

Capital Improvements Joint Bond Review Committee

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JOINT BOND REVIEW COMMITTEE MEETING

DATE: Wednesday, February 20, 2019
TIME: 9:00 a.m.
LOCATION: Room 105, Gressette Building

AGENDA

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1. South Carolina Transportation Infrastructure Bank Charleston County Mark Clark Extension Project.....	1
2. Proposed Leases and Related Matters	
a. South Carolina Department of Employment and Workforce 3955 Faber Place Drive, Charleston	31
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AGENCY: South Carolina Transportation Infrastructure Bank

PROJECT/SUBJECT: Charleston County Mark Clark Extension Project

SC Code Section 11-43-180 directs that financial assistance provided by the South Carolina Transportation Infrastructure Bank (Bank) must be approved by the Joint Bond Review Committee (JBRC). In addition, Section 11-43-315 requires JBRC approval of bonds issued by the Bank in providing financial assistance on qualified projects.

On August 1, 2006, and March 5, 2008, JBRC approved a total of \$420 million in financial assistance requested by the Bank to fully fund the original I-526 Interstate Mark Clark Project, and approved authorizations for issuance of revenue bonds that included among others up to \$420 million to support the financial assistance to the Mark Clark Expressway Project.

Subsequent to these approvals, the South Carolina Department of Transportation (SCDOT) recommended changing the scope of the project from an interstate to a parkway, based on public comments received as required by the federal environmental review process. Further, in 2015, SCDOT advised the Bank and the County that the estimated cost of the revised project had increased from \$420 million to approximately \$725 million.

The Bank, Charleston County, and the SCDOT have executed an amended Intergovernmental Agreement addressing among other things the change in project scope and the increase in estimated cost of the project, and clarifying the commitment of the Bank's financial assistance. Under the terms of the amended Intergovernmental Agreement, the Bank's financial assistance will not exceed its original commitment of \$420 million, and Charleston County will be responsible for all amounts in excess of the Bank's commitment. Charleston County will finance its contributions principally through revenues of its Transportation Sales Tax, although the county may utilize funds from other sources as they become available.

The Bank has expended approximately \$40 million on the project to date, leaving approximately \$380 million to be funded under its commitment for financial assistance.

The JBRC is requested to approve the Bank's commitment for financial assistance to the project in the amount of \$420 million, and to approve the issuance of revenue bonds to fund its commitment in the amount of \$380 million.

COMMITTEE ACTION:

1. Approve the Bank's commitment of \$420 million in financial assistance to the Charleston County Mark Clark Extension project pursuant to the terms of the amended Intergovernmental Agreement.
2. Approve the issuance of revenue bonds for the project in an amount not exceeding \$380 million, to be effected as a revision to its prior authorization for issuance of up to \$420 million in revenue bonds for the project.

ATTACHMENTS:

- 1) SC Code Sections 11-43-180 and 11-43-315
- 2) South Carolina Transportation Infrastructure Bank letter dated February 8, 2019
- 3) First Amended Intergovernmental Agreement for Charleston County Mark Clark Expressway Extension Project in Charleston County, South Carolina dated January 10, 2019

South Carolina Code of Laws
Title 11 - Public Finance
Chapter 43 - South Carolina Transportation Infrastructure Bank Act

SECTION 11-43-180. Loans and other financial assistance; approval by Joint Bond Review Committee; term; financing agreement; terms and conditions; selection of projects, preference, considerations.

(A) The bank may provide loans and other financial assistance to a government unit or private entity to pay for all or part of the eligible cost of a qualified project. Prior to providing a loan or other financial assistance to a qualified borrower, the board must obtain the review and approval of the Joint Bond Review Committee. The term of the loan or other financial assistance must not exceed the useful life of the project. The bank may require the government unit or private entity to enter into a financing agreement in connection with its loan obligation or other financial assistance. The board shall determine the form and content of loan applications, financing agreements, and loan obligations including the term and rate or rates of interest on a financing agreement. The terms and conditions of a loan or other financial assistance from federal accounts shall comply with applicable federal requirements.

(B) The board shall determine which projects are eligible projects and then select from among the eligible projects those qualified to receive from the bank a loan or other financial assistance. Preference must be given to eligible projects which have local financial support. In selecting qualified projects, the board shall consider the projected feasibility of the project and the amount and degree of risk to be assumed by the bank. The board also may consider, but must not be limited to, the following criteria in making its determination that an eligible project is a qualified project:

(1) the local support of the project, expressed by resolutions by the governing bodies in the areas in which the project will be located, and the financial or in-kind contributions to the project;

(2) maximum economic benefit, enhancement of mobility, enhancement of public safety, acceleration of project completion, and enhancement of transportation services;

(3) the ability of the applicant to repay a loan according to the terms and conditions established pursuant to this chapter, consideration of which may include, at the option of the bank board, the existence of current investment grade rating on existing debt of the applicant secured by the same revenues to be pledged to secure repayment under the loan repayment agreement;

(4) the financial or in-kind contributions to the project;

(5) greater weighting in recommending priorities for eligible projects to areas of the State experiencing high unemployment; and

(6) whether the governing bodies of the county or the incorporated municipality in which the project is to be located provides to the bank a resolution which makes a finding that the project is essential to economic development in the political subdivisions, or the bank receives a resolution or certificate from the Advisory Coordinating Council for Economic Development of the Department of Commerce that the project is essential to economic development in the State, or both, at the option of the board.

SECTION 11-43-315. Issuance of bonds; review and approval of Joint Bond Review Committee.

Whenever it shall become necessary that monies be raised for qualified projects, including monies to be used to refund any bonds then outstanding, the bank may issue bonds as provided in this article. The review and approval of the Joint Bond Review Committee must be obtained prior to the issuance of the bonds.

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South Carolina
Transportation Infrastructure Bank



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February 8, 2019

The Honorable Hugh K. Leatherman, Sr., Chairman
Joint Bond Review Committee
109 Gressette Building
Columbia, South Carolina 29201

RE: Approval of Mark Clark Extension Project

Dear Chairman Leatherman:

The South Carolina Transportation Infrastructure Bank ("Bank"), Charleston County ("County"), and the South Carolina Department of Transportation ("SCDOT") executed an amended Intergovernmental Agreement ("IGA") on January 10, 2019 for the Mark Clark Extension Project ("Project") subject to any approvals required by law. This action was approved by the vote of the Bank Board on the same date.

In actions taken on August 1, 2006 and March 5, 2008, the Joint Bond Review Committee ("JBRC") approved \$420 million in financial assistance requested by the Bank to fully fund the original I-526 Interstate Mark Clark Project which included the authorization to issue revenue bonds. The Bank seeks approval from JBRC for financial assistance of the revised Project, which is explained below, and approval for the issuance of up to \$380 million of revenue bonds for the Project. The Bank has expended approximately \$40 million on the Project to date.

Under the IGA, attached as **Exhibit A**, the financial assistance to be provided by the Bank to the Project shall not exceed its original financial commitment of \$420 million. The County shall be responsible for all amounts in excess of the Bank's commitment of \$420 million which currently is estimated at \$305 million. Charleston County will finance its contributions under the IGA principally through revenues of its Transportation Sales Tax, though the County may utilize funds from other sources, such as federal grant programs, as they become available.

Based on public comments as required by the federal environmental process, the SCDOT recommended the scope of the Project be changed from an interstate to a parkway several years ago; however, the Project's purpose remains consistent with that provided in the Bank's enabling legislation: to "provide[]public benefits by either enhancing mobility and safety, promoting economic development, or increasing the quality of life and general welfare of the public." South

Carolina Code Section 11-43-130. Further, in 2015, SCDOT advised the Bank and County that the estimated cost of the revised Project had increased from \$420 million to approximately \$725 million. As discussed above, however, the Bank's financial original commitment will remain the same as previously approved by JBRC.

For these reasons, the Bank respectfully requests that the JBRC grant its approval of the Bank's financial assistance and issuance of revenue bonds not to exceed \$380 million for the revised Project, as explained above, pursuant to South Carolina Code Section 11-43-180(A).

Thank you for your consideration of this request. Should you have any questions, please contact Tami Reed at 803-737-2875.

Sincerely,


John B. White, Jr.
Chairman, SCTIB

**FIRST AMENDED INTERGOVERNMENTAL AGREEMENT
FOR CHARLESTON COUNTY
MARK CLARK EXPRESSWAY EXTENSION PROJECT
IN CHARLESTON COUNTY, SOUTH CAROLINA**

This Intergovernmental Agreement, as hereby amended, is made and entered into as of January 10 2019 (this "Agreement") by and among **CHARLESTON COUNTY, SOUTH CAROLINA** (the "County"), the **SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION ("SCDOT")**, and the **SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK**, a body corporate and politic and an instrumentality of the State of South Carolina (the "Bank"), concerning the funding and construction of the Charleston County Mark Clark Expressway Extension Project (the "Extension Project") in Charleston County, South Carolina, which is described in more detail herein below and in the Charleston County Application, as supplemented, submitted to the Bank (the "Application"). The County, SCDOT and Bank are also referred to individually hereinafter as "Party" or collectively, as all or some of the parties to this Agreement as the context establishes as the "Parties."

WITNESSETH

WHEREAS, the Bank was created for the purpose, among others, of selecting and assisting in financing major transportation projects by providing financial assistance to government units for constructing and improving highway facilities necessary for public purposes, including economic development, as is more fully set forth in the South Carolina Transportation Infrastructure Bank Act (South Carolina Code Ann. Sections 11-43-110, *et seq.*, as amended); and

WHEREAS, by an application submitted to the Bank on or about December 15, 2005, as supplemented by other submissions, the County requested financial assistance for three highway projects in Charleston County: the Extension Project; the Port Access Road; and the US17/Mark Clark Expressway Interchange; and

WHEREAS, as part of the Application, the County identified a contribution in the amount of \$354 million to be spent on County road projects from the County's Sales Tax (as hereinafter defined) as its proposed local match contribution for all projects in the Application on which financial assistance was requested, and of that total proposed local match contribution, \$117

million is in the form expenditures by the County on roads to be constructed or improved, which directly relate to the Extension Project and as such constitutes the local match contribution for the Extension Project; and

WHEREAS, at a meeting on December 15, 2005, the Board of Directors of the Bank (the "Board") found the Application met the criteria in Section 11-43-180(B) and that the Extension Project, as defined in the Application, was an eligible and qualified Extension Project under the South Carolina Transportation Infrastructure Bank Act and referred the Application to the Bank's Evaluation Committee (the "Committee") for review and a recommendation; and

WHEREAS, at its meeting of June 30, 2006, the Committee recommended and the Board approved financial assistance for the Extension Project, which had a total estimated cost of \$420 million, in the form of an initial grant of \$99 million for engineering and environmental work and acquisition of rights of way and a subsequent grant, or grants, not to exceed \$321 million for completion of the Extension Project from the next new funds available to the Bank after fully funding financial assistance for all existing obligations on all previously approved projects with all financial assistance from the Bank conditioned on the aforementioned local match contribution of \$117 million identified by County in the Application being made by the County and the execution of an intergovernmental agreement between the parties in a form acceptable to the Board; and

WHEREAS, on August 1, 2006, the Capital Improvements Joint Bond Review Committee ("JBRC") of the South Carolina General Assembly approved the Extension Project, as defined in the Application, and financial assistance from the Bank for the Extension Project in the form of a grant in the initial amount of \$99 million, and subsequently approved a grant by the Bank for the Extension Project, as defined in the Application, not to exceed \$321 million, and the issuance of revenue bonds by the Bank to provide that financial assistance to the Extension Project; and

WHEREAS, after conducting public meetings as required by the federal environmental processes based on public input, SCDOT recommended that the Extension Project be changed from an interstate project to a four-lane parkway with a speed limit of 35 miles per hour to 45 miles per hour with two connector roads and other revisions known as "Alternative G," which removed the Extension Project's interstate designation, and which the Parties agree to implement, and which is the subject of this Agreement; and

WHEREAS, after receiving public input, SCDOT recommended the change in the Extension Project to “Alternative G,” which neither the County nor the Bank requested, and Alternative G is the current scope of the Extension Project; and

WHEREAS, in 2015, SCDOT has advised the Bank and County that the estimated cost of the Extension Project as set forth in Alternative G had increased to \$725 million; and

WHEREAS, on October 2, 2018, the Board and Charleston County Council adopted separate motions authorizing representatives of the Bank and the County to negotiate an amended intergovernmental agreement, which is subject to the final approval of the Parties, taking into account the changes to the Extension Project and cost of the Extension Project and related matters based on a Material Term Sheet that the County, SCDOT and Bank have agreed to use as the basis of those negotiations; and

WHEREAS, the Bank already has expended approximately \$40 million of its total contribution and the Bank has determined that the County has already expended and fulfilled its \$117 million local match contribution; and

WHEREAS, the Parties agree that the execution of this Agreement and the undertaking of the obligations and financial terms and requirements set forth below are valid exercises of the Parties’ respective business and proprietary powers; and

WHEREAS, Parties agree that all applicable and relevant laws must be followed and complied with pursuant to State law; and

WHEREAS, the County, SCDOT, and the Bank now desire to set forth the respective responsibilities of the parties for the Extension Project, including the funding and construction of the Extension Project, as amended to take into account the changes in the Extension Project and cost of the Extension Project and related matters;

NOW, THEREFORE, in consideration of the mutual benefits, promises and obligations set forth herein, the sufficiency of which are hereby acknowledged and accepted by each party hereto, the County, SCDOT, and the Bank hereby agree as follows:

ARTICLE I

1. Definitions

For purpose of this Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

“Account” means the account of the Bank maintained by the South Carolina State Treasurer into which is deposited monies to fund Disbursements for Eligible Costs of the Extension Project.

“Act” means the South Carolina Transportation Infrastructure Bank Act, which is codified as South Carolina Code Ann. Sections 11-43-110, *et seq.*, as amended.

“Application” means the Application for Financial Assistance submitted by the County to the Bank on or about December 15, 2005, as supplemented by other materials submitted by the County up to the date of this Agreement.

“Budget” means the budget established by the Bank for the Extension Project;

“Contract” means any contracts entered into by the County or SCDOT with any other person or firm for engineering, design, construction, materials or similar purposes for the Extension Project.

“Disbursements” means the transfer or payment of monies to SCDOT for Eligible Costs of the Extension Project or the payment of invoices or draw requests approved by Bank and/or its designee for Eligible Costs of the Extension Project incurred or to be incurred pursuant to a Contract.

“Eligible Costs” has the same meaning as set forth in Section 11-43-130 (5) of the Act as applied to qualified projects to be funded from the state highway account of the Bank.

“Event of Default” means the uncured breach by the County, Bank or SCDOT of a provision or obligation in this Agreement.

“Extension Project” means the highway construction and improvement project in Charleston County consisting of extending the Mark Clark Expressway from the current terminus of I-526 at U.S. Highway 17 to Folly Road on James Island.

“Sales Tax” means the roads portion of the one-half percent sales and use tax established in Charleston County by approval of a referendum following the adoption of Charleston County Council Ordinance Number 1324 pursuant to South Carolina Code Ann. Sections 4-37-10, *et seq.*, as amended, entitled “Optional Methods for Financing Transportation Facilities” and the subsequent 2016 sales and use tax established in Charleston County by approval of a referendum following the adoption of Charleston County Ordinance Number 1907 pursuant to South Carolina Code Ann. Sections 4-37-10, *et seq.*, as amended.

“Transportation Sales Tax Bonds” means County’s general obligation bonds additionally secured by the Sales Tax or revenue bonds whether now outstanding or hereinafter issued by the County.

ARTICLE II

2. Term of Agreement

2.1 This Agreement shall be effective as of June 8, 2007, and shall terminate, except for specific provisions which are expressly stated to survive the termination of this Agreement, on the date when the last of the following events occurs: (i) the Bank makes its final Disbursement and the County makes its final payment on the Extension Project; or (ii) the Extension Project, in its full scope as defined in Article I of this Agreement, is declared completed by the SCDOT and accepted by the SCDOT.

2.2 Notwithstanding the foregoing provision, the County through a resolution adopted by its Council may petition the Bank Board to terminate this Agreement if the SCDOT cannot obtain any of the necessary approvals, authorizations, or permits from a Federal or State regulatory agency that is required to commence or complete construction of the Extension Project. The County’s resolution must be supported by documentation from the Federal or State of South Carolina regulatory agency that has not granted such approval, authorization, or permit that establishes it is not feasible to proceed with the Extension Project. Should such documentation not be provided, the Bank shall be authorized to recover from the County a percentage to be determined by the Board, not to exceed fifty percent (50%), of what the Bank has spent at the time of the termination; however, the termination shall not be subject to any further financial penalty or other remedies identified in this Agreement.

2.3 The Bank, through a resolution adopted by its Board, may terminate this Agreement if it cannot obtain any of the necessary approvals, authorizations, or permits from a Federal or State public body that is required for it to provide financial assistance to the Extension Project. The Bank’s resolution must be supported by documentation from the Federal or State public body that has not granted such approval, authorization, or permit that establishes that the Bank is unable to provide financial assistance to the Extension Project. Prior to the Bank taking up such a resolution, it agrees to work cooperatively and in good faith to consider alternatives. Such termination shall not be subject to any financial penalty or other remedies identified in this Agreement.

ARTICLE III

3. Funding Commitments of Parties

3.1 Bank

A. The Bank shall establish a Budget for the Extension Project within the Account of the Bank and will, from time to time, deposit into the Account, or credit the Budget for, monies from one or more sources to fund Disbursements. The Bank will make Disbursements from the Account, pursuant to Article VI of this Agreement, to pay for Eligible Costs of the Extension Project incurred, or to be incurred, directly by the SCDOT, or the County or incurred, or to be incurred, for the Extension Project.

B. In no event at any time shall the Bank be required to increase its financial assistance, payments, credits, disbursements, or contributions to the Extension Project beyond \$420 million or to disburse, advance, transfer or pay from its own monies in excess of \$420 million for the Extension Project. The aforesaid amount of \$420 million includes all past Disbursements or payments by the Bank under the original Intergovernmental Agreement made and entered into among the Parties. After the Disbursement or payment of the aforesaid \$420 million, the Bank shall have no financial liability for the Extension Project.

3.2 County

A. The County has spent \$117 million from the proceeds of the Sales Tax for highway and road construction and improvements as the local match contribution to the Extension Project. That local match contribution also has been deemed by the Bank as the local match contribution for the U.S. 17/Mark Clark Expressway Interchange Project.

B. The County agrees to pay and shall pay from proceeds of the Sales Tax, or any lawful source, all of the costs incurred or to be incurred to complete the entire scope of the Extension Project in excess of the \$420 million in grants from the Bank (including past and future).

C. The County Council shall adopt a budget for each Fiscal Year appropriating revenues of the Sales Tax, or any federal or state grant proceeds, or any lawful source to fund the payment obligations of the County under this Agreement.

D. The payments by the County under Section 3.2.B shall be made pursuant to the provisions of Article VI of this Agreement.

3.3 Respective Allocations and Order of Payments

A. Except as provided in Section 3.3.B and 3.3.C of this Agreement, the County shall pay fifty percent (50%) of the remaining costs as of the date of this Agreement for preliminary engineering, right of way acquisitions (including right of way attorneys' fees), environmental mitigation, and related costs, and the Bank shall pay fifty percent (50%) remainder of all such costs. Each of the Bank's payments under this provision shall be due fifteen (15) business days after the County has completed its corresponding payment.

B. Except as provided in Sections 3.3.A, 3.3.C and 3.3.D of this Agreement, the County shall pay forty-five percent (45%) of the remaining costs of the Extension Project, and the Bank shall pay fifty-five percent (55%) of all the remaining Eligible Costs of the Extension Project until the Bank reaches its cap of \$420 million, after which the County shall pay all remaining costs to complete the full scope of the Extension Project. The SCDOT estimated cash flow projections of the Extension Project, including estimates of the Parties' respective annual contributions, as of the time of the execution of this Agreement, are reflected in Schedule A to this Agreement. Each of the Bank's payments under this provision shall be due fifteen (15) business days after the County has completed its corresponding payment. Provided however, at no time will the Bank's funding commitment for the Extension Project be less than \$420 million (i.e. if the 55-45 split cost share reduces the Bank's overall funding commitment for the Extension Project below \$420 million, the County's cost share shall be reduced to exhaust the Bank's funding commitment).

C. The County shall pay one hundred percent (100%) of the attorneys' fees, including those awarded to other parties, expenses and costs incurred for or associated with lawsuits, legal proceedings, inverse condemnation actions, and administrative proceedings relating to the Extension Project, or concerning permitting and approvals for the Extension Project by Federal and state agencies, including, , the Federal Highway Administration, U.S. Army Corps of Engineers, South Carolina Department of Health and Environmental Control, and South Carolina Department of Natural Resources. The County shall provide reports on such matters to the Bank and SCDOT upon the request of either of them.

The County may, in its sole discretion, choose to settle or resolve any dispute related to the above-described issues. However, any settlement or resolution that materially reduces the scope of the Extension Project will be subject to the approval of the Bank and SCDOT.

The Parties agree that if the County chooses to settle or resolve a dispute with any party (other than the Bank or SCDOT) as identified herein, said settlement or resolution shall not be a default under this Agreement unless it materially reduces the scope of Alternative G.

D. In no event shall the Bank's total grants, Disbursements, liabilities or payments under this Agreement at any time for any purpose exceed \$420 million, including all past and future grants, Disbursements and payments made by the Bank.

ARTICLE IV

4. Additional Obligations of the County and SCDOT

4.1 Additional Documents and Actions

A. At the request of the Bank, the County and SCDOT shall execute any other documents that the Bank determines are reasonably necessary to evidence or establish the County's or SCDOT obligations to the Bank set forth in this Agreement.

B. The County and SCDOT acknowledge that the Bank intends to raise funds for some portion or all of its commitment to the Extension Project and other qualified projects through the issuance of revenue bonds or other indebtedness as permitted under the Act. Accordingly, the County and SCDOT shall take such actions and enter into such other documents, including amendments to this Agreement or other agreements that are consistent with the substance hereof, as may be reasonably necessary to comply with South Carolina laws and regulations associated with such bonds or indebtedness and to satisfy requirements for documentation and information reasonably imposed by the Bank, prospective purchasers of such bonds, holders of such bonds, bond insurers, rating agencies, lenders or regulatory agencies and their attorneys, advisors, and representatives; provided, however, that such actions under this Section 4.1.B are legally permissible and that no such action or document shall create any additional material obligation or increase any material obligation of the County or SCDOT.

4.2 Additional Warranties, and Covenants

The County and Bank warrant and covenant that:

A. Subject to section 4.2.C below, the Bank and County have full power and authority to execute, deliver and perform and to enter into and carry out the transactions contemplated by the provisions in this Agreement, and the execution and performance of these provisions and transactions by the Bank or the County does not and will not violate any applicable law or constitutional provision and does not, and will not, conflict with or result in a default under any agreement or instrument to which the Bank or County is a party or by which it is bound or a violation of which would cause a material adverse effect to the Bank or the County's obligations under this Agreement. This Agreement has, by proper action, been duly authorized, executed and delivered by the Bank and County. Notwithstanding the foregoing, the Parties acknowledge they will comply with all applicable laws.

B. This Agreement is fully valid, binding and enforceable as to the Bank and County, including the current and future County Councils, in accordance with its terms and involves the exercise of the Bank and County's business and proprietary powers. Notwithstanding the foregoing, the Parties acknowledge they will comply with all applicable laws.

C. No further authorizations, consents or approvals of governmental bodies or agencies are required in connection with the execution and delivery by the Bank and County of this Agreement and the performance of its obligations thereunder; however, the Parties acknowledge that the Extension Project may require permits and other approvals by governmental agencies other than the County and Bank, and the Parties acknowledge they will comply with all applicable laws.

D. No litigation at law or in equity, nor any proceeding before any governmental agency or other tribunal involving the Bank or County is pending or, to the knowledge of the Bank and County threatened, in which any judgment or order may be or has been rendered, or is sought, that may have a material and adverse effect upon the operations or assets of the Bank and County or would materially or adversely affect the validity of this Agreement, or the performance by the Bank and County of its respective obligations thereunder or the transactions contemplated thereby, including the payments pursuant to Article III of this Agreement. The Bank and County will immediately notify

each other in writing if any such litigation or proceeding is commenced or, to its knowledge, may be commenced at any time during the term of this Agreement.

E. The County will provide to the Bank an opinion of legal counsel that concludes the County has the authority to comply with and enforce this Agreement and its financial terms. Such opinion will be consistent with other opinions provided to the Bank by recipients of similar financial assistance from the Bank examples of which have been provided and reviewed by the County. Upon request, the Bank will provide the County a similar opinion of counsel for the Bank.

4.3 Reimbursement of Bank

If the Bank or SCDOT determines at any time that any Disbursements or payments made by the Bank on the Extension Project were for costs or expenses that were not Eligible Costs, were based on misstatements of fact by the County, SCDOT or the agents of either of them, or were for work, services, or materials which do not meet the design and construction specifications and standards of SCDOT and which have not been corrected to meet those specifications and standards, the Bank, may disallow said Disbursements or payments, which shall not abrogate the Bank's funding commitment up to the cap. Any amounts paid that were not Eligible Costs shall be paid by the County's portion of the costs in excess of the Bank's funding commitment. To the extent payments were made by the SCDOT based on misstatements of fact by the SCDOT or its agent for work, services, or materials, which do not meet the design and construction specifications and standards, the County and the SCDOT will develop a process by separate MOU to resolve payment reimbursement.

4.4 Extension Project Reporting

The County and SCDOT shall report to the Bank in writing at least quarterly on the status of the Extension Project, including, but not limited to, the status of design, right-of-way acquisition, environmental and related approvals, litigation, construction schedules and projected draw requests, project changes, project scope changes, and any other matters identified by the Bank.

4.5 Assistance with Municipal Cooperation and Agreements

The County shall be responsible, with the assistance of the SCDOT, for obtaining from each municipality in which any portion of the Extension Project is to be constructed

a properly and duly executed Municipal State Highway Extension Project Agreement, as required by South Carolina Code Ann. Section 57-5-820, and delivering the original, executed Municipal State Highway Project Agreement to SCDOT. The Parties to this Agreement acknowledge that the failure of a municipality to cooperate in executing such an agreement may delay the Extension Project, increase the costs of the Extension Project, result in a modification of or reduction in the scope of the Extension Project, or otherwise impact the Extension Project.

ARTICLE V

5. Extension Project Administration

5.1 Extension Project Administration

The SCDOT will administer the Extension Project for the County. The County Administrator shall appoint a designee to serve as the day-to-day contact for the County for the Extension Project. The SCDOT shall oversee all planning, design, engineering, right-of-way acquisition, contract administration, inspection, awarding of contracts, the review and approval of payment of contracts, construction for the Extension Project, and any related or necessary activities or functions of the Extension Project. Preconstruction and construction services shall be obtained from third-party consultants or contractors by or on behalf of SCDOT or the County through the procurement process authorized by law applicable to that contract. All Contracts with third-parties shall be entered into in the name of the County. However, should the SCDOT determine that it would be more efficient or cost effective or would result in more expeditious completion of the Extension Project, the SCDOT may perform any service to the Extension Project with its own forces.

The SCDOT shall be entitled to draw, and be paid hereunder, its normal and customary rates for its services that are Eligible Costs of the Extension Project subject to review and approval by the Bank or its designee as to the reasonableness of such rates and costs and the qualification of such costs as Eligible Costs. All work, services, construction and materials used on the Extension Project shall conform to the standards and specifications applied by SCDOT. The Extension Project shall be opened for public use upon completion subject to the terms of acceptance therefor set forth in Section 5.6 of this Agreement.

5.2 Contracting Methods

The SCDOT or the County may solicit the contractor or consultant services needed to complete the Extension Project by the procurement method it deems will result in the selection of the best qualified firm, lowest contract price, or the best value for the Extension Project, so long as SCDOT or County is authorized by law to employ such method. Contract forms shall be design-bid-build, design-build, or any other form or combination of forms or project phases which are permissible by law that SCDOT or County determines will result in the most cost-effective, efficient and expeditious delivery of the Extension Project. SCDOT shall require that any such contracts, including a design-build contract, be in the name of the County as the contracting party.

5.3 Scope of Extension Project

The scope of the Extension Project shall be as set forth in the definition of the Extension Project in Section 1 of this Agreement. Any material reduction in that scope of the Extension Project shall require the approval of SCDOT, the County, and the Bank and an amendment to this Agreement.

5.4 Extension Project Delivery.

The SCDOT does not guarantee completion of the Extension Project within the scope of the Extension Project and within the current estimated costs of the Extension Project. The County shall be solely responsible for obtaining or providing additional funding for the Extension Project if the available funds are not sufficient to complete the entire scope of the Extension Project.

5.5 Utility Relocations

5.5.1 Utility relocations will be paid based on prior rights. Where a utility establishes a prior right of occupancy in its existing location, the County will be responsible for the cost of that relocation, including all real and actual costs associated (engineering, easements, construction, inspections, and similar costs), and those costs will be considered project costs under this Agreement. Prior rights may be established by the following means:

5.5.2 The utility holds a fee, and easement, or other real property interest, the taking of which is compensable in eminent domain.

5.5.3 The utility occupies a SCDOT right-of-way and under an existing agreement with SCDOT is not required to relocate at its own expense.

5.5.4 Where the utility cannot establish a prior right of occupancy, the utility will be required to relocate at its own expense.

5.5.5 If Federal funds are used for utility relocations, the SCDOT shall comply with applicable Federal regulations (23 C.F.R. 645 A and B).

5.6 Acceptance

Upon the completion of the Extension Project, the State Highway Engineer will recommend to the SCDOT Commission, subject to the normal mileage caps, the acceptance of the Extension Project into the State Highway System, as defined by South Carolina Code Ann. Section 57-5-10, as amended, for all purposes, including maintenance. Work performed by the SCDOT on roads owned by the County or any municipality incidental to work on the Extension Project shall not be construed as requiring SCDOT to accept such roads into the State Highway System.

5.7 Right-of-Way Acquisition

All rights-of-way for the Extension Project shall be acquired in the name of the SCDOT, and the laws and procedures of the State of South Carolina for acquiring rights-of-way shall apply and be followed. Upon completion and acceptance into the State Highway System of the Extension Project, the County will convey all its interests, if any, in the rights-of-way for the Extension Project to the SCDOT free of all encumbrances.

5.8 Public Information

The County will work cooperatively with the SCDOT and the Bank to respond to all communications or requests for information from the public or the media concerning the Extension Project.

ARTICLE VI

6. SCDOT Draw Requests

SCDOT may submit draw requests to the Bank and County in advance of incurring expenditures for the Extension Project based upon the most recent project cash flow projections for the Extension Project certified by SCDOT. Such advance draw requests shall not exceed a period of twelve (12) calendar months. The County and Bank must fund Disbursements and

payments on each draw request from SCDOT, subject first to the requirements and provisions of Article VI of this Agreement and the order of payments provisions in § 3.3.

6.1 Conditions Precedent to Bank's Disbursements

The Bank's obligation to make Disbursements on the Extension Project arises only upon receipt of a draw request from SCDOT, which draw request shall be in a form approved by the Bank, and is further conditioned upon all of the following being verified by the SCDOT or the County:

6.1.1 Preconstruction or construction activities of the Extension Project described in the relevant Contract and draw request shall have been or will be carried out substantially in accordance with the applicable plans, standards and specifications.

6.1.2 SCDOT approves the draw request and certifies that the entire payment applied for in the draw request is or will be for Eligible Costs of the Extension Project.

6.1.3 To the best of SCDOT's knowledge, no event of default or breach of the County or SCDOT exists under this Agreement, and no event of default or breach by the County, SCDOT or any third party of any Contract related to the Extension Project exists.

6.1.4 The County shall not be in breach of any representations, warranties, guarantees, covenants, payments or obligations set forth in this Agreement up to the date of the draw request.

6.1.5 Each of the Bank's payments shall be due fifteen (15) business days after it receives confirmation that the County has made its corresponding payment under Section 6.2 below.

6.2 Conditions Precedent to County's Payments

The County's obligation to make payments on the Extension Project arises only upon receipt of a draw request from SCDOT, which draw request shall be in a form approved by the County, and is further conditioned upon all of the following being verified by the SCDOT, where applicable:

6.2.1 Preconstruction or ~~C~~onstruction activities of the Extension Project described in the relevant Contract and draw request have been or will be carried

out substantially in accordance with the applicable plans, standards and specifications.

6.2.2 SCDOT approves the draw request and certifies that the entire payment applied for in the draw request is or will be for Eligible Costs of the Extension Project.

6.2.3 To the best of SCDOT's knowledge, no event of default or breach of the Bank or SCDOT exists under this Agreement, and no event of default or breach by the Bank, SCDOT, or any third party of any Contract related to the Extension Project exists.

6.2.4 The Bank shall not be in breach of any representations, warranties, guarantees, covenants, payments or obligations set forth in this Agreement up to the date of the draw request.

6.2.5 Each of the County's payments shall be due thirty (30) business days after receipt of a draw request from SCDOT.

ARTICLE VII

7. Indemnification of Bank.

To the maximum extent permitted by law, the County and SCDOT shall defend, indemnify and hold the Bank harmless from and against any and all liabilities, claims, actions, damages, judgments and attorneys' fees and related expenses and costs in any way arising out of or relating to the permitting, approvals, design, location, construction, modification, or operation of the Extension Project, or any portion or component thereof; or the selection, use or payment of persons or firms for permitting, approvals, design, construction, modification, or operation of the Extension Project, or any portion or component thereof. In the event the County or the SCDOT does not pay the full amount of any such indemnification owed by it to the Bank within ninety (90) days of the date of the notification to the County or the SCDOT that such indemnification is due the Bank, or such other time period established by the Bank, the County's or the SCDOT's obligation to pay the Bank for such indemnification shall be subject to the provisions of Section 11-43-210 of the Act. The SCDOT and the County shall be responsible for all claims arising from its own wrongful acts arising from any services they perform on or on behalf of the Extension Project, and in the event of such a claim or claims, the SCDOT and the County shall be subject to the provisions of this

Section 7 thereby requiring it to indemnify and hold harmless the Bank to the maximum extent permitted by law. This Section 7 shall survive the termination of this Agreement.

ARTICLE VIII

8. Rights and Remedies

8.1 Events of Default

In the event the County, SCDOT or Bank (the "Defaulting Party") shall violate or fail to comply with any provision or obligation under this Agreement (including other agreements and obligations incorporated herein), and if such failure continues for a period of thirty (30) days after receipt of a written notice by the Defaulting Party of such default from the Party not in default (the "Non-Defaulting Party"), such failure shall constitute an Event of Default hereunder. Among other rights and remedies available to the Non-Defaulting Party under this Agreement following an uncured Event of Default, the Non-Defaulting Party shall have the right to cease making any further Disbursements or payments under this Agreement with respect to the Extension Project until such Event of Default has been cured to the satisfaction of the Non-Defaulting Party.

Further, if the County or Bank fails to fulfill its funding and payment commitments under this Agreement and fails to cure this default within thirty (30) days of written demand, the non-defaulting Party may adopt a resolution to terminate this Agreement due to the failure of the defaulting Party to meet its respective financial commitment and may proceed with other remedies allowed by law or equity or authorized by this Agreement.

8.2 Remedies for Bank and County

Whenever any Event of Default by the County or Bank relating to any payment obligation under this Agreement occurs, any one or more of the following remedies may be pursued by and shall be available to the Non-defaulting Party in addition to those provided in other sections of this Agreement:

A. In the event of an Event of Default of a payment obligation under this Agreement, the Non-defaulting Party shall have access to inspect, examine, copy and audit the books, records, accounts, and financial data of the Defaulting Party, or any records of the Charleston County Treasurer, the State Treasurer or South Carolina Department of Revenue pertaining to the Defaulting Party, at a time and place agreed to among the Parties and any other state agency involved.

B. In the event the County or SCDOT fails to make any payment or reimbursement in full as required by any provision of this Agreement—whether due to breach of this Agreement or due to any other reason—each acknowledges and agrees to the authority of the State Treasurer under Section 11-43-210 of the Act to withhold funds allotted or appropriated by the State to the County or SCDOT and to apply those funds to make or complete any such payment on the Extension Project or payment or reimbursement to the Bank. The County and SCDOT agree that the current provisions of South Carolina Code Ann. Section 11-43-210 are hereby incorporated into this Agreement verbatim as an independent and separate contractual obligation of the County and the SCDOT and shall be enforceable against the County and SCDOT. If the County fails to make a timely payment due on the Extension Project under Sections 3.2, 3.3 (A) and (B), or 6.2 of this Agreement, that failure shall be deemed and constitute a failure to pay an amount due the Bank subject to the provisions of Section 11-43-210. The Bank will notify the County or SCDOT prior to requesting that the State Treasurer withhold such funds. Alternatively, upon the County’s or SCDOT’s failure to make a payment or reimbursement in full, the Bank may reduce its financial assistance to the Extension Project by the amount of such payment or reimbursement.

C. The Parties must apply any payments recovered or received pursuant to the rights and remedies provisions of this Agreement to complete the entire scope of the Extension Project.

8.3 Remedies Cumulative; Nonwaiver; Attorney’s Fees

All rights and remedies of the Parties provided for in this Agreement or in any other related document as to any Party are cumulative, shall survive the termination of this Agreement, and shall be in addition to any and all other related remedies provided for or available to the Parties at law, including those contained in the Act, or in equity. The exercise of any right or remedy by a Party shall not in any way constitute a cure or waiver of an Event of Default, nor invalidate any act done pursuant to any notice of the occurrence of an Event of Default. The Party that prevails in any litigation arising under this Article VIII shall be entitled to the payment of its reasonable attorneys’ fees and litigation costs by the Party found by the court to have caused the Event of Default.

ARTICLE IX

9. General Conditions

9.1 Waivers

No waiver of any Event of Default by a Party shall be implied from any delay or omission by the Party to take action on account of such Event of Default, and no express waiver shall affect any event of default other than the Event of Default specified in the waiver and it shall be operative only for the time and to the extent therein stated. Waivers of any covenants, terms or conditions contained herein must be in writing and shall not be construed as a waiver of any subsequent or other breach of the same covenant, term or condition. The consent or approval by the Party to or of any act by another Party requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent or similar act. No single or partial exercise of any right or remedy of the Party hereunder shall preclude any further exercise thereof or the exercise of any other or different right or remedy by the Party.

9.2 Benefit and Rights of Third Parties

This Agreement is made and entered into for the sole protection and benefit of the Bank, the SCDOT and the County, and their successors and assigns. No other persons, firms, entities, or parties shall have any rights, or standing to assert any rights, under this Agreement in any manner, including, but not limited to, any right to any Disbursements or payments at any time, any right to require the Bank to apply any portion of the amounts committed herein that have not been disbursed by the Bank to the payment of any such claim, or any right to require the Bank to exercise any right or power under this Agreement or arising from any Event of Default of any kind by the County or SCDOT. Nor shall the Bank owe any duty or have any obligation whatsoever to any claimant for labor or services performed or materials or supplies furnished in connection with the Extension Project. No other persons, firms, entities, or agencies shall, under any circumstances, be deemed to be a beneficiary of any conditions or obligations set forth in this Agreement, any or all of which may be freely waived in whole or in part by the Bank at any time, if in its sole discretion, it deems it desirable to do so.

9.3 No Liability of Bank

The Bank makes no representations and assumes no obligations or duties as to any person, firm, entity, or party, including the parties to this Agreement, concerning the quality of the design, construction, modification, or operation of the Extension Project, or any portion or component thereof, or the absence thereof of defects of any kind, The Bank shall not be liable in any manner to any person, firm, entity, or party, including the Parties to this Agreement, for the design, location, construction, modification, or operation of the Extension Project, or the failure to design, locate, modify, operate, or construct the Extension Project or any portion or component thereof, generally or in any particular manner. The Bank shall not be liable in any manner on any Contract to which it is not a named party, the execution of which has not been properly and duly authorized by the Board, or which has not been so executed by the Bank.

9.4 Assignment

The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto; provided, however, neither the County nor SCDOT shall assign or delegate this Agreement, any of its respective rights, interest, duties or obligations under this Agreement, or any Disbursements or payments without the prior written consent of the Bank; and any such attempted assignment or delegation (whether voluntary or by operation by law) without said consent shall be void. In the event that an Event of Default by the County occurs which is not cured by the County to the satisfaction of the Bank and SCDOT, the Bank and SCDOT may require the County to assign all Contracts, licenses, permits, approvals and authorizations for the Extension Project, together with all plans, drawings, and specifications, to SCDOT which has the option of accepting or not accepting the assignment

9.5 Captions

The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement nor the intent or meaning of any provision hereof.

9.6 Notices

All notices required to be given hereunder, except as otherwise provided in this Agreement, shall be deemed effective when received by the other Parties, through certified

mail, registered mail, or by delivery by a nationally recognized service. All such notices shall be addressed to the parties as follows:

Charleston County
Attn: County Administrator
4045 Bridge View Drive
North Charleston, SC 29405

South Carolina Transportation Infrastructure Bank
Chairman
South Carolina Transportation Infrastructure Bank
955 Park Street, Room 120 B
Columbia, SC 29201

South Carolina Department of Transportation:
Secretary
P.O. Box 191
Columbia, SC 29202-0191 or
955 Park Street, Room 314
Columbia, SC 29201

9.7 Amendments

Any amendment to this Agreement shall only be made through a written instrument duly authorized and signed by each Party hereto.

9.8 Savings Clause

Invalidation of any one or more of the provisions of this Agreement by any court of competent jurisdiction shall in no way affect any of the other provisions hereof, all of which shall remain, and is intended by the Parties to remain, in full force and effect.

9.9 Execution in Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument, and in making proof of this Agreement it shall not be necessary to produce or account for more than one such fully executed counterpart.

9.10 Authority to Execute

By executing this Agreement, the undersigned each affirms and certifies that he or she has authority to bind hereto the Party he or she represents and that all necessary acts have been taken to duly authorize this Agreement under applicable law.

9.11 Releases

Upon final approval of this Agreement by each of the Parties and the execution of this Agreement each of the Parties, each Party releases the other Parties from all prior acts and omissions concerning the Extension Project, including all alleged defaults or breaches of the terms and provisions of the Intergovernmental Agreement dated June 8, 2007 (“Original IGA”). Further, upon the execution of this Agreement by the Parties, the terms of the Original IGA remain in place, with the exception of the payment and financial provisions of the Amended IGA.

(SEPARATE SIGNATURE PAGES FOR EACH PARTY TO BE ADDED)

SIGNATURE PAGE FOR BANK

IN WITNESS WHEREOF, the South Carolina Transportation Infrastructure Bank has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

South Carolina Transportation Infrastructure Bank:

By:

John B. White, Jr.
Chairman

1/10/19

Attest:

By:

Robert E. Tyson, Jr.
General Counsel

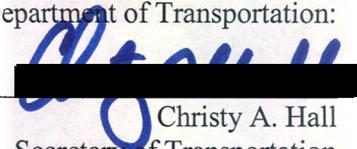
(SEAL)

SIGNATURE PAGE FOR SCDOT

IN WITNESS WHEREOF, the South Carolina Department of Transportation has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

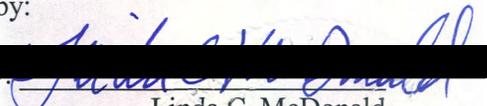
South Carolina Department of Transportation:

By: _____


Christy A. Hall
Secretary of Transportation

Recommended by:

By: _____


Linda C. McDonald
Chief Counsel

(SEAL)

SIGNATURE PAGE FOR CHARLESTON COUNTY

IN WITNESS WHEREOF, Charleston County has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

Charleston County, South Carolina

By: [Redacted Signature]

Printed Name: J. Elliott Summey

Title: Chairman

Attest: [Redacted Signature]

By: [Redacted Signature]

Printed Name: Kristen L. Salisbury

Title: Clerk of Council



(SEAL)

[Approved by action of Charleston County Council at its meeting held on January 10, 2019]



Potential Cash Flow Scenario

PRELIMINARY - Jan 2019

Project Re-started

ACTIVITY	Estimate	2008-2016	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
PE/Advanced ROW	\$42,000,000	\$40,000,000	\$500,000	\$850,000	\$250,000	\$250,000	\$150,000								
Additional Hardship ROW Acquisitions	\$4,000,000		\$4,000,000												
Environmental Mitigation	\$18,132,800		\$1,813,280	\$16,186,720											
Construction/CE&I	\$660,867,200							\$66,000,000	\$117,000,000	\$101,000,000	\$34,000,000	\$83,000,000	\$121,000,000	\$104,000,000	\$35,000,000
Total	725,000,000	\$40,000,000	\$6,313,280	\$17,036,720	\$250,000	\$250,000	\$150,000	\$66,000,000	\$117,000,000	\$101,000,000	\$34,000,000	\$83,000,000	\$121,000,000	\$104,000,000	\$35,000,000

	50-50 Split Share on Remaining Preliminary Work Approximately \$12M each by the SIB and County						55% SIB (up to \$420M Max) - 45% County Split on Remaining Costs							
	2008-2017	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
SIB Share	\$40,000,000	\$3,156,640	\$8,518,360	\$125,000	\$125,000	\$75,000	\$37,000,000	\$65,000,000	\$56,000,000	\$19,000,000	\$46,000,000	\$67,000,000	\$58,000,000	\$20,000,000
County Share		\$3,156,640	\$8,518,360	\$125,000	\$125,000	\$75,000	\$29,000,000	\$52,000,000	\$45,000,000	\$15,000,000	\$37,000,000	\$54,000,000	\$46,000,000	\$15,000,000
Total	\$40,000,000	\$6,313,280	\$17,036,720	\$250,000	\$250,000	\$150,000	\$66,000,000	\$117,000,000	\$101,000,000	\$34,000,000	\$83,000,000	\$121,000,000	\$104,000,000	\$35,000,000

Cumulative Totals by Entity														
SIB	\$40,000,000	\$43,156,640	\$51,675,000	\$51,800,000	\$51,925,000	\$52,000,000	\$89,000,000	\$154,000,000	\$210,000,000	\$229,000,000	\$275,000,000	\$342,000,000	\$400,000,000	\$420,000,000
County		\$3,156,640	\$11,675,000	\$11,800,000	\$11,925,000	\$12,000,000	\$41,000,000	\$93,000,000	\$138,000,000	\$153,000,000	\$190,000,000	\$244,000,000	\$290,000,000	\$305,000,000
Total														\$725,000,000

* NOTE: All values rounded and based on preliminary estimates. Actual schedule of values to be determined upon award of contracts(s).

AGENCY: Department of Administration
Facilities Management and Property Services

PROJECT/SUBJECT: Proposed Lease
SC Department of Employment and Workforce
3955 Faber Place Drive, Charleston

The SC Department of Employment and Workforce requests review of its proposal to lease 6,831 square feet of space located at 3955 Faber Place Drive, from Faber Charleston Limited Partnership for the Department's Unemployment Insurance Call Center and Field Office. The agency currently leases 6,571 square feet at 7410 Northside Drive and has been at that location since December 1, 2014. The current lease expires on November 30, 2019.

The SC Department of Administration conducted a solicitation and received 6 proposals. The selected location represents the lowest overall cost to the agency.

The term of the proposed lease is 7 years 5 months beginning November 1, 2019 at a rate of \$26.00 per square foot for the first year, with increases of 3% annually thereafter, for a total payout of \$1,360,872. The rate includes all operating costs and 40 parking spaces for staff and visitors. The lease also includes 5 months free rent and an allowance of \$170,775 for tenant improvements.

The Department of Administration reports that lease payments will be made from federal funds and that funding for payments will be sufficient throughout the lease term according to the agency's submission. The Department of Administration reports that comparable rates for similar commercial space in the Charleston area range from \$26.75 to \$35.00 per square foot.

COMMITTEE ACTION:

Review and make recommendation regarding the proposed lease for the SC Department of Employment and Workforce.

ATTACHMENTS:

- 1) Department of Administration, Facilities Management and Property Services Summary
- 2) Sections 1-11-55 and 1-11-56 of the South Carolina Code of Laws
- 3) SC Department of Employment and Workforce Letter dated February 7, 2019

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 20, 2019

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
- (b) Authorized Official Signature:



Ashlie Lancaster, Director
Facilities Management and Property Services

- 2. Subject:** SC Department of Employment and Workforce Office Lease - 3955 Faber Place Drive in North Charleston

3. Summary Background Information:

The SC Department of Employment and Workforce (DEW) requests approval to lease 6,831 SF of space located at 3955 Faber Place Drive in North Charleston from Faber Charleston Limited Partnership (Landlord) for their Unemployment Insurance Call Center and Field Office. The agency currently leases 6,571 SF at 7410 Northside Drive and has been at that location since December 1, 2014. The current lease expires November 30, 2019.

A solicitation was conducted and six (6) proposals were received, with the selected location representing the lowest overall cost to the agency. The current landlord did not provide a proposal. The space selected accommodates all the needs of the DEW and meets the state space standards with a density of approximately 191 SF/person.

The lease term will be seven (7) years and five (5) months and is expected to commence November 1, 2019. The agency requires a month overlap period with their current lease to coordinate set-up and moving. Rent will be \$26.00 per square foot for the first year of the lease, with three (3) percent annual escalations thereafter as shown on the chart below:

YEAR	ABATED RENT MONTHS	RATE/SF	MONTHLY RENT	ANNUAL RENT
1		\$26.00	\$14,800.50	\$177,606.00
2		\$26.78	\$15,244.52	\$182,934.24
3		\$27.58	\$15,699.92	\$188,399.04
4		\$28.41	\$16,172.39	\$194,068.68
5		\$29.26	\$16,656.26	\$199,875.12
6		\$30.14	\$17,157.20	\$205,886.40
7		\$31.05	\$17,675.21	\$212,102.52
8 (5 months)	\$91,023.08	\$31.98		
Total				\$1,360,872.00

The rent includes five (5) months free rent, all operating costs, as well as forty (40) parking spaces for staff and visitors. The Landlord will provide an allowance of \$170,775 for tenant

improvements. Lease payments will be made from Federal Funds, and there are adequate funds for the lease according to the Budget Approval Form and multi-year plan submitted by the Agency.

The following are comparables of similar commercial space in Charleston area:

Location	Rate/SF
176 Croghan Spur Road	\$35.00
210 Sigma Drive	\$31.20
2265 Clements Ferry Road	\$26.75

Above rates are subject to base rent and operating expense escalations.

4. What is JBRC asked to do? Approve the proposed lease for the SC Department of Employment and Workforce at 3955 Faber Place Drive in North Charleston.

5. What is the recommendation of the Department of Administration? Approve the proposed lease for the SC Department of Employment and Workforce at 3955 Faber Place Drive in North Charleston.

6. List of Supporting Documents:

- SC Code of Laws Section 1-11-55 and 1-11-56
- SC Department of Employment and Workforce Letter Dated February 7, 2019

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.

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

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) .



SOUTH CAROLINA

Department of Employment and Workforce

DATE: February 7, 2019

TO: Ashlie Lancaster, Director
Facilities Management and Property Services
Department of Administration

FROM: Jamie Suber
Acting Executive Director
Department of Employment and Workforce

SUBJECT: Proposed Lease
SC Department of Employment and Workforce
1550 Gadsden Street

The SC Department of Employment and Workforce requests review of its proposal to lease 6,831 rentable square feet at 3955 Faber Place, N. Charleston, from Faber Charleston Limited Partnership. The Charleston Unemployment Insurance (UI) call center and the UI Field Service offices have been in their current lease since November, 2014, and it expires in November, 2019.

The SC Department of Administration conducted a solicitation and received 6 proposals. The selected location represents the location and facilities that best fit our agency specific needs.

The term of the proposed lease is 7 years and five months beginning October 1, 2019 at a rate of \$26.00 per square foot for the first year, with increases of 3 percent annually thereafter, considering five free months of rental the total payout will be \$1,360,872 over the term. The landlord includes an allowance of \$170,775.00 for tenant improvements. Maintenance and operating costs and sufficient parking for staff and visitors are included in the lease.

The lease payments will be made from 100% federal funds.

Please accept this letter as a formal request to present this matter to the Joint Bond Review Committee (JBRC) and the State Fiscal Accountability Authority (SFAA) for approval.

Thank you for your consideration.

Jamie Suber
Acting Executive Director
SC Dept. of Employment & Workforce

AGENCY: Department of Administration
Facilities Management and Property Services

PROJECT/SUBJECT: Patriot's Point Development Authority
Eighth Amendment to Lease Out to BH Golf Properties, LLC

Patriot's Point Development Authority requests review of an amendment to the lease out of 197 acres used as a golf course and related amenities. Originally undertaken in 1980, the lease has been previously reassigned twice and amended seven (7) times for various reasons. The third and most recent reassignment was made to BH Golf Properties, LLC on January 1, 2019.

As previously amended, the lease currently expires on December 31, 2021 and contains two (2) 10-year renewal options for final expiration on December 31, 2041.

Patriot's Point is now requesting approval to execute an Eighth Amendment to the Lease to:

1. Add an additional renewal option of eight (8) years such that the remaining term could run just over thirty (30) years and expire on December 31, 2049; and
2. Provide that neither party will take action to remove the Land and Water Conservation Fund Restrictions associated with the leased premises. The lease further provides that, if an attempt is made to remove the conservation fund restrictions, the document will be void, and if any such document is recorded in the Office of the Register of Deeds, the Lease will be terminated.

Patriot's Point has indicated that BH Golf Properties intends to negotiate further amendments to the Lease to provide for substantial redevelopment of the golf course property to the benefit of both Patriot's Point and BH Golf Properties.

The Eighth Amendment was approved by the Patriot's Point Development Authority Board on January 18, 2019.

COMMITTEE ACTION:

Review and make recommendation regarding the proposed Eighth Amendment to the lease out.

ATTACHMENTS:

- 1) SC Department of Administration, Facilities Management and Property Services Summary
- 2) Sections 1-11-55 and 1-11-56 of the South Carolina Code of Laws
- 3) Letter from Patriot's Point Development Authority dated January 6, 2019
- 4) Department of Administration Summary of Amendments
- 5) Eighth Amendment to Lease Agreement for Golf Course

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: February 20, 2019

Regular Agenda

1. Submitted by:

- (a) Agency: Department of Administration
(b) Authorized Official Signature:



Ashlie Lancaster, Director
Facilities Management and Property Services

2. Subject: Patriots Point Development Authority (PPDA) Eighth Amendment to Lease out to BH Golf Properties, LLC

3. Summary Background Information:

In August of 1980, PPDA and Kemper Sports Management (Kemper) entered into a Lease wherein PPDA leased out of 197 acres of land for use as a golf course and related amenities. In December of 1996, Kemper assigned the Lease to Charleston Harbor Gold Partners Limited Partnership (CHGP). From 1996 to 2002, the Lease was amended six (6) times. In August of 2004, CHGP, assigned the Lease to LRA Charleston PP Golf, LLC. The Lease was then subsequently amended for a seventh (7th) time in August of 2018. The attached document provides the details of each Lease Amendment. On January 1, 2019, LRA Charleston PP Golf, LLC assigned the Lease to BH Golf Properties, LLC (BHGP).

The Lease, as previously amended, currently expires on December 31, 2021 and contains two (2) ten (10) year renewal options for final expiration on December 31, 2041. PPDA is now requesting approval to execute an Eighth Amendment to the Lease to:

- **Add an additional renewal option of eight (8) years such that the remaining term could run just over 30 years and expire on December 31, 2049.**
- **Provide that neither party will take action to remove the Land and Water Conservation Fund Restrictions associated with the leased premises and if they attempt to do so the document will be void and if any such document is recorded in the Office of the Register of Deeds the Lease will be terminated.**

PPDA has indicated that BHGP intends to negotiate further amendments to the Lease to provide for substantial redevelopment of the golf course property to the benefit of both PPDA and BHGP.

The Eight Amendment was approved by the PPDA Board on January 18, 2019.

4. What is JBRC asked to do? Consider approval of the proposed Eighth Amendment to the Lease out to BH Golf Properties, LLC from PPDA.

5. What is recommendation of the Department of Administration? Consider approval of the proposed Eighth Amendment to the Lease out to BH Golf Properties, LLC from PPDA.

6. List of Supporting Documents:

- SC Code of Laws Sections 1-11-55 and 1-11-56
- PPDA Letter Dated January 6, 2019
- Department of Administration Summary of Amendments

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.

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

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) .

PATRIOTS POINT

★ HOME OF THE USS YORKTOWN ★

January 6, 2019

Via Email:

Ashlie Lancaster, Director
SC Department of Administration
Wade Hampton Building, Suite 460
1200 Senate Street
Columbia, SC 29201
ashlie.lancaster@admin.sc.gov

Re: Submission of Request for Approvals – Eighth Amendment to Lease Agreement for Golf Course between Patriots Point Development Authority as Landlord and BH Golf Properties, LLC as Tenant

Dear Ms. Lancaster:

I am writing this letter to request approval by the South Carolina Joint Bond Review Committee (“JBRC”) and the South Carolina State Fiscal Accountability Authority (“SFAA”) of the Eighth Amendment to Lease Agreement for Golf Course (the “Amendment”) between Patriots Point Development Authority (“Patriots Point”) as Landlord and BH Golf Properties, LLC as Tenant at JBRC’s meeting on February 20, 2019, and at SFAA’s meeting on March 5, 2019.

The premises covered by the lease are encumbered by Federal Land Water Conservation Fund grant restrictions (the “LWCF Restrictions”) recorded with the Charleston County Register of Deeds. The Amendment extends the term of the lease by eight years, and also provides for termination of the lease if the LWCF Restrictions are removed from the premises.

Enclosed with this letter are (i) a copy of the Amendment, (ii) a copy of the lease, and (iii) a copy of the Patriots Point resolution approving the Amendment.

PATRIOTS POINT

★ HOME OF THE USS YORKTOWN ★

Patriots Point Development Authority

Ashlie Lancaster
January 6, 2019
Page 2

We look forward to working with you in obtaining the necessary approvals. Please do not hesitate to contact me or our attorneys if you have any questions or need any additional information.

Sincerely,



R. Mac Burdette, Executive Director
Patriots Point Development Authority

cc: Grant Gillespie, Executive Director, SFAA (by e-mail)
Ray E. Chandler, Chairman, Patriots Point Development Authority (by e-mail)
Wayne Adams, Vice Chairman, Patriots Point Development Authority (by e-mail)
Bob Howard, Property Manager, Patriots Point Development Authority (by e-mail)
William E. Craver, III, Esquire (by e-mail)
Philip G. Wagoner, Esquire (by e-mail)
Brandon Dennody, Southern Strategy Group (by e-mail)

1/1/1997 1st Lease Amendment to amend

- §32 to provide 4 separate options to extend term of Lease from 12/31/2001 for successive 10 year periods. Extension is automatic unless lessee elects to terminate
- §9(a) amended lease payments (17.5% of gross income during renewal term)
- Lessee to make improvements (including among other things water well
- \$5 green fee charges amended
- §14(d) (which required performance bond) deleted
- Added notice information

1/1/1997 2nd Lease Amendment

- Amended Legal Description
- Amended definition of Gross Income
- Amended Percentage of Rent on Excluded Gross Income
- Defined Gross Receipts or Gross Sales and Gross Rentals
- Provided that Percentage Rent to be paid quarterly

6/23/1997 3rd Lease Amendment

- Amended Legal Description
- Lessee not to cut or remove trees from certain portion of Premises without approval of Low Country Trust.

4/30/1998 4th Lease Amendment

- Amendment to First Amendment regarding water well

11/16/1998 5th Lease Amendment

- Amended Sections of first and second amendments and provided new terms regarding Rent and Payment of Rent
- Added New Section 42 Encumbrances by Lessee
- Deleted Section 2 from Third Amendment and replaced regarding tree cutting and removal (approval by Lessor required)

1/1/2002 6th Lease Amendment

- Amended 5th Amendment amendments and provided new terms regarding Percentage Gross Income Rent

8/17/2018 7th Lease Amendment

- Deleted §20 of Lease (regarding capital repairs or improvements due to damage caused by nature, removed abatement of Rent until Lessor makes repairs...)

1 STATE OF SOUTH CAROLINA) EIGHTH AMENDMENT TO
2) LEASE AGREEMENT FOR
3 COUNTY OF CHARLESTON) GOLF COURSE
4
5

6 THIS EIGHTH AMENDMENT TO LEASE AGREEMENT FOR GOLF COURSE (the
7 "Eighth Amendment") is made to be effective _____, 2019 by and between
8 PATRIOTS POINT DEVELOPMENT AUTHORITY, a public body corporate and agency of
9 the State of South Carolina (hereinafter referred to as "Landlord"), and BH GOLF
10 PROPERTIES, LLC, a South Carolina limited liability company (hereinafter referred to as
11 "Tenant").
12

13 1. Recitals

- 14 1.1. Landlord and Kemper Sports Management, Inc. ("Kemper") entered into that
15 certain Lease Agreement (as amended by the amendments discussed below, the
16 "Lease") by and between Landlord and Kemper dated August 1, 1980, and
17 recorded in Book Y-123, Page 4 in the Register of Deeds Office for Charleston
18 County, leasing from Landlord to Kemper approximately 197 acres for use as a golf
19 course and related amenities (the "Premises").
- 20 1.2. Kemper assigned the Lease to Charleston Harbor Golf Partners Limited Partnership
21 ("CHGP") by the Assignment of Lease made on December 6, 1996, and recorded
22 in Book T-278, Page 213 in said Register of Deeds Office.
- 23 1.3. The Lease was amended by the First Amendment to Lease Agreement (Golf
24 Course) by and between Landlord and CHGP made as of January 1, 1997, and
25 recorded January 8, 1997, in Book T-278, Page 225 in said Register of Deeds
26 Office.
- 27 1.4. The Lease was further amended by the Second Amendment to Lease Agreement
28 (Golf Course) by and between Landlord and CHGP made as of January 1, 1997,
29 and recorded November 12, 1997, in Book A-293, Page 120 in the said Register of
30 Deeds Office.
- 31 1.5. The Lease was further amended by the Third Amendment to Lease Agreement
32 (Golf Course) by and between Landlord and CHGP made as of June 23, 1997, and
33 recorded November 12, 1997, in Book A-293, Page 132 in the said Register of
34 Deeds Office.
- 35 1.6. The Lease was further amended by the Fourth Amendment to Lease Agreement
36 (Golf Course) by and between Landlord and CHGP made as of April 30, 1998, and
37 recorded June 29, 1998, in Book U-305, Page 778 in the said Register of Deeds
38 Office.
- 39 1.7. The Lease was further amended by the Fifth Amendment to Lease Agreement For
40 Golf Course by and between Landlord and CHGP made as of November 16, 1998,

- 41 and recorded December 11, 1998, in Book L-316, Page 37 in said Register of Deeds
42 Office.
- 43 1.8. The Lease was further amended by the Sixth Amendment to Lease Agreement For
44 Golf Course by and between Landlord and CHGP made as of January 1, 2002, and
45 recorded May 16, 2002, in Book M-406, Page 760 in said Register of Deeds Office.
- 46 1.9. CHGP subsequently assigned the Lease to LRA Charleston PP Golf, LLC (formerly
47 known as Ginn-LA Fund IV Charleston PP Golf, LLC) ("LRA") by the Assignment
48 of Lease made on August 26, 2004, and recorded on August 26, 2004 in Book G-
49 507, Page 615 in said Register of Deeds Office.
- 50 1.10. The Lease was further amended by the Seventh Amendment to Lease Agreement
51 For Golf Course by and between Landlord and LRA made as of August 17, 2018.
- 52 1.11. LRA subsequently assigned the Lease to Tenant by the Assignment of Lease made
53 as of January 1, 2019, and recorded on January 2, 2019 in Book 0769, Page 732 in
54 said Register of Deeds Office.
- 55 1.12. As of January 1, 2019, the remaining term of the Lease with available renewal
56 options expires December 31, 2041. In connection with Tenant's purchase of the
57 leasehold interest from LRA, Tenant requested a ten (10) year extension of the
58 existing term of the Lease to achieve a remaining lease term in excess of 30 years.
59 Landlord desires to accommodate Tenant's request for an extension of the term of
60 the Lease. To that end, Landlord desires to amend the Lease to provide for an
61 additional eight (8) years to be added to the term so that the remaining term will
62 run for just over 30 years. Landlord's reasons for wanting to accommodate Tenant's
63 request are as follows:
- 64 1.12.1. Tenant's principal Michael R. Bennett has made a substantial investment in
65 developing property contiguous to and at Patriots Point, and has invested in
66 a long term relationship with Landlord.
- 67 1.12.2. Tenant's affiliate previously acquired from an affiliate of LRA,
68 subsequently improved, and continues to operate the Cottages at Patriots
69 Point providing Landlord significantly more rent than Landlord received
70 from the LRA affiliate.
- 71 1.12.3. Another Tenant affiliate previously acquired from another affiliate of LRA
72 the lease for Parcel E at Patriots Point and is working on the plans to develop
73 a high-end resort on Parcel E.
- 74 1.12.4. Tenant's affiliate Patriots Annex, LLC has leased from Landlord
75 approximately 60 acres which Patriots Annex, LLC is in the process of
76 developing.

77 1.12.5. Tenant's long-term plan is to negotiate another set of amendments to the
78 Lease to provide for a substantial redevelopment of the golf course property
79 which will benefit both Landlord and Tenant; however, nothing set forth in
80 this Eighth Amendment creates any obligation for Landlord with respect to
81 any elements of any future proposed amendment. Any future proposed
82 amendment will have to be approved by Landlord and South Carolina state
83 government oversight authorities as required by applicable law.

84 1.13. Landlord and Tenant desire to further amend the Lease as set forth below.

85
86 NOW, THEREFORE, for and in consideration of the promises and covenants herein
87 contained, and for other good and valuable consideration, the receipt and sufficiency of which are
88 hereby acknowledged, the parties hereto agree as follows:

89
90 2. The foregoing recitals are incorporated herein and made a part of this Eighth Amendment.

91
92 3. Unless the context clearly indicates otherwise, each capitalized term in this Eighth
93 Amendment which is defined in the Lease shall have the meaning given to such term in the
94 Lease.

95
96 4. Landlord and Tenant agree that the Lease shall be amended as follows:

97
98 4.1. Section 32 of the Lease is deleted in its entirety and the following is inserted in lieu
99 thereof:

100
101 The term of this Lease may be extended (i) for four (4) separate options from and
102 after December 31, 2001, for successive additional periods of ten (10) years each,
103 and (ii) for a fifth (5th) option from and after December 31, 2041, for a successive
104 additional period of eight (8) years to expire on December 31, 2049 (each such
105 option period is a "**Renewal Term**" and collectively, "**Renewal Terms**") on the
106 same terms that are contained in this Lease. The Lease term shall be automatically
107 extended for each successive Renewal Term unless Lessee elects to terminate this
108 Lease as of the termination date of the then current Renewal Term by giving written
109 notice to Lessor at least one hundred twenty (120) days prior to the termination date
110 of the then-current Renewal Term.

111
112 4.2. The following is inserted as Section 42 of the Lease:

113
114 The leased premises are subject to the limitations of a Land and Water Conservation
115 Fund Project Agreement dated April 3, 1978, through the Simultaneous Declaration
116 and Release of Restrictive Covenants recorded with the Charleston County Register
117 of Deeds on June 30, 2014 at Book 0414 at Page 129 (the "**LWCF Restrictions**").
118 Lessor and Lessee agree that (i) neither Lessor nor Lessee will remove the LWCF
119 Restrictions, (ii) any document executed by Lessor and/or Lessee that purports to
120 remove the LWCF Restrictions will be void *ab initio* and without force or effect,
121 and (iii) the execution and recording in the Office of the Register of Deeds of

122 Charleston County by Lessee or by Lessor and Lessee of a document purporting to
123 remove the LWCF Restrictions terminates this Lease.
124

- 125 5. Except as expressly modified hereby, the Lease remains unmodified and in full force and
126 effect. Each and every term, covenant and condition of the Lease is incorporated herein
127 such that the Lease and this Eighth Amendment shall be read and construed as one
128 instrument.
129
- 130 6. This Eighth Amendment shall be effective as of the date set forth above upon the complete
131 execution thereof by Landlord, Tenant, and the South Carolina State Fiscal Accountability
132 Authority.
133
- 134 7. Counterparts; Copies as Originals; Execution by Electronic Transmission. It is the parties'
135 intent and the parties direct, with regard to this document, any amendment of this
136 document, and any notice, document or instrument executed pursuant to or in connection
137 with this document, (A) that a copy of the document, signed and delivered by hand, US
138 mail or transmitted electronically by facsimile, telecopier, e-mail, or otherwise shall be
139 treated for all purposes as an original document; (B) that the copied signature of a party or
140 of a witness shall be considered an original signature, and the copy of the document
141 delivered or transmitted shall be considered to have the same binding legal effect as an
142 original signature on an original document; and (C) that no person may raise the fact that
143 any signature was a copy or transmitted through the use of electronic transmission (by
144 facsimile, telecopier, e-mail or otherwise) as a defense to the enforcement of the document.
145 Further, the document may be executed in any number of counterparts which together shall
146 constitute the agreement of the parties. It shall not be necessary that the signatures of all of
147 the parties appear on each counterpart hereof. All counterparts hereof shall collectively
148 constitute a single document. A party's properly executed signature page is sufficient as
149 the party's counterpart of the document.
150

151 **IN WITNESS WHEREOF**, the parties hereto have set their hands and seals as of the date
152 and year first above written.
153

154 **[The balance of this page is intentionally left blank.]**

155 **[Individual Signature Pages are attached.]**
156

SIGNATURE PAGE

WITNESSES AS TO TENANT:

FOR TENANT:

BH GOLF PROPERTIES, LLC, a South Carolina limited liability company,

By: Parkaprop Exchange Corp. II, a South Carolina corporation, its Member

By: *[Signature]*
LaVonne J. Derksen

Its: President

Sign Name: *[Signature]*

Print Name: Christopher Keith

Dated: 1-24-19

Sign Name: *[Signature]*

Print Name: Brittany Hanna

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

I, Kimberly S Stowers, Notary Public for the State of South Carolina, do hereby certify that LaVonne J. Derksen, as President of Parkaprop Exchange Corp. II, Member of **BH GOLF PROPERTIES, LLC**, a South Carolina limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of such entity.

SWORN and subscribed to before me this 24th day of January, 2019.

[Signature]

Notary Public for Dorchester County
My commission expires 7-21-25 (SEAL)



**SIGNATURE PAGE
FOR CONSENT BY:**

The South Carolina Division of General Services

This Eighth Amendment is approved in accordance with the South Carolina Code of Laws §1-11-56 and the South Carolina Code of Regulations §19-447.1000 by the South Carolina Department of Administration, Real Property Services, this ____ day of _____, 20____.

By: _____
Signature of authorized person

Print name and title of person signing

JOINT BOND REVIEW COMMITTEE
Meeting of February 20, 2019

Item Number 3

AGENCY: Department of Administration
Capital Budget Office

PROJECT/SUBJECT: Permanent Improvement Project Proposals

The Department of Administration has submitted 15 Permanent Improvement Project Proposals on behalf of agencies, as follows:

- 3 Establish Phase I, Pre-Design Budget
- 11 Establish Phase II, Construction Budget
- 1 Final Land Acquisition

COMMITTEE ACTION:

Review and make recommendation of permanent improvement projects for transmittal to the State Fiscal Accountability Authority or Department of Administration, as applicable.

ATTACHMENTS:

Project Requests Worksheet - Summary 5-2019

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Capital Budget Office

SUMMARY 5-2019

Summary of Permanent Improvement
Project Actions Proposed by Agencies
December 1, 2018 through January 22, 2019

Forwarded to JBRC 02/08/2019

Permanent Improvement Projects

Summary Background Information:

Establish Project for A&E Design

- (a) Summary 5-2019: JBRC Item 1. (N04) Department of Corrections
Project: 9754, Kirkland – Boiler Replacement
Included in Annual CPIP: Yes–2018 CPIP Priority 6 of 6 in FY19
(included in \$5,000,000 Capital Renewal, Major Maintenance & Repairs – this component estimated at \$1,000,000)
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 1-8

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY18 Carryforward	-	-	-	13,575	13,575
All Sources	=	=	=	<u>13,575</u>	<u>13,575</u>

Funding Source: \$13,575 Appropriated State, FY18 Carryforward Funds.
Request: Establish project and budget for \$13,575 (Appropriated State, FY18 Carryforward Funds) to begin Phase I schematic design to replace one boiler system at Kirkland Correctional Institution. The institution has two steam boilers that provide heat and hot water for the institution, and steam for the kitchen. One boiler system was replaced in 2009 and the other is original to the institution constructed in 1973. The older, 46-year-old boiler and associated equipment have surpassed the expected lifespan. Based on an engineering evaluation and feasibility analysis of the heating system, a new 200 Horsepower boiler, feedwater tank, pumps and associated piping will be installed. The boiler area is approximately 3,400 square feet and the portion of the correctional institution to benefit from this project is approximately 280,000 square feet. The institution houses up to 1,900 inmates and has an average of 500 staff. The work will be accomplished by general/mechanical contractor and in-house/inmate labor forces. The 2018 CPIP estimated cost to complete this project is higher because the CPIP included more scope for other Capital Renewal, Maintenance and Repair projects. The agency estimates total project costs at \$905,000 and additional annual operating cost savings have not yet been determined.

- (b) Summary 5-2019: JBRC Item 2. (N04) Department of Corrections
 Project: 9755, Manning – Boiler Replacement
 Included in Annual CPIP: Yes–2018 CPIP Priority 3 of 7 in FY21
 (included in \$3,500,000 Boiler & Infrastructure Upgrades – this component estimated at \$865,000)
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 9-16

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY18 Carryforward	-	-	-	16,500	16,500
All Sources	=	=	=	<u>16,500</u>	<u>16,500</u>

Funding Source: \$16,500 Appropriated State, FY18 Carryforward Funds.

Request: Establish project and budget for \$16,500 (Appropriated State, FY18 Carryforward Funds) to begin Phase I schematic design to replace the existing boiler system at Manning Reentry/Work Release Center. Currently the institution has two steam boilers that provide heat and hot water for the institution, and steam for the kitchen. Both boilers are original to the institution constructed in the 1960's, are 50+ years old, and have surpassed the expected lifespan. Based on an engineering evaluation and feasibility analysis for the heating system, the most economic and efficient replacement is to install a new hydronic boiler system and domestic hot water system. The existing 2,000 square foot boiler area will have the existing equipment removed and a new, approximately 600 square foot pre-fabricated metal building will be constructed for the new equipment which will be located closer to the main institution buildings. Relocating the equipment in this manner will result in at least \$100,000 cost savings compared to the costs to install a new system in the existing boiler house. No other renovations are planned for the existing boiler house structure. The portion of the Manning Reentry/Work Release Center to benefit from this project is approximately 135,500 square feet. The reentry/work release center houses up to 890 inmates and has an average of 150 staff. The work will be accomplished by contract construction and in-house/inmate labor forces. The 2018 CPIP estimated cost to complete this project is higher because the CPIP included more scope for infrastructure improvements, which was for the construction of a new loading dock, renovations at the kitchen, dining, and commissary areas, and the renovation of the existing boiler facility for use as the laundry and maintenance shop. However, the 2018 CPIP amount specific to the boiler replacement did not include any rental equipment costs needed during the construction phase. Initially, this project was anticipated to be established in FY21. However, it was discovered through periodic boiler inspections by their maintenance teams and outside regulatory authorities, that this particular boiler is deteriorating quicker than estimated. The demands on the boiler function have increased because the mission of the institution has been converted to focus on inmates that are being prepared for release back into the community (reentry) so the population continues to grow as the small "pre-release" centers are closed. Per the agency, it is more cost effective to move forward with the replacement of the boiler than to spend money making repairs when a new boiler system is needed. The agency estimates total project costs at \$1,100,000 and additional annual operating cost savings have not yet been determined.

(c) Summary 5-2019: JBRC Item 3. (N04) Department of Corrections

Project: 9756, Perry CI – Multipurpose Building

Included in Annual CPIP: No – The Chapel Foundation acquired approximately 75% of the necessary funds to complete the project and requested that the project be established after the 2018 CPIP submission.

JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 17-26

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Perry Chapel Foundation (constr. related gift)	-	-	-	6,779	6,779
All Sources	=	=	=	<u>6,779</u>	<u>6,779</u>

Funding Source: \$6,779 Other, Perry Chapel Foundation Funds. This project will be fully funded and paid directly by the Perry Chapel Foundation with no cost to the agency.

Request: Establish project and budget for \$6,779 (Other, Perry Chapel Foundation Funds) to begin Phase I schematic design to construct a multipurpose building at Perry Correctional Institution. The building will be a single story modular building that is 81.5' x 56' and approximately 4,600 square foot. The building will provide space to hold multi-faith services and program services for the inmate population as well as provide needed office space for staff. Currently, the institution does not have a dedicated space to provide multi-faith programs and counseling services to the institutions inmate population. The Perry Chapel Foundation has worked with a general contractor, Harper CG, to estimate the cost of this project, which will include water, sewer and storm drain connections from existing services new the proposed chapel location to connections for the modular building. The relocation of a fire hydrant is not required in this scope of work. The electrical service, phone, internet and fire alarm connections to the main loops will be provided by SCDC. Perry Correctional Institution houses approximately 851 inmates and an average of 271 staff members. The agency estimates total project costs for the Perry Chapel Foundation at \$451,986 and additional annual operating costs for the agency have not yet been determined.

Establish Construction Budget

- (d) Summary 5-2019: JBRC Item 4. (H34) University of South Carolina - Upstate
 Project: 9548, USC Upstate Smith Science Building Renovations
 Included in Annual CPIP: Yes – 2017 CPIP Priority 1 of 2 in FY19
 (estimated at \$8,250,000 for Smith Science Building Renovation to include a 17,000 SF addition -
 Smith Science Building Renovations without addition estimated at \$4,250,000)
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 2/7/19

Ref: Supporting document pages 27-44

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
FY19 Capital Reserve	-	-	-	3,500,000	3,500,000
Other – Institutional Capital Project	-	-	-	750,000	750,000
All Sources	=	=	=	<u>4,250,000</u>	<u>4,250,000</u>

Funding Source: \$3,500,000 FY19 Capital Reserve Funds. \$750,000 Other, Institutional Capital Project Funds, which are generated from the portion of tuition and fees designated for bond and renovation reserve. These funds pay debt service first and the remainder is used for capital improvements.

Request: Establish project and budget for \$4,250,000 (FY19 Capital Reserve Funds and Other, Institutional Capital Project Funds) for mechanical replacement work in the Horace C Smith Building on USC’s Upstate Campus. This project will restore a fully functional mechanical system to the building and support future lab programming. The scope of work will include the following items: 1) Removal of air handlers, pumps, boilers, VAV terminals, exhaust fans, controls and all ductwork. Asbestos in the duct mastic is anticipated and will be abated as part of the demolition. 2) Provide new air handlers with the outside air capacity necessary to accommodate future lab renovations and new fume hoods. Provide new pumps with variable speed drives for efficiency. Replace VAV terminals and all ductwork. 3) Provide new boilers with variable speed pumps for efficiency. 4) Provide new digital controls connected to the central energy management system. 5) Replace ceilings that will be removed to demolish the existing mechanical systems and install the new systems. Constructed in 1984, the 34-year-old science building is 65,541, square feet. The portion to be renovated is 57,300 square feet and houses the General Biology and Chemistry departments. This area is utilized by approximately 500 students and faculty. The 2018 CPIP reflected the estimated cost of the project \$4,000,000 higher than this request because the CPIP included a much larger scope of work that included a 17,000-gross square foot addition for new lab space and the renovation and reconfiguration of the existing labs to include new fume hoods and lab benches. However, it is anticipated this future work will be undertaken when funding materializes. The agency estimates total project costs at \$4,250,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in July 2019 and completion of construction in May 2020.

- (e) Summary 5-2019: JBRC Item 5. (H59) Spartanburg Community College
 Project: 6148, Spartanburg – Powers Building C-Wing Renovations
 Included in Annual CPIP: Yes – 2018 CPIP Priority 4 of 4 in FY20 (estimated at \$2,858,000)
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 2/7/19

Ref: Supporting document pages 45-62

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, College	-	-	-	448,000	448,000
All Sources	=	=	=	<u>448,000</u>	<u>448,000</u>

Funding Source: \$448,000 Other, College Funds, which are total revenue and fund balance less college capital expenses less college plant fund carryforward projects resulting in the remaining college revenue and fund balance.

Request: Establish project and budget for \$448,000 (Other, College Funds) to establish Phase II A&E services and construction procurement to renovate 4,000 square foot of the Spartanburg Community College Central Campus Powers Building “C Wing”. This project is requesting to bypass Phase I because the pre-design services have already been completed because the project was previously viewed as a non-pip due to the work being less than \$1,000,000. Since all phases of this work will exceed the \$1,000,000 threshold the college is seeking approval of the work as a PIP in phases. The building was initially constructed in 1968 with three (3) wings, then an additional wing was constructed in 1973. This 74,185 square foot building is the dominant classroom building for the college occupied by 41 faculty and staff and serving approximately 1,606 students. The building requires comprehensive with sequential renovation of offices, classrooms, labs, and restrooms to meet acceptable workplace and educational instruction standards and requires deferred maintenance to renovate it’s HVAC, lighting, roofing systems, and finishes. One half of the building is still operating with its original 2-pipe unit ventilation and fan coil HVAC systems with on-going temperature and humidity issues. Completed as a non-pip project, the building’s D Wing HVAC was upgraded to a VAV System in 2006. In 2018, the C Wing had its original 2-pipe unit ventilator and fan coil HVAC systems converted to 4-pipe VAV system (\$650,000 project). Also, the front portion of the C Wing was renovated into a student center (\$945,000 project). Both projects were also completed as non-pips. At this time the college is prepared to fund renovations to 4,000 square feet of the “C Wing”, which will require some demolition and reconfiguration of spaces based on the new programming, reconfiguration of some HVAC components, and lighting and finish upgrades. The renovation of offices, meeting spaces and instructional support spaces would then meet acceptable workplace and instructional standards. With the magnitude of academic activity this building serves, it is not feasible to close this building for extended periods of time. Additionally, the college plans to employ responsible pay-as-we-go funding to accomplish the renovations. The college plan is to renovate the C Wing during this summer, 2019, which would complete the first phase of building interior renovations. The agency estimates total project costs at \$448,000 with no additional annual operating costs. Subsequent submissions will increase the project to \$4,176,000. The current estimate is higher than the 2018 CPIP because the CPIP did not include renovating the chemistry labs. The agency anticipates execution of the construction contract in April 2019 and completion of construction in September.

- (f) Summary 5-2019: JBRC Item 6. (D50) Department of Administration
 Project: 6007, M.J. “Dolly” Cooper VC Columbaria Grant-Additional
 Included in Annual CPIP: No – The grant became available after the 2018 CPIP submission.
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$1,215,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 63-82

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Federal, Veterans Cemetery Grant	-	-	-	1,093,500	1,093,500
Other, Interment Fees	18,225		18,225	103,275	121,500
All Sources	<u>18,225</u>	=	<u>18,225</u>	<u>1,196,775</u>	<u>1,215,000</u>

Funding Source: \$1,093,500 Federal, Veterans Cemetery Grant Funds. \$121,500 Other, Interment Fee Funds, which are fees collected for the interment of veterans and/or eligible family member. National Cemetery Administration pays \$762 for each veteran interred and families pay \$300 for the eligible family member interred (Section 25-11-80).

Request: Increase budget to \$1,215,000 (add \$1,196,775 Federal, Veterans Cemetery Grant and Other, Interment Fee Funds) to proceed with Phase II architectural/engineering professional services followed by construction services for the construction of up to 1,200 burial niches. The additional niches are essential for the interment of veterans, which is the mission of the Division of Veterans’ Affairs in the Office of Executive Policy and Programs. The agency has applied for a \$1,215,000 federal grant through the Federal Veterans Cemetery Grants Program. While a grant award has not yet been made to the agency, the agency has been advised that the US Department of Veterans Affairs plans to grant the award not later than September 30, 2019. In accordance with the grant, the state must contribute 10% of the total project cost (which cannot exceed the grant amount). Although the preliminary design estimate for the project is \$959,993, construction costs have been very volatile, and the agency is requesting approval of the maximum grant amount so that there will be no time delays if the construction costs do exceed the preliminary design estimate. The grant milestone deadlines are very tight and if the agency were required to go through an additional meeting cycle they would likely fail to meet the required federal timelines. It is estimated that the existing Columbaria will be at capacity within 2.5 years. The cemetery is currently interring 70 veterans/eligible family members per year. The agency estimates total project costs at \$1,215,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in October 2019 and completion of construction in February 2020.

- (g) Summary 5-2019: JBRC Item 7. (D50) Department of Administration
 Project: 6013, Data Center – Generator Control Board Replacement
 Included in Annual CPIP: No – The need to replace the system, installed in 1999, was not known until a feasibility study was completed after the 2018 CPIP submission, in the fall of 2018.
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 83-98

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, DTO Revenue	-	-	-	397,467	397,467
All Sources	=	=	=	<u>397,467</u>	<u>397,467</u>

Funding Source: \$397,467 Other, DTO Revenue, which are revenues from Network Services, Shared Services, and Print/Mail Services that are collected from customers which are comprised of state agencies, higher education, counties and other local subdivisions.

Request: Establish project and budget for \$397,467 (Other, Internal Service Funds) to replace the generator control board at the 76,021 square foot Data Center. The generator control system is part of the mission-critical power system that supports Data Center operations. As the system is original to the building, installed as part of the data center original construction in 1999, a feasibility study was conducted in the fall of 2018 for planning purposes. As a result of the study it was determined that the system had reached the end of its projected life. Additionally, control sub-components, such as the generator sensing panel which is a critical part of the system, are no longer produced by the original manufacturer and replacement components are only available through the manufacturer in the form of salvaged components from decommissioned equipment. Support for the programmable logic controllers in the master and generator control sections has also been discontinued. The generator control system does not have the capability of recording operating data or alarms. Historical recording of this information is useful for determining probable causes of malfunctions which is also important in maintenance of the reliability of the system. During a recent utility power interruption one of the generator controllers failed which caused the associated generator to not respond to the power loss, leaving the Data Center electrical system with only on back-up generator for power redundancy. For the Data Center to maintain compliance with Uptime Institute Tier 2 standards, it must have N+1 redundancy in its emergency power generation infrastructure. N+1 is also specified in the ANSI/BICSI 002-2014 standard for data centers. As such, the agency requests to bypass Phase I and proceed directly to Phase II design with “Option 2” as described and recommended in the 1/4/19 study. New equipment added as a result of this project will support the data processing areas, which is 21,080 gross square feet of the Data Center. The agency estimates total project costs at \$397,467 with no additional annual operating costs. The agency anticipates execution of the construction contract in June 2019 and completion of construction in October 2019.

- (h) Summary 5-2019: JBRC Item 8. (E24) Office of the Adjutant General
 Project: 9811, Training Sites TT Enlisted Barracks Replacement
 Included in Annual CPIP: Yes – 2017 CPIP Priority 10 of 21 in FY18 (estimated at \$1,404,000 - Annualized) & 2018 CPIP Priority 5 of 18 in FY19 (estimated at \$280,800 – Annualized, bringing the total to \$1,684,800)
 JBRC/SFAA Phase I Approval: May 2018 (estimated at \$1,404,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 99-110

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Federal, National Guard Bureau	88,000	-	88,000	1,326,416	1,414,416
All Sources	<u>88,000</u>	=	<u>88,000</u>	<u>1,326,416</u>	<u>1,414,416</u>

Funding Source: \$1,414,416 Federal, National Guard Bureau, which is funding identified as part of the Construction and Facilities Management Office’s Master Cooperative Agreement through the Office of the Adjutant General and from the National Guard Bureau

Request: Increase budget to \$1,414,416 (add \$1,326,416 Federal, National Guard Bureau Funds) to demolish existing WWII Era barracks and construct replacement Transient Training Enlisted, (TT ENL) Barracks at two Army National Guard Training Sites; McCrady Training Center (MTC) and Clarks Hill Training Site (CHTS). The current McCrady Training Center includes five (5) buildings that total 14,805 square feet and the current Clarks Hill Training Site includes five (5) buildings that total is 3,840 square feet. The barracks to be replaced are no longer sufficient for the housing of soldiers; the structures are not insulated properly; the roofs are cost prohibitive to repair; no latrine; single pane windows; and old/energy inefficient light fixtures. Due to their age and condition, the existing barracks no longer support the SCARNG’s mission and need to be replaced to current codes and standards. The construction phase of this project will be annualized with one barrack from McCrady Training Center (#3511), and one barrack from Clarks Hill Training Site (#4423) being demolished and replaced with 16-man barracks at this time. Construction for each of the ten barracks is anticipated to cost \$663,208, totaling \$6,632,080. The total estimated cost to complete the full scope of the project is estimated at \$6,720,080. Each barracks building will be of permanent construction with a finished interior, including mechanical, electrical, and plumbing, (MEP) systems, a latrine with showers, urinals, toilets, sinks and washer/dryer connections. Installation of utilities and the extensions of utilities to the nearest service lines are also included. Each of the five (5) new barracks buildings at McCrady Training Center will be approximately 2,400 to 4,600 square feet. Each of the five (5) new barracks buildings at Clarks Hill Training Site will be approximately 2,400 square feet. Approximately 300 Army National Guard soldiers use these facilities. The agency estimates that the completed project will cost approximately \$1,414,416 with additional annual operating cost savings of \$7,000 in years 1 thru 3. The agency anticipates execution of the construction contract in April 2019 and completion of construction in July 2020.

- (i) Summary 5-2019: JBRC Item 9. (J12) Department of Mental Health
 Project: 9773, Babcock Building Roof Repair/Replacement
 Included in Annual CPIP: No
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 111-120

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Capital Improv. & Maint.	-	-	-	390,000	390,000
All Sources	=	=	=	<u>390,000</u>	<u>390,000</u>

Funding Source: \$390,000 Other, Capital Improvement & Maintenance Funds, which is authorized by Proviso 35.7 to allow an interest-bearing fund with the State Treasurer to deposit funds appropriated for deferred maintenance and other one-time funds from any source. After receiving any required approvals, the department is authorized to expend these funds for the purpose of deferred maintenance, capital projects, and ordinary repair and maintenance.

Request: Establish Phase II project and budget for \$390,000 (Other, Capital Improvement & Maintenance Funds) to repair/replace a portion of the roof of the Babcock Building damaged by a fire on December 13, 2018. This project was designed and bid as an emergency project to get a roof on the building as soon as possible, and therefore this request is bypassing Phase I. There is currently a claim pending with IRF. The repair will be completed in 2 parts. Part 1 will be to remove the damaged roof and place a temporary roof on the building. Part 2 will be to adapt the temporary roof to look like the original roof before the fire. Part 2 will be submitted as an increase to this project at a later date. The temporary roof will be a wood joist and plywood roof with tapered polyiso insulation and 45 mil EPDM to provide a temporary waterproof surface. The original building was constructed in 1858 and has been added onto over the years. The fire damaged portion is one of the newer sections of the building at the end of the south wing and that section/roof is 50+ years old. The repair will cover approximately 4,368 square feet. The building has been abandoned for 22 years. The agency estimates total project costs at \$390,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in March 2019 and completion of construction in April 2019.

- (j) Summary 5-2019: JBRC Item 10. (N04) Department of Corrections
 Project: 9751, Tyger River CI – Housing Units HVAC Replacement
 Included in Annual CPIP: Yes – 2018 CPIP Priority 6 of 6 in FY19
 (included in \$5,000,000 for Capital Renewal, Major Maintenance & Repairs – this component estimated at \$1,800,000)
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$2,100,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 121-130

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY18 Carryforward	31,500	-	31,500	2,068,500	2,100,000
All Sources	<u>31,500</u>	=	<u>31,500</u>	<u>2,068,500</u>	<u>2,100,000</u>

Funding Source: \$2,100,000 Appropriated State, FY18 Carryforward Funds.

Request: Increase budget to \$2,100,000 (add \$2,068,500 Appropriated State, FY18 Carryforward Funds) establish the final design and construction to replace the existing 37-year-old air handler units, boiler and condensing units for the ten (10) housing units located at Tyger River Correctional Institution. The existing air handlers are in poor condition, deficient in providing air flow for heating, having casings that are in poor condition, are not energy efficient, and have exceeded their anticipated useful service life. The scope of work will include the new packaged rooftop units with DX cooling and modulating gas heat. The work will be accomplished by contract construction and SCDC's in-house/inmate labor forces. Each of the ten (10) housing units are approximately 17,000 square feet and were constructed in 1981, making them 37 years old. The HVAC system is original to the buildings. The Tyger River Correctional Institution has 1,200 inmates and 200 staff members. The agency estimates total project costs at \$2,100,000 with additional annual operating cost savings of \$6,800 in year 1 and \$20,400 in years 2 and 3. The agency anticipates execution of the construction contract in August 2019 and completion of construction in April 2020.

- (k) Summary 5-2019: JBRC Item 11. (N20) Criminal Justice Academy
 Project: 9630, Village Dormitory Restroom Renovations
 Included in Annual CPIP: Yes – 2017 CPIP Priority 2 of 3 in FY19 (estimated at \$520,000)
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$600,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 131-140

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY18 Carryforward	16,000	-	16,000	584,000	600,000
All Sources	<u>16,000</u>	=	<u>16,000</u>	<u>584,000</u>	<u>600,000</u>

Funding Source: \$600,000 Appropriated State, FY18 Carryforward Funds, which is authorized from Proviso 64.3 giving the Criminal Justice Academy the authority to carryforward unexpended general funds from the prior fiscal year into the current fiscal year to complete Village Dorm restroom repairs and technology upgrades for the training program.

Request: Increase budget to \$600,000 (add \$584,000 Appropriated State, FY18 Carryforward Funds) to renovate all restrooms in the academy's Village dormitory building. Each floor may have to be done at separate times due to training constraints. The flooring and wall tile in the Village dormitory restrooms require replacement and waterproofing, as it has deteriorated in several areas on all four floors. The 6-year-old 4 story Village dormitory building is 41,700 square feet with four (4), 1,440 square foot restrooms, totaling 5,760 square feet. Due to the age of the building John Bowman Architect was hired to conduct a site visit to investigate the resulting bathroom water ponding and leaking issues to the corresponding floor below. The agency provided the architect with the corresponding project drawings and specification manual as an additional aide to investigate the water issues and devise a course of action to correct the problem. The provided drawing documents provided some insight to the problem, however the existing project drawings do not provide any clear construction details as to the installation methodologies prescribed by the architect to the award contractor on the project. After review of the specifications manual, the architect is of the opinion the water leaking issues could be the result of the following existing conditions. 1) 4" Rubber Base – A rubber base is installed along the walls in the existing toilet/urinal and lavatory areas but it is not the standard industry practice to install a wall base of this nature in these wet areas. 2) Waterproofing Membrane – Per the specification manual, a polyethylene water proofing was installed in all tile locations at both walls and floors which is standard practice but this could also be a contributing factor to the leaking issues if installation seams are not properly sealed closer to the floor/wall intersection in the shower areas. 3) Water ponding – The architect noticed ponding in certain areas in the existing showers located at all floors in areas near and away from floor drains as a result of un-even tile and insufficient sloping toward floor drains. It was also noticed that floor drains/or cleanouts in the shower areas that were not installed flush with the floor tile. As installed, cleanouts are below the finish floor tile surface thus promoting ponding. Such conditions contribute to water leaking. As a result of the investigation and

research, John Bowman Architect recommends a two-phased approach. Phase 1 would be to demolish one bathroom as located on the second through fourth floors to demolish, examine existing conditions and renovate one bathroom. Phase 2 would be to renovate the remaining bathrooms. The renovation work would include stripping the existing surface to expose the existing concrete floor along with removing the installed 4" rubber wall base and installing a new commercial heavy-duty epoxy flooring with integral 6" min wall base to extend up the existing gypsum board wall. In the existing shower areas, the architect recommends removing all the existing floor tile and wall tile to expose the existing structure as originally designed and install new cement backer board at wall locations and install a new continuous liquid applied waterproofing membrane across the entire floor surface and to the ceiling above in the affected areas. The facility is utilized by approximately 200 students per week, 48 weeks per year. John Bowman Architect completed a visual inspection of the affected spaces on all four floors where there are issues. The agency estimates total project costs at \$600,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in March 2019 and completion of construction in February 2020.

Establish Construction Budget (transfer to)

- (1) Summary 5-2019: JBRC Item 12. (N04) Department of Corrections
 Project: 9749, Lieber CI – Elevated Tank Refurbishment
 Included in Annual CPIP: Yes – 2017 CPIP Priority 2 of 6 in FY18 (estimated at \$600,000)
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$500,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 141-150

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY13 Proviso 90.20 (transfer from 9692)	7,500	-	7,500	488,885	496,385
All Sources	<u>7,500</u>	=	<u>7,500</u>	<u>488,885</u>	<u>496,385</u>

Funding Source: \$496,385 Appropriated State, FY13 Proviso 90.20, Wateree Radium Drinking Water Compliance.

Request: Increase budget to \$496,385 (add \$488,885 Appropriated State, FY13 Proviso 90.20) as a transfer from N04-9692 to establish Phase II construction to address the refurbishment of the 200,000-gallon elevated water tank which provides potable water and fire protection to the institution. This project will address deficiencies, OSHA, structural and preventative maintenance items noted on an inspection report dated December 17, 2018. The elevated storage tank was constructed in 1986 and is 32 years old. In 2005, the exterior of this tank was repaired and repainted. The water system currently provides water for approximately 1,000 inmates and 200 staff members. Additionally, the elevated tank provides the fire protection for facilities of the institution. The tank will be removed from service during the project and a temporary water source will be utilized. If the elevated tank is not maintained properly, the system will continue to deteriorate and become a risk to the inmate population and institutional staff. Additionally, SCDHEC can issue a Notice of Violation, which can include civil penalties for not maintaining the water system as prescribed by law. The agency estimates total project costs at \$496,385 with no additional annual operating costs. The agency anticipates execution of the construction contract in June 2019 and completion of construction in November 2019.

- (m) Summary 5-2019: JBRC Item 13. (N04) Department of Corrections
 Project: 9750, Tyger River CI – Elevated Tank Refurbishment
 Included in Annual CPIP: Yes – 2017 CPIP Priority 3 of 6 in FY18 (estimated at \$600,000)
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$500,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 151-160

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY13 Proviso 90.20 (transfer from 9692)	7,500	-	7,500	487,835	495,335
All Sources	<u>7,500</u>	=	<u>7,500</u>	<u>487,835</u>	<u>495,335</u>

Funding Source: \$495,335 Appropriated State, FY13 Proviso 90.20, Wateree Radium Drinking Water Compliance.

Request: Increase budget to \$495,335 (add \$487,835 Appropriated State, FY13 Proviso 90.20) as a transfer from N04-9692 to establish Phase II construction to address the refurbishment of the 200,000-gallon elevated water tank which provides potable water and fire protection to the institution. This project will address deficiencies, OSHA, structural and preventative maintenance items noted on an inspection report dated December 17, 2018. The elevated storage tank was constructed in 1980 and is 38 years old. No major maintenance has been completed on this tank in the last 10 years. The water system currently provides water for approximately 1,200 inmates and 200 staff members. Additionally, the elevated tank provides the fire protection for facilities of the institution. The tank will be removed from service during the project and a temporary water source will be utilized. If the elevated tank is not maintained properly, the system will continue to deteriorate and become a risk to the inmate population and institutional staff. Additionally, SCDHEC can issue a Notice of Violation, which can include civil penalties for not maintaining the water system as prescribed by law. The agency estimates total project costs at \$495,335 with no additional annual operating costs. The agency anticipates execution of the construction contract in June 2019 and completion of construction in November 2019.

Establish Construction Budget & Change Project Name

- (n) Summary 5-2019: JBRC Item 14. (E24) Office of the Adjutant General
 Project: 9810, Statewide Armory Kitchen Improvements
 Included in Annual CPIP: Yes – 2017 CPIP Priority 9 of 21 in FY18 (estimated at \$912,000) &
 2018 CPIP Priority 9 of 18 in FY19 (estimated at \$515,000 - Annualized)
 JBRC/SFAA Phase I Approval: March 2018 (estimated at \$1,600,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 161-172

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State,	43,780	-	43,780	74,695	118,475
Appropriated State, FY18 Proviso 118.15, nonrecurring	-	-	-	107,547	107,547
Federal, National Guard Bureau	131,340	-	131,340	546,727	678,067
All Sources	<u>175,120</u>	=	<u>175,120</u>	<u>728,969</u>	<u>904,089</u>

Funding Source: \$118,475 Appropriated State Funds. \$107,547 FY19 Appropriated State, Proviso 118.15 (nonrecurring) Funds. \$131,340 Federal, National Guard Bureau Funds, which is funding identified as part of the Construction and Facilities Management Office’s Master Cooperative Agreement through the Office of the Adjutant General and from the National Guard Bureau.

Request: Change the project name (to match the 2018 CPIP) and increase budget to \$904,089 (add \$728,969 Appropriated State, FY19 Appropriated State Proviso 118.15 (nonrecurring) and Federal, National Guard Bureau Funds) to construct a new 1,200 square foot kitchen addition at various readiness centers across the state. These readiness centers include facilities in Hemingway, Myrtle Beach, Batesburg, Edgefield, Saluda, Dillon, Conway and Walterboro. The construction phase of this project will be annualized with the Myrtle Beach facility to be constructed first. Construction for each of the eight kitchens at each of the (8) readiness centers is anticipated to cost \$728,969, totaling \$5,831,752. The total estimated cost to complete the full scope of the project is estimated at \$6,006,872. The existing kitchens at these readiness centers do not meet current building code requirements, are not in compliance with occupation, safety and health organizations and are not adequate to meet the needs of the assigned units. Adding the kitchen additions to the readiness centers will rectify these issues. Each of these facilities are utilized by over 150 Army National Guard soldiers. The agency estimates that the completed project for the Myrtle Beach kitchen addition will cost approximately \$904,089 with additional annual operating costs of \$7,000 in years 1 thru 3. The agency anticipates execution of the construction contract in June 2019 and completion of construction in February 2020.

Final Land Acquisition

- (o) Summary 5-2019: JBRC Item 15. (N04) Department of Corrections
 Project: 9742, McCormick CI – Dorn Property Acquisition
 Included in Annual CPIP: No – The agency was unsure of their ability to purchase the land as they were working with the local governmental entities to obtain the necessary approval letters.
 JBRC/SFAA Phase I Approval: January 2018 (estimated at \$780,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 173-200

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Canteen Revenue	20,000	-	20,000	412,000	432,000
All Sources	<u>20,000</u>	=	<u>20,000</u>	<u>412,000</u>	<u>432,000</u>

Funding Source: \$432,000 Other, Canteen Revenue Funds, which is revenue derived from the canteen operations within the Department of Corrections on behalf of the inmate population and may be retained and expended by the department for the continuation of the operation of said canteens and the welfare of the inmate population, or at the discretion of the director, used to supplement costs of operations.

Request: Increase budget to \$432,000 (add \$412,000 Other, Canteen Revenue Funds) to complete the acquisition of 231.99+/- acres located off of Hwy 378, in McCormick. The property is adjacent to the McCormick Correctional Institution and purchase of the property will provide an additional buffer around the institution, which will enhance perimeter security and assist with the prevention of illegal “throw-overs” and contraband. The agency states that there are no buildings located on the property. The property is currently being offered for sale by James M. Dorn, Jr. Trust for a proposed purchase price of \$400,000. An appraisal completed on March 14, 2018 by Property Solutions, LLC valued the property at \$440,000. A Phase I Environmental Site Assessment was completed by S&ME, Inc. on March 26, 2018 and revealed no evidence of Recognized Environmental Conditions (REC’s). The agency estimates the land acquisition cost at \$432,000 with no additional annual operating costs. The agency anticipates completing the land acquisition in June 2019.

JOINT BOND REVIEW COMMITTEE
 Meeting of February 20, 2019

Item Number 4

AGENCY: Joint Bond Review Committee

PROJECT/SUBJECT: Future Meeting

The next meeting of the State Fiscal Accountability Authority is tentatively scheduled for Tuesday, May 14, 2019.

2019

January	April	July	October
Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
February	May	August	November
Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
March	June	September	December
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COMMITTEE ACTION:

Schedule next meeting.

ATTACHMENTS:

None