. Total number of beds needed for veterans age 65 and over in South Carolina – As noted in the original report, according to the South Carolina Department of Health and Environmental Control (SCDHEC), *2012-2013 South Carolina Health Plan*, in order to estimate the need for nursing facility beds, one should use the ratio of 39 beds per 1,000 population (SCDHEC considers the applicable population for estimating nursing facility beds to be those age 65 and over). See page XII-1 of the Health Plan for formula reference. Based on the ratio of 39 beds per 1,000 population, and using the total number of veterans age 65 and over (157,487), the total number of beds needed for veterans age 65 and over is 6,142, rounded. (As noted in the Report, the formula utilized by the Veterans Administration currently projects the State's need for State Veterans long-term care beds at 1,089, or an addition of 573 beds.)
3. Veterans age 65 and over by geographic service regions – The State of South Carolina was segmented into the following traditional geographic service regions: Upstate, Midlands, Lowcountry, Augusta-Aiken, and Pee Dee. The total number of beds needed for veterans age 65 and over by county in South Carolina was assigned to each service region based on the traditional assignment of the respective county. The location and number of existing State Veterans' Nursing Home beds were also assigned to each service region. Based on a numerator of "Number of Existing State Veterans' Nursing Home Beds" and a denominator of "Total Number of Beds Needed for Veterans Age 65 and Over," the Percent of Need Met was calculated. While the Midlands has fewer veterans aged 65 and over in the absolute, it also has the lowest percent of bed need met

(Upstate 13%. Midlands 7%. and Lowcountry 15%). The Augusta-Aiken and Pee Dee service regions are serviceable from any of the three regions cited above, and were not included in the Percent of Need Met calculations. (Attachment 2).

4. Current State Veterans Nursing Homes census and waiting lists. As of February 1, 2015, E. Roy Stone, Jr. Veterans Pavilion in Columbia had a waiting list of 87, while Richard M. Campbell Veterans Nursing Home in Anderson, and Veterans Victory House in Walterboro had waiting lists of 24 and 14, respectively. The Midlands appears to be the preferred residential location for many veterans and their families. A review of the county of residence of each of those currently residing in the three State Homes reflects that while Richard M. Campbell Veterans Nursing Home in Anderson, and Veterans Victory House in Walterboro draw residents' primarily from those counties in close geographic proximity, E. Roy Stone, Jr. Veterans Pavilion in Columbia draws residents from across the state. This data, while not a component in the initial evaluations of site selection, suggests it appropriate to locate a new State Veterans' Nursing Home in the Midlands.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mark W. Binkley". The signature is written in dark ink and is positioned above the typed name.

Mark W. Binkley, Deputy Director
Division of Administrative Services

Attachments

Attachment 1

Region	Total Veterans	Percentage 65-74	Percentage 75 and Over	Total 65 and Over	Percentage of Total Veterans in Region	Percentage of Total Veterans 65 and Over	Top 5 Ranking	Total Beds Needed	Beds Available	Bed Shortage
South Carolina	394,220	21.8%	18.1%	157,294	39.9%	100.0%		6,134	516	5,618
Abbeville	1,929	23.9%	19.9%	845	43.8%	0.5%		33		33
Aiken	15,297	21.8%	18.3%	6,134	40.1%	3.9%		239		239
Allendale	651	17.8%	19.4%	242	37.2%	0.2%		9	220	9
Anderson	13,837	25.3%	25.6%	7,043	50.9%	4.5%		275		55
Bamberg	1,479	18.3%	18.5%	544	36.8%	0.3%		21		21
Barnwell	1,723	16.3%	13.7%	517	30.0%	0.3%		20		20
Beaufort	17,476	24.7%	24.3%	8,563	49.0%	5.4%		334		334
Berkeley	22,254	19.5%	7.5%	6,009	27.0%	3.8%		234		234
Calhoun	1,343	20.7%	13.6%	461	34.3%	0.3%		18		18
Charleston	29,911	19.3%	19.2%	11,518	48.5%	7.4%	3	450		450
Cherokee	3,886	24.1%	15.7%	1,547	39.8%	1.0%		60		60
Chester	2,487	22.2%	21.4%	1,084	43.6%	0.7%		42		42
Chesterfield	3,176	22.2%	17.3%	1,255	39.5%	0.8%		49		49
Clarendon	3,150	27.1%	16.2%	1,364	43.3%	0.9%		53		53
Colleton	3,889	22.1%	21.4%	1,692	43.5%	1.1%		66		66
Darlington	4,291	21.6%	20.1%	1,789	41.7%	1.1%		70		70
Dillon	2,086	18.0%	17.0%	730	35.0%	0.5%		28		28
Dorchester	15,564	16.8%	10.1%	4,187	26.9%	2.7%		163		163
Edgefield	2,389	17.4%	11.0%	678	28.4%	0.4%		26		26
Fairfield	2,144	22.2%	12.8%	750	35.0%	0.5%		29		29
Florence	9,818	21.3%	17.5%	3,809	38.8%	2.4%		149		149
Georgetown	6,113	27.8%	26.4%	3,313	54.2%	2.1%		129		129
Greenberry	9,748	23.2%	20.7%	3,308	43.4%	4.3%	2	307		307
Greenwood	5,690	22.7%	22.8%	2,589	45.5%	1.6%		101		101
Hampton	1,354	21.3%	18.3%	536	39.6%	0.3%		21		21
Harley	26,424	10.5%	7.4%	13,978	52.4%	4.4%	1	325		325
Jasper	1,643	15.8%	19.4%	578	35.2%	0.4%		23		23
Kershaw	5,747	19.1%	17.3%	2,092	36.4%	1.3%		82		82
Lancaster	6,231	23.6%	25.0%	3,028	48.6%	1.9%		118		118
Laurens	4,921	20.2%	22.2%	2,087	42.4%	1.3%		81		81
Lee	1,081	20.4%	14.7%	379	35.1%	0.2%		15		15
Lexington	23,828	25.5%	14.2%	9,460	39.7%	6.0%		369		369
McCormick	1,328	27.6%	24.6%	693	52.2%	0.4%		27		27
Marion	2,396	19.2%	18.7%	908	37.9%	0.6%		35		35
Marlboro	1,843	21.4%	14.2%	656	35.6%	0.4%		26		26
Newberry	2,764	21.9%	22.1%	1,216	44.0%	0.8%		47		47
Oconee	6,734	24.3%	28.7%	3,569	53.0%	2.3%		139		139
Orangeburg	6,942	21.1%	20.0%	2,853	41.1%	1.8%		111		111
Pickens	8,340	20.7%	23.9%	3,720	44.6%	2.4%		145		145
Richland	34,416	15.8%	11.4%	10,162	29.7%	5.5%	1	496	76	320
Saluda	1,388	25.7%	14.7%	561	40.4%	0.4%		22		22
Spartanburg	22,519	22.2%	10.1%	4,541	42.3%	6.1%	1	172		172
Sumter	13,227	12.2%	12.3%	3,241	24.5%	2.1%		126		126
Union	2,013	22.8%	22.1%	904	44.9%	0.6%		35		35
Williamsburg	2,122	15.5%	19.9%	751	35.4%	0.5%		29		29
York	17,888	24.4%	13.9%	6,851	38.3%	4.4%		267		267
Total	395,323			157,487				6,142	516	5,626

Attachment 2

Upstate	65+	Need	Avail
Oconee	3,569	139	
Anderson	7,043	275	220
Abbeville	845	33	
Greenwood	2,589	101	
Laurens	2,087	81	
Greenville	13,055	509	
Pickens	3,720	145	
Spartanburg	9,534	372	
Union	904	35	
Cherokee	1,547	60	
Total	44,893	1,750	220
		Net Need	1,530
		Percent of Need Met	13%

Midlands	65+	Need	Avail
Saluda	561	22	
Lexington	9,460	369	
Orangeburg	2,853	111	
Calhoun	461	18	
Richland	10,162	396	76
Sumter	3,241	126	
Kershaw	2,092	82	
Fairfield	750	29	
Total	29,580	1,153	76
		Net Need	1,077
		Percent of Need Met	7%

Lowcountry	65+	Need	Avail
Allendale	242	9	
Hampton	536	21	
Jasper	578	23	
Beaufort	8,563	334	
Colleton	1,692	66	220
Dorchester	4,187	163	
Charleston	11,528	450	
Berkeley	6,009	234	
Williamsburg	751	29	
Georgetown	3,313	129	
Total	37,399	1,458	220
		Net Need	1,238
		Percent of Need Met	15%

Note: Since the Augusta-Aiken and Pee Dee regions of the state are servicable by any of the three regions cited above, the two aforementioned regions were not included in the Percent of Need Met evaluations for site selection.

JOINT BOND REVIEW COMMITTEE
Meeting of February 24, 2015

Item Number 8

AGENCY: Executive Budget Office - Capital Budgeting Unit

PROJECT/SUBJECT: Permanent Improvement Project Requests

There are 15 Permanent Improvement projects pending as follows:

- 6 Establish Phase I, Pre-Design Budget
- 7 Establish Phase II, Construction Budget
- 1 Increase Phase II, Construction Budget
- 1 Revise Scope

COMMITTEE ACTION:

Review and approve projects for transmittal to Budget and Control Board.

ATTACHMENTS:

Project Requests Worksheet - Summary 5-2015

**Executive Budget Office – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
December 19, 2014 through January 23, 2015**

Item. 1. Agency: F03 Budget and Control Board **Project:** 9945, Dennis Building Elevator Modernization **CHE Approval Date:** N/A
Committee Review Date:
B&C Board Approval Date:

Action Proposed: Establish Project for A&E Design **Budget After Action Proposed**

Total budget.....	\$13,125.00	<u>Amount</u>
[9] Other, Depreciation Reserve.....	\$13,125.00	13,125.00
		13,125.00

Purpose: To begin design work to renovate five elevators and associated control systems in the Dennis Building on the Statehouse Complex. The Dennis building is 61 years old and houses the Attorney General's Office, the Board of Economic Advisors, the Department of Natural Resources and other state agencies. The 41 year old elevator system serves 750 staff who work in the building as well as visitors to the building. The project will include the renovation of approximately 1,440 square feet, including three elevator control rooms, four passenger elevators and one freight elevator. Modernization of the elevator system will allow for increased reliability and efficiency in the routing of the elevators.

Ref: Supporting document pages 1-6

Item. 2. Agency: J16 Department of Disabilities and Special Needs **Project:** 9885, Whitten Center - Preventive Maintenance **CHE Approval Date:** N/A
Committee Review Date:
B&C Board Approval Date:

Action Proposed: Establish Project for A&E Design **Budget After Action Proposed**

Total budget.....	\$4,875.00	<u>Amount</u>
[4] Excess Debt Service.....	\$3,225.00	3,225.00
[9] Other, Whitten Center Trust Funds.....	\$1,650.00	1,650.00
		4,875.00

Purpose: To begin design work to perform preventive maintenance at the Whitten Center in Laurens County. Seventeen buildings covering 121,628 square foot Whitten Center will be included in the project. The buildings serve approximately 264 clients and staff and range in age from 14 to 81 years old. Systems affected by the project range in age from 3 to 51 years old. Maintenance projects will include upgrading the dormitory fire alarm systems to include carbon monoxide detectors, replacing windows in a dorm, renovating the activity building, replacing a boiler at the dental clinic, tree removal and trimming and landscaping replacement at the Sensory Garden.

Ref: Supporting document pages 7-12

Executive Budget Office – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
December 19, 2014 through January 23, 2015

Item. 3. Agency: J16 Department of Disabilities and Special Needs Project: 9886, Midlands Center - Preventive Maintenance
 CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action Proposed: Establish Project for A&E Design Budget After Action Proposed
 Total budget.....\$5,850.00
 [4] Excess Debt Service.....\$5,850.00
 Source
 Excess Debt Service 5,850.00
 Total Funds 5,850.00

Purpose: To begin design work to perform preventive maintenance at the Midlands Center in Richland County. Twelve buildings at the 204,494 square foot Midlands Center will be included in the project. The buildings serve approximately five hundred clients and staff and range from 28 years old to 51 years old. All systems to be maintained or replaced are at least twelve years old, with most being significantly older. Maintenance projects will include the replacement of exterior soffit lights at dormitories to improve safety and security for residents, replacement of interior lighting and controls in dormitory storage areas, the removal of an underground fuel tank, painting of exterior entrances to the building, replacement of ceiling tiles, replacement of carpeting and the renovation of bathrooms for ADA compliance, and other lifecycle replacement projects.

Ref: Supporting document pages 13-18

Item. 4. Agency: J16 Department of Disabilities and Special Needs Project: 9887, Statewide - Community Facilities Preventive Maintenance and License Conversion
 CHE Approval Date: N/A
 Committee Review Date:
 B&C Board Approval Date:

Action Proposed: Establish Project for A&E Design Budget After Action Proposed
 Total budget.....\$6,000.00
 [4] Excess Debt Service.....\$6,000.00
 Source
 Excess Debt Service 6,000.00
 Total Funds 6,000.00

Purpose: To begin design work to replace building components at Department of Disabilities and Special Needs facilities statewide to provide code compliant upgrades that will allow for conversion of their licenses from ICF-ID to CRCF or CTH II license designations. The buildings range in age from 25 to 74 years old and serve 76 clients and staff. The projects will address life cycle replacement issues for HVAC equipment, water heaters, sanitizers, windows, doors, roofing, and life safety systems. It will also include energy efficient lighting, building envelope insulation, kitchen cabinet refurbishment, kitchen countertop replacement, and roll-in shower conversion.

Ref: Supporting document pages 19-24

**Executive Budget Office – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
December 19, 2014 through January 23, 2015**

Item. 5. Agency: J16 Department of Disabilities and Special Needs Project: 9888, Pee Dee and Saleeby Centers Preventive Maintenance

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

Action Proposed: Establish Project for A&E Design

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
[4] Excess Debt Service.....	7,830.00
Total Funds	7,830.00

Purpose: To begin design work to perform preventive maintenance at the Pee-Dee Center, located in Florence and Saleeby Center, located in Hartsville. A total of 72,394 square feet will be renovated in this project across both centers. Buildings included in the project range in age from 35 to 47 years old and the renovations will impact 213 clients and staff. The work at the Pee Dee Center will include renovation of a total of 24 bathrooms located across six dorms, the replacement of cooking equipment in the Pee Dee Center Central Kitchen, the replacement of HVAC equipment in the Pee Dee Central Kitchen and a dorm, and the replacement of flooring in the administration and program buildings. The work at the Saleeby Center will include the replacement of damaged ceiling tiles, commercial laundry equipment and wall finishes, as well as the installation of additional accessible handrails.

Ref: Supporting document pages 25-30

Item. 6. Agency: P24 Department of Natural Resources Project: 9945, Pickens - Sassafras Mountain Observation Tower Project

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

Action Proposed: Establish Project for A&E Design

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
[9] Other, Restricted Donation.....	60,000.00
Total Funds	60,000.00

Purpose: To begin design work to construct an observation tower near the summit of Sassafras Mountain in Pickens County. Sassafras Mountain is the tallest peak in the state. In an effort to allow increased public use of the property, the agency recently conducted a feasibility study to investigate the installation of an observation tower. The study recommended a 10 foot high observation platform that would be ADA accessible and capable of holding up to 30 persons for long range viewing. The observation tower is part of a long term master plan for the area that would eventually include outdoor classroom spaces, restrooms and an enhanced trail network to allow access to the summit. The agency has secured donations to fund pre-design for the project and, if approved, plans to pay for construction from donations as well.

Ref: Supporting document pages 31-36

**Executive Budget Office – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
December 19, 2014 through January 23, 2015**

Item. 7. Agency: H12 Clemson University Project: 9914, Littlejohn Coliseum Renovation 01/21/15
CHE Approval Date:
Committee Review Date:
B&C Board Approval Date:

<u>Action Proposed:</u> Establish Construction Budget for \$63,500,000.00	<u>Amount</u>
(Add \$63,500,000.00 [3] Revenue Bonds)	63,500,000.00
(Subtract \$ 1,300,000.00 [9] Other, Private Athletics)	63,500,000.00

Budget After Action Proposed

Purpose: To renovate the Littlejohn Coliseum and Annex at Clemson. The project was approved for pre-design in February 2014, which is now complete. The original 125,000 square foot facility was constructed in 1967. In 2001 an approximately 75,000 square foot annex was added along with the replacement of the original roof and truss system. The renovations will add approximately 15,400 square feet to the facility and will include an upgraded playing arena and seating bowl with 8,500 seats, increased premium level seating from 40 seats to 500 seats, and a NCAA regulation practice facility. In addition, significant transformations to the exterior will be made with a large ceremonial entry way constructed and two enhanced functional entry ways added on the south corners. The renovation will also upgrade the facility's electrical, lighting, sound and information technology systems. The agency reports total projected cost of this project is \$63,500,000. Additional operating costs ranging from \$174,900 to \$185,400 are anticipated in the three years following project completion. The agency also reports the projected date for execution of the construction contract is April 2015 with completion of construction in October 2016.

Ref: Supporting document pages 37-43

**Executive Budget Office – Capital Budgeting Unit
 Summary of Permanent Improvement Project Actions Proposed by Agencies
 December 19, 2014 through January 23, 2015**

Item. 10. Agency: P28 Department of Parks, Recreation and Tourism Project: 9742, Fort Mill Welcome Center Replacement

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

Action Proposed: Establish Construction Budget for \$4,758,568.00 and Revise Scope

Budget After Action Proposed

(Add \$3,692,216.00 [9] Other, Proviso 49.9 of FY13-14) Amount

Federal 805,082.00
 Other, Proviso 49.9 of FY13-14 3,752,216.00
 Other, State Highway Fund 201,270.00
 Total Funds 4,758,568.00

Purpose: To replace the existing Fort Mill Welcome Center, located in York County. The project was approved for pre-design in October 2014, which is now complete. The facility is 33 years old and has not received any major renovations since its construction. The welcome center and restroom facility, which serve 673,000 visitors per year, are outdated and inadequate to meet current visitor demand. The new design will take into account historic visitor counts as well the needs of visitors at the center. It will also include energy efficiency features such as light colored roofing and paving materials and dual flush water closets. The scope revision will allow for the replacement of other buildings within the Welcome Center campus, including the replacement of the adjacent restroom facility and the Highway Operations Center, which is currently located in a mobile facility on site. The agency reports the total projected cost of this project is \$4,758,568 and that no additional annual operating expenses are expected in the three years following project completion. The agency also reports that the projected date for execution of the construction contract is September 2015 with completion of construction in June 2016.

Ref: Supporting document pages 58-67

Item. 11. Agency: P28 Department of Parks, Recreation and Tourism Project: 9743, Hardeeville Welcome Center Replacement

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

Action Proposed: Establish Construction Budget for \$4,121,337.00

Budget After Action Proposed

(Add \$4,061,337.00 [9] Other, Proviso 49.9 of FY13-14) Amount

Other, Proviso 49.9 of FY13-14 4,121,337.00
 Total Funds 4,121,337.00

Purpose: To replace the existing Hardeeville Welcome Center, located in Jasper County. The project was approved for pre-design in October 2014, which is now complete. The facility is 36 years old has not received any major renovations since the addition of a restroom 27 years ago. The welcome center and restroom facility, which serve 697,000 visitors per year, are outdated and inadequate to meet current visitor demand. The new design will take into account historic visitor counts as well the needs of visitors at the center. It will also include energy efficiency features such as light colored roofing and paving materials and dual flush water closets. The agency reports that the total projected cost of this project is \$4,121,337 and that no additional annual operating expenses are expected in the three years following project completion. The agency also reports that the projected date for execution of the construction contract is September 2015 with completion of construction in June 2016.

Ref: Supporting document pages 68-74

**Executive Budget Office – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
December 19, 2014 through January 23, 2015**

Item. 12. Agency: P28 Department of Parks, Recreation and Tourism Project: 9744, Kings Mountain State Park Paving N/A
Committee Review Date:
B&C Board Approval Date:

Action Proposed: Establish Construction Budget for \$627,900.00
 (Add \$622,650.00 [9] Other, Proviso 49.9 FY13-14) Amount
 627,900.00
Budget After Action Proposed
 Total Funds 627,900.00

Purpose: To repair and repave the roadways at Kings Mountain State Park, located in York County. The project was approved for pre-design in October 2014, which is now complete. The 1.1 mile stretch of road to be repaved runs from the Park Headquarters past the historic farm and ends at the Cherokee Group Camp. The roadways in the park, which serves 184,652 visitors per year, are over 30 years old. During pre-design, borings of the roadway and soil surveys were performed to determine the appropriate methods and materials needed for repaving. The new paving material will closely resemble existing pavement in the park. Hot mix asphalt will be used both for the base and surface courses. The agency reports that the total projected cost of this project is \$627,900 and that no additional annual operating expenses are expected in the three years following project completion. The agency also reports the projected date for execution of the construction contract is May 2015 with completion of construction in September 2015.

Ref: Supporting document pages 75-81

Item. 13. Agency: P28 Department of Parks, Recreation and Tourism Project: 9745, Myrtle Beach State Park Paving N/A
Committee Review Date:
B&C Board Approval Date:

Action Proposed: Establish Construction Budget for \$663,196.00
 (Add \$648,196.00 [9] Other, Proviso 49.9 for FY13-14) Amount
 663,196.00
Budget After Action Proposed
 Total Funds 663,196.00

Purpose: To repair and repave roadways and parking areas at Myrtle Beach State Park, located in Horry County. The project was approved for pre-design in October 2014, which is now complete. The 2.7 mile stretch of road to be repaved runs from the Gate House past the Park Office headquarters and fishing pier and along the beach front parking areas and boardwalks. The paved surfaces in the park, which serves 1,280,012 visitors per year, are over 20 years old and are in need of repaving. During pre-design, borings of the roadway and soil surveys were performed to determine the appropriate methods and materials needed for repaving. The new paving material will closely resemble existing pavement in the park. Hot mix asphalt will be used for the surface course while a recycled cement mixture will be used for the base course. The agency reports that the total projected cost of this project is \$663,196 and that no additional annual operating expenses are expected in the three years following project completion. The agency also reports the projected date for execution of the construction contract is May 2015 with completion of construction in September 2015.

Ref: Supporting document pages 82-87

**Executive Budget Office – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
December 19, 2014 through January 23, 2015**

Item. 14. Agency: J12 Department of Mental Health Project: 9722, Stone Veterans Nursing Home Deferred Maintenance N/A
CHE Approval Date:
Committee Review Date:
B&C Board Approval Date:

Action Proposed: Increase Budget from \$4,160,000.00 to \$4,710,000.00
 (Add \$550,000.00 [9] Other, Deferred Maintenance Fund) Amount
 Capital Reserve Fund 1,330,000.00
 Federal 2,470,000.00
 Other, Deferred Maintenance Fund 910,000.00
 Total Funds 4,710,000.00

Purpose: To increase the budget to address deferred maintenance issues at the Stone Veterans Nursing Home in Richland County. The project was established for pre-design in November 2011 with state appropriated funds and was increased for construction in May 2013. During demolition, it was discovered that some metal studs as well as portions of the metal stud bottom track were rusted and deteriorated beyond repair. Environmental testing also discovered that mold was prevalent in the wall cavities throughout portions of the structure, as well as in many areas of the piping and ceiling insulation. This budget increase would allow for the replacement of materials contaminated with mold, tile, insulation, metal studs and associated bottom track and additional finish painting in the affected areas. The agency reports the total projected cost of this project is \$4,710,000 and that no additional operating expenses are expected in the three years following project completion.

Ref: Supporting document pages 88-92

Item. 15. Agency: J12 Department of Mental Health Project: 9737, State Veteran's Nursing Home Construction N/A
CHE Approval Date:
Committee Review Date:
B&C Board Approval Date:

Action Proposed: Revise Scope Amount
 Other, Capital Improvement and Maintenance 500,000.00
 Total Funds 500,000.00

Purpose: To revise the scope for pre-design for the construction of a 220 bed veterans nursing home on the campus of the Tucker Nursing Care Center in Richland County to include a possible location on the Northeast Campus in Richland County. The new facility will have all private rooms and will include a kitchen, dining facilities, treatment and therapy spaces, and a facility for mechanical and electrical equipment. The project was approved for pre-design in January 2015, but upon beginning pre-design work the architectural firm selected expressed concerns about the site. Current guidelines from the Veterans Administration for the design of veterans nursing homes are based on a community living model, with smaller homes, community centers and more outside area. The available acreage on the Tucker site would make it difficult to meet these guidelines. The design firm has also expressed concerns about the soil conditions adding costs to construction and about a drainage ditch that runs through the edge of the site that has a required setback for construction. Based on these findings, the Department of Mental Health would like to expand the scope of this project to allow for analysis of a potential sight on the Northeast Campus in Richland County.

Ref: Supporting document pages 93-94

JOINT BOND REVIEW COMMITTEE
Meeting of February 24, 2015

Item Number 9

AGENCY: Joint Bond Review Committee

PROJECT/SUBJECT: Future Meeting Schedule

January 2015							February 2015							March 2015						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3	1	2	3	4	5	6	7	1	2	3	4	5	6	7
4	5	6	7	8	9	10	8	9	10	11	12	13	14	8	9	10	11	12	13	14
11	12	13	14	15	16	17	15	16	17	18	19	20	21	15	16	17	18	19	20	21
18	19	20	21	22	23	24	22	23	24	25	26	27	28	22	23	24	25	26	27	28
25	26	27	28	29	30	31								29	30	31				

April 2015							May 2015							June 2015						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4						1	2		1	2	3	4	5	6
5	6	7	8	9	10	11	3	4	5	6	7	8	9	7	8	9	10	11	12	13
12	13	14	15	16	17	18	10	11	12	13	14	15	16	14	15	16	17	18	19	20
19	20	21	22	23	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27
26	27	28	29	30			24	25	26	27	28	29	30	28	29	30				
							31													

July 2015							August 2015							September 2015						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4							1			1	2	3	4	5
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30			
							30	31												

October 2015							November 2015							December 2015						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
25	26	27	28	29	30	31	29	30						27	28	29	30	31		

Next tentatively-scheduled meeting of the Budget & Control Board is April 28, 2015.

COMMITTEE ACTION:
Schedule next meeting.

ATTACHMENTS:
None