

**Capital Improvements
Joint Bond Review Committee**

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JOINT BOND REVIEW COMMITTEE MEETING

DATE: Tuesday, October 25, 2016
TIME: 10:30 a.m.
LOCATION: Room 105, Gressette Building

AGENDA

PAGE

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2. University of South Carolina, Football Operations Facility Construction.....	7
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JOINT BOND REVIEW COMMITTEE**Item Number 1**Meeting of October 25, 2016**AGENCY:** Department of Administration, Real Property Services**PROJECT/SUBJECT:** Medical University of South Carolina Parking Lease at 99 WestEdge, Charleston

The Medical University of South Carolina is requesting approval to lease 322 parking spaces located in the 99 WestEdge Parking Garage from the City of Charleston. The lease is needed to replace parking spaces that will be lost due to the WestEdge Development Project which is taking place in downtown Charleston.

A solicitation was conducted for parking spaces in close proximity to the MUSC campus or on the MUSC transit system, and this location was the only response.

The term of the proposed lease is 5 years beginning upon date of substantial completion of the parking garage (projected to be March 1, 2017). The monthly rental rate will be \$125 per space for the first year; thereafter, the rate will increase annually by three percent. The total payout over the 5-year term will be \$2,564,305.

MUSC will have the option to add up to 100 additional spaces during term should they become available and based on MUSC's need, subject to required approvals. The additional spaces would be charged at the rate in effect at the time.

MUSC will not be responsible for any operating costs associated with the lease.

Lease payments will be funded from parking revenues collected through fees charged to employees, students, and visitors. MUSC has indicated that no student fee will be increased as a result of the lease.

The Department of Administration's Real Property Services reports comparable lease rates of similar parking spaces in the downtown Charleston area range from \$168 to \$285 per space per month.

MUSC has adequate funds to cover the lease according to the Budget Approval Form. The Department of Administration's Real Property Services recommends approval. JBRC review per Section 1-11-56.

The lease was approved by the MUSC Board of Trustees on August 12, and it is on the agenda for review by the Commission on Higher Education on October 24.

COMMITTEE ACTION:

Review and make recommendation regarding the proposed lease agreement for the Medical University of South Carolina.

ATTACHMENTS:

- 1) Department of Administration, Real Property Services Lease Summary dated October 25, 2016
- 2) Sections 1-11-55 and 1-11-56 of the South Carolina Code of Laws


JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 25, 2016

Regular Agenda

1. Submitted by:

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


Ashlie Lancaster
Real Property Services

2. Subject: Medical University of South Carolina Parking Lease-99 WestEdge in Charleston

3. Summary Background Information:

The Medical University of South Carolina (MUSC) requests approval to lease 322 parking spaces from the City of Charleston to be located within the 99 WestEdge parking garage. The purpose of the lease is to replace parking spaces that will be lost due to the WestEdge Development Project taking place in downtown Charleston.

A solicitation was conducted for parking spaces either in close proximity to the MUSC campus or on the MUSC transit system, and the selected location was the only response received.

The term of the lease will be five (5) years beginning upon the date of substantial completion of the parking garage (estimated to be March 1, 2017) at a rate of \$125.00 per space. Thereafter, the rate per space shall increase annually by three (3) percent. MUSC will not be responsible for any operating costs. As such, the total amount the University will pay over the term is \$2,564,304.96 as shown in the chart below:

Period	Rate/space	# of spaces	Total
Year 1	\$125.00	322	\$483,000.00
Year 2	\$128.75	322	\$497,490.00
Year 3	\$132.61	322	\$512,405.04
Year 4	\$136.59	322	\$527,783.76
Year 5	\$140.69	322	\$543,626.16
TOTAL			\$2,564,304.96

MUSC will also have the option to add up to 100 additional spaces during the term should they become available and based on the University's need, subject to any required governmental approvals. These spaces would be charged at the rate in effect at the time.

The following chart represents comparable lease rates of similar space near the MUSC Campus:

Location	Rate/Space
106 Coming Street	\$285.00
158 Meeting Street	\$168.00

George Street	\$250.00
---------------	----------

Lease payments will be funded from parking revenues through fees charged to employees, students and visitors. MUSC has indicated that no student fee increase will be associated with this lease, and there are adequate funds for the lease according to a Budget Approval Form submitted by MUSC. The lease was approved by the MUSC Board of Trustees on August 12, 2016 and by the Commission on Higher Education on October 24, 2016.

4. What is JBRC asked to do? Approve the proposed parking lease for the Medical University of South Carolina at 99 WestEdge in Charleston.

5. What is recommendation of the Department of Administration? Approve the proposed parking lease for the Medical University of South Carolina at 99 WestEdge in Charleston.

6. List of Supporting Documents:

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

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

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, 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.

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.

JOINT BOND REVIEW COMMITTEE

Meeting of October 25, 2016

Item Number 2

AGENCY: Department of Administration, Executive Budget Office

PROJECT/SUBJECT: University of South Carolina, Football Operations Facility Construction

The University of South Carolina is requesting approval for full design and construction of a new Football Operations Facility adjacent to the existing indoor practice facility. The project was approved for Phase 1 pre-design work in January 2016. A portion of the funding for the project will be Athletic Facilities Revenue Bonds.

Permanent Improvement Project

The proposed 105,000 sq. ft. facility will consolidate all training, coaching, operational, and administrative activities associated with the football program and will eliminate student athletes' having to cross Bluff Road to go from locker rooms at the stadium to the practice fields. The building will house players' lounges, locker rooms, team meeting rooms, a weight room, nutrition area, training rooms equipped for physical therapy, equipment storage area, administrative/coaches' offices, and public spaces.

The facility will be used on a daily basis by 140 students and 60 faculty and staff. It will be constructed at Two Green Globes certification level with a positive cost/benefit of \$2,173,500 over a 30-year period. Maintenance and operating costs are estimated to be \$569,177 to \$624,177 per year and will be paid from additional revenues USC will receive from two contracts which were recently renewed.

This request will add \$49,000,000 to the project, bringing the total cost to \$50,000,000. The source of funds for the project is \$6,000,000 in private donations and \$44,000,000 from Athletic Facilities Revenue Bonds.

USC projects May 2017 for execution of the construction contract with completion of construction expected in December 2018.

Athletic Facilities Revenue Bonds

USC is requesting issuance of not exceeding \$46,000,000 Athletic Facilities Revenue Bonds to cover the construction of the permanent improvement project, reimburse the University for capital expenditures previously made in connection with the project, and pay expenses associated with issuance of the Bonds.

Act 518 of 1980, as last amended by Act 17 of 2007, authorizes USC to issue up to \$200 million in Athletic Facilities Revenue Bonds to construct and equip athletic facilities. USC currently has \$149,630,000 in outstanding Athletic Facilities Revenue Bonds; this issuance will bring the total outstanding to not exceeding \$195,630,000.

The term of the proposed bond issuance is 30 years. Athletic Department revenues and gross receipts from the imposition of an Admissions Fee and Special Student Fee will be pledged to pay the debt service on the bonds; those revenues totaled \$19,884,635 for the fiscal year ending June 30, 2016. Exhibit A reflects the debt service requirements for all of USC's existing and proposed Athletic Facilities Revenue Bonds; the maximum composite debt service is \$14,306,894. Holding FY 2015-16 revenues constant, the debt service is projected to range from 13% to 72% of pledged revenues (Exhibit B).

In July 2016, USC issued \$22,400,000 of Athletic Facilities Refunding Revenue Bonds which will result in an annual reduction of \$300,000 in the debt service requirement. USC has reported that they have \$14,230,000 in athletic funds on deposit to pay debt service should pledged revenues be insufficient to pay debt service. In addition, the Athletic Department recently renewed two contracts that will provide an additional \$44 million in guaranteed revenues over the next ten years.

USC reports that there will be no increase in student fees in connection with issuance of the bonds.

Pursuant to Section 9 of Act 518 of 1980, as last amended by Act 17 of 2007, the bonds will not commit the full faith, credit, and taxing power of the State.

Information regarding USC's issuance of Athletic Facilities Revenue Bonds is provided in accordance with JBRC policy adopted October 7, 2014, and amended on September 13, 2016.

COMMITTEE ACTION:

Review and make recommendation regarding Phase II--Full Design and Construction--of USC's Football Operations Facility funded in part with the issuance of not exceeding \$46,000,000 in Athletic Facilities Revenue Bonds.

ATTACHMENTS:

- 1) Department of Administration Agenda Item Worksheet dated October 25, 2016
- 2) A-1, A-49, Questionnaire, and Green Globes Cost-Benefit Analysis
- 3) Letter from USC Foundations dated October 19, 2016
- 4) Letter from McNair Law Firm, P.A., dated October 18, 2016 (including Bond Information Report and Exhibits A and B)

AVAILABLE UPON REQUEST:

- 1) Section 9 of Act 518 of 1980, as amended by Act 17 of 2007

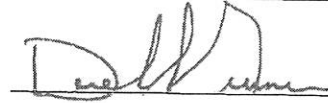
JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 25, 2016

Regular Agenda

1. Submitted By:

- (a) Agency: USC Columbia:
- (b) Authorized Official Signature:


DEREK S. GRUNER

2. Subject: Football Operations Facility Construction

3. Summary Background Information:

To begin final design and construction of a new Football Operations Facility to be located at the west end of Gamecock Park adjacent to the existing indoor football practice facility. This project was included in their FY17 CIP with the priority 3 of 11. This project was established in January 2016 for Phase I, which is now complete. The project will be certified for energy savings using the Green Globes system. The project will be certified at the level of two Green Globes and will have a 30 year life cycle projected cost savings of \$2,173,500. The proposed building will be approximately 105,000 gross square feet and will consolidate all training, coaching, operational and administrative activities associated with the football program. The building will contain public spaces, a players lounge, locker rooms, team meeting rooms, a weight room, a nutrition area, training rooms equipped for physical therapy, an equipment storage area and administrative/coaches offices. Site work, utilities, parking and associated landscaping and hardscaping will also be included as part of the project. Consolidation will enhance operational efficiency and eliminate the need for student athletes to cross Bluff Road going from locker rooms at Williams-Brice Stadium to the practice fields. This facility will be an important component of the football recruiting process. The agency reports the total project cost of this project is \$50,000,000 with additional operating costs of \$624,177 in year one, \$569,177 in year two, and \$569,177 in year three. The agency also reports the projects date for execution of the construction contract is May 2017 and for completion of construction is December 2018.

4. What is JBRC asked to do?

Consider approval of the Permanent Improvement Project Phase II and bond authorization.

5. What is the recommendation of the Executive Budget Office?

The EBO has determined that the item is complete and ready for JBRC review.

6. List of Supporting Documents:

- a) Permanent Improvement Project Phase II Project approval
- b) Bond Authorization

FOR DEPARTMENT USE ONLY

CHE _____
 JBRC _____
 SFAA _____
 JBRC Staff _____
 ADMIN Staff _____
 A-1 Form Mailed _____
 SPIRS Date _____
 Summary _____

RECEIVED

By Jennifer LoPresti at 8:47 am, Oct 18, 2016

(For Department Use Only)

3-2017 (A)

SUMMARY NUMBER

FORM NUMBER

PERMANENT IMPROVEMENT PROJECT REQUEST

1. AGENCY Code H27 Name University of South Carolina - Columbia
 Contact Person Derek S. Gruner Phone (803) 777-1184

2. PROJECT Project # 6114 Name Football Operations Facility Construction
 Facility # 242 Facility Name Football Operations Facility

County Code	40 - Richland
New/Revised Budget	\$50,000,000.00

Project Type	2 - Construct Additional Facilities
Facility Type	6 - Athletic/Recreational

3. CIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR
 CIP priority number 3 of 8 for FY 2016.

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project		Decrease Budget		Close Project	
Establish Project - CIP		Change Source of Funds		Change Project Name	
Increase Budget	<input checked="" type="checkbox"/>	Revise Scope		Cancel Project	

5. PROJECT DESCRIPTION AND JUSTIFICATION
 (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered.
 Attach supporting documentation/maps to fully convey the need for the request.)

ACTION: Increase budget to establish construction budget (Phase II)

DESCRIPTION: Establish project to construct a new Football Operations Facility to be located at the west end of Gamecock Park adjacent to the existing Indoor Football Practice Facility. The proposed building will be approximately 105,000 gsf and will consolidate all training, coaching, operational and administrative activities associated with the football program. The building will contain public spaces, a players lounge, locker rooms, team meeting rooms, a weight room, a nutrition area, training rooms equipped for physical therapy, an equipment storage area and administrative/coaches offices. Sitework, utilities, parking and associated landscaping and hardscaping will also be included as part of the project.

JUSTIFICATION: Consolidation will enhance operational efficiency and eliminate the need for student athletes to cross Bluff Road going from locker rooms at Williams-Brice Stadium to the practice fields. This facility will be an important component of the football recruiting process.

BUDGET: The total projected project budget is \$50,000,000.

6. OPERATING COSTS IMPLICATIONS
 Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES
 Estimated Start Date: January 2016 Estimated Completion Date: December 2019
 Estimated Expenditures: Thru Current FY: \$4,000,000.00 After Current FY: \$46,000,000.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #

6114

1. _____ Land Purchase ---->
2. _____ Building Purchase ---->
3. 3,801,480.00 Professional Services Fees
4. 6,971,662.00 Equipment and/or Materials ---->
5. 2,501,616.00 Site Development
6. 35,588,584.00 New Construction ---->
7. _____ Renovations - Building Interior ---->
8. _____ Renovations - Utilities
9. _____ Roofing - Roof Age
10. _____ Renovations - Building Exterior
11. _____ Other Permanent Improvements
12. _____ Landscaping
13. 20,000.00 Builders Risk Insurance
14. _____ Other Capital Outlay
15. _____ Labor Costs
16. _____ Bond Issue Costs
17. 229,200.00 Other: Testing/Inspections/Impact Fees/Moving Costs
18. 887,458.00 Contingency

Land: _____ Acres
 Floor Space: _____ Gross Square Feet
 Information Technology \$2,162,892.00
 Floor Space: 105,000 Gross Square Feet
 Floor Space: _____ Gross Square Feet

\$50,000,000.00 TOTAL PROJECT BUDGET

ENVIRONMENTAL HAZARDS

Identify all types of significant environmental hazards (including asbestos, PCB's, etc.,) present in the project and the financial impact they will have on the project.
 Type: _____

Cost Breakdown

Design Services \$ _____
 Monitoring \$ _____
 Abate/Remed \$ _____
 Total Costs \$ 0.00

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds		44,000,000.00	44,000,000.00 0.00		8212	38800100	4000	3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State			0.00 0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic Operating Funds	1,000,000.00	(1,000,000.00)	0.00 0.00		7841	88800100	4588	3807
(9) Other (Specify) Private Gift Funds		6,000,000.00	6,000,000.00 0.00 0.00		7606	98800100	3035	3907
TOTAL BUDGET	\$1,000,000.00	\$49,000,000.00	\$50,000,000.00					

10. SUBMITTED BY:



Derek S. Gruner, University Architect

Signature of Authorized Official and Title

September 17, 2016

Date

11. APPROVED BY:

(For Department Use Only)

Authorized Signature and Title

Date

Revised 3/30/16

***ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS**
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY
 Code H27 Name USC Columbia

2. PROJECT
 Project # 6114 Name Football Operations Facility Construction- Revised 9/12/16

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)



COSTS



SAVINGS



NO CHANGE

NOTE: During Phase I planning, operating costs will be analyzed and reported with Phase II submittal.

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2016-2017	\$	\$	\$ 624,177	\$ 624,177.00
2) 2017-2018	\$	\$	\$ 569,177	\$ 569,177.00
3) 2018-2019	\$	\$	\$ 569,177	\$ 569,177.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
 Athletic Operating Funds

6. Will the additional costs be absorbed into your existing budget? ☒ YES ☐ NO

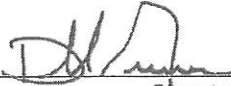
If no, how will additional funds be provided?

The additional cost will be absorbed into our operating budget with the additional revenues from the SEC Network and additional multimedia revenues from a new ten year contract which will begin July 1, 2017.

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>		<u>AMOUNT</u>
1. Personnel		159,057
2. Supplies/Contracts		50,750
3. Waste Management		7,920
4. Utilities		311,850
5. Administrative		39,600
6. One time equipment expense		55,000
7. _____		
8. _____		
TOTAL		624,177

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 4.5

9. Submitted By:  Director, Planning and Programming
 Signature of Authorized Official and Title
 September 17, 2016
 Date

**PERMANENT IMPROVEMENT PROJECT INFORMATION FORMAT
FOR PHASE II CONSTRUCTION BUDGET**

1. What is the total projected cost of the project and what is it based on? Please attach a summary of the costs prepared during the A&E pre-design phase to support the total cost.

The total projected cost of the project is \$50 million based on a detailed cost estimate prepared during the pre-design phase. A cost summary and a detailed construction estimate is included with the Phase II submittal.

2. What is/are the source(s) of funds for the construction? If any private or federal funds are included, please attach a letter guaranteeing the availability of the funds.

The sources of funds are \$44,000,000 of Athletic Facilities Revenue Bonds and \$6,000,000 of Private Funds.

3. What is your agency/institution's definition of each fund source to be used for construction? (If any type of fee makes up a portion of the source, what is the fee called, what is the fee amount, and when it was put in place. If there is a statutory authority authorizing the use of the funds for capital projects, please cite the code section.)

Athletic Facilities Revenue Bonds are issued by the University of South Carolina pursuant to Part II, Section 9 of Act No. 518 passed by the General Assembly of the State of South Carolina in 1980, as amended by Act No 545 of 1986, No. 302 of 1996, No. 6 of 1997, No. 182 of 2005, and No. 17 of 2007. The purpose of these bonds is to raise money to provide permanent financing for the costs of the construction, enlargement of, and improvements to Williams-Brice Stadium and other athletic facilities. There is a \$200,000,000 cap on bonds outstanding.

Private Funds are donations/gifts to Athletics Department.

4. What is the current uncommitted balance of funds for each source listed in 3 above?

The uncommitted balance that is currently available for Athletic Facilities Revenue Bonds is \$50,370,000.

When existing project commitments and projected increases to the fund are taken into account for the anticipated construction period, the total Private Funds currently has an uncommitted balance of \$6,000,000 available for use in funding this project.

5. If institution or revenue bonds are included as a source, when were the bonds issued? If not issued yet, when is the bond resolution expected to be brought for SFAA approval?

The bond resolution is expected to be brought for SFAA approval at the November 1, 2016 meeting.

6. If a student fee is used to fund debt service, what is the current amount of the fee annually or by semester? Please specify which.

The Athletics Department receives \$34.50 per semester as part of a student's Bond Debt Service Fee. This generates \$ 1.7 M annually for use in payment of the existing athletic debt service,

which is \$10,195,000 annually. The debt service for these bonds will be paid from funds generated from private pledges and guaranteed revenue from revenue producing contracts.

7. Will the use of any funds for construction require an increase in any student fee or tuition?
If so, please explain in detail.

There is no net increase in any student fee or tuition required for this construction.

8. Will the project be LEED certified for energy savings and conservation and if so, at what level will it be certified? For projects requiring or using LEED certification, please attach the required cost-benefit analysis and a checklist of items to be used to achieve LEED points or a description of the energy measures to achieve LEED.

The project will be certified for energy savings using the Green Globes system. The project will be certified at the level of two Green Globes. The cost-benefit analysis and the description of energy measures are included with the Phase II submittal.

9. What energy savings/conservation measures will be implemented within the project if the project will not be LEED certified? For projects that do not require/use LEED, please provide a paragraph on energy savings measures to be implemented as part of the project. If there are no energy savings measures included, please state that and explain why.

This question is not applicable since the project will be certified.

10. What is the projected date (month and year) for execution of the construction contract?

Execution of the construction contract is projected for May of 2017.

11. What is the projected date (month and year) for completion of construction?

Completion of construction is projected for December of 2018.

12. What program(s) are to be included in the constructed or renovated space?

The Athletics Football Program will be included in the constructed space.

13. What is the total square footage of the building to be renovated or constructed?

The total square footage of the building to be constructed is 105,000 gross square feet.

14. If a portion of the building is to be renovated, what is the square footage of the portion that will be included in the renovation?

The question is not applicable since the project is entirely new construction.

15. What is the current age of the building or building systems to be renovated?

The question is not applicable since the project is entirely new construction.

16. If any new space is being added to the facility, please provide demand/usage data to support the need.

The question is not applicable since the project is entirely new construction.

17. What are the estimated numbers of students, faculty, staff and/or clients that are expected to use the space affected by the project or the entire building? (Answer for as many as are applicable.)

140 Students
60 Staff

18. If the construction cost increased significantly from the internal estimate (30% or more), what factors caused the cost to increase?

The question is not applicable since the construction cost did not increase from the Phase I internal estimate.

19. If the contingency is more than 10%, please explain why.

The question is not applicable since the contingency is less than 10%.

20. If funds are being transferred from another project, what is the current status of the project from which funds are being transferred?

The question is not applicable since no funds are being transferred from another project.

21. Has the project been included in a previous year's CPIP? If so, what was the last year the project was included and for which year, 1-5?

The project was included in year 2 of the 2015 CPIP and year 1 of the 2016 CPIP.

22. What are the economic impacts of the project, including job creation and retention? If there are none, please explain.

This project will provide economic activity through the construction project. Construction creates and/or retains jobs in three ways: 1) it creates direct jobs that are involved in the construction project; 2) it creates indirect jobs through the manufacturing of building materials and systems and the provision of key services in areas like design professions, legal, and accounting services; and 3) it creates induced jobs in other service areas whereby income from the first two categories is spent on goods and services in other areas of the economy. It is estimated that this project will generate 1,000 jobs.

23. How will your agency/institution address and fund maintenance of this facility construction/renovation?

Athletic facilities are maintained with athletic operating funds designated for maintenance and deposited into the Athletics Maintenance Reserve Fund. Athletic operating funds are auxiliary funds of the University and are self-supporting.

24. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance?

The Athletics department maintains an Athletics Maintenance Reserve Fund. At this time, there is no uncommitted balance in the Athletic Maintenance Reserve Fund account after factoring in all planned projects. The Athletic Maintenance Reserve Fund is replenished annually.

25. If how maintenance will be addressed and funded for this facility construction/renovation has not been determined yet, what steps are in place to begin to address how your agency/institution will fund maintenance to this and other agency/institution facilities?

The funding of athletic facilities maintenance projects is described in the answers to questions 24 and 25.

University of South Carolina
Football Operations Facility
State Project #: H27-T046-MJ

COST-BENEFIT ANALYSIS
Green Globes - 2 Green Globes

In accordance with the Energy Independence and Sustainable Construction Act of 2007, the new building University of South Carolina - Football Operations Facility project will meet the two Green Globe requirements. Below is a preliminary Cost-Benefit Analysis as produced at the conclusion of the Green Globe Design Kick-Off. All costs are estimated and based on campus averages. Baseline energy costs and savings are provided below.

Estimated Costs Associated With Two Green Globes with Improved Energy Performance and Water Savings			
Green Globes Registration and Certification Fees	\$14,000.00		
Commissioning (EAp1 Fundamental & EAc3 Enhanced)	\$100,000.00		
Energy Model; other A/E Green Globes Design Phase Fees	\$60,400.00		
Misc increase of construction costs for items such as HVAC controls, M&V meters, energy star appliances, certified wood and rapidly renewable materials and general contractor overhead	\$325,000.00		
TOTAL	\$ 499,400.00		

ESTIMATED ANNUAL OPERATING COSTS OF TYPICAL SIMILAR BUILDING				
	Square Footage	Cost / SF	Annual Cost	30-Year Cost
Energy (lighting, HVAC, appliances, plug-loads, etc.)	105,000	\$ 1.50	\$ 157,500.00	\$ 4,725,000.00
Water	105,000	\$ 0.50	\$ 52,500.00	\$ 1,575,000.00
Maintenance	105,000	\$ 1.50	\$ 157,500.00	\$ 4,725,000.00
TOTAL		\$ 3.50	\$ 367,500.00	\$ 11,025,000.00

ESTIMATED ANNUAL OPERATING COSTS OF GREEN GLOBES - USC Football Operations Facility				
	Square Footage	Cost / SF	Annual Cost	30-Year Cost
Energy (lighting, HVAC, appliances, plug-loads, etc.) (goal - 26% reduction)	105,000	\$ 1.11	\$ 116,550.00	\$ 3,496,500.00
Water (goal - 30% reduction)	105,000	\$ 0.35	\$ 36,750.00	\$ 1,102,500.00
Maintenance (goal - 10% reduction)	105,000	\$ 1.35	\$ 141,750.00	\$ 4,252,500.00
TOTAL		\$ 2.81	\$ 295,050.00	\$ 8,851,500.00

SAVINGS OVER 30-YEAR LIFE-CYCLE	\$ 72,450.00	\$ 2,173,500.00
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October 19, 2016

Russell H. Meekins, CPA
Executive Director

Derek Gruner
University of South Carolina

Dear Mr. Gruner:

Please allow this letter to serve as a guaranty of **\$6,000,000.00 (six million dollars) in private funds** to support the funding of the football operations building of the University of South Carolina.

Please call me with any questions.

Sincerely,

Russell H. Meekins

October 18, 2016

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

Re: Not exceeding \$46,000,000 principal amount of Athletic Facilities
Revenue Bonds, Series 2017 (the "Bonds") of the University of South
Carolina

Dear Dianne:

In accordance with the policy adopted by the Joint Bond Review Committee following its October 7, 2014 meeting regarding any agency/institution request for a project approval that results in the addition of bond funds to the project budget, please find enclosed the required documentation detailing the proposed financing. On behalf of the University of South Carolina, we respectfully request that the Joint Bond Review Committee consider the request for approval of the use of bond funds from the proceeds of the proposed Bonds at its October 25, 2016 meeting.

Please let us know should you require anything further or if you have any questions regarding the enclosed.

Very truly yours,



O. Wayne Corley

cc: Ms. Leslie Brunelli, Chief Financial Officer, University of South Carolina
Mr. Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer

McNair Law Firm, P. A.
1221 Main Street
Suite 1800
Columbia, SC 29201
T 803.799.9800
F 803.753.3278

Mailing Address
Post Office Box 11390
Columbia, SC 29211

mcnair.net

University of South Carolina Bond Information Report

Prepared in Connection with the Proposed Authorization of Not Exceeding \$46,000,000 Principal Amount of University of South Carolina Athletic Facilities Revenue Bonds, Series 2017A

October 17, 2016

Amount and Type of Bonds. The University of South Carolina (the “University”) is making application to the South Carolina State Fiscal Accountability Authority for the issuance of not exceeding \$46,000,000 principal amount of University of South Carolina Athletic Facilities Revenue Bonds, Series 2017A (the “Bonds”), in order to provide funds, together with other available amounts, to acquire, construct and equip an approximately 105,000 square foot Football Operations Facility, including site acquisition, parking and associated landscaping and hardscaping, located at the west end of Gamecock Park and adjacent to the Indoor Football Practice Facility, and to reimburse the University for capital expenditures previously made in connection therewith (collectively, the “Project”), including capitalized interest, if any, to fund related debt service reserve funds, if any, and to pay related financing costs and expenses related to the issuance of the Bonds.

The Bonds would be issued pursuant to the authorization of the Constitution and Statutes of the State of South Carolina (the “State”), and in particular Act No. 518 of the 1980 Session of the General Assembly of the State of South Carolina, as amended by Act No. 545 of 1986, Act No. 302 of 1996, Act No. 6 of 1997, Act No. 182 of 2005 and Act No. 17 of 2007, as the same may be further amended from time to time (the “Enabling Act”), a resolution adopted by the Board of Trustees of the University (the “Board of Trustees”) on October 19, 2001, entitled: “A Resolution Providing For The Issuance And Sale Of Athletic Facilities Revenue Bonds Of The University Of South Carolina, And Other Matters Relating Thereto”, as amended and supplemented (as so amended and supplemented, the “Bond Resolution”) and a series resolution adopted by the Board of Trustees on September 16, 2016 (the “Series Resolution” and, together with the Bond Resolution, the “Resolution”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Resolution.

Revenues Pledged to Pay the Bonds. The Bonds are special obligations of the University and are payable solely from, and secured by a pledge of, the Net Revenues of the University’s Athletic Department (the “Athletic Department”) and the gross receipts from the imposition by the University of the Admissions Fee and the Special Student Fee (as such terms are defined below). Upon the issuance of the Bonds, such pledge shall be on a parity in all respects with the pledges previously given by the University securing the payment of the outstanding Athletic Facilities Revenue Bonds and the pledges to be given by the University in the future to secure the payment of any additional parity Athletic Facilities Revenue Bonds issued pursuant to the Bond Resolution.

The table below sets forth Outstanding Athletic Facilities Revenue Bonds of the University under the Bond Resolution as of the date hereof.

<u>Series</u>	<u>Date of Issue</u>	<u>Original Principal Amount</u>	<u>Outstanding Principal Amount</u>
2008A	June 1, 2008	\$27,395,000	\$ 1,385,000
2010A	September 1, 2010	65,855,000	59,190,000
Refunding 2010B	September 1, 2010	12,840,000	10,160,000
2012A	June 14, 2012	13,580,000	12,465,000
Refunding 2012B	June 14, 2012	6,350,000	6,350,000
2015	June 1, 2015	38,270,000	37,680,000
2016A	July 21, 2016	22,400,000	<u>22,400,000</u>
Total			<u>\$149,630,000</u>

The term “Net Revenues” means all Revenues (as defined below) remaining after payment of the operating and maintenance expenses of the Athletic Department and the Athletic Facilities but before provision is made for depreciation, amortization, nonmandatory transfers, and interest expenses of the Athletic Department for a given fiscal year.

The term “Revenues” means (i) all revenues or other income received by the Athletic Department from the operation of the Athletic Department and the Athletic Facilities, including without limitation amounts received from the sale of tickets for and guarantees with respect to intercollegiate athletic events, from any athletic conference (collectively, the “Conference”) with respect to the University’s share of proceeds from Conference members’ television and bowl appearances, from the University’s participation in Conference and National Collegiate Athletic Association tournaments, from rentals of executive boxes at Athletic Facilities, from sales of game programs and concessions, or commissions therefrom, from the University’s sports radio and television rights, from corporate sponsorships, and from license fees, (ii) all gifts, bequests, contributions, and donations received by the Board of Trustees or the University from any persons, including from any University-sanctioned athletic booster organization, for use in connection with the operations of the Athletic Department, (iii) any other unrestricted revenues of the Athletic Department not otherwise pledged that may be made applicable by the Board of Trustees to the payment of the principal of and interest on Bonds including such revenues which may fall into the category of non-mandatory transfers as such term is used in generally accepted accounting principles, and (iv) all income from the investment of the above; but excluding:

- (a) gifts, bequests, contributions and donations restricted to a particular purpose inconsistent with their use for the payment of the principal, premium or interest on Bonds;
- (b) the proceeds of any borrowings;
- (c) State appropriations of any sort; and
- (d) investment income restricted to a purpose inconsistent with the payment of operating expenses of the Athletic Department or debt service on Bonds including (whether or not so restricted) interest earned on any construction fund or construction account created with the proceeds of borrowing by the University.

The term “Athletic Facilities” means all of the facilities of the University designated from time to time by the Board of Trustees as intercollegiate athletic facilities, including any facilities providing support for facilities where intercollegiate events are held, including without limitation any related infrastructure and any administration, maintenance, practice, training, physical therapy, and related facilities of the Athletic Department, whether now owned or hereafter acquired by the University, and are deemed to include only those facilities associated with the University’s Columbia Campus.

Primary Athletic Facilities on the University’s Columbia Campus include: Williams-Brice Stadium (football), Colonial Life Arena (basketball), Founder’s Park (baseball), Weems-Baskin Track, Eugene E. Stone III Stadium (soccer), Carolina Natatorium (swimming and diving), Carolina Tennis Complex at the Village at the Roost, Volleyball Competition and Basketball Practice Facility, the Wardle Golf House and Teaching Center at The University Club (golf), The Coop (golf practice facility), Beckham Field (softball), Onewood Farm (equestrian), the Rice Athletic Center (coaches offices and athletic administration), the Kay and Eddie Floyd Football Building (football coaches offices), an indoor practice facility for football and an additional indoor facility for tennis, track & field, soccer, baseball, and softball, the Terry Spring Sports Center (offices, locker rooms, and training rooms for Olympic sports), a ticket office, the Charles F. Crews Football Facility, and The Dodie Academic Enrichment Center (education support facility for student athletes).

The term “Admissions Fee” means a specially designated fee or charge authorized by the Enabling Act (which is in addition to other charges) (i) imposed upon each person in attendance at a football game in Williams-Brice Stadium from whom an admission charge is required, excluding students admitted as a result of student fees paid to the University for a regular academic session, and (ii) imposed, at the discretion of the Board of Trustees, upon each person admitted to any event held at any other of the Athletic Facilities so designated by the University, excluding students permitted to use such Athletic Facilities as a result of student fees paid to the University for a regular session for the purpose of providing funds to assist in the repayment of the Bonds. Admissions Fee receipts are not considered Revenues of the Athletic Department.

The Admissions Fee imposed at Williams-Brice Stadium is \$8 per ticket sold (for 2012 and prior, the fee was \$3). The Admissions Fee imposed at the Colonial Life Arena (the “Arena”) is \$4 and \$1 per ticket sold for all basketball games of the men’s and women’s teams, respectively, to be played in the Arena.

The term “Special Student Fee” means the fee authorized by the Enabling Act to be established by the Board of Trustees and imposed upon each person in attendance at any regular academic session (excluding Summer sessions) of the University who is enrolled in a sufficient number of classes or courses for which credit is given toward any degree offered by the University to be classified as a regular full-time student in order to provide funds to assist in the repayment of Bonds. Special Student Fee receipts are not considered Revenues of the Athletic Department. For the current academic year, the Special Student Fee is \$34.50 per semester (except Summer sessions) or \$69 per year for each full-time student at the Columbia Campus. The current fee amounts have been in effect since the middle of the 2006-07 academic year.

The sum of the Net Revenues and the gross receipts from the imposition of the Admissions Fee and the Special Student Fee (collectively, the "Pledged Funds") for the fiscal year ended June 30, 2016, totaled \$19,884,635 (unaudited). The debt service requirements on all existing, and the projected debt service requirement for the proposed, Athletic Facilities Revenue Bonds are attached as Exhibit A. Exhibit B reflects maximum annual debt service of \$14,237,769 in the fiscal year ending June 30, 2027, and debt service coverage ranging from 13% to 72% of fiscal year ended June 30, 2016 Pledged Funds.

Pursuant to the Bond Resolution, the University has covenanted and agreed that it will at all times prescribe and maintain rates and thereafter collect charges in accordance with such rates and charges for attendance at events held at any Athletic Facilities or the use thereof which are reasonably expected to yield, along with all other Revenues, annual Net Revenues which when added to all gross receipts from the imposition of the Admissions Fee and the Special Student Fee, in the current fiscal year equal to at least one hundred ten percent (110%) of the debt service requirements for all Athletic Facilities Revenue Bonds Outstanding in such fiscal year; and, promptly upon any material change in the circumstances which were contemplated at the time such rates and charges were most recently reviewed, but not less frequently than once in each fiscal year, shall review the rates and charges for such use and shall promptly revise such rates and charges as necessary to comply with the foregoing requirement.

New Revenue Generation. The Project will not generate additional Pledged Funds.

Other Funds Available to Pay Bonds. In July 2016, the University issued \$22,400,000 of its Athletic Facilities Refunding Revenue Bonds, Series 2016A, in order to refund certain callable maturities of its Athletic Facilities Revenue Bonds, Series 2008A. As a result of the issuance and refunding, the University's debt service requirements for its existing obligations should decline by approximately \$300,000 annually from the fiscal year ended June 30, 2016. Additionally, the Athletic Department has recently renewed two contracts (Under Armour and IMG d/b/a Gamecock Sports Property) that will provide an additional \$44,000,000 in guaranteed revenues over the next ten years. Finally, should the Pledged Funds prove insufficient to provide for debt service on the Bonds or other Athletic Facilities Revenue Bonds, the University at June 30, 2016, had \$14,230,000 of athletics fund balances that could be applied to pay debt service at the discretion of the University.

The University projects that, after issuance of the maximum authorized amount of bonds (e.g., \$46,000,000), the outstanding principal amount of Athletics Facilities Revenue Bonds will not exceed \$195,630,000, which is below the statutory limitation of \$200,000,000.

Special Student Fees, Credit of the State and Mortgages. No special student fee (other than the Special Student Fee described above), is contemplated to be imposed, and no increase in existing student fees is planned, in connection with the Bonds. Neither the full faith and credit of the University nor the State has been pledged or will be pledged to the payment of any University revenue bonds. Further, no mortgage or lien has been or will be given on any real property of the University.

Exhibit A

University of South Carolina –Athletic Facilities Revenue Bonds – Composite Debt Service

Fiscal Year	Existing Debt Service	Proposed Issue - Projected		Composite Debt Service
		Principal	Interest	
2016/17	\$10,195,631	\$ 890,000	\$ 1,610,000	\$ 12,695,631
2017/18	10,348,006	920,000	1,578,850	12,846,856
2018/19	10,303,906	955,000	1,546,650	12,805,556
2019/20	10,311,406	990,000	1,513,225	12,814,631
2020/21	10,300,006	1,020,000	1,478,575	12,798,581
2021/22	10,299,806	1,060,000	1,442,875	12,802,681
2022/23	10,295,406	1,095,000	1,405,775	12,796,181
2023/24	10,298,981	1,135,000	1,367,450	12,801,431
2024/25	10,296,194	1,175,000	1,327,725	12,798,919
2025/26	10,361,744	1,215,000	1,286,600	12,863,344
2026/27	11,738,694	1,255,000	1,244,075	14,237,769
2027/28	10,383,519	1,300,000	1,200,150	12,883,669
2028/29	10,392,369	1,345,000	1,154,650	12,892,019
2029/30	10,393,544	1,395,000	1,107,575	12,896,119
2030/31	10,396,119	1,440,000	1,058,750	12,894,869
2031/32	10,391,744	1,495,000	1,008,350	12,895,094
2032/33	9,011,531	1,545,000	956,025	11,512,556
2033/34	9,014,138	1,600,000	901,950	11,516,088
2034/35	9,012,950	1,655,000	845,950	11,513,900
2035/36	9,016,200	1,715,000	788,025	11,519,225
2036/37	9,019,550	1,775,000	728,000	11,522,550
2037/38	9,017,250	1,835,000	665,875	11,518,125
2038/39	7,320,450	1,900,000	601,650	9,822,100
2039/40	7,321,000	1,965,000	535,150	9,821,150
2040/41	3,038,000	2,035,000	466,375	5,539,375
2041/42	3,040,000	2,105,000	395,150	5,540,150
2042/43	2,277,800	2,180,000	321,475	4,779,275
2043/44	2,276,800	2,255,000	245,175	4,776,975
2044/45	2,277,600	2,335,000	166,250	4,778,850
2045/46	0	2,415,000	84,525	2,499,525
Totals	\$248,350,344	\$46,000,000	\$28,032,850	\$323,383,194

Exhibit B

University of South Carolina –Athletic Facilities Revenue Bonds – Coverage

Fiscal Year	Composite Debt Service	FY 2016 Pledged Funds	Pro Forma Pledged Funds	Pro Forma Coverage Percentage
2016/17	\$ 12,695,631	\$19,884,635	\$ -	64%
2017/18	12,846,856	19,884,635	-	65%
2018/19	12,805,556	19,884,635	-	64%
2019/20	12,814,631	19,884,635	-	64%
2020/21	12,798,581	19,884,635	-	64%
2021/22	12,802,681	19,884,635	-	64%
2022/23	12,796,181	19,884,635	-	64%
2023/24	12,801,431	19,884,635	-	64%
2024/25	12,798,919	19,884,635	-	64%
2025/26	12,863,344	19,884,635	-	65%
2026/27	14,237,769	19,884,635	-	72%
2027/28	12,883,669	19,884,635	-	65%
2028/29	12,892,019	19,884,635	-	65%
2029/30	12,896,119	19,884,635	-	65%
2030/31	12,894,869	19,884,635	-	65%
2031/32	12,895,094	19,884,635	-	65%
2032/33	11,512,556	19,884,635	-	58%
2033/34	11,516,088	19,884,635	-	58%
2034/35	11,513,900	19,884,635	-	58%
2035/36	11,519,225	19,884,635	-	58%
2036/37	11,522,550	19,884,635	-	58%
2037/38	11,518,125	19,884,635	-	58%
2038/39	9,822,100	19,884,635	-	49%
2039/40	9,821,150	19,884,635	-	49%
2040/41	5,539,375	19,884,635	-	28%
2041/42	5,540,150	19,884,635	-	28%
2042/43	4,779,275	19,884,635	-	24%
2043/44	4,776,975	19,884,635	-	24%
2044/45	4,778,850	19,884,635	-	24%
2045/46	2,499,525	19,884,635	-	13%
Total	\$323,383,194			

JOINT BOND REVIEW COMMITTEE

Item Number 3

Meeting of October 25, 2016

AGENCY: Department of Administration, Executive Budget Office

PROJECT/SUBJECT: Department of Commerce/Palmetto Railways, Navy Base
Intermodal Facility

The Department of Commerce/Palmetto Railways is requesting approval to proceed with certain permanent improvement projects associated with the implementation of the state's intermodal container transfer facility (NBIF). The facility is expected to be completed and operational by the end of 2018. The United States Army Corps of Engineers has released a draft environmental impact statement, and a final impact statement is expected to be released in January 2017.

Since 2010, several property acquisitions and transactions have been approved by JBRC (and the Budget and Control Board or State Fiscal Accountability Authority). The current request involves: 1) acquisition of several properties, 2) a construction project, and 3) a waiver of JBRC policy.

All properties will be acquired at or below the fair market value, and Palmetto Railways will protect the State from environmental liability by securing Voluntary Cleanup Contracts on the property. The source of funds for the acquisitions as well as the construction project will be Palmetto Railways resources and will have no impact on the state's General Fund.

Tract 11 (Clemson Tract)

In 2013, Palmetto Railways took possession of the "Clemson Tract" through a "friendly" condemnation and Consent of Possession Agreement. Clemson and Palmetto Railways have recently entered into a Consent Settlement Agreement, and Palmetto Railways is now seeking authorization to accept title to the property.

The property consists of 69.963 acres and is the primary project site (depicted in yellow on the map in Exhibit A).

Southern Connection

The plan for the NBIF provides for dual rail access for use by Class I railroads at the north and south ends of the facility, which will balance the impact of the train traffic on the community. Palmetto Railways is seeking authorization to acquire 11 parcels of land consisting of approximately 12.5 acres to accommodate the southern connection (depicted in lime green on the map in Exhibit A). The estimated cost of the acquisitions is \$14,883,000.

Northern Connection

Palmetto Railways already owns most of the properties needed to implement the northern connection; however, there are two parcels that will be impacted by the NBIF, and Palmetto

Railways is requesting authorization to acquire those properties (depicted in mint green on the map in Exhibit A).

Parcel 1, consisting of a 9,369 square foot building situated on 0.63 acres located at 1850 Truxton Avenue, is owned by Low Country Orphan Relief (LCOR). Palmetto Railways has had numerous communications with the Director of LCOR about options to mitigate negative effects of the NBIF on LCOR's operations; however, LCOR has not entertained any offer to date and has insisted that Palmetto Railways relocate the rail lines or purchase the property at substantially more than the appraised value of \$956,000. Palmetto Railways is requesting authorization to purchase the property for the appraised value if LCOR determines that relocating is in its best interest. If Palmetto Railways acquires the property, Palmetto Railways intends to market the property (sale or lease) as a distribution center or other appropriate commercial purpose.

Parcel 2, the Tarpley House, consists of a 3,383 square foot residence situated on 0.33 acres located at 1795 Avenue F. Palmetto Railways has offered to purchase the property for its appraised value of \$440,000 because of its close proximity of the rail line. Palmetto Railways intends to market the property (sale or lease) for a commercial purpose consistent to adjacent properties.

The total cost of the acquisitions is estimated to be \$1,436,000.

Policy Waiver

Palmetto Railways will provide letters of support from the City of North Charleston and Charleston County for the proposed acquisitions (prior to the JBRC meeting). However, because Palmetto Railways is in ongoing negotiations with the City of Charleston regarding the mitigation of impacts for the southern connection and they are involved in litigation issues on behalf of Clemson with the school district, Palmetto Railway is requesting that JBRC waive its policy requiring a letter of support from the City of Charleston and the Charleston County School District. The NBIF is expected to generate significantly increased tax revenues from the industrial property in the area.

Pump Station for North Charleston Sewer District

An existing sewer pump station owned by the North Charleston Sewer District is located on a tract previously condemned as essential to the project. The Sewer District joined in the Settlement Agreement and has cooperated with Palmetto Railways in relocating the pump station. Palmetto Railways is requesting authorization to construct a new pump station on one of the buffer parcels which was recommended for approval by JBRC in February 2016. The estimated cost of the new pump station is \$6.6 million. Palmetto Railways plans to transfer the property and the new pump station to the Sewer District for nominal consideration (upon approval of the State Fiscal accountability Authority).

COMMITTEE ACTION:

Review and make recommendation regarding:

- 1) Final acquisition and acceptance of title to Tract 11 (Clemson Tract).
- 2) Acquisition of 11 properties totaling 12.5 acres necessary for the southern connection.
- 3) Acquisition of two additional properties (LCOR and Tarpley House) impacted by the northern connection.
- 4) Waiver of JBCR requirement to obtain letter of support from City of Charleston and Charleston County School District.
- 5) Construction of new sewer pump station to replace existing pump station owned by North Charleston Sewer District.

ATTACHMENTS:

Department of Commerce Letter dated October 18, 2016, including:

- Exhibit A - Map of Potential Acquisitions
- Exhibit B - Consent of Possession dated November 4, 2013
- Exhibit C - BCB Staff Approval of Consent of Possession dated September 30, 2013
- Exhibit D - Appraisal of Low Country Orphan Relief Property
- Exhibit E - Appraisal for Tarpley House
- Exhibit F - Map of Relocation of Sewer Pump Station

AVAILABLE UPON REQUEST:

Listing of Specific Parcels (including Owners, Street Addresses, Acreage, etc). associated with Southern Connection and Northern Connection



Nikki R. Haley
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

October 18, 2016

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

Dear Chairman Leatherman:

The purpose of this letter is to notify you of the intention of the South Carolina Department of Commerce ("Commerce") and its Division of Public Railways ("Palmetto Railways") to seek the approval of the Joint Bond Review Committee ("JBRC") for Phase I and II approval to proceed with certain permanent improvement projects associated with the implementation of the state's intermodal container transfer facility, which is now known as the Navy Base Intermodal Facility ("NBIF").

As you know, the NBIF project is extremely complex and involves many and varied transactions that require approval in a timeframe to keep the project on track for completion by or before year-end 2018. In late April, the United States Army Corps of Engineers ("USACE") released a draft environmental impact statement to which interested parties have provided comments. This process is ongoing. Palmetto Railways expects to have a final environmental impact statement in January 2017 and a record of decision from USACE in March 2017.

As background, Commerce and Palmetto Railways have already sought the approval of JBRC, the former State Budget and Control Board ("B&CB"), the SFAA and/or the DOA for prior real property and other transactions related to the initiation and implementation of the NBIF. Those prior approvals are summarized below.

I. PRIOR APPROVALS

A. Project 2010

In December 2010, the JBRC and the B&CB approved a confidential series of transactions under the code name Project 2010, which involved acquisition by Palmetto Railways of approximately 240 acres (+/-) of property in close proximity to existing Port of Charleston terminals. The acreage acquired represented a majority of the remaining acreage associated with a failed private development by the Noisette Company. Acquisition of the property by Palmetto Railways was necessary to provide a rail solution in the North Charleston area that would accommodate the State's plan to construct an intermodal container transfer facility (n/k/a "NBIF") in North Charleston which provides equal dual access to the Class I rail carriers and would serve the State Ports Authority facilities. Acquisition costs for the mortgages on the 240 acres were approximately \$23 million and were paid from non-appropriated Palmetto Railways' funds available for capital projects. Palmetto Railways subsequently took possession of the property out of foreclosure for no additional consideration.

B. Settlement with City of North Charleston

After JBRC and B&CB approval of Project 2010, Palmetto Railways initiated a series of condemnation actions for the purpose of acquiring additional properties required for the NBIF. Those condemnation actions were

followed by a series of right-to-take challenges by the City of North Charleston and other related litigation, which hampered the ability of Palmetto Railways to implement the State's rail plan and construct the NBIF, a project that all parties agreed is essential for the Port of Charleston and the State.

After extensive efforts to identify a mutually satisfactory rail solution and after protracted litigation, the parties reached a comprehensive Settlement Agreement that the B&CB approved in December 2012. That settlement included the following key elements:

- (1) the exchange of properties between Palmetto Railways and the City of North Charleston;
- (2) \$8 million in cash compensation to the City;
- (3) assumption of an approximately \$6.5 million Tax Increment Financing Obligation of the City in connection with the Navy Base property;
- (4) the agreement to fund a comprehensive Surface Transportation Study to identify impacts of rail and highway traffic related to state port and rail operations throughout North Charleston;
- (4) the agreement by the City of North Charleston to partner with Commerce/Palmetto Railways to support and facilitate administrative and other issues arising at the former Navy Base; and
- (5) the agreement by Palmetto Railways to assist the City of North Charleston with ongoing litigation costs arising out of the settlement.

C. Remainder of Noisette Property

In June 2013, JBRC and the B&CB approved the acquisition of the remaining 50 acres of real property at the former Navy Base under control of various Noisette entities. The \$10 million purchase from non-appropriated Palmetto Railways funds of the remaining Noisette properties provided the opportunity for Palmetto Railways to unify its real property holdings in and around the NBIF such that Palmetto Railways would be able to facilitate the future development of the former Navy Base in collaboration with its partners and stakeholders. The transaction also allowed Palmetto Railways to settle three (3) pending court cases involving The Noisette Company.

D. Access to Industrial Property Owned by Palmetto Railways

In July/August 2015, JBRC and the DOA approved the acquisition of 3.36 acres of industrial property at the former Navy Base to enable Palmetto Railways to retain access to industrial property it currently owns that is adjacent to the NBIF site (because otherwise Palmetto Railways was going to lose access to the property during and upon implementation of the NBIF).

E. Properties Required to Mitigate Noise, Air and Vibration

In February/March 2016, JBRC and SFAA approved the acquisition of 46 residential properties immediately west and adjacent to the NBIF facility in order to create a 100-foot buffer between the facility and the adjacent neighborhood and to mitigate the effects of noise, vibration, and air quality. Palmetto Railways has been getting non-responsible party voluntary cleanup contracts (VCCs) in place (which will ensure that Palmetto Railways does not assume liability for existing environmental contamination), and accordingly, has not acquired any of these properties to date, but expects to close on the acquisition of the parcels over the next two months. Displaced residents will be relocated in accordance with federal guidelines.

II. REQUEST TO APPROVE REAL PROPERTY TRANSACTIONS

As mentioned, Palmetto Railways expects the NBIF to be operational no later than year-end 2018. The real property transactions for which Palmetto Railways is presently seeking approval involve taking title to the primary tract of land on which the NBIF is located and providing equal dual access for both Class I carriers balanced between the north and the south end of the NBIF. All property acquisitions will be undertaken with resources available to Palmetto Railways and will not impact the State's general fund. Palmetto Railways expects to acquire all properties at or below fair market value and will initiate condemnation only when necessary for properties needed for the NBIF. Palmetto Railways will also continue to take steps to protect the State from environmental liability associated with properties it has acquired or will acquire at the former Navy Base by securing non-responsible party VCCs.

The various transactions at issue are summarized below and reflected on the map attached as *Exhibit A* hereto (as are existing holdings and previously approved acquisitions currently underway). The remaining real property acquisitions that may be required to implement the NBIF are anticipated not to exceed \$17 million collectively.¹

A. Tract 11 & Clemson Settlement

Since 2010, Clemson University has been a partner with the Department of Commerce and Palmetto Railways in the implementation of the State Rail Plan, which has required Clemson to make the 69.963 acre tract given to Clemson by the City of North Charleston, Tract 11 or the "Clemson Tract" identified in YELLOW on the attached map, available for the NBIF. Tract 11 was subject to a "friendly" condemnation with Clemson with the expectation that Palmetto Railways would make available other property on the former Navy Base to Clemson. Palmetto Railways has had possession of the property since 2013 pursuant to a Consent of Possession authorized by state law (*Exhibit B*) and approved by the Executive Director of the former B&CB (*Exhibit C*). Palmetto Railways now seeks approval to accept title to Tract 11, subject to the recommendation of JBRC and approval by SFAA of the Consent Settlement Agreement.

B. Properties Necessary for Southern Connection to NBIF

The State's comprehensive rail plan calls for an equal dual access intermodal facility to serve the Port of Charleston. Palmetto Railways must acquire additional properties to provide southern access to the NBIF, which will provide equal dual rail service to the Class I railroads from the north and the south. The dual access from each end of the facility also balances the impacts on the surrounding community of the intermodal train traffic to and from the Port. With reference to the attached map, the anticipated southern connection to the facility requires acquisition of the LIME GREEN properties south of the facility. There are 11 separate parcels comprising a total of 12.5 acres with a total estimated FMV of \$14.88 million.² Palmetto Railways seeks approval to acquire these properties by purchase or condemnation.

C. Properties Needed for Northern Connection

Palmetto Railways already owns most of the properties needed to implement the northern connection to the NBIF, but there are a couple of parcels that Palmetto Railways will or may need to acquire that are directly or indirectly impacted by the facility.

¹ The total cost of all the remaining properties to be acquired, including the previously approved buffer properties, is not expected to exceed \$22 million.

² The cost and acreage for each individual parcel has been provided to JBRC staff.

1. Low Country Orphan Relief Property

Palmetto Railways and the Secretary of Commerce have had multiple communications with the Director of Low Country Orphan Relief (“LCOR”) about options to mitigate any actual or perceived negative effects of the NBIF on LCOR’s operations. (LCOR is located on property depicted in MINT GREEN on the attached map northwest of the NBIF and surrounded by property already owned by Palmetto Railways.) Palmetto Railways has offered to purchase LCOR’s property for FMV so that LCOR can relocate its operations. To date, LCOR has not seriously entertained any offer made by Palmetto Railways and has insisted that Palmetto Railways relocate the planned rail lines or purchase LCOR’s property for substantially more than the appraised FMV of \$956,000. (Appraisal Summary attached as *Exhibit D*.) Palmetto Railways plans to take reasonable steps to mitigate any negative effects of the NBIF on LCOR’s operations, but seeks approval to purchase LCOR’s property for FMV should LCOR determine that relocating is in LCOR’s best interest.³ If Palmetto Railways acquires the property, Palmetto Railways intends to market it for FMV sale or lease as a distribution center (or other appropriate commercial purpose), subject to requisite state approval. Palmetto Railways has no plans to use the LCOR property for state operations.

2. Tarpley House

This residential property is depicted in MINT GREEN on the attached map north of the facility and is immediately adjacent to three commercial properties. Palmetto Railways has offered to purchase the property for its appraised FMV value of \$440,000 because of the close proximity of the planned rail line. Palmetto Railways intends to market the property for FMV sale or lease for a commercial purpose consistent with adjacent properties, subject to requisite state approval. (Appraisal Summary attached as *Exhibit E*.) Palmetto Railways has no plans to use the Tarpley house for state operations.

D. Construction of New Pump Station for North Charleston Sewer District

Palmetto Railways also seeks Phase I and Phase II approval to cause the construction of a new pump station on buffer parcels previously approved for acquisition in February/March 2016 (buffer parcels depicted in BLUE on *Exhibit A*). Subject to approval by SFAA, Palmetto Railways will transfer the new pump station to the North Charleston Sewer District (“NCSD”) as compensation for the condemnation of an existing pump station located on former Tract 18, an essential parcel required for the NBIF. Because the new pump station will be relocated to properties Palmetto Railways is approved to acquire for the 100 foot buffer, the relocation of the pump station from public property to public property will be tax neutral. A map showing the detail of the existing pump station on Tract 18 and the proposed location of the new pump stations is reflected on the Relocated Pump Station Exhibit attached *Exhibit F*.

E. JBRC Policy Waiver

Palmetto Railways requests that JBRC waive any requirement that Palmetto Railways obtain a letter of support from the City of Charleston or the Charleston County School District. Palmetto Railways is in ongoing negotiations with the City of Charleston with regard to the mitigation of impacts from the southern connection, all of which must be acceptable to USACE. Palmetto Railways also continues to be involved in pending litigation

³ At present, Palmetto Railways expects LCOR to remain in its current location and does not expect that it will need to purchase the LCOR property.

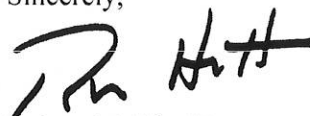
with the school district in the condemnation of Tract 11.⁴ Letters of support from the City of North Charleston and Charleston County will be provided to JBRC staff prior to the October 25 meeting.

III. REQUEST FOR APPROVAL SUMMARY

As described more fully above, the Department of Commerce and Palmetto Railways respectfully request that JBRC take the following actions, subject to appropriate environmental due diligence and fair market value limitations:

1. Approve the acceptance by Palmetto Railways of title to Tract 11.
2. Approve Phase I and II acquisition of 11 separate properties totaling 12.5 acres that are otherwise referenced herein for not more than FMV.
3. Approve Phase I and II acquisition of LCOR's property for not more than FMV.
4. Approve Phase I and II acquisition of the Tarpley House for not more than FMV.
5. Approve the Phase I and II construction of a new pump station to replace the existing pump station Palmetto Railways condemned.
6. Waive the requirement that letters of support be obtained from the City of Charleston and the Charleston County School District.

Sincerely,



Robert M. Hitt III

Cc: Jeff McWhorter, President, Palmetto Railways
Karen Blair Manning, Chief Legal Counsel
Chris Huffman, Chief Financial Officer

RMHIII/km
Attachments

⁴ The limited special referee has determined that the school district has only an equitable interest in just under four acres of Tract 11, but the circuit court still must determine what, if any, value that interest has.

EXHIBIT A

(MAP: Potential Acquisitions for NBIF)

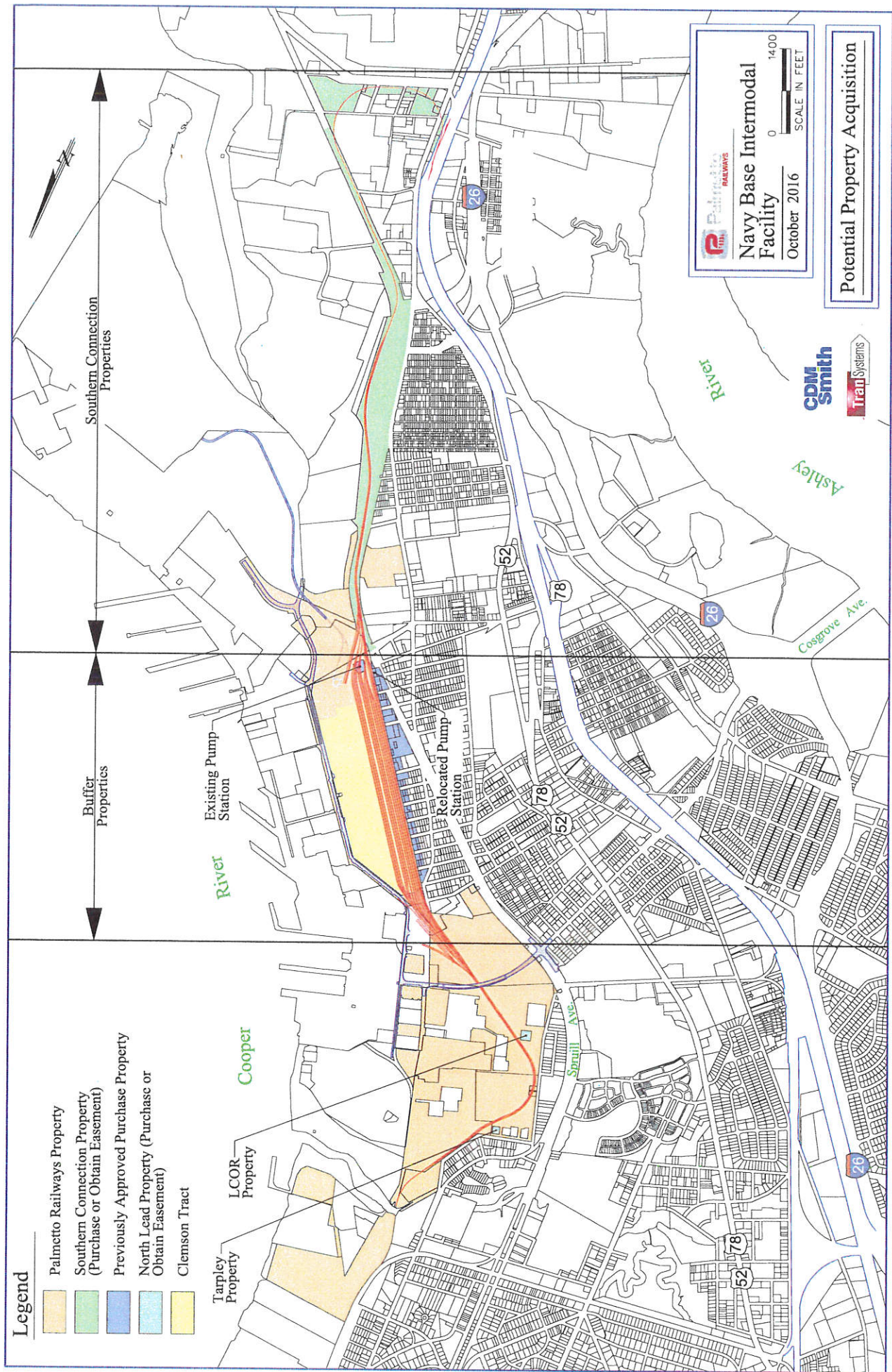
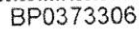


EXHIBIT B

(Consent of Possession)



11

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THIS AGREEMENT (the "Consent of Possession") is made this 4th day of November, 2013 (the "Effective Date"), by and between CLEMSON UNIVERSITY, hereinafter called "Owner," and the SOUTH CAROLINA DEPARTMENT OF COMMERCE, DIVISION OF PUBLIC RAILWAYS*, also known as SOUTH CAROLINA PUBLIC RAILWAYS, hereinafter called "Occupant."

WHEREAS, Occupant has filed a condemnation action (the "Condemnation") against Owner, such Condemnation having been filed in the Court of Common Pleas for Charleston County, South Carolina, as Civil **Action No. 2010-CP-10-10495**; and

WHEREAS, the parties have agreed that compensation related to transferring the fee simple title to the Property from Owner to Occupant related to such Condemnation will be cooperatively finalized and will not be in any way affected by this Consent of Possession; and

WHEREAS, the Owner also has a voluntary cleanup contract (a "VCC") with the South Carolina Department of Health and Environmental Control ("SCDHEC") for the Property, VCC 07-5044-NRP (the "Clemson VCC"); and

37

WHEREAS, Occupant desires in advance of taking fee simple title to the Property that it obtain full access and possession of the Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged by the parties hereto, the Owner hereby transfers to Occupant possession of the Property upon the following terms and conditions:

1. ACCESS AND POSSESSION. Owner hereby grants to Occupant, its successors and assigns, complete possession of the Property pursuant to S.C. Code Ann. Sec. 28-2-90. Occupant acknowledges that upon the execution of this Consent of Possession (a) the Property shall be possessed and held by Occupant as if fee simple title were held by Occupant; (b) that Occupant shall be responsible for environmental conditions of the Property under the Occupant VCC after the date hereof; and (c) that Owner has no further responsibility for any condition of the Property or any improvements thereon under the Clemson VCC. Owner agrees and acknowledges that this Consent of Possession shall not operate to release, relieve or waive any liabilities that have arisen or may arise in the future under the Comprehensive Environmental Response, Compensation and Liability Act, during Owner's ownership prior to the Effective Date of this Consent of Possession. Until Occupant takes fee simple title to the Property, Owner agrees to cooperate with SCDHEC and shall encumber the Property with covenants and restrictions, if SCDHEC requires such under the Occupant VCC.

2. TERM. The term of this Consent of Possession shall commence on the date first written above and shall continue until such time as Owner conveys fee simple title to the Property to Occupant. At the closing, Owner shall convey and transfer to Occupant, by quit-claim deed, fee simple title to the real property portion of the Property; by bill of sale to any personal property; and by assignment, any other rights, title and interest, if any which Owner may have in the Property and any appurtenances related thereto.

3. COMPENSATION NOT AFFECTED. Owner and Occupant agree that the proceeds of the above-referenced Condemnation action by the Division shall not be affected in any way by this Consent of Possession. Owner and Occupant acknowledge that pursuant to the requisite condemnation statutory provision that the date of valuation for purposes of the award of any compensation for the condemnation is the date of filing of the complaint, namely December 23, 2010.

4. TAXES. Pursuant to S.C. Code Ann. Sec. 28-2-110 ad valorem real estate taxes and assessments, if any, shall be prorated as of the Effective Date with Occupant, which, as a State entity, shall promptly abate ad valorem real estate taxes and assessments.

5. ENCUMBRANCES.

(A.) Owner covenants that Owner will not enter any agreement to further alter, alienate, or encumber in any way Owner's title to, market, sell, grant a security interest in, or otherwise dispose of, any portion of the Property (or any interest or estate therein), and shall not enter onto the Property after the Effective Date of this Consent of Possession without Occupant's consent. Upon Occupant's request for easements for electric power or other utilities to support Occupant's use or development of the property, Owner shall cooperate and execute such instruments. Further, Owner agrees to encumber the Property if SCDHEC requires that the Occupant record environmental declaration of covenants and/or restrictions pursuant to the Occupant VCC and/or additional land use and/or engineering controls (collectively, "environmental encumbrances") if required under the Navy Resource Conservation and Recovery Act (the "RCRA") Permit. Owner shall promptly sign and provide Occupant within a reasonable time of presentment to Owner by Occupant any environmental encumbrances requested, such reasonable time to allow for Owner's Board of Trustees or other agency approvals.

(B.) Occupant agrees that if easements or expansions of easements for electric power or other utilities are necessary on the Property for Owner's development or activities on properties of Owner adjacent to or near the Property, it shall cooperate and execute such instruments.

6. ENVIRONMENTAL NOTICES. This Consent of Possession is subject to the terms and conditions contained in the Required Environmental Notices (herein so called) attached hereto as **Exhibit B** incorporated herein by reference.

7. NOTICES. All notices, waivers, demands, requests or other communications required or permitted hereunder shall, unless otherwise expressly provided, be in writing and be deemed to have been properly given, served and received (a) if delivered by messenger, when delivered, (b) if mailed, on the third (3rd) business day after deposit in the United States certified or registered mail, postage prepaid, return receipt requested, (c) if faxed, telexed, telegraphed or telecopied, at the time recorded on the transmitting machine receipt, or (d) if delivered by reputable overnight express courier, freight prepaid, on the next business day after delivery to such courier, in every case addressed to the party to be notified as following:

If to Owner, to: Clemson University
 207 Sikes Hall
 Clemson, SC 29634
 Attn: W. C. Hood, Jr., Esquire
 Office: 864-656-3414
 Fax: 864-656-7739
 Email: chip@clemson.edu

With a copy to: Nelson Mullins Riley & Scarborough, LLP
151 Meeting Street, 6th Floor
Charleston, SC 29401
Attn: Newman Jackson Smith, Esquire
Office: 843-534-4309
Fax: 864-534-4350
Email: jack.smith@nelsonmullins.com

If to Occupant, to: Mr. Jeffrey M. McWhorter, President and CEO
SOUTH CAROLINA PUBLIC RAILWAYS
540 East Bay Street
Charleston, South Carolina 29403
Office: 843-727-2067
Fax: 843-727-2005
Email: Jeff.McWhorter@SCRailways.com

With a copy to: Chaun W. Pflug, Esquire
The Pflug Law Firm, LLC
211 Scott Street
Mt. Pleasant, South Carolina 29464
Office: 843-647-7774
Fax: 866-446-6170
Email: cpflug@pfluglaw.com

And: L. Patricia Wharton, Esquire
Whitener & Wharton, P.A.
2001 Park Street
Columbia, South Carolina 29201
Office: 803-779-7830
Fax: 803-765-4649
Email: twharton@wwlawsc.com

or to such other address(es) or addressee(s) as any party entitled to receive notice hereunder shall designate to the others in the manner provided herein for the service of notices. Rejection or refusal to accept or inability to deliver because of changed address or because no notice of changed address was given, shall be deemed receipt.

8. QUIET POSSESSION. Owner covenants and agrees not to interfere with or hinder Occupant's quiet and peaceful possession of the Property under this Consent of Possession, and not to enter onto the Property without the consent of Occupant. This covenant and any and all other covenants of Owner shall be binding upon Owner only with respect to breaches occurring during the period prior to fee simple title passing to Occupant.

9. INDEMNITY. Owner and Occupant acknowledge and agree that they are governmental entities of the State of South Carolina insured by the South Carolina Insurance Reserve Fund under a General Tort Liability Policy, each with purchased coverage sufficient to protect Owner and Occupant from all claims, damages, and costs related to any occupancy or use of the Property by Occupant, its employees, agents, and contractors, and until fee simple title is transferred from Owner to Occupant under the Condemnation action.

10. HEADINGS. The use of headings herein is solely for the convenience of indexing the various paragraphs hereof and shall in no event be considered in construing or interpreting any provision of this Consent of Possession.

11. GOVERNING LAW. The validity, performance and enforcement of this Consent of Possession and the rights and obligations of the parties hereto shall be interpreted, construed, and enforced in accordance with the laws of the State of South Carolina and the parties agree that the proper venue shall be in **Charleston County, South Carolina.**

12. PARTIES. The term "Owner," as used in this Consent of Possession, shall include Clemson University and its successors and assigns. The term "Occupant" shall include South Carolina Public Railways and its successors and assigns.

13. BINDING PROVISIONS. The provisions, covenants and conditions of this Consent of Possession shall be binding upon and inure to the benefit of successors and assigns of the parties hereto.

[The remainder of this page has been intentionally left blank.
See following pages for signatures of the parties.]

IN WITNESS WHEREOF, the parties hereto have executed this Consent of Possession to be effective as of the day and year first above written.

Signed, Sealed and Delivered
In the Presence of:

Owner:
CLEMSON UNIVERSITY

Susan Reigler
John B. Ray

By: David H. Wilkins

Print Name: David H. Wilkins
Title: Chairman, Board of Trustees
Date: 11/1/13

STATE OF SOUTH CAROLINA)
COUNTY OF Greenville)

ACKNOWLEDGMENT

PERSONALLY APPEARED before me, David H. Wilkins, who being first duly sworn by me, acknowledged that (s)he is the Chairman Board of Trustees of CLEMSON UNIVERSITY; and that the foregoing written instrument was signed and sealed by him/her on behalf of said entity by its authority duly given and that (s)he acknowledged said writing to be the act and deed of said entity; and that (s)he was personally known to me, or who provided evidence satisfactory to me that (s)he was the person described in, and who executed, the foregoing instrument.

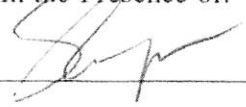
WITNESS my hand and official seal this 1 day of November, 2013.

Tammy L. Rallier (Seal)
Notary Public for South Carolina
My Commission expires: 10/10/2017

IN WITNESS WHEREOF, the parties hereto have executed this Consent of Possession to be effective as of the day and year first above written.

Signed, Sealed and Delivered

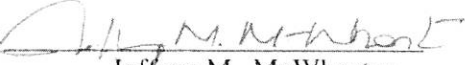
In the Presence of:


Martha B. Jenkins

Occupant:

SOUTH CAROLINA PUBLIC RAILWAYS

*

By: 

Jeffrey M. McWhorter

Its: President and CEO

Date: 11-4-13

STATE OF SOUTH CAROLINA)

)

COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

PERSONALLY APPEARED before me, Jeffrey M. McWhorter, who being first duly sworn by me, acknowledged that he is the President and CEO of SOUTH CAROLINA PUBLIC RAILWAYS; and that the foregoing written instrument was signed and sealed by him on behalf of said entity by its authority duly given and that he acknowledged said writing to be the act and deed of said entity; and that he is personally known to me, or who provided evidence satisfactory to me that he was the person described in, and who executed, the foregoing instrument.

WITNESS my hand and official seal this 4th day of November, 2013.

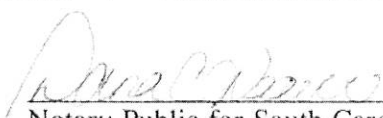
 (Seal)
Notary Public for South Carolina
My Commission expires: 8-23-2011

EXHIBIT A

Legal Description of Property

TRACT 11:

All that piece, parcel or tract of land, together with the buildings and improvements thereon, situated, lying and being the City of North Charleston, Charleston County, South Carolina, containing **69.963 Acres**, more or less, and shown as "NEW LOT B" on a plat entitled "PLAT SHOWING THE ABANDONMENTS OF PROPERTY LINES AND THE COMBINING OF TMS PARCELS 400-00-00-050; 400-00-00-076; 400-00-00-077; 400-00-00-078; 40000-00-100; 400-00-00-115 TO CREATE NEW LOT A 14.981 ACRES: LOT B 69.963 ACRES: LOT C 10.00 ACRES LOCATED FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SC", prepared by Forsberg Engineering and Surveying, Inc., dated July 31, 2007, and revised August 28, 2007, and recorded in the RMC Office for Charleston County in **Plat Book EK at pages 968 and 969**.

SAID parcel having such metes, bounds, buttings, dimensions and boundaries as reference to said plat more fully and at large appear.

TOGETHER WITH a non-exclusive right of access in common with the City of North Charleston, its successors and assigns and others over existing roads controlled by the United States of America that access the said parcels, as said roads may be relocated from time to time.

This being the same property heretofore conveyed to Clemson University by Quit-Claim Deed of the City of North Charleston, dated February 28, 2007 and recorded September 21, 2007 in **Deed Book F-639 at page 773**; and by Quit-Claim Deed of the City of North Charleston, dated February 8, 2010 and recorded February 9, 2010 in **Deed Book 106 at page 292**.

FOR INFORMATIONAL PURPOSES ONLY: TMS Nos. **400-00-00-050 and 400-00-00-180**

EXHIBIT B

Required Environmental Notices

Notice: This Property is subject to Declaration of Covenants and Restrictions recorded in **Record Book J-550 at page 560** in the RMC Office for Charleston County, South Carolina.

In addition, the conveyance is subject to terms of a RCRA Hazardous Waste Permit No. SC01700022560, as amended and issued by the South Carolina Department of Health and Environmental Control ("SCDHEC"). Pursuant to the aforementioned permit, all Land Use Controls ("LUCs") that exist for Solid Waste Management Units ("SWMUs") and/or Areas of Concern ("AOCs") identified in the RCRA Hazardous Waste Permit, Appendix A-8 are incorporated into the property conveyance, and Grantee is provided notice of existing site conditional, LUCs, and Covenants and Restrictions. In addition, SCDHEC has approved a Land Use Control Management Plan for the aforementioned RCRA permit, as amended. Any land disturbing activity, or change in land use at the Property must be performed in accordance with the terms of the aforementioned RCRA Hazardous Waste Permit, the Land Use Control Management Plan, and the aforementioned Declaration of Covenants and Restrictions. In addition, the following deeds contain notices, covenants, and limitations regarding future use of the Property:

Deeds from the United States of America to:	Dated:	Recorded:	in Book at Page	
Charleston Naval Complex Redevelopment Authority	09/08/2000	11/15/2002	W-425	593
Charleston Naval Complex Redevelopment Authority	07/10/2003	08/19/2004	M-506	229
Charleston Naval Complex Redevelopment Authority	07/10/2003	08/19/2004	M-506	268
Charleston Naval Complex Redevelopment Authority	05/12/2005	07/12/2005	O-544	666

The Property is also subject to Voluntary Cleanup Contract 13-6158-NRP, which was executed by the South Carolina Department of Health and Environmental Control on March 19, 2013.

Pursuant to the deeds from the United States of America to the RDA, referenced above, notification to future purchasers has been made regarding the existence of lead based paint ("LBP") and related primers on the exterior and interior of buildings where applicable. Notice of asbestos containing materials ("ACM") is further provided. ACM abatement actions were undertaken to address all known friable, damage, an accessible ACM; however, other ACM may still exist. Exhibits to the conveyances from the United States of America to the RDA contain notices of the location and type of hazardous substances that were stored, released and subject to response activities by the United States.

In addition, pursuant to 42 U.S.C. 9620(h)(3)(A)(ii)(II) any remedial actions found to be necessary after the dates set forth above by which the United States transferred the Property to RDA, shall be performed by the United States.

Subsequent owners are bound by all notices, Land Use Controls and Covenants under the deeds from the United States of America to the RDA. In addition, SCDHEC is a third party beneficiary of the Land Use Controls. Such controls *inter alia* provide use restrictions, soil and site disturbance restrictions, and groundwater use restrictions. Furthermore, pursuant to 42 U.S.C. 9620(h)(3)(A)(i), the United States is granted access to the Property for the express purpose of conducting any remedial action or corrective action which is found to be necessary. Additionally, SCDHEC is granted access as necessary for oversight.

Pursuant to 42 U.S.C. 9620(h)(3)(A)(ii), the United States has, in the deeds from the United States of America to the RDA, made a covenant that all remedial actions necessary to protect human health and the environment with respect to hazardous substances remaining on the Property have been undertaken prior to the dates of transfer to the RDA and any additional remedial action found to be necessary after the dates of transfer by the United States shall be conducted by the United States.

RECORDER'S PAGE



Per 7302
NOTE: This page MUST remain
with the original document

DW
Filed By:

SIMONS & DEAN ATTY AT LAW
147 WAPPOO CREEK DR
STE 604
CHARLESTON SC 29412

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Charleston County, SC

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Maker:

CLEMSON UNIVERSITY

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Note:

Recipient:

SC DEPT OF COMM ETC AL

Recording Fee \$ 10.00

Extra Reference Cost \$ -

Extra Pages \$ 6.00

Postage \$ -

Chattel \$ -

TOTAL \$ 16.00

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EXHIBIT C

(B&CB Staff Approval of Consent of Possession)

NIKKI HALEY, CHAIRMAN
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

Office of the Executive Director
Marcia S. Adams

(803) 734-2320
(803) 734-2117

HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE
COMMITTEE

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

September 30, 2013

James F. Barker, FAIA
President
Clemson University
201 Sikes Hall
Clemson, South Carolina 29634-5002

RE: Consent of Possession Agreement between Clemson University and the South Carolina
Department of Commerce, Division of Public Railways

Dear President Barker:

I am in receipt of your letter dated September 13, 2013. In your letter, you request confirmation that an enclosed Consent of Possession agreement between Clemson University and the South Carolina Department of Commerce, Division of Public Railways ("Public Railways") does not require further approval of the State Budget and Control Board.

It is our understanding that the Consent of Possession agreement involves property currently titled in the name of Clemson University (the "Clemson Tract"), but subject to condemnation by Public Railways for the purpose of locating an equal dual access intermodal container transfer facility ("ICTF") to serve the Port of Charleston. It is also our understanding that Public Railways condemned the Clemson Tract on December 23, 2010, so that the property could serve as the primary location of the ICTF. State law allows a condemnor to take possession of property in a number of ways, one of which being through "the written consent of the record owner or owners of the fee simple property." S.C. Code Ann. § 28-2-90. You have informed the Board that because Public Railways' taking possession of the condemned property is a necessary by-product of the statutorily authorized condemnation, Clemson University has agreed to enter into the Consent of Possession agreement.

In light of the prior actions taken by the State Budget and Control Board related to the acquisition of property for purposes of the ICTF and the statutory authorization for the Consent of Possession provided in state law, further Budget and Control Board approval of the enclosed Consent of Possession agreement is not required in order for Clemson University and Public Railways to execute such agreement. This confirmation is limited to the specific request contained in your letter of September 13, 2013.

Please let me know if you have any questions or if I can be of any further assistance to you now or in the future.

Sincerely,

Marcia Adams

EXHIBIT D

(Low Country Orphan Relief Property Appraisal)

APPRAISAL REPORT

- (1) Tract Location: 1850 Truxtun Ave
Property Owner: Lowcountry Orphan Relief
Address: 1850 Truxtun Avenue, N. Chas, SC 29405



Front View of Subject Property

PREPARED FOR:
Palmetto Railways

- (2) Prior to inspection the owner was contacted by letter and invited to be present during inspection of this property. The tract was inspected on March 30, 2016, and I was accompanied by Ms. Young, the property owner, and again on June 25, 2016.

Required by Sec. 301(2) of Uniform Act.

Explain: (Why not accompanied relation of representative, items discussed, etc.)

A letter was sent to the property owner extending an invitation to attend the inspection. A response was received from Ms. Young, the property owner. An inspection was scheduled for March 30, 2016. At the inspection, the acquisition areas, location of the new R/W, the office buildings, characteristics of the property and appraisal process were discussed.

PREPARED BY:

- (3) Inspecting Appraiser: William Ford
S.C. State Certified General R/E Appraiser #: CG 2978
Firm Name: Appraisal Services of South Carolina, Inc.

APPRAISAL SUMMARY

- (4) Property Owner: Lowcountry Orphan Relief
 Tract Location: 1850 Truxtun Ave, N. Chas, SC 29405
 Date of Appraisal: 7/1/2016 Date of Value: 6/25/2016

(5)	DESCRIPTION	BEFORE	AFTER
	Present Use:	General Office	General Office
	Number of Buildings:	2	2
	Primary Improvement Size: (Stated in units of comparison)	9,369 SF	9,369 SF
	# Parking Spaces:	20+ Off Street	20+ Off Street
	Corner Influence:	No	No
	Primary Frontage (Linear Feet):	170.0 +/-	170.0 +/-
	Total Frontage(s) (Linear Feet):	170.0 +/-	170.0 +/-
	Ingress/Egress: Primary Road Secondary Road(s)	Full Access None	Full Access None
	Zoning Conformity:	PDD – Conform	PDD – Conform

	Site Size (SF):	27,443 SF +/-	25,700 SF +/-
(6)	Site Size (Ac.):	0.63 +/- Ac	0.59 +/- Ac
	Present or Intended Use of Site:	General Office	General Office
	Shape:	Rectangular	Irregular
	Size of Acquisition:	0.04 Ac or 1,742 SF	

(7)	HIGHEST AND BEST USE		
	As Vacant:	Commercial-Based	Commercial-Based
	As Improved:	Commercial-Based	Commercial-Based

(8)	Annual Market Rent:	\$ N/A	\$ N/A
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(9)	VALUE INDICATIONS		
	Land Value:	\$ 126,000	\$ 118,000
	Sales Comparison Approach:	\$ 956,000	\$ 699,000
	Cost Approach:	\$ N/A	\$ N/A
	Income Approach:	\$ N/A	\$ N/A
	Final Value Indications:	\$ 956,000	\$ 699,000

(10)	Value of Acquisition:	\$ 257,000
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EXHIBIT E

(Tarpley House Appraisal)

APPRAISAL REPORT

- (1) Tract Location: 1795 Avenue F
Property Owner: Michael J. & Charlsie R. Tarpley
Address: 1795 Avenue F, N. Chas, SC 29405



Front View of Subject Property

PREPARED FOR:
Palmetto Railways

- (2) Prior to inspection the owner was contacted by letter and invited to be present during inspection of this property. The tract was inspected on March 30, 2016, and I was accompanied by Ms. Tarpley, the property owner, and again on June 25, 2016.

Required by Sec. 301(2) of Uniform Act.

Explain: (Why not accompanied relation of representative, items discussed, etc.)

A letter was sent to the property owner extending an invitation to attend the inspection. A response was received from Ms. Tarpley, the property owner. An inspection was scheduled for March 30, 2016. At the inspection, the acquisition areas, location of the new R/W, the office buildings, characteristics of the property and appraisal process were discussed.

PREPARED BY:

- (3) Inspecting Appraiser: William Ford
S.C. State Certified General R/E Appraiser #: CG 2978
Firm Name: Appraisal Services of South Carolina, Inc.

APPRAISAL SUMMARY

- (4) Property Owner: Michael J. & Charlsie R. Tarpley
 Tract Location: 1795 Avenue F, N. Chas, SC 29405
 Date of Appraisal: 7/1/2016 Date of Value: 6/25/2016

(5)	DESCRIPTION	BEFORE	AFTER
	Present Use:	Residential	Residential/Office
	Number of Buildings:	1	1
	Primary Improvement Size: (Stated in units of comparison)	3,383 SF	3,383 SF
	# Parking Spaces:	2+ Off Street	2+ Off Street
	Corner Influence:	No	No
	Primary Frontage (Linear Feet):	120.0 +/-	120.0 +/-
	Total Frontage(s) (Linear Feet):	120.0 +/-	120.0 +/-
	Ingress/Egress: Primary Road Secondary Road(s)	Full Access None	Full Access None
	Zoning Conformity:	PDD – Conform	PDD – Conform

	Site Size (SF):	14,375 SF +/-	14,288 SF +/-
(6)	Site Size (Ac.):	0.330 +/- Ac	0.328 +/- Ac
	Present or Intended Use of Site:	Residential	Residential/Office
	Shape:	Rectangular	Mostly Rectangular
	Size of Acquisition:	0.002 Ac or 87 SF	

(7)	HIGHEST AND BEST USE		
	As Vacant:	Commercial-Based	Commercial-Based
	As Improved:	Commercial-Based	Commercial-Based

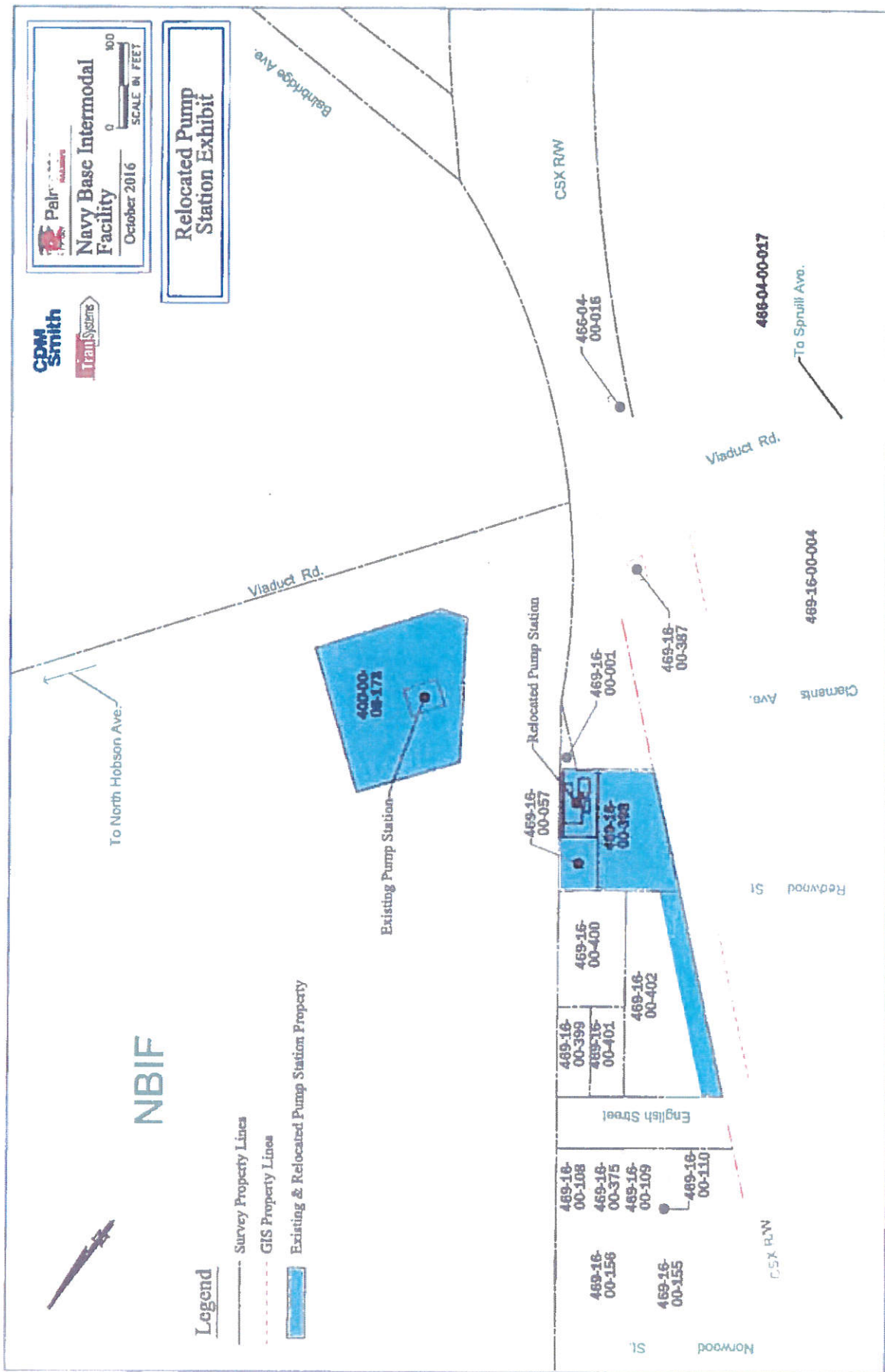
(8)	Annual Market Rent:	\$ N/A	\$ N/A
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(9)	VALUE INDICATIONS		
	Land Value:	\$ 71,500	\$ 71,000
	Sales Comparison Approach:	\$ 440,000	\$ 328,950
	Cost Approach:	\$ N/A	\$ N/A
	Income Approach:	\$ N/A	\$ N/A
	Final Value Indications:	\$ 440,000	\$ 328,950

(10)	Value of Acquisition:	\$ 111,050
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EXHIBIT F

(Relocation Pump Station Exhibit)



JOINT BOND REVIEW COMMITTEE
Meeting of October 25, 2016

Item Number 4

AGENCY: Department of Administration, Executive Budget Office

PROJECT/SUBJECT: Permanent Improvement Project Requests

There are 13 additional Permanent Improvement projects pending as follows:

- 6 Establish Phase I, Pre-Design Budget
- 5 Establish Phase II, Construction Budget
- 2 Final Land Acquisition

COMMITTEE ACTION:

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

ATTACHMENTS:

Project Requests Worksheet - Summary 3-2017

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Executive Budget Office – Capital Budgeting Unit

SUMMARY 3-2017

Summary of Permanent Improvement
Project Actions Proposed by Agencies
August 19, 2016 through September 29, 2016

Forwarded to JBRC 10/25/16

Permanent Improvement Projects

Summary Background Information:

Establish Project for A&E Design

- (a) Summary 3-2017: JBRC Item 1. (H15) College of Charleston
Project: 9665, McAlister Residence Hall Renovation
Included in Annual CPIP: No

CHE Recommended Approval: Pending CHE Board approval on 10/24/16

Ref: Supporting document pages 1-7

<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, Housing Revenue	0.00	0.00	0.00	88,980.00	88,980.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>88,980.00</u>	<u>88,980.00</u>

Funding Source: \$88,980 Other, Housing Revenue, which is a self-supporting auxiliary enterprise generated primarily through the Student Housing Fee paid only by students who reside in on-campus housing. The Student Housing Fee is on a sliding scale based on the amenities, number of beds per room, and location of the residence hall or historic home.

Request: Establish project and budget for \$88,980 (Other, Housing Revenue Fund) to begin design work for renovations to McAlister Residence Hall at the College of Charleston. The 152,142 square foot building and system(s) to be renovated are 14 years old. This project will address HVAC issues and structural deficiencies, as well as, refresh the residence hall's exterior and interior paint, flooring, furniture and plumbing fixtures. The elevator's electronic controls will also be upgraded. A concentration of the facility's HVAC units are discharging hot air into corridors requiring the constant use of large noisy centrifugal box fans during warm weather. This will be remedied by installing a new HVAC system on the roof for this section of the building. There will also be select replacement of failing individual suite HVAC units throughout the rest of the facility. Building envelope failures are allowing water intrusion. Visible damage can be seen at window openings and corrosion is suspected on the wall framing meter components. The building envelope will be repaired then waterproofed. The facility provides housing for approximately 535 co-ed underclassman students. The agency estimates that the completed project will cost approximately \$5,932,000.

- (b) Summary 3-2017: JBRC Item 2. (H51) Medical University of South Carolina
Project: 9835, MUSC/SCEO PEER Program Energy Performance Contract 2016
Included in Annual CPIP: No

CHE Recommended Approval: Pending CHE Board approval on 10/24/16

Ref: Supporting document pages 8-16

<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>
Other, E&F Operating Funds	0.00	0.00	0.00	675,000.00	675,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>675,000.00</u>	<u>675,000.00</u>

Funding Source: \$675,000 Other, E&F Operating Funds, which are department generated funds for facilities services provided to others in the university.

Request: Establish project and budget for \$675,000 (Other, E&F Operating Funds) to begin design work for participation in the South Carolina Energy Office's PEER program. MUSC will engage AMERESCO Inc. of Charlotte NC to perform an investment grade audit to identify potential energy savings measures in all MUSC buildings. AMERESCO was selected from a group of three applicants using the RFQ/RFP process in accordance with the SC Consolidated Procurement Code. The investment grade audit will identify potential energy conservation measures and the guaranteed yearly utility cost savings associated with each of those measures. Phase 2 approval will then be requested to implement the measures identified in the investment grade audit that have a reasonable payback period from the guaranteed yearly utility cost savings. The agency reports that they do not have exact costs and the results of the investment grade audit will assist in determining the estimate to complete the project.

- (c) Summary 3-2017: JBRC Item 3. (E24) Office of the Adjutant General
Project: 9792, Anderson RC Facility Upgrades
Included in Annual CPIP: Yes – CPIP Priority 3 of 3 in FY17

CHE Recommended Approval: N/A

Ref: Supporting document pages 17-22

<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 Funds	0.00	0.00	0.00	6,000.00	6,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>6,000.00</u>	<u>6,000.00</u>

Funding Source: \$6,000 Federal Funds, which are CFMO SRM 2065 funds from the National Guard Bureau.

Request: Establish project and budget for \$6,000 (Federal Funds) to begin design work for Federal Missions that require continuous Operational and Information-Technology Support, increased Security & Force Protection, as well as, some changes to the building that are needed to increase its efficiency and suitability of the existing Readiness Center for the Army Air Missile Defense Command (AAMDC) that is stationed at the Anderson RC. The building is 15 years old and is 81,289 square feet. The project will include renovations to the server room and front lobby for approximately 1,340 square feet. The specific items included in this project are as follows: 1) Install a back-up generator and associated switch gear for the server room. 2) Install a dry-type fire suppression system in the server room. 3) Alterations to the existing POV parking lot to improve traffic circulation, force protection standoff distance, and add anti-vehicle barriers. 4) Demo the existing four sets of store-front doors, windows, and in-fill the openings with exterior brick veneer and CMU to match the existing walls along with three new single hollow-metal doors (1 electronic access-controlled entrance & 2 exit only). 5) Alter the existing truck entrance exterior gate to allow a wide enough opening for large tractor-trailer trucks to enter, and also provide dumpster pads/coral. The building is used for program/academic purposes for Unit Administration and soldiers and contractors of the SC Army National Guard and houses 4 staff/contractors in the server room. The agency estimates that the completed project will cost approximately \$400,000 with additional annual operating costs of \$5,000 in year 2 and \$6,000 in year 3.

- (d) Summary 3-2017: JBRC Item 4. (J12) Department of Mental Health
 Project: 9751, Crafts Farrow Campus Electrical Distribution System Renovations
 Included in Annual CPIP: Yes – CPIP Priority 2 of 4 in FY17

CHE Recommended Approval: N/A

Ref: Supporting document pages 23-28

<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, Capital Improvement & Maintenance Fund	0.00	0.00	0.00	54,000.00	54,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>54,000.00</u>	<u>54,000.00</u>

Funding Source: \$54,000 Other, Capital Improvement & Maintenance Funds, which are comprised of irregular one time funds from legal settlements, operating revenue (Medicaid fee-for-service earned revenue), sale of land, and interest earned on the Deferred Maintenance Fund account.

Request: Establish project and budget for \$54,000 (Other, Capital Improvement & Maintenance Fund) to begin design work for the renovation of the Crafts Farrow Campus electrical distribution system located on Farrow Road in Northeast Columbia. The utilities on this campus serve multiple facilities including the G. Werber Bryan Psychiatric Hospital and the Morris Village Alcohol & Drug Addiction Treatment Center, as well as other SCDMH support functions. The Department of Mental Health owns and maintains the electrical substation, as well as the overhead and underground portions of the distribution system. Many of the existing components including the substation, transformers, wooden poles and the pole mounted switches are in poor condition and need to be replaced. Most of the supporting electrical distribution infrastructure is at least 40 years old. Over 4,000 feet of the underground feed cables to Morris Village and Bryan Hospital are over 40 years old, have exceeded their useful life and require replacement. The current population includes approximately 500 clients and approximately 1,000 staff. The agency estimates that the completed project will cost approximately \$3,600,000 with additional annual operating cost savings of \$75,000 in years 1 through 3.

- (e) Summary 3-2017: JBRC Item 5. (N04) Department of Corrections
 Project: 9733, Lee CI – Construct Security Separation Walls in Kershaw and Chesterfield Housing Units
 Included in Annual CPIP: No

CHE Recommended Approval: N/A

Ref: Supporting document pages 29-33

<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, FY16 Carryforward	0.00	0.00	0.00	5,960.00	5,960.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,960.00</u>	<u>5,960.00</u>

Funding Source: \$5,960 Appropriated State, FY16 Carryforward Funds.

Request: Establish project and budget for \$5,960 (Appropriated State, FY16 Carryforward Funds) to begin design work to fabricate a wall that will split the A-Wing side of the Kershaw and Chesterfield Housing Units at Lee Correctional Institution. These two (2) units house the most violent inmates at Lee Correctional Institution. The construction of the secure separation walls in these units will provide the institutional personnel increased control of the inmate population. This should also allow the institutional staff to conduct special inmate programs in smaller more controlled group settings while decreasing the danger to the personnel and inmates. The buildings were constructed in 1993 and are 23 years old. There are 108 inmates and approximately 10 staff members located in the Kershaw A-Wing and 113 inmates and approximately 10 staff members located in the Chesterfield A-Wing. The agency estimates that the completed project will cost approximately \$397,500.

- (f) Summary 3-2017: JBRC Item 6. (P28) Department of Parks, Recreation & Tourism
 Project: 9759, Huntington Beach State Park Education Center Reconstruction
 Included in Annual CPIP: No

CHE Recommended Approval: N/A

Ref: Supporting document pages 34-41

<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, Park Revenue	0.00	0.00	0.00	13,377.00	13,377.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>13,377.00</u>	<u>13,377.00</u>

Funding Source: \$13,377 Other, Park Revenue, which is revenue generated by the SC State Park Service through admissions, cabins, camping, retail sales, etc.

Request: Establish project and budget for \$13,377 (Other, Park Revenue Fund) to begin the preliminary design and cost estimate for the reconstruction of the Education Center along with associated site improvements at Huntington Beach State Park. The previous 15 year old Nature Center burned to the ground due to a lightning strike on July 20, 2016 and the insurance claim is still pending. The new facility will be 4,065 square feet. Annual park attendance is around 500,000 with many visitors utilizing this facility. The agency estimates that the completed project will cost approximately \$891,830.

Establish Construction Budget

- (g) Summary 3-2017: JBRC Item 7. (H59) Orangeburg Calhoun Technical College
 Project: 6106, OCtech Health Sciences and Nursing Building
 Included in Annual CIP: Yes – CIP Priority 2 of 2 in FY18

CHE Recommended Approval: Pending CHE Board approval on 10/24/16

Ref: Supporting document pages 42-54

<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>
FY15-16 Capital Reserve Fund	0.00	0.00	0.00	5,000,000.00	5,000,000.00
Appropriated State, Proviso 118.16 – FY14-15	1,000,000.00	0.00	1,000,000.00	0.00	1,000,000.00
Federal, EDA Grant	0.00	0.00	0.00	1,971,110.00	1,971,110.00
Other, Orangeburg County	0.00	0.00	0.00	500,000.00	500,000.00
Other, Calhoun County	0.00	0.00	0.00	32,000.00	32,000.00
Other, College Funds	0.00	0.00	0.00	3,517,010.00	3,517,010.00
Other, Private Donations	0.00	0.00	0.00	325,000.00	325,000.00
All Sources	<u>1,000,000.00</u>	<u>0.00</u>	<u>1,000,000.00</u>	<u>11,345,120.00</u>	<u>12,345,120.00</u>

Funding Source: \$1,000,000 Appropriated State FY14-15 (Proviso 118.16, nonrecurring funds). \$5,000,000 FY15-16 Capital Reserve Fund. \$1,971,110 Federal, EDA Grant. \$32,000 Other, Calhoun County, which are funds provided through an appropriation. \$500,000 Other, Orangeburg County, which are funds provided from their Capital Project Sales tax fund. \$3,517,010 Other, College Funds, which are funds from their capital projects account comprised mostly of excess operating revenues (mostly excess tuition revenues). \$325,000 Other, Private Donations from the OCtech Foundation.

Request: Increase budget to \$12,345,120 (add \$11,345,120 Appropriated State, Capital Reserve, Federal, Other, Orangeburg & Calhoun Counties, Local and Private Donation Funds) to begin construction of a new health sciences and nursing building to be constructed on the campus of OCtech. This project was established in March 2015 for Phase I, which is now complete. The college has a need for additional classroom and laboratory space in the health sciences and nursing areas. The current nursing and health science facility was constructed in the 1980s and lacks adequate space to operate current programs or add new programs. The college has been forced to use space in nearby industrial bays for its Physical Therapy Assistant, EMT and Patient Care Technician programs. The Advanced Manufacturing programs need this space back. Additional space would also allow the college to consider additional programs, such as occupational therapy, pharmacy tech, electronic health records, and others. The college has evaluated current facilities and believes new construction is the best route for obtaining this desired space. The college has worked with an architect in Phase I to obtain a schematic design and cost estimates. Specifically the proposed

design includes 3 large tiered classrooms, an 8 station nursing simulation lab, a 29 bed nursing skills lab, an instructional laboratory/assessment center, faculty offices, and student study space. The proposed design is a 32,669 square foot facility that will primarily serve the nursing programs (ADN and PN) but some labs, such as the simulation lab, will be used by all health science programs as well. The large tiered lecture rooms will also be available to other programs requiring large capacity lecture rooms. The facility is expected to have 15 faculty offices, but classrooms and labs could serve all nursing and health science programs which is 27 full-time faculty. Three large classrooms could serve a minimum of 200+ students daily. In addition, a new simulation lab could serve 300-400 students in multiple programs. Faculty located in this building will advise approximately 1,100 students, who are either enrolled in health related programs or preparing for entrance into these programs. The agency reports the total project cost of this project is \$12,345,120 with additional operating costs of \$104,000 in year one, \$107,000 in year two, and \$110,000 in year three. The agency also reports the projects date for execution of the construction contract is July 2017 and for completion of construction is October 2018.

- (h) Summary 3-2017: JBRC Item 8. (E24) Office of the Adjutant General
Project: 9793, Armory Revitalization 2016-2017
Included in Annual CPIP: Yes – CPIP Priority 1 of 3 in FY17

CHE Recommended Approval: N/A

Ref: Supporting document pages 55-84

<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>
FY15-16 Capital Reserve Fund	0.00	0.00	0.00	5,000,000.00	5,000,000.00
Federal	0.00	0.00	0.00	5,500,000.00	5,500,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>10,500,000.00</u>	<u>10,500,000.00</u>

Funding Source: \$5,000,000 Capital Reserve Fund. \$5,500,000 Federal, which are Construction and Facilities Management Office's Master Cooperative Agreement funds.

Request: Establish budget and project for \$10,500,000 (Capital Reserve and Federal Funds) to begin the design and repairs/replacements at ten (10) Readiness Centers (aka; Armories). This project request is being requested at Phase II because the funding is legislatively authorized. These centers have been identified as being in the worst condition of disrepair of the 63 Readiness Centers on the CPIP. Only 10 of these were funded fully or partially. Each armory is an average of 65,000 square feet and over 50 years old. Each of these facilities have varying issues that need to be repaired or renovated, but the major cost items include; 1) Roof replacement or repairs. 2) HVAC systems maintenance and/or repairs. 3) Replacing existing exterior windows, doors and storefront systems. 4) Interior renovations of latrines, kitchen, lighting, fire suppression, carpeting/flooring, painting of interior & exterior walls. 5) Electrical system upgrades. 6) Site improvements and repairs of parking lots, stormwater systems, security fencing, security lighting. 7) Foundation, structure and exterior wall repairs. In most cases, items require replacement since they have exceeded their service life. The agency reports the total projected cost of this project is \$10,500,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is May 2017 and for completion of construction is May 2018.

- (i) Summary 3-2017: JBRC Item 9. (J16) Department of Disabilities and Special Needs
 Project: 9902, Statewide-Community Facilities Preventive Maintenance
 Included in Annual CPIP: Yes – CPIP Priority 2 of 9 in FY17

CHE Recommended Approval: N/A

Ref: Supporting document pages 85-94

<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>
Excess Debt Service	7,499.25	0.00	7,499.25	492,450.75	499,950.00
All Sources	<u>7,499.25</u>	<u>0.00</u>	<u>7,499.25</u>	<u>492,450.75</u>	<u>499,950.00</u>

Funding Source: \$499,950 Excess Debt Service Funds, which are funds invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year.

Request: Increase budget to \$499,950 (add \$492,450.75 Excess Debt Service Funds) to begin the replacement of windows, sanitizers, HVAC systems, bathroom accessibility upgrades, routine life-cycle repair and replacement of building systems and components in the Coastal, Midlands, Whitten, and Pee Dee Regions' facilities. The project was established in September 2016 for Phase I, which is now complete. DDSN owns and maintains 65 community residences, administration, and day program buildings around the state. The total square footage for the facilities being updated is 65,136 square feet and the square footage of each varies from 3,547 to 9,215 square feet. The buildings vary in age from 22 years to 38 years old. The estimated number expected to use the community residences affected is 223 consumers plus staff. The agency reports the total project cost of this project is \$499,950 and no additional annual operating costs will result from the project. The agency also reports the projects date for execution of the construction contract is October 2016 and for completion of construction is July 2018.

- (j) Summary 3-2017: JBRC Item 10. (P24) Department of Natural Resources
Project: 9945, Pickens – Sassafras Mountain Observation Tower Project
Included in Annual CIP: No

CHE Recommended Approval: N/A

Ref: Supporting document pages 95-116

<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, Operating Revenue-Sassafras Donations	60,000.00	0.00	60,000.00	373,006.76	433,006.76
Other, Jocassee Trust Fund	0.00	0.00	0.00	250,000.00	250,000.00
Other, Fish & Wildlife Fund-Timber	0.00	0.00	0.00	86,751.24	86,751.24
All Sources	<u>60,000.00</u>	<u>0.00</u>	<u>60,000.00</u>	<u>709,758.00</u>	<u>769,758.00</u>

Funding Source: \$433,006.76 Other, Operating Revenue-Sassafras Donations, which are restricted donations from citizens and other entities. \$250,000 Other, Jocassee Trust Fund, which are the accumulation of donations and contributions. \$86,751.24 Other, Fish & Wildlife Fund-Timber, which are receipts from timber harvests according to land management plans.

Request: Increase budget to \$769,758 (add \$709,758 Other, Operating Revenue-Sassafras Donations, Other, Jocassee Trust Fund and Other, Fish & Wildlife Fund-Timber Funds) to begin final design and construction of the Sassafras Mountain Observation Tower project in Pickens County. The project was established in March 2015 for Phase I, which is now complete. The final project design will produce a structure that blends into the surrounding landscape and is fully compliant with the Americans with Disabilities Act. The observation tower will allow visitors to South Carolina's highest elevation to overlook the Jocassee Gorges Natural Area and points beyond. The structure will offer 1,561 square feet of platform space that can accommodate up to 53 persons at one time. Features in the structure will provide visitors with information about significant landmarks and other points of interest visible from the platform. An ecologically compatible restroom facility will also be constructed for the convenience of visitors to the site. The observation tower and site will be open to the public for viewing wildlife and enjoying nature. When brought for Phase I, the total projected cost of the project was \$600,000. The agency reports that the first estimate was prepared by an architect after the concept was explained. The second was prepared after the design was completed with material costs and labor calculated and it also includes improved access for disabled people as required by the Americans with Disabilities Act. The agency reports that the total projected cost of this project is \$769,758 with additional annual operating costs of \$5,000 in year 1 and \$15,000 in years 2 and 3. The agency also reports the projected date for execution of the construction contract is December 2016 and for completion of construction is June 2017.

- (k) Summary 3-2017: JBRC Item 11. (P24) Department of Natural Resources
 Project: 9954, Darlington-Great Pee Dee HP/Hurricane Creek Bridge Replacement
 Included in Annual CPIP: No

CHE Recommended Approval: N/A

Ref: Supporting document pages 117-124

<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, Heritage Trust Fund	5,250.00	0.00	5,250.00	388,800.00	394,050.00
All Sources	<u>5,250.00</u>	<u>0.00</u>	<u>5,250.00</u>	<u>388,800.00</u>	<u>394,050.00</u>

Funding Source: \$394,050 Other, Heritage Trust Fund, which is funded by a portion of the documentary stamp fee distributed by the Department of Revenue each month and is used to acquire priority areas and to provide minimal facilities and management for the protection of the essential character of priority areas.

Request: Increase budget to \$394,050 (add \$388,800 Other, Heritage Trust Fund) to begin the final design and replacement of the existing concrete Hurricane Creek Bridge on the Great Pee Dee River Heritage Preserve located in Darlington County. The project was established in September 2016 for Phase I, which is now complete. The existing bridge is 50+ years old and was determined to be deficient by SCDOT and was confirmed as such by an independent structural inspection. The condition of the existing bridge limits the ability of the agency to provide rock for maintenance of roads as well as preventing implementation of the timber management plan within the Great Pee Dee Heritage Preserve. The final project design will install a pre-engineered open deck steel span and new concrete approach slabs. The bridge is designed to fully support the weight of traffic which would cross Hurricane Creek. Reinforcing the current span was determined to be cost prohibitive. The recommended replacement structure is designed to support an 80,000 lb. triaxle dump truck typical of the largest vehicles that would traverse the bridge. The removal of piers from the stream bed reduces the potential for obstructions beneath the bridge. Adding rip rap for slope stabilization will also reduce significant impacts to Hurricane Creek. Large groups of visitors will also be able to cross the bridge in large vehicles once again. Once the bridge replacement is complete, the department anticipates resuming timber harvests according to the Great Pee Dee Heritage Preserve Management Plan. Ensuing timber harvest activities should produce receipts to cover the cost of the bridge within eighteen months. The agency reports the total project cost of this project is \$394,050 and no additional annual operating costs will result from the project. The agency also reports the projects date for execution of the construction contract is October 2016 and for completion of construction is April 2017 (weather dependent).

- (1) Summary 3-2017: JBRC Item 12. (H59) Florence-Darlington Technical College
 Project: 6122, Acquisition of property
 (Cosmetology Building & Land in Darlington & Florence County)
 Included in Annual CIP: Yes – CIP Priority 1 of 1 in FY17

CHE Recommended Approval: 09/01/16

Ref: Supporting document pages 125-132

<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 Funds	20,000.00	0.00	20,000.00	1,852,500.00	1,872,500.00
All Sources	<u>20,000.00</u>	<u>0.00</u>	<u>20,000.00</u>	<u>1,852,500.00</u>	<u>1,872,500.00</u>

Funding Source: \$1,872,500 Other, College Funds, which are funds coming from the College's facilities operational budget.

Request: Increase budget to \$1,872,500 (add \$1,852,500 Other, College Funds) to acquire a building currently leased for the Cosmetology program, along with 50.74 acres of vacant land adjacent to Florence-Darlington Technical College. The project was established in March 2016 for Phase I, which is now complete. The leased 11,600 square foot building and 44.38 acres of vacant land is adjacent to two other separated pieces of land, comprised of 16 acres and 1.7 acres, currently owned by the College. This acquisition would place the entire 62 acre tract under ownership of the college. The acquisition also includes a 6.36 acre tract near the college's main campus. The college has grown from 3,956 to 6,215 students in the last 7 years. From 2007 to 2014 it was the fastest growing technical college in the state system, growing by 57%. Facilities on the existing campuses are limiting the growth in many programs. The main campus is essentially landlocked, limiting options for new buildings and parking areas. This property will allow relocation of the Continuing Education Healthcare programs from the downtown Florence Health Science Campus. Thus, opening up space there for the growth of the academic Health Science programs, which have student waiting lists. The acreage available in this acquisition will allow the college the opportunity to add additional buildings to meet academic and instructional expansion needs in the future. The property is being offered to the college by the Florence-Darlington Technical College Educational Foundation for \$1,850,000 and the appraised value of the property is \$1,932,000. The agency reports the total project cost of this project is \$1,872,500 and no additional annual operating costs will result from the project. The agency also reports the projects date for completion is January 2017.

- (m) Summary 3-2017: JBRC Item 13. (H73) Vocational Rehabilitation Department
 Project: 9610, Richland VR Center Land Acquisition
 Included in Annual CIP: Yes – CIP Priority 7 of 9 in FY17

CHE Recommended Approval: N/A

Ref: Supporting document pages 133-145

<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>
Capital Reserve Fund	0.00	0.00	0.00	235,000.00	235,000.00
Federal	20,000.00	0.00	20,000.00	215,000.00	235,000.00
All Sources	<u>20,000.00</u>	<u>0.00</u>	<u>20,000.00</u>	<u>450,000.00</u>	<u>470,000.00</u>

Funding Source: \$235,000 Capital Reserve Fund. \$235,000 Federal, which are funds from the Vocational Rehabilitation Services Grant.

Request: Increase budget to \$470,000 (add \$450,000 Capital Reserve and Federal Funds) to acquire approximately 10 acres of vacant land on Farrow Road in Richland County. The project was established in February 2016 for Phase I, which is now complete. The property is being offered to the agency by the Department of Mental Health for \$450,000 and the appraised value of the property is \$450,000. The land will be used to build an area office and training center that is approximately 35,000 square feet and will have a storage building that is approximately 10,000 square feet for the consolidation of various VR programs, some of which are in leased space, into one location. The land is centrally located to approximately 85% of the client population served in the county, within a 10 mile radius, and the consolidation is estimated to save approximately \$224,000 in annual operation expenditures. The alternative to acquiring this land is to operate from two separate locations which is not efficient and cost effective. The agency reports the total project cost of this project is \$470,000 with additional annual operating cost savings of \$185,601 in years 1 and 2, and \$223,646 in year 3.

JOINT BOND REVIEW COMMITTEEMeeting of October 25, 2016**Item Number 5****AGENCY:** Joint Bond Review Committee**PROJECT/SUBJECT:** Future Meeting Schedule**JANUARY**

S	M	T	W	T	F	S
					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

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28	29					

MARCH

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27	28	29	30	31		

APRIL

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MAY

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29	30	31				

JUNE

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JULY

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24	25	26	27	28	29	30
31						

AUGUST

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28	29	30	31			

SEPTEMBER

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OCTOBER

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23	24	25	26	27	28	29
30	31					

NOVEMBER

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27	28	29	30			

DECEMBER

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18	19	20	21	22	23	24
25	26	27	28	29	30	31

The next tentatively-scheduled meeting of the State Fiscal Accountability Authority is December 13, 2016.

COMMITTEE ACTION:

Schedule next meeting.

ATTACHMENTS:

None

JOINT BOND REVIEW COMMITTEEMeeting of October 25, 2016**Addition to Agenda Package****AGENCY:** Department of Administration, Executive Budget Office**PROJECT/SUBJECT:** Department of Parks, Recreation & Tourism, Hurricane Matthew Recovery

After the regular agenda package for the JBRC meeting was processed and distributed, we received a request from the Department of Parks, Recreation and Tourism for two permanent improvement projects to repair damage caused by Hurricane Matthew. Because the parks generate significant revenue for PRT operations, it is important that the repairs be made as quickly as possible; therefore, PRT is requesting approval to proceed with final design and construction.

Edisto Beach State Park

The storm caused severe damage to the beach-front campground, roads, septic systems, and comfort stations at the park located in Colleton County. Two septic tank systems and the entire utility infrastructure of the campground must be replaced, which includes electric and plumbing to 64 campsites. Campsite fixtures, including grills, fire rings, picnic tables, etc., also must be replaced. The roadways were heavily damaged and require replacement of surface material. Comfort stations require repairs including paint, roofing, fixtures, and walkways.

The campground serves 90,000 visitors per year.

The estimated cost of repairs to Edisto Beach State Park is \$1,000,000. PRT estimates that FEMA will reimburse at 75%, or \$750,000; the remaining 25%, or \$250,000, will be covered with non-recurring state funds.

Hunting Island State Park

Hurricane Matthew brought a nine-foot tidal surge which caused severe damage to the beach-front campground and day-use areas of the park located in Beaufort County. The entire 89-site beach-front campground needs utility replacement and campsite fixtures; two comfort stations are now on the edge of the high tide mark and must be demolished and relocated. In the day-use area, erosion caused significant damage to two restrooms which must be replaced. Also, seven sewer lift stations in the park must be replaced, and six beach access walkways were destroyed and need to be rebuilt to provide safe access to the beach.

The park serves 135,000 visitors per year.

The estimated cost of repairs at Hunting Island State Park is \$2,500,000. PRT estimates that FEMA will reimburse at 75%, or \$1,875,000; the remaining 25%, or \$625,000, will be covered with non-recurring state funds.

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 25, 2016

Regular Agenda

1. Submitted By:

(a) Agency: Department of Parks, Recreation & Tourism:

Yvette Sistare

(b) Authorized Official Signature:

Yvette Sistare

2. Subject: Edisto Beach State Park & Hunting Island State Park – Hurricane Matthew Recovery

3. Summary Background Information:

To begin reconstruction and repair efforts needed for the beachfront campground at Edisto Beach State Park as a result of Hurricane Matthew. The project is being requested bypassing Phase I because of the need to re-open the revenue generating campground as quickly as possible. Hurricane Matthew caused severe damage to the beach front campground, roads, the septic system and comfort stations at the park. Due to the storm surge floodwaters resting in the beach front campground, the entire utility infrastructure needs to be replaced, which includes electric and plumbing to 64 campsites and replacement of two septic tank systems. In addition, all campsite fixtures were lost so there will be a replacement cost for 64 picnic tables, fire rings/grills, etc. The roads were heavily damaged and need replacement surface material. The comfort stations were damaged and require repairs to include painting, roofing, fixtures and walkways. The comfort stations were constructed in 1973 but were renovated within the last 5 years. The park receives 90,000 visitors at the beach front campground each year. The agency reports the total projected cost of this project is \$1,000,000 and no additional operating costs are expected as a result of this project. The agency also reports the projects date for execution of the construction contract is November or December 2016 and for completion of construction is April 2017.

To begin reconstruction and repair efforts needed for the beachfront campground and day use areas at Hunting Island State Park as a result of Hurricane Matthew. The project is being requested bypassing Phase I because of the need to re-open the revenue generating campground and day use areas as quickly as possible. Hurricane Matthew brought a documented nine-foot tidal surge which resulted in significant erosion and flooding. Due to these events, the entire beachfront campground needs utility replacement for 89 campsites and replacement of campsite fixtures. Two campground comfort stations are now on the edge of the high tide mark that will need to be demolished and rebuilt. In addition, due to salt-water damage, four sewer lift stations will have to be replaced. In the day use area, erosion caused permanent damage to two restrooms that will have to be rebuilt and flooding destroyed three sewer lift stations. There were also six beach access walkways in the campground and day use areas that were destroyed that will need to be built to provide safe access to the beach for visitors. The park receives 135,000 visitors at the beach front campground each year. The comfort stations were originally constructed in 1973 but were renovated within the last 5 years. The agency reports the total projected cost of this project is \$2,500,000 and no additional operating costs are expected as a result of this project. The agency also reports the projects date for execution of the construction contract is November or December 2016 and for completion of construction is August 2017.

4. What is JBRC asked to do?

Consider approval of the two Permanent Improvement Projects Phase II.

5. What is the recommendation of the Executive Budget Office?

The EBO has determined that the items are complete and ready for JBRC review.

6. List of Supporting Documents:

- a) Permanent Improvement Project Phase II Project approval for Edisto Beach State Park
- b) Permanent Improvement Project Phase II Project approval for Hunting Island State Park



South Carolina Department of
Parks, Recreation & Tourism

Nikki Haley
Governor

Duane N. Parrish
Director

October 17, 2016

Joint Bond Review Committee
c/o Ms. Dianne Carraway
Director of Research
Senate Finance
111 Gressette Building
Columbia, SC 29202

Dear JBRC Members:

On behalf of the South Carolina Department of Parks, Recreation & Tourism, I would like to express our appreciation for allowing us to appear before you as a Special Item during the upcoming October 25th meeting, and also for your consideration of our request for permission to expediently address the repair needs at the State Parks at Edisto Beach and Hunting Island that resulted from Hurricane Matthew.

As I am sure you can appreciate, both of these parks generate a substantial amount of visitation and revenue for the State Park system. The enclosed document provides a synopsis of the major damages each park experienced during Hurricane Matthew. Because both of these parks generate significant visitor volume, addressing these damages and restoring visitor capacity at these parks as quickly as possible is essential not only for State Parks financial operations, but also for their respective business communities, which directly benefit from the high visitation levels and resultant visitor spending.

I would like to assure you that this agency fully respects the JBRC process, and that this request is, in no way, meant to circumvent the legal requirements for State Government construction projects. SCPRT will follow all procurement requirements and guidelines from the State Engineering Office in the completion of these projects, which will not exceed \$3.5 million. In order to quickly return these parks to a functional capacity, we respectfully request permission to forgo the traditional phased timeline for project review and approval and, instead, conduct these projects on a truncated, mutually-agreed upon procedure.

Thank you, in advance, for your consideration. If you have any questions or concerns, either prior to or following the October 25th meeting, please do not hesitate to contact me.

Sincerely,

Duane Parrish

FOR DEPARTMENT USE ONLY

CHE _____
 JBRC _____
 SFAA _____
 JBRC Staff _____
 ADMIN Staff _____
 A-1 Form Mailed _____
 SPIRS Date _____
 Summary _____

(For Department Use Only)

SUMMARY NUMBER**FORM NUMBER****PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code P28 Name SC Dept. of Parks, Recreation & Tourism
 Contact Person David Simms Phone 803-734-0258

2. PROJECT Project # _____ Name Edisto Beach State Park - Hurricane Matthew Recovery
 Facility # _____ Facility Name Edisto Beach State Park - Beach Front Campground

County Code	15 - Colleton
New/Revised Budget	\$1,000,000.00

Project Type	3 - Repair/Renovate Existing Facilities/Systems
Facility Type	6 - Athletic/Recreational

3. CIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR
 CIP priority number _____ of _____ for FY _____

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	<input checked="" type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION

(Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)

Hurricane Matthew caused severe damage to the beach front campground, roads, the septic system and comfort stations at Edisto Beach State Park. The storm surge floodwaters resting in the beach front campground, the entire utility infrastructure needs to be replaced, which includes electric and plumbing to 64 campsites and replacement of two septic tank systems. In addition, all campsite fixtures were lost, so there would be a replacement cost for 64 picnic tables, fire rings/grills, etc. The roads were heavily damaged and need replacement surface material. The comfort stations were damaged and require repairs to include painting, roofing, fixtures and walkways.

6. OPERATING COSTS IMPLICATIONS

Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES

Estimated Start Date: 11/07/2016 Estimated Completion Date: April 2017
 Estimated Expenditures: Thru Current FY: \$1,000,000.00 After Current FY: _____

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #

1. _____ Land Purchase ----> Land: _____ Acres
 2. _____ Building Purchase ----> Floor Space: _____ Gross Square Feet
 3. _____ Professional Services Fees
 4. _____ Equipment and/or Materials ----> Information Technology _____
 5. _____ Site Development
 6. _____ New Construction ----> Floor Space: _____ Gross Square Feet
 7. 120,000.00 Renovations - Building Interior ----> Floor Space: _____ Gross Square Feet
 8. 650,000.00 Renovations - Utilities
 9. _____ Roofing - _____ Roof Age
 10. _____ Renovations - Building Exterior
 11. _____ Other Permanent Improvements
 12. _____ Landscaping
 13. _____ Builders Risk Insurance
 14. _____ Other Capital Outlay
 15. _____ Labor Costs
 16. _____ Bond Issue Costs
 17. 230,000.00 Other: Roads & Campsite Fixtures
 18. _____ Contingency

\$1,000,000.00 TOTAL PROJECT BUDGET

ENVIRONMENTAL HAZARDS

Identify all types of significant environmental hazards (including asbestos, PCB's, etc.,) present in the project and the financial impact they will have on the project.

Type: _____

Cost Breakdown

Design Services \$ _____
 Monitoring \$ _____
 Abate/Remed \$ _____
 Total Costs \$ 0.00

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund		0.00	0.00 0.00		8895		3603	3603
(6) Appropriated State FY2016-2017		250,000.00	0.00 250,000.00		8895	68800100	1001	3600
(7) Federal FEMA		750,000.00	0.00 750,000.00			78800100		5787 5511
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify)			0.00 0.00 0.00			98800100		3907
TOTAL BUDGET	\$0.00	\$1,000,000.00	\$1,000,000.00					

10. SUBMITTED BY:



Yvette Sistare, Finance Director

Signature of Authorized Official and Title

October 19, 2016

Date

11. APPROVED BY:

(For Department Use Only)

Authorized Signature and Title

Date

Revised 3/30/16

Edisto Beach State Park

Due to Hurricane Matthew storm surge floodwaters resting in the beachfront campground, the entire utility infrastructure needs to be replaced, which includes electric and plumbing to 64 campsites and replacement of two septic tank systems. In addition, all campsite fixtures were lost, so there would be a replacement cost for 64 picnic tables, fire rings/grills, etc. The roads were also heavily damaged and need replacement surface material. There was also damage to the comfort stations that require some rehab such as painting, roofing, walkway repairs, appliance replacement and other small repairs.

Repair water and electric on campsites: \$500,000

Septic system replacement: \$150,000

Road repairs: \$150,000

Table, fire rings/grills, etc.: \$80,000

Comfort Station Rehab: \$120,000

Total cost of the project: \$1,000,000

ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY Code P280 Name SC Dept. of Parks, Recreation & Tourism

2. PROJECT Project # 9760 Name Edisto Beach State Park - Beach Front Campground - Hurricane Matthew

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☐ COSTS ☐ SAVINGS ☒ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1)	\$	\$	\$	\$ 0.00
2)	\$	\$	\$	\$ 0.00
3)	\$	\$	\$	\$ 0.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? ☒ YES ☐ NO
 If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>		<u>AMOUNT</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
TOTAL		\$0.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved.

9. Submitted By: Yvette Sistare Yvette Sistare, Finance Director 10/19/2016
 Signature of Authorized Official and Title Date

**PERMANENT IMPROVEMENT PROJECT INFORMATION FORMAT
FOR PHASE II CONSTRUCTION BUDGET**

1. What is the total projected cost of the project and what is it based on? Please attach a summary of the costs prepared during the A&E pre-design phase to support the total cost.

The estimate is based on SCPRT's Chief Engineer's work with the State Park Service. SCPRT has recently upgraded utilities at several state parks, as well as built and/or renovated comfort stations and day use restrooms.

2. What is/are the source(s) of funds for the construction? If any private or federal funds are included, please attach a letter guaranteeing the availability of the funds.

FEMA is estimated at 75%

3. What is your agency/institution's definition of each fund source to be used for construction? (If any type of fee makes up a portion of the source, what is the fee called, what is the fee amount, and when it was put in place. If there is a statutory authority authorizing the use of the funds for capital projects, please cite the code section.)

FEMA is estimated at 75% and SCPRT is redirecting previously appropriated state capital project funds for the remaining 25%

4. What is the current uncommitted balance of funds for each source listed in 3 above?

The previously appropriated state capital project funds that are being redirected is \$2,300,000

5. If institution or revenue bonds are included as a source, when were the bonds issued? If not issued yet, when is the bond resolution expected to be brought for State Fiscal Accountability Authority approval?

N/A

6. If a student fee is used to fund debt service, what is the current amount of the fee annually or by semester? Please specify which.

N/A

7. Will the use of any funds for construction require an increase in any student fee or tuition? If so, please explain in detail.

N/A

8. Will the project be LEED certified for energy savings and conservation and if so, at what level will it be certified? For projects requiring or using LEED certification, please attach the required cost-benefit analysis and a checklist of items to be used to achieve LEED points or a description of the energy measures to achieve LEED.

No

9. What energy savings/conservation measures will be implemented within the project if the project will not be LEED certified? For projects that do not require/use LEED, please provide a paragraph on energy savings measures to be implemented as part of the project. If there are no energy savings measures included, please state that and explain why.

SCPRT will provide the cost savings measures within the comfort stations through the use of energy saving appliances and building materials.

10. What is the projected date (month and year) for execution of the construction contract?

November/December 2016

11. What is the projected date (month and year) for completion of construction?
April 2017
12. What program(s) are to be included in the constructed or renovated space?
Beach Front Campground
13. What is the total square footage of the building to be renovated or constructed?
64 Campsites and 2 comfort stations
14. If a portion of the building is to be renovated, what is the square footage of the portion that will be included in the renovation?
N/A
15. What is the current age of the building or building systems to be renovated?
The comfort stations were originally built in 1973. However, all were renovated within the last 5 years.
16. If any new space is being added to the facility, please provide demand/usage data to support the need.
N/A
17. What are the estimated numbers of students, faculty, staff and/or clients that are expected to use the space affected by the project or the entire building? (Answer for as many as are applicable.)
90,000 visitors at the beach front campground.
18. If the construction cost increased significantly from the internal estimate (30% or more), what factors caused the cost to increase?
N/A
19. If the contingency is more than 10%, please explain why.
20. If funds are being transferred from another project, what is the current status of the project from which funds are being transferred?
The project funds were appropriated in FY2016-2017 for State Park Piers Repairs and the Oconee Spillway. These projects have not been started. The recovery of Edisto Beach State Park and Hunting Island State Park take priority.
21. Has the project been included in a previous year's CPIP? If so, what was the last year the project was included and for which year, 1-5?
No
22. What are the economic impacts of the project, including job creation and retention? If there are none, please explain.
The potential revenue loss could create a deficit situation for SCPRT. It is imperative these facilities get repaired and back online as quickly as possible. The estimated revenue loss to the State Park Service is estimated to be approximately \$3.0 m. SCPRT is working internally to address the loss through the use of uncommitted appropriated funds.
23. How will your agency/institution address and fund maintenance of this facility construction/renovation?
Revenue generated by the campground will be used support these facilities.

24. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance?

SCPRT does not have a deferred maintenance account.

25. If how maintenance will be addressed and funded for this facility construction/renovation has not been determined yet, what steps are in place to begin to address how your agency/institution will fund maintenance to this and other agency/institution facilities?

SCPRT uses appropriated non-recurring and capital project funds along with earned revenue if available and funds allowed via proviso 49.8 to address deferred maintenance issues.

FOR DEPARTMENT USE ONLY

CHE _____
 JBRC _____
 SFAA _____
 JBRC Staff _____
 ADMIN Staff _____
 A-1 Form Mailed _____
 SPIRS Date _____
 Summary _____

(For Department Use Only)

SUMMARY NUMBER**FORM NUMBER****PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY
 Code P28 Name SC Dept. of Parks, Recreation & Tourism
 Contact Person David Simms Phone 803-734-0258

2. PROJECT
 Project # _____ Name Hunting Island State Park - Hurricane Matthew Recovery
 Facility # _____ Facility Name Hunting Island State Park

County Code	07 - Beaufort
New/Revised Budget	\$2,500,000.00

Project Type	3 - Repair/Renovate Existing Facilities/Systems
Facility Type	6 - Athletic/Recreational

3. CIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR
 CIP priority number _____ of _____ for FY _____

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	<input checked="" type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION
 (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered.
 Attach supporting documentation/maps to fully convey the need for the request.)

The campground and day use areas saw a documented nine-foot tidal surge from Hurricane Matthew, which brought significant erosion and flooding. Due to these events, the entire beachfront campground needs utility replacement for 89 campsites and replacement of campsite fixtures. Two campground comfort stations are now on the edge of the high tide mark that will need to be demolished and rebuilt. In addition, due to salt-water damage, four sewer lift stations will have to be replaced. In the day use area, erosion caused permanent damage to two restrooms that will have to be rebuilt and flooding destroyed three sewer lift stations. There were also six beach access walkways in the campground and day use areas that were destroyed that will need to be built to provide safe access to the beach for visitors.

6. OPERATING COSTS IMPLICATIONS
 Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES
 Estimated Start Date: 11/07/2016 Estimated Completion Date: August 2017
 Estimated Expenditures: Thru Current FY: \$2,000,000.00 After Current FY: \$500,000.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #

- | | | | |
|-----------------|---------------------------------------|------------------------------|-------------------|
| 1. _____ | Land Purchase ----> | Land: _____ | Acres |
| 2. _____ | Building Purchase ----> | Floor Space: _____ | Gross Square Feet |
| 3. _____ | Professional Services Fees | | |
| 4. _____ | Equipment and/or Materials ----> | Information Technology _____ | |
| 5. _____ | Site Development | | |
| 6. 1,415,000.00 | New Construction ----> | Floor Space: _____ | Gross Square Feet |
| 7. _____ | Renovations - Building Interior ----> | Floor Space: _____ | Gross Square Feet |
| 8. 920,000.00 | Renovations - Utilities | | |
| 9. _____ | Roofing - _____ Roof Age | | |
| 10. _____ | Renovations - Building Exterior | | |
| 11. _____ | Other Permanent Improvements | | |
| 12. _____ | Landscaping | | |
| 13. _____ | Builders Risk Insurance | | |
| 14. _____ | Other Capital Outlay | | |
| 15. _____ | Labor Costs | | |
| 16. _____ | Bond Issue Costs | | |
| 17. 165,000.00 | Other: Walkways & Campsite fixtures | | |
| 18. _____ | Contingency | | |

\$2,500,000.00 TOTAL PROJECT BUDGET

ENVIRONMENTAL HAZARDS

Identify all types of significant environmental hazards (including asbestos, PCB's, etc.,) present in the project and the financial impact they will have on the project.

Type: _____

Cost Breakdown

Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ 0.00

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund		0.00	0.00 0.00		8895		3603	3603
(6) Appropriated State FY2016-2017		625,000.00	0.00 625,000.00		8895	68800100	1001	3600
(7) Federal FEMA		1,875,000.00	0.00 1,875,000.00			78800100		5787 5511
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify)			0.00 0.00 0.00			98800100		3907
TOTAL BUDGET	\$0.00	\$2,500,000.00	\$2,500,000.00					

10. SUBMITTED BY:

Yvette Sistare Yvette Sistare, Finance Director
Signature of Authorized Official and Title

October 16, 2016

Date

11. APPROVED BY:

(For Department Use Only)

Authorized Signature and Title

Date

Revised 3/30/16

Hunting Island State Park

The campground and day use areas saw a documented nine-foot tidal surge from Hurricane Matthew, which brought significant erosion and flooding. Due to these events, the entire beachfront campground needs utility replacement for 89 campsites and replacement of campsite fixtures. Two campground comfort stations are now on the edge of the high tide mark that will need to be demolished and rebuilt. In addition, due to salt-water damage, four sewer lift stations will have to be replaced. In the day use area, erosion caused permanent damage to two restrooms that will have to be rebuilt and flooding destroyed three sewer lift stations. There were also six beach access walkways in the campground and day use areas that were destroyed that will need to be built to provide safe access to the beach for visitors.

Repair water and electric on campsites: \$600,000

Campground Comfort Stations: \$915,000*

These replacement facilities must meet code requirements for ADA accessibility and be constructed of flood proof material due to the proximity to the ocean and being built on ground level for accessibility purposes.

Four lift stations: \$200,000

Table, fire rings/grills, etc.: \$85,000

Day use restrooms: \$500,000

Three lift stations: \$120,000

Six walkways: \$80,000

Total cost of the project: \$2,500,000

ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY Code P280 Name SC Dept. of Parks, Recreation & Tourism

2. PROJECT Project # 9761 Name Hunting Island State Park - Hurricane Matthew Recovery

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

☐ COSTS ☐ SAVINGS ☒ NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1)	\$	\$	\$	\$ 0.00
2)	\$	\$	\$	\$ 0.00
3)	\$	\$	\$	\$ 0.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? ☒ YES ☐ NO
 If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>		<u>AMOUNT</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
TOTAL		\$0.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved.

9. Submitted By: Yvette Sistare Yvette Sistare, Finance Director 10/19/2016
 Signature of Authorized Official and Title Date

**PERMANENT IMPROVEMENT PROJECT INFORMATION FORMAT
FOR PHASE II CONSTRUCTION BUDGET**

1. What is the total projected cost of the project and what is it based on? Please attach a summary of the costs prepared during the A&E pre-design phase to support the total cost.

The estimate is based on SCPRT's Chief Engineer's work with the State Park Service. SCPRT has recently upgraded utilities at several state parks, as well as built and/or renovated comfort stations and day use restrooms providing a solid history. The State Park Service replace lift stations at Myrtle Beach State Park a few years ago and that is being used for estimates for the lift stations at Hunting Island State Park.

2. What is/are the source(s) of funds for the construction? If any private or federal funds are included, please attach a letter guaranteeing the availability of the funds.

FEMA is estimated at 75%

3. What is your agency/institution's definition of each fund source to be used for construction? (If any type of fee makes up a portion of the source, what is the fee called, what is the fee amount, and when it was put in place. If there is a statutory authority authorizing the use of the funds for capital projects, please cite the code section.)

FEMA is estimated at 75% and SCPRT is redirecting previously appropriated state capital project funds for the remaining 25%

4. What is the current uncommitted balance of funds for each source listed in 3 above?

The previously appropriated state capital project funds that are being redirected is \$2,300,000

5. If institution or revenue bonds are included as a source, when were the bonds issued? If not issued yet, when is the bond resolution expected to be brought for State Fiscal Accountability Authority approval?

N/A

6. If a student fee is used to fund debt service, what is the current amount of the fee annually or by semester? Please specify which.

N/A

7. Will the use of any funds for construction require an increase in any student fee or tuition? If so, please explain in detail.

N/A

8. Will the project be LEED certified for energy savings and conservation and if so, at what level will it be certified? For projects requiring or using LEED certification, please attach the required cost-benefit analysis and a checklist of items to be used to achieve LEED points or a description of the energy measures to achieve LEED.

No

9. What energy savings/conservation measures will be implemented within the project if the project will not be LEED certified? For projects that do not require/use LEED, please provide a paragraph on energy savings measures to be implemented as part of the project. If there are no energy savings measures included, please state that and explain why.

SCPRT will provide the cost savings measures within the comfort stations through the use of energy saving appliances and building materials.

10. What is the projected date (month and year) for execution of the construction contract?

November/December 2016

11. What is the projected date (month and year) for completion of construction?
August 2017
12. What program(s) are to be included in the constructed or renovated space?
Beach Front Campground
13. What is the total square footage of the building to be renovated or constructed?
89 Campsites and 2 comfort stations, 7 lift stations and day use restroom facility
14. If a portion of the building is to be renovated, what is the square footage of the portion that will be included in the renovation?
N/A
15. What is the current age of the building or building systems to be renovated?
The comfort stations were originally built in 1973. However, all were renovated within the last 5 years.
16. If any new space is being added to the facility, please provide demand/usage data to support the need.
N/A
17. What are the estimated numbers of students, faculty, staff and/or clients that are expected to use the space affected by the project or the entire building? (Answer for as many as are applicable.)
135,000 visitors at the beach front campground.
18. If the construction cost increased significantly from the internal estimate (30% or more), what factors caused the cost to increase?
N/A
19. If the contingency is more than 10%, please explain why.
20. If funds are being transferred from another project, what is the current status of the project from which funds are being transferred?
The project funds were appropriated in FY2016-2017 for State Park Piers Repairs and the Oconee Spillway. These projects have not been started. The recovery of Edisto Beach State Park and Hunting Island State Park take priority.
21. Has the project been included in a previous year's CIP? If so, what was the last year the project was included and for which year, 1-5?
No
22. What are the economic impacts of the project, including job creation and retention? If there are none, please explain.
The potential revenue loss could create a deficit situation for SCPRT. It is imperative these facilities get repaired and back online as quickly as possible. The estimated revenue loss to the State Park Service is estimated to be approximately \$3.0 m. SCPRT is working internally to address the loss through the use of uncommitted appropriated funds.
23. How will your agency/institution address and fund maintenance of this facility construction/renovation?
Revenue generated by the campground will be used support these facilities.

24. If your agency/institution has a deferred maintenance account, what is the name of the account and what is its current uncommitted balance?

SCPRT does not have a deferred maintenance account.

25. If how maintenance will be addressed and funded for this facility construction/renovation has not been determined yet, what steps are in place to begin to address how your agency/institution will fund maintenance to this and other agency/institution facilities?

SCPRT uses appropriated non-recurring and capital project funds along with earned revenue if available and funds allowed via proviso 49.8 to address deferred maintenance issues.