

# Capital Improvements Joint Bond Review Committee

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J. GARY SIMRILL



**JESSA WIGINGTON**  
ADMINISTRATIVE ASSISTANT  
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## JOINT BOND REVIEW COMMITTEE MEETING

**DATE:** Wednesday, May 8, 2019  
**TIME:** 9:00 a.m.  
**LOCATION:** Room 105, Gressette Building

### AGENDA

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**JOINT BOND REVIEW COMMITTEE**  
Meeting of May 8, 2019

**Item Number 1(a)**

**AGENCY:** South Carolina Transportation Infrastructure Bank

**PROJECT/SUBJECT:** Briefing on Special Subcommittee Review  
Charleston County Mark Clark Extension Project

At its meeting February 20, 2019, the Joint Bond Review Committee deferred action on a request by the SC Transportation Infrastructure Bank for the Committee to approve the Bank's commitment of \$420 million in financial assistance to the Charleston County Mark Clark Extension project pursuant to the terms of an amended Intergovernmental Agreement, and the issuance of revenue bonds for the project in an amount not exceeding \$380 million.

Senators Alexander and Campbell, and Representatives Stavrinakis and Simrill, were appointed to a special subcommittee to study Charleston County's funding requirements and proposed sources for the County's \$305 million commitment under the amended agreement.

Subcommittee Chairman Alexander will provide a status report on the activities of the special subcommittee.

**COMMITTEE ACTION:**

Receive the status report as information, and any recommendations for consideration.

**ATTACHMENTS:**

None.

**AGENCY:** South Carolina Transportation Infrastructure Bank

**PROJECT/SUBJECT:** Restructuring of Not Exceeding \$350,375,000  
Revenue Refunding Bonds, Series 2003B

Section 11-43-315 of the South Carolina Code of Laws directs that review and approval of the Joint Bond Review Committee be obtained prior to the South Carolina Transportation Infrastructure Bank issuing revenue bonds, including refunding bonds.

The Bank is requesting approval to restructure not exceeding \$350,375,000 Series 2003B Revenue Refunding Bonds subject to mandatory tender on June 15, 2019.

The Series 2003B Revenue Refunding Bonds were originally issued as Auction Rate Securities. In 2008, the Bank converted the Auction Rate Securities to Variable Rate Demand Bonds with additional security provided by letters of credit issued by various banks. On expiration of the letters of credit in 2011, all Series 2003B Bonds were tendered and converted to Floating Rate Notes, purchased by Bank of America, N.A. and Wells Fargo Bank, National Association in two tranches, the proceeds of which fully retired the then-outstanding Variable Rate Demand Bonds. On expiration of the term of the Floating Rate Notes on June 15, 2016, Wells Fargo purchased all of the then-outstanding Floating Rate Notes for a three year term expiring on June 15, 2019. The Committee approved this transaction by action taken June 1, 2016.

On March 25, 2019, the Infrastructure Bank Board adopted a resolution authorizing the Chairman of the Bank, in consultation with the Office of State Treasurer, to receive proposals for the restructuring of the Series 2003B Bonds (whether by public sale, private sale, competitive bid or negotiated sale) and related interest rate exchange agreements, and to award the restructuring transaction to the financial institution or institutions providing terms most favorable to the Bank. Furthermore, the Chairman, in consultation with the Bank's general counsel, bond counsel Burr Forman McNair, financial advisor Public Financial Management (together with any applicable affiliates) and the Office of State Treasurer, was authorized to make arrangements appropriate for the offering and sale, including any preparation of preliminary and final official statements, any necessary bond proceedings, and any amendments to the related interest rate exchange agreements.

On April 2, 2019, the Bank, in coordination with the Office of State Treasurer, issued a request for proposals for Direct Placement Index Floaters or Investment Banking Services relating to the 2003B Bonds. The Bank received thirteen responses to the solicitation for proposals, and determined that the proposals from Wells Fargo Bank, N.A. and Bank of America Merrill Lynch were most advantageous to the Bank. Wells Fargo was designated lead manager and Bank of America Merrill Lynch was designated co-manager. Under the proposed plan of finance, these institutions will serve as underwriters for a publicly offered negotiated sale of variable rate indexed floating rate notes.

The Chairman of the Bank, in consultation with the Bank's general counsel, bond counsel, financial advisor, and the Office of State Treasurer has determined that publicly sold floating rate notes represent the most prudent and economical alternative. The Bank anticipates, subject to market conditions, that the new floating rate notes will be subject to mandatory tender on October 1, 2022, and will be subject to call at par on October 1, 2021. The notes are subject to put by the investors in the event that the Bank is unable to extend, convert or refund the notes on the mandatory tender date; and while investors will not have the right to receive cash payment on that date, the interest rate will increase to a currently expected 8%. The Bank considers the likelihood of its inability to extend, convert or refund the notes on the mandatory tender date to be remote.

As noted above, the Bank's request for proposals contemplated the notes would be offered as variable rate indexed floating rate notes. The Bank anticipates selling LIBOR-based floating rate notes because the interest rate exchange agreements integrated as a hedge for the Bank's variable rate debt are LIBOR-indexed. In its proposal, as has been communicated broadly in financial and other publications, Wells Fargo has included language stating among other things that the continuation of LIBOR on its current basis cannot be guaranteed after 2021. Wells Fargo further indicated in its proposal a number of ways that a modified or substituted rate may be determined if LIBOR is discontinued. The Bank is aware of these developments and anticipates structuring this transaction to promote flexibility by incorporating an optional call on October 1, 2021, as described above. Moreover, the Bank has flexibility to choose another index up until the time that the notes are offered.

Since inception, the Bank estimates that the structure of this financing has generated \$7.1 million in savings through June 30, 2019, and anticipates up to \$20.4 million in total savings through its final maturity on Oct 1, 2031. Notwithstanding, the Bank has committed to monitor this financing for conversion to a more traditional form, either over time or in a single transaction, as market conditions support. The Bank has further committed to periodically apprise staff and the Committee of developments with this financing as circumstances change or otherwise warrant.

As directed by Section 11-43-330 of the South Carolina Code of Laws, the Series 2003B Bonds did not when issued and will not during the next three-year period commit the faith and credit of the state.

#### **COMMITTEE ACTION:**

Review and approve the South Carolina Transportation Infrastructure Bank's request to restructure not exceeding \$350,375,000 Series 2003B Revenue Refunding Bonds.

#### **ATTACHMENTS:**

- 1) South Carolina Code of Laws Sections 11-43-315, 320, and 330
- 2) Letter from John B. White, Chairman, SCTIB, dated April 26, 2019
- 3) Resolution Adopted by the SCTIB, dated March 25, 2019
- 4) Summary of Refinancing Proposal

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

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

SECTION 11-43-320. Pledges of revenue or funds to bond payment; bonds secured by pledge.

The bank may pledge any of its revenue or funds to the payment of its bonds, subject only to any prior agreements with the holders of particular bonds which may have pledged specific money or revenue. Bonds may be secured by a pledge of any loan obligation owned by the bank, any grant, contribution, or guaranty from the United States, the State, or any corporation, association, institution, or person, any other property or assets of the bank, or a pledge of any money, income, or revenue of the bank from any source.

SECTION 11-43-330. Bonds not debt or pledge of full faith and credit of State; personal liability; statement.

Bonds issued by the bank do not constitute a debt or a pledge of the full faith and credit of this State, or any of its political subdivisions other than the bank, but are payable solely from the revenue, money, or property of the bank as provided in this chapter. The bonds issued do not constitute an indebtedness of the State within the meaning of any constitutional or statutory limitation. No member of the bank or any person executing bonds of the bank is liable personally on the bonds by reason of their issuance or execution. Each bond issued under this article must contain on its face a statement to the effect that:

- (1) neither the State, nor any of its political subdivisions, nor the bank is obligated to pay the principal of or interest on the bond or other costs incident to the bond except from the revenue, money, or property of the bank pledged;
- (2) neither the full faith and credit nor the taxing power of the State, or any of its political subdivisions, is pledged to the payment of the principal of or interest on the bond;
- (3) the bank does not have taxing power.

BOARD OF DIRECTORS

John B. White, Jr., *Chairman*

Ernest Duncan, *Vice Chairman*

Senator Hugh K. Leatherman, Sr.

H.B. "Chip" Limehouse, III

Robert D. "Robby" Robbins

David B. Shehan

Representative J. Gary Simrill

South Carolina  
Transportation Infrastructure Bank



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Columbia, SC 29201  
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April 26, 2019

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

Re: Restructure of Series 2003 B Bonds

Dear Chairman Leatherman,

By Resolution adopted March 25, 2019, the Board of Directors (the "Board") of the South Carolina Transportation Infrastructure Bank (the "SCTIB") determined to solicit proposals from various financial institutions for a range of financing options related to the SCTIB's direct placement Series 2003 B Bonds which are currently held by Wells Fargo Bank, N.A. for a term expiring June 15, 2019.

The SCTIB Board, in consultation with the Office of State Treasurer, utilized an RFP process which resulted in a determination that the proposals submitted by Wells Fargo Bank, N.A. (lead manager) and Bank of America Merrill Lynch (co-manager) to serve as underwriters for a publicly offered/reoffered negotiated sale of Libor indexed floating rate notes Series 2003B or Series 2019A (or such other numbering convention as may be appropriate) are most advantageous to the SCTIB.

**REQUESTED ACTION:**

**Approve the reoffering/refunding of the SCTIB's Series 2003 B Bonds as described in the Resolution dated March 25, 2019 and the underwriting proposal of Wells Fargo Bank, N.A.**

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

Sincerely,

A handwritten signature in black ink that reads "John B. White, Jr." in a cursive style.

John B. White, Jr.  
Chairman, SCTIB

cc: Board Members  
Curtis M. Loftis, Jr.  
Kevin Kibler  
Bill Youngblood  
David Miller  
Jim Holly  
Rion Foley  
Rob Tyson

## AUTHORIZING RESOLUTION

WHEREAS, the South Carolina Transportation Infrastructure Bank (the “Issuer”) has been established under Chapter 43 of Title 11, Code of Laws of South Carolina, 1976 as amended (the “Act”), as a body corporate and politic and an instrumentality of the State of South Carolina to assist government units and private entities in constructing and improving highway and transportation facilities necessary for public purposes by providing loans and other financial assistance;

WHEREAS, on September 21, 1998, the Issuer adopted “A MASTER REVENUE BOND RESOLUTION AUTHORIZING THE ISSUANCE OF SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK REVENUE BONDS IN ONE OR MORE SERIES TO PROVIDE FOR THE FINANCING OF A PORTION OF THE COSTS OF ACQUISITION AND CONSTRUCTION OF CERTAIN ELIGIBLE PROJECTS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE OWNERS OF SUCH BONDS; AND OTHER MATTERS RELATED THERETO” (as amended or supplemented from time to time, the “Master Resolution”);

WHEREAS, under authorization of the Master Resolution, the Issuer adopted “A SIXTH SERIES REVENUE BOND RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF THREE HUNDRED SIXTY-EIGHT MILLION THREE HUNDRED THOUSAND DOLLARS (\$368,300,000) SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK REVENUE REFUNDING BONDS, SERIES 2003B; AND OTHER MATTERS RELATING THERETO” effective as of August 27, 2003 (the “Sixth Series Resolution”) pursuant to which the Issuer issued its (a) \$122,775,000 original principal amount Revenue Refunding Bonds, Series 2003B-1 (the “Series 2003B-1 Bonds”); (b) \$122,750,000 original principal amount Revenue Refunding Bonds, Series 2003B-2 (the “Series 2003B-2 Bonds”); and (c) \$122,775,000 original principal amount Revenue Refunding Bonds, Series 2003B-3 (the “Series 2003B-3 Bonds” and collectively with the Series 2003B-1 Bonds and the Series 2003B-2 Bonds, the “Series 2003B Bonds”);

WHEREAS, under authorization of the Master Resolution, the Issuer adopted the “SECOND AMENDED AND RESTATED SIXTH SERIES REVENUE BOND RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF THREE HUNDRED SIXTY EIGHT MILLION THREE HUNDRED THOUSAND DOLLARS (\$368,300,000) SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK REVENUE REFUNDING BONDS, SERIES 2003B; AND OTHER MATTERS RELATING THERETO” effective as of June 15, 2016 (the “Second Amended and Restated Sixth Series Resolution” and together with the Sixth Series Resolution and the Master Resolution, the “Resolution”);

WHEREAS, issuance of the Series 2003B Bonds was approved by the Joint Bond Review Committee on July 31, 2003;

WHEREAS, on June 15, 2016, Wells Fargo Bank, National Association (the “Bank”) agreed to purchase the Series 2003B Bonds having the terms provided in the Second Amended and Restated Sixth Series Resolution (and subject to mandatory tender on June 15, 2019) pursuant to the terms of an Amended and Restated Continuing Covenant Agreement dated June 15, 2016, between the Issuer and the Bank;

WHEREAS, the Issuer has determined, upon advice of the Issuer’s financial advisor, that it is in the Issuer’s best interest to solicit proposals from various financial institutions for a range of restructuring options relating to the Series 2003B Bonds; and

NOW, THEREFORE BE IT RESOLVED, in meeting duly assembled,

1. The Issuer authorizes the circulation of the Request for Proposals to be developed in consultation with the Office of State Treasurer in the form as the Chairman shall approve with the advice of counsel.

2. The Issuer authorizes the Chairman, in consultation with the Office of State Treasurer, to receive proposals for the restructuring of the Series 2003B Bonds (whether by public sale, private sale, competitive bid or negotiated sale) and related interest rate exchange agreements and to award the restructuring transaction to the financial institution or institutions providing terms most favorable to the Issuer.

3. The Issuer authorizes the Chairman, in consultation with the Issuer's general counsel, bond counsel Burr Forman McNair, financial advisor Public Financial Management (together with any applicable affiliates) and the Office of State Treasurer, to make arrangements appropriate for the offering and sale, including any preparation of preliminary and final official statements and necessary bond proceedings and any amendments to the related interest rate exchange agreements.

4. Prior to the issuance of any restructured Series 2003B Bonds under the authorization of this resolution, there shall be presented to this Board a bond Series Resolution as required by the Master Resolution and other materials required in order for the Issuer to close on the issuance of any restructure Series 2003B Bonds.

DONE IN MEETING duly assembled on the 25th day of March, 2019.

**AGENCY:** South Carolina Transportation Infrastructure Bank

**PROJECT/SUBJECT:** Issuance of Not Exceeding \$235,000,000  
Revenue Bonds, Series 2019B

Section 11-43-315 of the South Carolina Code of Laws directs that review and approval of the Joint Bond Review Committee be obtained prior to the South Carolina Transportation Infrastructure Bank issuing revenue bonds, including refunding bonds.

At its meeting on March 25, 2019, the Bank Board authorized the preparation of a cash defeasance of its Series 2012A and Series 2012B Bonds, together with the issuance of Revenue Bonds, Series 2019B in an amount not to exceed \$235,000,000, in one or more transactions, to finance capital expenditures for existing projects currently under construction, which have been previously approved by the Bank and the Committee, and to pay costs of issuance of the Bonds.

This transaction has two components to address recent changes to federal tax laws that eliminated advance refunding bonds more than 90 days prior to their call date. The cash defeasance and issuance of the Series 2019B Bonds will be executed no fewer than 30 days apart to accomplish the effects of an advance refunding while maintaining compliance with federal tax laws. The combined cash defeasance of the Series 2012A and Series 2012B Bonds together with the issuance of the 2019B Bonds in the same amount is expected to result in net present value savings of approximately \$23.5 million or 11% of the defeased par amount of the refunded bonds.

The final principal amount will be determined by the Chairman of the Bank, upon advice of the Bank's consultants (general counsel, bond counsel, and financial advisor), and in consultation with the Office of State Treasurer. The Series 2019B Bonds will be sold by competitive bid based on the lowest True Interest Cost. Final details of the bond issuance, including interest rates, maturity dates, and redemption provisions, will be reviewed and approved by the Bank Board prior to the issuance of the Series 2019B Bonds.

As directed by Section 11-43-330 of the South Carolina Code of Laws, the bonds will not commit the faith and credit of the state.

**COMMITTEE ACTION:**

Review and approve the South Carolina Transportation Infrastructure Bank's request for issuance of Revenue Bonds in an amount not to exceed \$235,000,000 subject to final approval of the Bank Board.

**ATTACHMENTS:**

- 1) South Carolina Code of Laws Sections 11-43-315, 320, and 330
- 2) Letter from John B. White, Jr., Chairman, SC Transportation Infrastructure Bank, dated April 26, 2019
- 3) Resolution Adopted by the South Carolina Transportation Infrastructure Bank, dated March 25, 2019

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

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

SECTION 11-43-320. Pledges of revenue or funds to bond payment; bonds secured by pledge.

The bank may pledge any of its revenue or funds to the payment of its bonds, subject only to any prior agreements with the holders of particular bonds which may have pledged specific money or revenue. Bonds may be secured by a pledge of any loan obligation owned by the bank, any grant, contribution, or guaranty from the United States, the State, or any corporation, association, institution, or person, any other property or assets of the bank, or a pledge of any money, income, or revenue of the bank from any source.

SECTION 11-43-330. Bonds not debt or pledge of full faith and credit of State; personal liability; statement.

Bonds issued by the bank do not constitute a debt or a pledge of the full faith and credit of this State, or any of its political subdivisions other than the bank, but are payable solely from the revenue, money, or property of the bank as provided in this chapter. The bonds issued do not constitute an indebtedness of the State within the meaning of any constitutional or statutory limitation. No member of the bank or any person executing bonds of the bank is liable personally on the bonds by reason of their issuance or execution. Each bond issued under this article must contain on its face a statement to the effect that:

- (1) neither the State, nor any of its political subdivisions, nor the bank is obligated to pay the principal of or interest on the bond or other costs incident to the bond except from the revenue, money, or property of the bank pledged;
- (2) neither the full faith and credit nor the taxing power of the State, or any of its political subdivisions, is pledged to the payment of the principal of or interest on the bond;
- (3) the bank does not have taxing power.

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Transportation Infrastructure Bank



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April 26, 2019

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

RE: SCTIB Revenue Bond Request, Series 2019B

Dear Chairman Leatherman:

The South Carolina Transportation Infrastructure Bank (SCTIB) Act (South Carolina Code Sections 11-43-110 to 11-43-630) requires Joint Bond Review Committee (JBRC) approval of financial assistance provided by the Bank for a qualified project, the issuance of bonds by the Bank in providing the financial assistance to qualified projects, or the issuance by the Bank of revenue bonds.

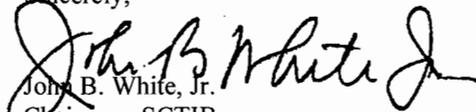
In order to realize savings from lower interest rates, the SCTIB Board at its meeting of March 25, 2019 authorized the preparation of a cash defeasance of the Series 2012A/B Bonds together with the issuance of SCTIB Revenue Bonds, Series 2019B (or such other numbering convention as may be appropriate), in amount not exceeding \$235,000,000, in one or more transactions, in order to finance capital expenditures for existing projects of the SCTIB currently under construction. These projects have been previously approved by the SCTIB and the JBRC. Prior to the issuance of the Series 2019B Bonds, the SCTIB Board will approve the final details of the revenue bonds resulting from a competitive sale, including interest rates, maturity dates and redemption provisions. The preliminary authorizing resolution approved by the SCTIB Board on March 25, 2019 is attached.

**REQUESTED ACTION:**

**Approve the issuance of the SCTIB's fixed rate Series 2019B Bonds (or such other numbering convention as may be appropriate) as described in the Resolution dated March 25, 2019 by competitive sale.**

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

Sincerely,

  
John B. White, Jr.  
Chairman, SCTIB

cc: Board Members  
Curtis M. Loftis, Jr.  
Kevin Kibler  
Bill Youngblood  
David Miller  
Jim Holly  
Rob Tyson  
Rion Foley

## AUTHORIZING RESOLUTION

WHEREAS, the South Carolina Transportation Infrastructure Bank (the “Issuer”) has been established under Chapter 43 of Title 11, Code of Laws of South Carolina, 1976 as amended (the “Act”), as a body corporate and politic and an instrumentality of the State of South Carolina to assist government units and private entities in constructing and improving highway and transportation facilities necessary for public purposes by providing loans and other financial assistance;

WHEREAS, on September 21, 1998, the Issuer adopted “A MASTER REVENUE BOND RESOLUTION AUTHORIZING THE ISSUANCE OF SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK REVENUE BONDS IN ONE OR MORE SERIES TO PROVIDE FOR THE FINANCING OF A PORTION OF THE COSTS OF ACQUISITION AND CONSTRUCTION OF CERTAIN ELIGIBLE PROJECTS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE OWNERS OF SUCH BONDS; AND OTHER MATTERS RELATED THERETO” (as amended or supplemented from time to time, the “Master Resolution”);

WHEREAS, under authorization of the Master Resolution, the Issuer adopted “A FIFTEENTH SERIES REVENUE BOND RESOLUTION AUTHORIZING THE ISSUANCE OF \$265,965,000 SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK REVENUE REFUNDING BONDS, SERIES 2012A; TO PROVIDE FOR THE USE OF THE PROCEEDS; TO PROVIDE FOR THE TERMS AND CONDITIONS UPON WHICH THE SERIES 2012A BONDS WILL BE ISSUED; TO PROVIDE FOR THE REPAYMENT THEREOF AND SECURITY THEREFOR; AND TO PROVIDE FOR OTHER MATTERS IN CONNECTION THEREWITH” effective as of April 4, 2012 (the “Fifteenth Series Resolution”) pursuant to which the Issuer issued its \$265,965,000 original principal amount Revenue Refunding Bonds, Series 2012A (the “Series 2012A Bonds”);

WHEREAS, under authorization of the Master Resolution, the Issuer adopted “A SIXTEENTH SERIES REVENUE BOND RESOLUTION AUTHORIZING THE ISSUANCE OF \$424,910,000 SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK REVENUE REFUNDING BONDS, SERIES 2012B; TO PROVIDE FOR THE USE OF THE PROCEEDS; TO PROVIDE FOR THE TERMS AND CONDITIONS UPON WHICH THE SERIES 2012B BONDS WILL BE ISSUED; TO PROVIDE FOR THE REPAYMENT THEREOF AND SECURITY THEREFOR; AND TO PROVIDE FOR OTHER MATTERS IN CONNECTION THEREWITH” effective as of October 10, 2012 (the “Sixteenth Series Resolution” and together with the Master Resolution and the Fifteenth Series Resolution, the “Resolution”) pursuant to which the Issuer issued its \$424,910,000 original principal amount Revenue Refunding Bonds, Series 2012B (the “Series 2012B Bonds” and together with the Series 2012A Bonds, the “Series 2012A/B Bonds”);

WHEREAS, issuance of the Series 2012A Bonds was approved by the Joint Bond Review Committee on February 29, 2012 and issuance of the Series 2012B Bonds was approved by the Joint Bond Review Committee on June 6, 2012;

WHEREAS, the Issuer has determined, upon advice of the Issuer’s financial advisor, that it is fiscally advantageous and in the Issuer’s best interest to cash defease the Series 2012A/B Bonds and offer under the authorization of the Master Resolution South Carolina Transportation Infrastructure Bank Revenue Bonds, Series 2019A, an amount not exceeding \$235,000,000, in one or more transactions, in order to finance capital expenditures on existing projects of the Issuer already under construction (the “Series 2019A Bonds”); and

NOW, THEREFORE BE IT RESOLVED, in meeting duly assembled,

1. The Issuer authorizes the Chairman, in consultation with the Issuer's general counsel, bond counsel Burr Forman McNair, financial advisor Public Financial Management (together with any applicable affiliates) and the Office of State Treasurer, to take appropriate actions to cash defease any applicable Series 2012A/B Bonds and begin making the preliminary arrangements for the public competitive sale of the Series 2019A Bonds, in one or more series, including the preparation of preliminary and final official statements and necessary bond proceedings.

2. Prior to the issuance of any Series 2019A Bonds under the authorization of this resolution, there shall be presented to this Board (i) evidence of the approval of the issuance of Series 2019A Bonds by the Joint Bond Review Committee, and (ii) a bond Series Resolution as required by the Master Resolution and other materials required in order for the Issuer to close on the issuance of any Series 2019A Bonds.

DONE IN MEETING duly assembled on the 25th day of March, 2019.

**AGENCY:** Department of Administration  
Capital Budget Office

**PROJECT/SUBJECT:** Permanent Improvement Project Proposals

The Department of Administration has submitted 32 Permanent Improvement Project Proposals on behalf of agencies, as follows:

- 8 Establish Phase I, Pre-Design Budget
- 15 Establish Phase II, Construction Budget
- 6 Increase Phase II, Construction Budget
- 1 Change in Source of Funds
- 2 Preliminary Land Acquisitions

**COMMITTEE ACTION:**

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

**ATTACHMENTS:**

Project Requests Worksheet - Summary 6-2019

**JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET**

Capital Budget Office

SUMMARY 6-2019

Summary of Permanent Improvement  
Project Actions Proposed by Agencies  
January 23, 2019 through March 25, 2019

Forwarded to JBRC 04/24/2019

**Permanent Improvement Projects**

**Summary Background Information:**

**Establish Project for A&E Design**

- (a) Summary 6-2019: JBRC Item 1. (H09) The Citadel  
Project: 9619, Johnson Hagood Stadium CRC Exterior Repairs  
Included in Annual CPIP: Yes – 2018 CPIP Priority 2 of 4 in FY20 (estimated at \$1,300,000)  
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 1-12

<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, Misc. Revenue	-	-	-	9,750	9,750
Other, Athletic Facility Fees	-	-	-	9,750	9,750
All Sources	=	=	=	<u>19,500</u>	<u>19,500</u>

Funding Source: \$9,750 Other, Misc. Revenue Funds, which are funds received from the SC Army National Guard who occupies space in the stadium and pays 50% of the cost to do so. The stadium is home to SCARNG HHC 218<sup>TH</sup> MEB. \$9,750 Other, Athletic Facilities Fees, which are generated through student fees. The Athletic Facility Fee is \$346 per academic year. The fee was implemented in 1995.

Request: Establish project and budget for \$19,500 (Other, Misc. Revenue and Other, Athletic Facility Fees) to begin Phase I A&E pre-design to make repairs to the exterior building envelope of the administrative offices and athletic club level and suites attached to the West Stands at Johnson Hagood Stadium. Numerous instances of rain water infiltration from the roof of the plaza and the north and south stairwells along with minor exterior façade separation have been realized. This project will identify and repair the sources of the leaks, seal roofs, windows and doors, and repair the damaged interior finishes, windows and doors. The 44,406 square foot building was constructed in 2006 and houses a media center, luxury suites, club level lounge, press box, and office space for SCARNG. The agency estimates total project costs at \$1,300,000 with additional annual operating cost savings of \$31,250 in years 1 thru 3.

- (b) Summary 6-2019: JBRC Item 2. (H09) The Citadel  
 Project: 9620, Johnson Hagood Stadium Sansom Field Turf Replacement  
 Included in Annual CPIP: Yes – 2017 CPIP Priority 2 of 8 in FY20 (Johnson Hagood Stadium East Stands Reconstruction estimated at \$15,000,000– Field Turf Replacement estimated at \$1,500,000)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 13-25

<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, Gift In-Kind	-	-	-	22,500	22,500
All Sources	=	=	=	<u>22,500</u>	<u>22,500</u>

Funding Source: \$22,500 Other, Gift In-Kind, which is a construction related gift from a private donor.

Request: Establish project and budget for \$22,500 (Other, Gift In-Kind) for engineering and construction services to replace the natural grass playing surface on Sansom Field at Johnson Hagood Stadium on The Citadel campus. Sansom Field is approximately 85,000 square feet in size, and the natural grass field was originally constructed in 1948. It plays host as the football home of the NCAA FCS Southern Conference Citadel Bulldogs and is also used for club sports and outside events. The current natural field surface has become maintenance intensive and has extensive drainage and flooding problems. Extent of the new synthetic turf shall be the football field itself to include the sidelines between the east and west grandstands, and a section of turf behind each end zone. During the fall football season game days, it hosts up to 15,000 spectators, players, coaches and staff. Other revenue generating events such as high school football jamborees, bowl games, concerts and trade shows could be hosted without fear of damage to the field turf. The agency estimates total project costs at \$1,500,000 with additional annual operating cost savings of \$29,500 in years 1 thru 3.

- (c) Summary 6-2019: JBRC Item 3. (H12) Clemson University  
 Project: 9942, Lehotsky Hall Renovation  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 4 of 6 in FY19 (estimated at \$30,000,000)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 26-36

<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, Maintenance & Stewardship	-	-	-	700,000	700,000
All Sources	=	=	=	<u>700,000</u>	<u>700,000</u>

**Funding Source:** \$700,000 Other, Maintenance & Stewardship Funds, which are tuition, matriculation and other debt retirement and plant transfers revenues that are not formally obligated to fund debt service in the current period and that are transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use.

**Request:** Establish project and budget for \$700,000 (Other, Maintenance & Stewardship Funds) to begin Phase I pre-design to renovate Clemson’s approximately 94,000 square foot Lehotsky Hall, which houses departments of the College of Agriculture, Forestry and Life Sciences and the College of Behavioral Social and Health Sciences. The Phase I pre-design budget is requested at 2.33% of the estimated cost to complete the project, and the additional amount will allow the university to provide for additional field investigation on the existing facility, site investigations for utilities, and the pre-construction services of a construction manager. The programs housed in the facility generated 20,819 student credit hours in 2017-18. The renovation will include replacing the HVAC system, making structural reinforcements, installation a fire sprinkler system, making electrical, plumbing, information technology, and ADA improvements, and upgrading the building envelope and building finishes. It will also include reprogramming portions of the interior space and reconfiguring floorplans to meet functional and academic needs. Lehotsky Hall is 42 years old and is one of the most energy inefficient buildings on the Clemson campus. Its building systems are original to the facility, past their useful lives, and do not meet current building code requirements. The fire sprinkler and plumbing systems serving the labs are not code compliant and need to be modified to ensure occupant safety, and structural improvements are needed to meet building code requirements as well. The facility will be used by approximately 1,250 students, 70 faculty and 45 staff members. The agency estimates total project costs at \$30,000,000 and additional annual operating savings have not yet been determined.

- (d) Summary 6-2019: JBRC Item 4. (H51) Medical University of South Carolina  
 Project: 9848, Basic Science Building Air Handler Units 4 and 4A Replacement  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 1 of 4 in FY19 (Capital Renewal Projects  
 estimated at \$25,000,000 – Air Handler Units 4 and 4A estimated at \$1,200,000)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 37-52

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, FY19 Deferred Maintenance	-	-	-	18,000	18,000
All Sources	=	=	=	<u>18,000</u>	<u>18,000</u>

**Funding Source:** \$18,000 Other, FY19 Deferred Maintenance, which are investment fund deferred maintenance funds. The university adopted RMC (Responsibility Centered Management) in fiscal year 2013 as the budget model. This budgeting model allocates all state appropriations and tuition/fees to the colleges and allocates all grant indirect cost recoveries to the grantee's college or unit. MUSC does not charge a separate plant improvement fee to the students. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of the Strategic Investment Fund retained by central administration is used to fund facilities and deferred maintenance. The source of funding varies each year and is dependent on what each college has identified as available funding.

**Request:** Establish project and budget for \$18,000 (Other, FY19 Deferred Maintenance Funds) to proceed with Phase I schematic design to replace the Air Handler Units #4 and #4A in the Basic Science Building. Both units are 23+ years old, past their useful life and need to be replaced. It is anticipated that these units can be replaced with a single larger unit. The building is 47 years old. There are 8 total air handler units in the building, all varying ages. The 335,663 square foot building houses 300 to 400 faculty and staff. Additionally, the building is a major academic building with 400 to 500 students entering it daily. The 2 air handler units being replaced serve approximately 11,700 square feet of the facility. The agency estimates total project costs at \$1,200,000 with no additional annual operating costs.

- (e) Summary 6-2019: JBRC Item 5. (H59) Aiken Technical College  
 Project: 6149, Aiken-CEAM Expansion and Renovation for Welding Area  
 Included in Annual CIP: No – The college thought that the project would be below the PIP threshold. After reviewing with an engineering firm under an IDC, it was determined that the project would qualify as a PIP.  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: Pending CHE Board Approval on 5/2/19

Ref: Supporting document pages 53-64

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Local College	-	-	-	75,000	75,000
All Sources	=	=	=	<u>75,000</u>	<u>75,000</u>

Funding Source: \$75,000 Other, Local College Funds, which are the remaining amounts from all prior years, not otherwise restricted or previously invested in capital assets.

Request: Establish project and budget for \$75,000 (Other, Local College Funds) to expand and renovate the welding area contained in the Center for Energy & Advanced Manufacturing. During initial construction in 2015, the budget allowed for the necessary floor space to expand the program and for a small amount of additional infrastructure for the future (mainly electrical). Unfortunately, the demand for welding in the area has out distanced their current capacity. The welding area has the floor space (5,661 square feet), needed for the college to bring the capacity from around 36 welding booths to a capacity of 60. The project will almost double the size of the welding program. The expansion and renovation will require the college to upgrade the existing duct and dust collection system, possibly add more electrical, controls, plumbing, piping to each booth and peripheral equipment in the welding and conceivably the grinding and machine tool areas. 120 students per semester are expected to utilize the space. The agency estimates total project costs at \$1,000,000 with additional annual operating costs of \$6,340 in years 1 thru 3.

- (f) Summary 6-2019: JBRC Item 6. (D50) Department of Administration  
 Project: 6014, McEachern Parking Facility – Revamp CO2 Fan and Controls  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 8 of 9 in FY19 (estimated at \$1,200,000)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 65-75

<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, Depreciation Reserve	-	-	-	6,015	6,015
All Sources	=	=	=	<u>6,015</u>	<u>6,015</u>

Funding Source: \$6,015 Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies.

Request: Establish project and budget for \$6,015 (Other, Depreciation Reserve Funds) to obtain preliminary A/E design and cost estimate for the modernization of major components of the exhaust system in the McEachern Parking Facility located at 1201 Pendleton Street in Columbia. The exhaust system controls are original to the structure, no longer function automatically and must be manually controlled, and need modernization to meet ventilation requirements of current mechanical and building codes. The work includes removal of the existing CO gas detection system, installation of new CO and NO2 monitors, including 75-90 new sensors to cover the 700,000 square foot of parking garage space, and sequence activation of existing fans. The parking facility contains approximately 1,800 parking spaces. The total estimated project cost is significantly lower than the 2018 CPIP as it was originally anticipated that variable frequency drives (VFDs), would need to be installed on each existing fan; however, the A&E has advised that the controls upgrade will provide for automatically turning the fans on and off based on ventilation requirements and VFD's are not necessary. The agency estimates total project costs at \$401,000 with additional annual operating cost savings of \$40,734 in year 1 and \$81,468 in years 2 and 3.

- (g) Summary 6-2019: JBRC Item 7. (N04) Department of Corrections  
 Project: 9758, Perry CI – Shaw Industries Facilities Improvements  
 Included in Annual CPIP: No – The outside contractors using these buildings are responsible for the renovation and repairs to the inside shells of the building for the setup of their manufacturing processes. The agency does not know their time tables for these types of projects as they are funded through their resources.

JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 76-86

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Shaw Industries Group (constr. Related gift)	-	-	-	9,015	9,015
All Sources	=	=	=	<u>9,015</u>	<u>9,015</u>

Funding Source: \$9,015 Other, Shaw Industries Group Funds. This project will be fully funded and paid directly by the Shaw Industries Group with no cost to the agency.

Request: Establish project and budget for \$9,015 (Other, Shaw Industries Group Funds) to begin Phase I pre-design for renovations of the existing SCDC Prison Industries building at Perry Correctional Institution for additional area for processing hardwood finishing line and support equipment. The scope of work includes a 3,000A switch gear, an additional new dock roll-up door, dock levelers, trailer restraints, dock shelters, concrete pad for dust collector, enclosing a ground level dock area and parking lot improvements. The design and construction work will be accomplished by licensed design professionals and contractors procured and paid by Shaw Industries Group. There will be no cost to SCDC. SCDC receives an annual revenue from the industries operations and provides work for the inmates. The existing 38-year-old Prison Industries building located within the Perry Correctional Institution is 35,634 square feet with 3,625 square feet being renovated and 837 of additional space being added. The facility is utilized by 4 Shaw employees, 4 state employees and 40 inmate workers. The agency estimates total project costs for the Shaw Industries Group at \$601,000 and additional annual operating costs have not yet been determined.

- (h) Summary 6-2019: JBRC Item 8. (P28) Department of Parks, Recreation & Tourism  
 Project: 9776, St. Phillips Island Solar Replacement  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 4 of 5 in FY19 (St. Phillips Operational Start-up estimated at \$1,000,000 – Solar Replacement estimated at \$350,000)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 87-93

<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	-	-	-	5,250	5,250
All Sources	=	=	=	<u>5,250</u>	<u>5,250</u>

Funding Source: \$5,250 Other, Park Revenue Funds, which is operating revenues generated by the State Park System. The fund collects fees for admission, camping lodging and other fees charged for the use of recreational facilities and programs.

Request: Establish project and budget for \$5,250 (Other, Park Revenue Funds) to completely replace the 30-year-old solar system on the island. Approval of Phase I will allow the agency to work with a solar expert to collect details and plans for Phase II submittal for a system that will meet agency needs. This is the source of power for two houses and a maintenance facility because there is no electric service on the island. The existing system is very large because the batteries are old and do not hold a charge due to reduced electric storage capacity. The current system has approximately 20 batteries that are 3' by 5' as well as base stations, in total the system fills a room that is 25' by 25' and current KW is 350 KW hours when they were new, but they are running at approximately 25% due to age, increasing the usage of the backup propane generators driving up costs. Because of advanced technology, the new solar system will be much smaller and far more efficient. The new system, using photovoltaic technology, will be housed in the same maintenance complex facility in a similar manner as the current system. The agency estimates total project costs at \$350,000 with no additional annual operating costs.

**Establish Construction Budget**

- (i) Summary 6-2019: JBRC Item 9. (H27) University of South Carolina - Columbia  
 Project: 6125, Swearingen Roof Replacement  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 5 of 11 in FY19 (estimated at \$2,000,000)  
 JBRC/SFAA Phase I Approval: May 2018 (estimated at \$2,000,000)

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 94-103

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Institutional Capital Project	30,000	-	30,000	1,970,000	2,000,000
All Sources	<u>30,000</u>	=	<u>30,000</u>	<u>1,970,000</u>	<u>2,000,000</u>

Funding Source: \$2,000,000 Other, Institutional Capital Project Funds, which are generated from the portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements.

Request: Increase budget to \$2,000,000 (add \$1,970,000 Other, Institutional Capital Project Funds) to remove and replace the existing original roof on the 32-year-old Swearingen Engineering Center which was constructed in 1987. The project will provide a new modified bitumen or PVC roof membrane, new rigid insulation and include the replacement of all associated roof flashing at parapets, skylights, and roof-mounted mechanical equipment and piping. The new roof system will provide a 20-year warranty. The Swearingen Engineering Center roof is approximately 71,000 gross square feet. The facility is utilized by an estimated 4,070 students, faculty, staff and clients. It has classrooms, faculty offices, and administrative space. The agency estimates that the completed project will cost approximately \$2,000,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in September 2019 and completion of construction in March 2020.

- (j) Summary 6-2019: JBRC Item 10. (H27) University of South Carolina - Columbia  
 Project: 6126, LeConte College Maintenance Renovation  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 8 of 11 in FY19 (estimated at \$15,000,000)  
 JBRC/SFAA Phase I Approval: August 2018 (estimated at \$15,000,000)

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 104-122

<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, Institutional Capital Project	225,000	-	225,000	19,775,000	20,000,000
All Sources	<u>225,000</u>	=	<u>225,000</u>	<u>19,775,000</u>	<u>20,000,000</u>

**Funding Source:** \$20,000,000 Other, Institutional Capital Project Funds, which are generated from the portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements.

**Request:** Increase budget to \$20,000,000 (add \$19,775,000 Other, Institutional Capital Project Funds) for the comprehensive building renovation of the LeConte College facility. This 77,103 square foot 67-year-old building is a contributing structure to the old campus district which is on the National Historic Registry. The last comprehensive renovation was completed in 1979. This comprehensive building renovation will include, but not limited to, a roof replacement, a new HVAC system with fresh air intake, complete plumbing replacement, an entirely new electrical system, reconfigured restrooms for ADA accessibility, an elevator replacement and life safety improvements that include new fire alarm and new sprinkler system. The existing slate roof is original to the building and only has received some localized repairs to valley flashing in the last several years. The work will include removing the existing slate and felt and installation of a new ice and water shield-type underlayment over the existing concrete panels since they are in good condition. New and the original slate will be reinstalled after all flashings are replaced in valleys, ridges and at dormers. Gutters will also be replaced, and downspouts as required. The new roof will come with a 20-year minimum warranty but slate roofs typically last up to 75 years. Hazardous material abatement on areas affected by renovations will also be accomplished. The exterior stucco façade will be patched and repainted. Exterior trim which is no longer watertight and allows water intrusion will be repaired and sealed. New gutters and downspouts will be provided. Exterior subsurface utilities will be replaced, and a generator will be added to serve the building. This building is utilized by the Department of Mathematics and Statistics which has approximately 6,600 students and faculty. The building has classrooms, faculty offices, and administration space. The building serves a larger population of other undergraduate majors who take math in their curriculum. The estimated cost to complete the project has increased from \$15,000,000 in the CPIP and the Phase I estimate due to the need to replace the roof, replace all plumbing pipes rather than only portions, completely reconfigure toilet rooms for accessibility and sprinklers in the building. Also, the cost of the mechanical system is more accurate since sufficient schematic design occurred in Phase I, further defining the scope of work and estimate its cost. The agency estimates total project costs at \$20,000,000 with additional annual operating cost savings of \$40,571 in year 1, and \$97,371 in years 2 and 3. The agency anticipates execution of the

construction contract in April 2020 and completion of construction in August 2021.

- (k) Summary 6-2019: JBRC Item 11. (H29) University of South Carolina - Aiken  
 Project: 9555, USC Aiken Scholars Academy Renovation  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 2 of 2 in FY19 (estimated at \$2,800,000)  
 JBRC/SFAA Phase I Approval: August 2018 (estimated at \$2,500,000)

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 123-143

<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, USC Aiken Institutional	37,500	-	37,500	2,962,500	3,000,000
All Sources	<u>37,500</u>	=	<u>37,500</u>	<u>2,962,500</u>	<u>3,000,000</u>

Funding Source: \$3,000,000 Other, USC Aiken Institutional Funds, which are received from a variety of sources including tuition and fees and sales and services activities.

Request: Increase budget to \$3,000,000 (add \$2,962,500 Other, USC Aiken Institutional Funds) to repurpose the existing 40-year-old single-story Supply Maintenance Building to serve an academic mission for the Aiken campus. This project will include roof replacement, minor asbestos abatement, and site work around the building. The existing 26-year-old ballast roof is at the end of its life. The new roof is expected to be a 3-ply modified bitumen with granular cap roofing system with R-30 insulation. The new roof will have a minimum 20-year warranty. This renovation project continues a strategic planning effort to relocate maintenance activities to the campus periphery. Specifically, the 12,520 gross square foot building, constructed in 1978, will be internally reconfigured to accommodate the Aiken Scholars Academy and provide classrooms, meeting space, offices, and support space. No other space exists on the campus to permanently accommodate the Scholars Academy. The renovations will be completed to meet Green Globes certification standards with anticipated energy savings of \$83,676.88 over a 30-year period. The building is expected to accommodate up to 200 students and approximately 20 faculty members will use the space. The estimated cost to complete the project has increased due to the needed site work that was identified during the Phase I process, the cost of 2 Green Globes certifications, and a general increase in material costs that could be more accurately estimated after the Phase I design effort was complete. The agency estimates total project costs at \$3,000,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in January 2020 and completion of construction in August 2020.

- (1) Summary 6-2019: JBRC Item 12. (H51) Medical University of South Carolina  
 Project: 9845, Basic Science Building Air Handler Units 3 and 5 Replacement  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 1 of 4 in FY19 (Capital Renewal Projects  
 estimated at \$25,000,000 – Air Handler Units 3 and 5 estimated at \$1,200,000)  
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$1,200,000)

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 144-159

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Deferred Maintenance	18,000	-	18,000	1,182,000	1,200,000
All Sources	<u>18,000</u>	=	<u>18,000</u>	<u>1,182,000</u>	<u>1,200,000</u>

Funding Source: \$1,200,000 Other, Deferred Maintenance, which are investment fund deferred maintenance funds. The university adopted RMC (Responsibility Centered Management) in fiscal year 2013 as the budget model. This budgeting model allocates all state appropriations and tuition/fees to the colleges and allocates all grant indirect cost recoveries to the grantee's college or unit. MUSC does not charge a separate plant improvement fee to the students. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of the Strategic Investment Fund retained by central administration is used to fund facilities and deferred maintenance. The source of funding varies each year and is dependent on what each college has identified as available funding.

Request: Increase budget to \$1,200,000 (add \$1,182,000 Other, Deferred Maintenance Funds) to replace the Air Handler Units #3 and #5 in the Basic Science Building. Both units are 23+ years old, past their useful life and need to be replaced. It is anticipated that these units can be replaced with a single larger unit. The building and these specific air handling units are 47 years old. There are 8 total air handler units in the building, all varying ages. The 335,663 square foot building houses 300 to 400 faculty and staff. Additionally, the building is a major academic building with 400 to 500 students entering it daily. The 2 air handler units being replaced serve approximately 26,000 square feet of the facility. The agency estimates total project costs at \$1,200,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in November 2019 and completion of construction in August 2020.

- (m) Summary 6-2019: JBRC Item 13. (H59) Greenville Technical College  
 Project: 6143, Bldg. 102 Renovation – Barton Campus  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 2 of 3 in FY20 (estimated at \$16,750,000)  
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$18,600,000)

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 160-173

<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, Local College Plant	390,000	-	390,000	18,105,019	18,495,619
All Sources	<u>390,000</u>	=	<u>390,000</u>	<u>18,105,019</u>	<u>18,495,619</u>

Funding Source: \$18,495,619 Other, Local College Plant Funds, which is an accumulation of appropriated funds from Greenville County that are used to perform maintenance and renovations to physical facilities of Greenville Technical College.

Request: Increase budget to \$18,495,619 (add \$18,105,019 Other, Local College Plant Funds) to begin Phase II design development for the renovation of 44,600 square foot of the 51,400 square foot Building 102, Technical Resource Center, on the Barton Campus. The existing TRC building #102 was constructed in 1990. The existing mechanical, plumbing and electrical and lighting system are in urgent need of renovation. The building will also receive a new and fully compliant sprinkler system and full elevator renovation. To improve accessibility, the new center will include an addition (bringing the center up to 57,400 square feet), that will provide a new, fully-accessible and welcoming entry on the campus side of the building that will assist Greenville Tech in their objective of becoming a more pedestrian focused campus. The project will also include a comprehensive space renovation that will consolidate and expand the Student Services, Student Intake, Financial Aid functions and Administration offices currently located in the ARC Facility that lies one mile from the Barton Campus. It will also provide much needed flexible space for cross-programmable meetings and counseling for all departments as well as dedicated computer labs for student services access. The renovation will include a complete modernization to Audio/Visual, Security and Telecom systems throughout the building. The renovation will include modernization of the main auditorium adjacent to the current main entry and public face of the building, improving access and visibility of all the campus's programs. The program of public-use activities will also be expanded with additional public meeting rooms including a 200 seat Community Room. A café with small retail capabilities will also be included, providing dual use of supporting the Community Spaces and Student Service areas. The Second Floor of the building will be renovated to include multiple office suites for groups and organizations related to Student Success, Placement Testing facilities and a medium size conference room for College and Community use. The project will include new landscape and hardscape around the north and west sides of the building. The renovation project will meet Green Globes certification standards with anticipated energy savings of \$184,080 over 30 years. The Phase II contingency amount requested is 21% of the estimated cost to complete the project and the additional amount is needed due to potential difficulties specific to Building 102. The agency estimates total project costs at \$18,495,619 with additional annual operating cost savings of \$73,000 in year 1, and \$5,500 in years 2 and 3. The agency anticipates execution of the construction contract in June 2019 and completion of construction in June 2020.

- (n) Summary 6-2019: JBRC Item 14. (D50) Department of Administration  
 Project: 9997, Dennis Building and Blatt Building – Elevator Modernization  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 1 of 11 in FY19 (estimated at \$2,825,000)  
 JBRC/SFAA Phase I Approval: December 2017 (estimated at \$2,825,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 174-182

<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, Depreciation Reserve	42,375	-	42,375	2,660,762	2,703,137
All Sources	<u>42,375</u>	=	<u>42,375</u>	<u>2,660,762</u>	<u>2,703,137</u>

Funding Source: \$2,703,137 Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies.

Request: Increase budget to \$2,703,137 (add \$2,660,762 Other, Depreciation Reserve Funds) to obtain final design and construction of the modernization of the 4 (four) passenger elevators in the Solomon Blatt Building and 2 (two) passenger elevators in the Rembert C. Dennis Building. The scope of work includes, but is not limited to, the modernization of the elevators and elevator machines and related HVAC exhaust, electrical, plumbing and fire protection. The current elevators are original to the buildings and are becoming increasingly difficult to maintain and keep in operation, due to age, outdated technology and scarcity of replacement parts. The Dennis elevators service approximately 750 building staff from the office of the Attorney General, Revenue and Fiscal Affairs Office, the Department of Natural Resources and the Legislative Council of the General Assembly. The Blatt elevators service 345 employees, staff and visitors to the building annually. The Dennis Building elevators are 50 years old and the Blatt elevators are 43 years old. The agency estimates that the completed project will cost approximately \$2,703,137 with additional annual operating cost savings of \$4,148 in year 1 and \$8,297 in years 2 and 3. The agency anticipates execution of the construction contract in August 2019 and completion of construction in September 2021.

- (o) Summary 6-2019: JBRC Item 15. (D50) Department of Administration  
 Project: 6009, Sims Aycock Cooling Tower Replacement  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 5 of 9 in FY19 (estimated at \$300,000)  
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$293,452)

CHE Recommended Approval: N/A

Ref: Supporting document pages 183-192

<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, Depreciation Reserve	2,118	-	2,118	297,244	299,362
All Sources	<u>2,118</u>	=	<u>2,118</u>	<u>297,244</u>	<u>299,362</u>

Funding Source: \$299,362 Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies.

Request: Increase budget to \$299,362 (add \$297,244 Other, Depreciation Reserve Funds) to fully fund the replacement of the existing 25-year-old cooling tower at the Sims/Aycock Building, located at 2600 Bull Street in Columbia. The scope of work includes replacement of a 1050 gpm cooling tower, new valves, support steel, and drains. The new cooling tower will be galvanized steel with a stainless-steel basin. The cooling tower fans will each be equipped with a variable speed drive for efficiency and increased life span. The cooling tower is original to the building which was constructed in 1996 and has exceeded its useful life. The basin is very rusty and has become at risk for collapse. The 48-year-old building is 240,107 gross square feet and houses the Department of Health and Environmental Control. There are approximately 500 employees and visitors that use this facility daily. The agency estimates total project costs at \$299,362 with additional annual operating cost savings of \$5,500 in years 1 thru 3. The agency anticipates execution of the construction contract in October 2019 and completion of construction in January 2020.

- (p) Summary 6-2019: JBRC Item 16. (D50) Department of Administration  
 Project: 6012, Replace 4 Ply Built Up Roof Brown Bldg.  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 7 of 9 in FY19 (estimated at \$518,000)  
 JBRC/SFAA Phase I Approval: January 2019 (estimated at \$695,300)

CHE Recommended Approval: N/A

Ref: Supporting document pages 193-204

<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, Depreciation Reserve	10,434	-	10,434	684,366	694,800
All Sources	<u>10,434</u>	=	<u>10,434</u>	<u>684,366</u>	<u>694,800</u>

Funding Source: \$694,800 Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies.

Request: Increase budget to \$299,362 (add \$297,244 Other, Depreciation Reserve Funds) to procure Phase II A&E services for replacement of the existing roof with a new roof and associated flashings at the Edgar Brown Building located at 1205 Pendleton Street in Columbia. The existing roofing material is 4-plys of asphaltic/fiberglass roof felts, layered or “built-up” and adhered together with hot mopped asphalt that was boiled in a kettle and pumped to the roof. The existing roof has had numerous leaks in the past and needs complete replacement. The new roof will be a single ply thermoplastic polyolefin (TPO) roof and come with a minimum 20-year warranty. The intent is to remove all the existing rigid roof insulation below the existing four ply membrane, down to the structural roof deck and replace with new rigid roof insulation on top of the existing structural rood deck and apply a new single ply membrane TPO on top of the new rigid roof insulation with a cold applied adhesive. The new TPO membrane will be “fully adhered” which means that every square inch of the membrane and rigid roof insulation will receive the adhesive. The 156,182-gross square foot building was constructed in 1972 and is 46 years old. The 46-year-old roof is 32,000 gross square feet and is utilized by 450 people. The building houses the Department of Parks, Recreation & Tourism, Secretary of State, Department of Administration, Administrative Law Court, Board of Financial Institutions Office, Bureau of Protective Services, Judicial, and the Attorney General. The agency estimates total project costs at \$694,800 with no additional annual operating costs. The agency anticipates execution of the construction contract in August 2019 and completion of construction in December 2019.

- (q) Summary 6-2019: JBRC Item 17. (E24) Office of the Adjutant General  
 Project: 9812, Statewide Readiness Center Female Latrines  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 4 of 18 in FY19 (estimated at \$450,000)  
 JBRC/SFAA Phase I Approval: August 2018 (estimated at \$2,233,435 for all 12 facilities)

CHE Recommended Approval: N/A

Ref: Supporting document pages 205-224

<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	12,500	-	12,500	200,000	212,500
Federal, National Guard Bureau	37,500	-	37,500	-	37,500
All Sources	<u>50,000</u>	=	<u>50,000</u>	<u>200,000</u>	<u>250,000</u>

Funding Source: \$212,500 Appropriated State. \$37,500 Federal, National Guard Bureau, which is funding identified as part of the Construction and Facilities Management Office’s Master Cooperative Agreement through the Office of the Adjutant General and from the National Guard Bureau.

Request: Increase budget to \$250,000 (add \$200,000 Appropriated State Funds) to establish the Phase II construction budget to renovate and expand existing female latrines in various readiness centers across the state. The funds in this request will be used for the construction of the North Charleston facility. The initial group of readiness centers include North Charleston, Walterboro, Edgefield, Mt. Pleasant, Marion, Saluda, Mullins, Batesburg, Dillon, Seneca, Conway and Rock Hill. The scope of work includes renovating existing female latrine and constructing additional authorized space to include new utilities and fixtures, along with any required mechanical, electrical and plumbing work. When these armories were constructed the number of female soldiers was significantly lower than it is now. Therefore, due to the rising number of female soldiers, due in part to all branches now allowing females, adequate latrine space is needed. Per NG Pam 415-12, the assigned unit(s) are authorized 2,000 square feet of latrine space. This project will allow the female soldiers to have the required number of facilities (toilets, showers, changing areas) they need to conduct training. Over 50 female soldiers assigned to each of the 12 armories, will utilize the space. The facilities will also be used by females when the armory is rented or when it is being used for other public functions. The facilities range in age from 31 years to 62 years old and vary in size from 72 square feet to 339 square feet. The agency estimates total project costs at \$200,000 per facility for a total of \$2,450,000 for all 12 facilities with additional annual operating costs of \$3,000 in years 1 thru 3. The agency anticipates execution of the construction contract in June 2019 and completion of construction in October 2019.

- (r) Summary 6-2019: JBRC Item 18. (J12) Department of Mental Health  
 Project: 9764, SCDMH Harris Sewer Line Repair  
 Included in Annual CPIP: No - This was unexpected, and that is why part of the project has already been performed as an emergency.  
 JBRC Staff Phase I Approval: September 2018 (estimated at \$220,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 225-234

<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	3,300	-	3,300	697,700	701,000
All Sources	<u>3,300</u>	=	<u>3,300</u>	<u>697,700</u>	<u>701,000</u>

Funding Source: \$701,000 Other, Capital Improvement & Maintenance Funds, which is authorized by Proviso 35.7 to allow an interest-bearing fund with the State Treasurer to deposit funds appropriated for deferred maintenance and other one-time funds from any source. After receiving any required approvals, the department is authorized to expend these funds for deferred maintenance, capital projects, and ordinary repair and maintenance.

Request: Increase budget to \$701,000 (add \$697,700 Other, Capital Improvement & Maintenance Funds) for the repair of the sewer line at the Patrick B. Harris Psychiatric Hospital. This project is currently being worked on as an emergency procurement due to the health and safety of the building occupants. The sewer line has created sinkholes in several locations outside the building. Initially, the emergency portion of the project was \$80K to fix 180' of sewer line. Then an additional section of the drain was discovered to have a problem costing an additional \$23K to repair. The remainder of the old sewer line will be replaced under this project for an estimated total of \$616K to complete the repair. The Phase I estimated cost to complete the project was significantly lower than the requested Phase II amount because the original project was to replace sections of the sewer line. Upon inspection it was determined that the existing terracotta system was going to continue to fail in multiple locations over time. It was determined that funds were available to replace the entire system in one project which would save money over time and reduce the potential of having to close a wing until the problem is resolved. The contingency amount is 17% of the estimated cost to complete the project due to the unknown underground. The project will involve a lot of digging which could affect water lines, communication lines, etc. The 162,310-square foot psychiatric hospital was built in 1985 and is located in Anderson County. The sewer system is original to the building and is 33 years old but is failing in areas allowing soil and debris in the sewer line at the joints. The facility houses 125 residents and 150 staff/support personnel. The agency estimates total project costs at \$701,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in May 2019 and completion of construction in October 2019.

- (s) Summary 6-2019: JBRC Item 19. (J12) Department of Mental Health  
 Project: 9765, SCDMH Beckman HVAC Pre- Conditioned Outside Air Installation  
 Included in Annual CPIP: No – With the change in management in April 2018, the new Director of Physical Plant Services was working quickly trying to get things done by the end of the fiscal year. The agency is currently going through a community facility assessment project where it will help identify problem areas for the next CPIP.  
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$450,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 235-244

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Capital Improvement & Maintenance	6,750	-	6,750	778,250	785,000
All Sources	<u>6,750</u>	=	<u>6,750</u>	<u>778,250</u>	<u>785,000</u>

Funding Source: \$785,000 Other, Capital Improvement & Maintenance Funds, authorized by Proviso 35.7 (Act 97 of 2017) permitting deposit of amounts appropriated for deferred maintenance and other one-time funds from any source into an interest-bearing fund held by the State Treasurer for, among other purposes and subject to required approvals, capital projects and ordinary repair and maintenance.

Request: Increase budget to \$785,000 (add \$778,250 Other, Capital Improvement & Maintenance Funds) to establish Phase II funding to install a 100% outside air unit to pre-condition the outside air for the Beckman Center for Mental Health Services in Greenwood to help with humidity problems in the building. This will increase the outside air for the building to meet the current code. Repairs to the existing copper piping and the replacement of the HVAC controls shall also be part of this modification/repair to the building HVAC system. The building is 28,396 square feet and was built in 2002. The facility services up to 93 patients a day and has 45 staff/support personnel. The Phase II estimated cost to complete the project has increased from the Phase I amount of \$450,000 because problems related to humidity and reliability were discovered during the Phase I A&E investigation work and were added to the project. The agency estimates total project costs at \$785,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in May 2019 and completion of construction in August 2019.

- (t) Summary 6-2019: JBRC Item 20. (N12) Department of Juvenile Justice  
 Project: 9601, Juvenile Detention Center Fire Alarm System Replacement  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 1 of 10 in FY20 (estimated at \$585,000)  
 JBRC/SFAA Phase I Approval: May 2017 (estimated at \$482,500)

CHE Recommended Approval: N/A

Ref: Supporting document pages 245-254

<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	32,500	-	32,500	-	32,500
Appropriated State, FY18 Carryforward	-	-	-	551,125	551,125
All Sources	<u>32,500</u>	=	<u>32,500</u>	<u>551,125</u>	<u>583,625</u>

Funding Source: \$583,625 Appropriated State, FY16 & FY18 Carryforward Funds.

Request: Increase budget to \$583,625 (add \$551,125 FY18 Carryforward Funds) to completely replace the fire alarm system at the SCDJJ Juvenile Detention Center, located at 1725 Shivers Road in Columbia. The current system was installed when the detention center was originally completed in 2001. False alarms are becoming more frequent no matter how often they agency cleans or changes detectors. The floating grounds (unidentified electrical problem), are constant and there is no way to correct them. This new system will be designed to meet all current life safety regulations. Since there are now new code requirements, all parts of the old fire alarm system, including panel and wiring, will have to be removed. They will then be replaced with updated equipment, including wiring which now must be run in conduit. The 18-year-old building is approximately 30,317 square feet. The facility is utilized by 72 juveniles and 100 employees and staff. The agency estimates total project costs at \$583,625 with no additional annual operating costs. The agency anticipates execution of the construction contract in May/June 2019 and completion of construction in January/February 2020.

- (u) Summary 6-2019: JBRC Item 21. (P16) Department of Agriculture  
 Project: 9517, Peanut Training Building  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 3 of 3 in FY19 (estimated at \$245,000)  
 JBRC Staff Phase I Approval: August 2018 (estimated at \$245,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 255-263

<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, Inspection Fees	3,683	-	3,683	340,362	344,045
All Sources	<u>3,683</u>	=	<u>3,683</u>	<u>340,362</u>	<u>344,045</u>

Funding Source: \$344,045 Other, Inspection Fee Funds, which is federal and state inspection fee revenue generated under cooperative agreements with the US Department of Agriculture (USDA) Agricultural Marketing Service (AMS); specifically peanuts in this case.

Request: Increase budget to \$344,045 (add \$340,362 Other, Inspection Fee Funds) to construct a climate controlled and spacious area to conduct employee/grower/industry training, store equipment, and conduct repairs. SCDA Grading and Inspections program has cooperative agreements with USDA for peanuts, poultry and egg, fruit and vegetables, and grain. These are fee for service activities conducted statewide, mostly on-location in privately-owned, customer facilities to ensure the quality is accurately represented to the consumer and the appropriate price is paid to the producer. This facility will improve training and inspection efficiency, be a better learning environment, and improve employee retention. This facility will include a classroom, a grading room, and a bathroom. The building will be pole and wood construction, placed on an existing concrete slab, adjacent to the Department of Agriculture federal and state inspection main office, and centrally located in Columbia. Minimal site work or pavement additions will be necessary. The new facility will be approximately 4,450 square feet of covered space (61' x 73'). The Department of Agriculture grades 250,000 tons (120,000 acres) of peanuts for 500 farmers at 12 buying points across South Carolina and employs up to 140 temporary employees and 5 full time employees. Peanut acreage and tonnage has increased demand for the agency services, for which farmers pay a fee. The Phase II estimated cost to complete the project has increased from the Phase I amount of \$245,000 because construction costs per square foot have increased and staff discussed the project in greater detail with the A&E firm. The agency estimates total project costs at \$344,045 with additional annual operating costs of \$1,200 in year 1 and \$6,360 in years 2 and 3. The agency anticipates execution of the construction contract in September 2019 and completion of construction in July 2020.

**Establish Construction Budget (transfer to)**

- (v) Summary 6-2019: JBRC Item 22. (N04) Department of Corrections  
 Project: 9752, Water & Wastewater Statewide Maintenance  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 3 of 6 in FY19 (estimated at \$3,700,000)  
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$2,340,475.77)

CHE Recommended Approval: N/A

Ref: Supporting document pages 264-273

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, (nonrecurring) (transfer from 9692)	35,000	-	35,000	2,424,550	2,459,550
All Sources	<u>35,000</u>	=	<u>35,000</u>	<u>2,424,550</u>	<u>2,459,550</u>

Funding Source: \$2,459,550 Appropriated State, (nonrecurring) Funds.

Request: Increase budget to \$2,459,550 (add \$2,424,550 Appropriated State, (nonrecurring)) as a transfer from N04-9692 to begin Phase II final design and construction to complete the most critical renovations and equipment upgrades needed for the water treatment facilities and wastewater systems (i.e. wastewater treatment plants, bar screens etc.), to keep system operations compliant with DHEC and local municipal permit requirements. The correctional institutions included in this project are Turbeville, Broad River, MacDougall, Wateree River, Tyger River, Lee, Ridgeland and Kershaw. Most of the equipment is original to the construction of each institution and is 20+ years old. The work will be accomplished by general contractors and utilizing SCDC's in-house/inmate labor forces where most feasible. The agency estimates total project costs at \$2,459,550 with no additional annual operating costs. The agency anticipates execution of the construction contract in May 2019 and completion of construction in March 2021.

**Establish Construction Budget & Change Source of Funds**

- (w) Summary 6-2019: JBRC Item 23. (E24) Office of the Adjutant General  
 Project: 9814, Hodges Readiness Center Erosion Repairs  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 15 of 18 in FY19 (estimated at \$351,000)  
 JBRC/SFAA Phase I Approval: December 2018 (estimated at \$345,100)

CHE Recommended Approval: N/A

Ref: Supporting document pages 274-283

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State	2,550	-	2,550	342,550	345,100
Federal, National Guard Bureau	2,550	-	2,550	(2,550)	-
All Sources	<u>2,550</u>	=	<u>5,100</u>	<u>340,000</u>	<u>345,100</u>

Funding Source: \$345,100 Appropriated State.

Request: Increase budget to \$345,100 (add \$342,550 Appropriated State Funds) to establish Phase II for the Hodges Readiness Center Erosion Repairs. This will include all labor, materials, and equipment to replace the existing inadequately sized Storm Water System Outfall with new stormwater pipes and boxes with backfill to repair the erosion at the existing stormwater outfall channel. The existing system is original to the approximately 20-year-old Hodges Armory that is occupied by approximately 150 soldiers with Company B of the 151<sup>st</sup> Signal Battalion. Stormwater has eroded the existing channel along the South side of the property and cut a 25' deep gully at the stormwater outfall that extends for approximately 100'. These repairs are required to correct existing problems and prevent any future erosion on the site. The agency estimates total project costs at \$345,100 with additional annual operating costs of \$1,000 in years 1 thru 3. The agency anticipates execution of the construction contract in July 2019 and completion of construction in December 2019.

**Phase II Increase**

- (x) Summary 6-2019: JBRC Item 24. (H09) The Citadel  
 Project: 9617, Boat Center Redevelopment  
 Included in Annual CPIP: Yes – 2016 CPIP Priority 3 of 4 in FY17 (estimated at \$3,000,000)  
 JBRC/SFAA Phase I Approval: August 2016 (estimated at \$3,000,000)  
 JBRC/SFAA Phase II Approval: January 2017 (estimated at \$5,000,000)

CHE Recommended Approval: Pending CHE Board Approval on 5/2/19

Ref: Supporting document pages 284-298

<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, Gifts	45,000	4,955,000	5,000,000	3,000,000	8,000,000
All Sources	<u>45,000</u>	<u>4,955,000</u>	<u>5,000,000</u>	<u>3,000,000</u>	<u>8,000,000</u>

Funding Source: \$5,000,000 Other, Gifts, which are funds provided by a private donor to support this recreational opportunity for the Cadets and the greater Citadel community.

Request: Increase budget to \$8,000,000 (add \$3,000,000 Other, Gifts) to complete all phases of the project at the Boat Center. This project is for the facilities to support sailing and crew rowing programs at The Citadel. At the time of the Phase II approval the overall project was divided into four phases – 1) dredging, 2) early sitework and demolition of existing facilities 3) waterside shoreline and docks and 4) construction of a pavilion, dock manager’s office and main Boat Center facility. As each phase of the project was completed, the scope and requirements have been refined. Construction costs have increased, and the economy has seen a drastic rise in construction prices. Market conditions continue to dictate prices in the Charleston area. In June 2018 The Citadel bid the site work, main Boat House, Pavilion and Dock House for public bids. The low bid was \$4,380,500. All bids exceeded available funding and bids were rejected. The Citadel has decided to modify the plans to only include the majority of the sitework, the Pavilion and Dock house and re-bid the project in order to get the boating program started and available to cadets, facility and staff. Bids were opened for the sitework, Pavilion and Dock House on March 19, 2019. The low bid was \$1,157,950 and it is their intent to award to the low bidder. Therefore, The Citadel’s Boat Center Redevelopment overall project will now be divided into five phases – 1) dredging, 2) early sitework and demolition of existing facilities, 3) waterside shoreline and docks, 4) construction of a pavilion and dock manager’s office, and 5) construction of the main Boat Center facility. Several phases of this overall project have been bid and completed. They are 1) dredging, 2) sitework and demolition of existing facilities, 3) waterside shoreline and docks. Phase 4 includes the construction of a pavilion and dock manager’s office. Phase 5, the last phase, is the main Boat Center facility which has not been bid. The 7,759 square foot facility was constructed in 1920. The facility has outlived its useful life expectancy and numerous improvements are required to meet the college’s intended purpose and use. The total square footage for all three new buildings is 11,907 square feet. The Pavilion will be 1,200 square feet. The Dock Manager’s Office will be 263 square feet. The Boat House will be 10,444 square feet. The conditioned gross square footage of the buildings is 4,953 square feet (dock manager and main Boat House). The Bulkhead is 222 linear feet and the new docks are 5,931 square feet. The facility will be used by 50 students and up

to 5 faculty and 5 staff regularly for instruction and club meetings. Occasionally, there will be an estimated 100+ person occupancy in the multi-purpose room. The waterside and shoreline enhancements are available to all 2,300 cadets, and all 1,000 faculty and staff members. The agency estimates total project costs at \$8,000,000 with additional annual operating costs of \$14,500 in years 1 thru 3. The agency anticipates execution of the Boat Center portion of the project (Phase 5), September 2019 and completion of construction in summer of 2020.

- (y) Summary 6-2019: JBRC Item 25. (H51) Medical University of South Carolina  
 Project: 9841, Storm Eye Institute Chiller Replacement  
 Included in Annual CIP: Yes – 2017 CIP Priority 1 of 4 in FY18 (Capital Renewal Projects 2017-2018 estimated at \$4,000,000 – Storm Eye Institute Chiller Replacement estimated at \$2,050,000)  
 JBRC/SFAA Phase I Approval: October 2017 (estimated at \$2,500,000)  
 JBRC/SFAA Phase II Approval: May 2018 (estimated at \$2,050,000)

CHE Recommended Approval: 4/4/19

Ref: Supporting document pages 299-313

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Institution Deferred Maintenance	37,500	2,012,500	2,050,000	-	2,500,000
Other, Capital Project Reserves	-	-	-	450,000	450,000
All Sources	<u>37,500</u>	<u>2,012,500</u>	<u>2,050,000</u>	<u>450,000</u>	<u>2,500,000</u>

Funding Source: \$2,050,000 Other, Institution Deferred Maintenance Funds, which are funds allocated to this account based on the Responsibility Centered Management (RCM) budgeting model adopted in 2013. State appropriations, tuition/fees and grant indirect cost recoveries are allocated to this fund. MUSC does not charge a separate plant improvement fee to the students. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of the Strategic Investment Fund retained by central administration is used to fund facilities and deferred maintenance. \$450,000 Other, Capital Project Reserve Funds, which are funds received from the sale of the Harborview Office Tower this fiscal year and several other properties in prior years.

Request: Increase budget to \$2,500,000 (add \$450,000 Other, Sale of Property Funds) to cover the construction bids which came in significantly higher than expected. This project will replace two existing 20+ year old failing air-cooled chillers on the roof of the Storm Eye Institute. One existing 200-ton chiller has completely failed, and the second existing 350-ton chiller has partially failed and currently can only operate at 50% capacity. These chillers will be replaced with one 600-ton water cooled chiller including associated cooling towers and pumps. The new chiller and tower water pumps will be located in an enclosure to protect them from outside elements. The 42-year-old building is 92,605 square feet and is utilized by 100 faculty, staff, and students plus 200 patients. This project was included in the FY17-18 CIP combined with other maintenance items utilizing funding approved by MUSC for its "Investment Fund – Deferred Maintenance" account. At the time of the CIP submittal, the Sightlines Building condition assessment was in the process of being updated and not complete at the time of CIP submittal. Once the assessment was completed, facilities identified the highest priority items to match the \$4,000,000 funding available. The agency estimates total project costs at \$2,500,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in July 2019 completion of construction in March 2020.

- (z) Summary 6-2019: JBRC Item 26. (J12) Department of Mental Health  
 Project: 9758, Building 1 Cooling Tower Replacement  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 6 of 13 in FY19 (estimated at \$150,000)  
 JBRC Staff Phase I Approval: January 2018 (estimated at \$150,000)  
 JBRC Staff Phase II Approval: September 2018 (estimated at \$142,900)

CHE Recommended Approval: N/A

Ref: Supporting document pages 314-322

<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	2,100	140,800	142,900	122,100	265,000
All Sources	<u>2,100</u>	<u>140,800</u>	<u>142,900</u>	<u>122,100</u>	<u>265,000</u>

Funding Source: \$265,000 Other, Capital Improvement & Maintenance Funds, which is authorized by Proviso 35.7 to allow an interest-bearing fund with the State Treasurer to deposit funds appropriated for deferred maintenance and other one-time funds from any source. After receiving any required approvals, the department is authorized to expend these funds for the purpose of deferred maintenance, capital projects, and ordinary repair and maintenance.

Request: Increase budget to \$265,000 (add \$122,100 Other, Capital Improvement & Maintenance Funds) to cover construction costs that came in higher than anticipated. The project was bid through the IDC Mechanical Contractors and the bids came in around \$200K. The scope of work has not changed but the approach to complete the work is different. The tower went from a counter flow tower to a cross flow tower. The project will replace the existing 120-ton cooling tower for Building 1 on the Crafts Farrow Hospital campus. The existing cooling tower is approximately 23 years old and is past its expected life cycle. The galvanized metal has rusted through in several locations of the trough leaking water and is starting to show some potential leaks in the basin. Maintenance of the tower and its components are becoming more frequent and costlier due to age and condition of the tower. The building the tower serves is 59,688 square feet, was constructed in 1911 and is occupied by 65 staff and 21 patients. The project shall include the replacement of the tower, controls, portions of the supply and return pipes, valves, and pump. There is a brick screen wall around the existing tower that will need to be partially or completely removed. Several safety items also need to be addressed, including a fixed ladder, platform at the tower entrance and a handrail around the top of the tower. The agency estimates total project costs at \$265,000 with additional annual operating cost savings of \$1,000 in years 1 thru 3. The agency anticipates completion of construction in December 2019.

(aa) Summary 6-2019: JBRC Item 27. (P28) Department of Parks, Recreation & Tourism  
 Project: 9735, Lake Wateree Campground Expansion  
 Included in Annual CPIP: No – The need for the budget increase was not known at the time the 2018 CPIP was submitted.

JBRC Phase I Approval: February 2014 (estimated at \$1,000,000)

JBRC Staff Phase II Approval: April 2014 (estimated at \$1,101,959)

CHE Recommended Approval: N/A

Ref: Supporting document pages 323-331

<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>
Appropriated State, FY17-18 Proviso 118.14 (nonrecurring)	-	-	-	91,124	91,124
Other, FY14 Proviso 49.9 (Motion Picture Incentive Act)	15,000	1,086,959	1,101,959	-	1,101,959
All Sources	<u>15,000</u>	<u>1,086,959</u>	<u>1,101,959</u>	<u>91,124</u>	<u>1,193,083</u>

Funding Source: \$91,124 Appropriated State, FY17-18 Proviso 118.14 (nonrecurring) funds.  
 \$1,101,959 Other, FY14 Proviso 49.9 (Motion Picture Incentive Act).

Request: Increase budget to \$1,193,083 (add \$91,124 Appropriated State, FY17-18 Proviso 118.14 (nonrecurring) Funds) to cover increased costs. The additional funding will enable the comfort station construction to be completed, including all utilities. The project includes expanding the campground and associated infrastructure at Lake Wateree State Park Campground in Fairfield County. The scope of this project is to add 50 campsites, a restroom /shower facility, electrical, water, and sewer systems, and roads to support the increase in camp sites. The existing 72 site campground is heavily used with demand significantly exceeding supply during peak demand periods. The additional campsites will bring in approximately 50,000 additional campers a year. The agency estimates total project costs at \$1,193,083 with no additional annual operating costs. The agency anticipates completion of construction in December 2019.

- (bb) Summary 6-2019: JBRC Item 28. (P28) Department of Parks, Recreation & Tourism  
 Project: 9764, State Park Piers Repair  
 Included in Annual CPIP: Yes – 2016 CPIP Priority 3 of 10 in FY18 (estimated at \$2,200,000)  
 Admin. Phase II Approval: May 2017 (estimated at \$2,200,000)  
 JBRC/SFAA Phase II Increase Approval: August 2018 (estimated at \$3,090,525.88)

CHE Recommended Approval: N/A

Ref: Supporting document pages 332-339

<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>
FY17 Appropriated State, Proviso 118.16 nonrecurring	2,200,000	-	2,200,000	-	2,200,000
Other, Insurance Reserve	-	890,525	890,525	64,511	955,037
All Sources	<u>2,200,000</u>	<u>890,525</u>	<u>3,090,525</u>	<u>64,511</u>	<u>3,155,037</u>

Funding Source: \$2,200,000 Appropriated State, FY17-18 Proviso 118.16 (nonrecurring) funds.  
 \$955,037 Other, Insurance Reserve Funds.

Request: Increase budget to \$3,155,037 (add \$64,511 Other, Insurance Reserve Funds) to add insurance proceeds due to additional damage sustained during Hurricane Michael. The funds will be expended to make repairs suffered during the storm that were not part of the original repair plan. The current scope of work includes completely replacing the entire dock at Edisto Beach, replacing pilings at Myrtle Beach that have been infected by sea worms, and replacing hardware. As this project progresses, there will also be future budget increases requested for this project as project repairs are completed that are eligible for FEMA reimbursements. Age and usage have deteriorated these facilities making repairs necessary for continued operation and visitor safety. The agency estimates total project costs at \$3,155,037.16 with no additional annual operating costs. The agency anticipates execution of the construction contract for these additional repairs in April 2019 and completion of construction in December 2019.

(cc) Summary 6-2019: JBRC Item 29. (P28) Department of Parks, Recreation & Tourism  
 Project: 9759, Huntington Beach State Park Education Center Reconstruction  
 Included in Annual CPIP: No – The need for the budget increase was not known at the time of the 2018 CPIP submission.

JBRC/SFAA Phase I Approval: November 2016 (estimated at \$891,830)

JBRC/SFAA Phase II Approval: May 2017 (estimated at \$855,189)

CHE Recommended Approval: N/A

Ref: Supporting document pages 340-347

<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>
Appropriated State, FY17-18 Proviso 118.14 (nonrecurring)	-	-	-	352,261	352,261
Other, Park Revenue	13,377	241,912	255,289	-	255,289
Other, Insurance Reserve Fund	599,900	599,900	599,900	-	599,900
All Sources	<u>613,277</u>	<u>841,812</u>	<u>855,189</u>	<u>352,261</u>	<u>1,207,450</u>

Funding Source: \$352,261 Appropriated State, FY17-18 Proviso 118.14 (nonrecurring) funds. \$255,289 Other, Park Revenue, which is revenue generated by the SC State Park Service through admissions, cabins, camping, retail sales, etc. \$599,900 Other, Insurance Reserve Fund, which is proceeds from insurance claims.

Request: Increase budget to \$1,207,450 (add \$352,261 Appropriated State, FY17-18 Proviso 118.14 (nonrecurring) Funds) to cover costs realized when the project was bid and exceeded the original estimates. Bids were received in January 2019. The increase will cover the additional construction and inspection costs. This project is for the replacement 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 funding has been received for this claim. The new facility will be 3,300 square feet. The original architect has been contacted and the original plans will be updated to meet current code criteria and reconstruct the original facility. Annual park attendance is around 600,000 with many visitors utilizing this facility. The agency estimates total project costs at \$1,207,450 with no additional annual operating costs. The agency anticipates completion of construction in April 2020.

**Change Source of Funds**

- (dd) Summary 6-2019: JBRC Item 30. (H51) Medical University of South Carolina  
 Project: 9835, MUSC/SCEO PEER Program Energy Performance Contract 2016  
 Included in Annual CPIP: No – This project was initiated via SCEO PEER program  
 JBRC/SFAA Phase I Approval: November 2016 (estimated cost unknown)

CHE Recommended Approval: Pending CHE Board Approval on 5/2/19

Ref: Supporting document pages 348-363

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, E&F Operating	675,000	-	675,000	(675,000)	-
Other, Master Lease Program	-	29,325,000	29,325,000	675,000	30,000,000
All Sources	<u>675,000</u>	<u>29,325,000</u>	<u>30,000,000</u>	=	<u>30,000,000</u>

Funding Source: \$30,000,000 Other, Master Lease Program Funds, which are from the State Treasurer Master Lease Program.

Request: To change the source of funds for \$675,000 (from Other, E&F Operating to Other, Master Lease Program Funds) due to participation in the South Carolina Energy Office’s PEER program. In Phase I MUSC entered into a contract with 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. Energy conservation measures identified to be implemented include lighting system improvements, modifications to control sequence of operations, air handling units condensate recovery, mechanical insulation and building envelope improvements, replace electric and steam reheat with hot water, chiller plant optimization, and variable primary flow conversion. The energy performance contract will impact almost every building on MUSC’s campus which will total 6,818,090 square feet. The agency estimates total project costs at \$30,000,000 with additional annual operating cost savings of \$3,443,862 in year 1, \$3,626,082 in year 2, and \$3,818,236 in year 3. The agency anticipates completion of construction in February 2021.

**Preliminary Land Acquisition**

- (ee) Summary 6-2019: JBRC Item 31. (P24) Department of Natural Resources  
 Project: 9990, Horry-Waccamaw River HP Land Acquisition (Mossy Oak Tract)  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 17 of 17 in FY19 (estimated at unknown)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 364-375

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Heritage Land Trust	-	-	-	20,000	20,000
All Sources	=	=	=	<u>20,000</u>	<u>20,000</u>

Funding Source: \$20,000 Other, Heritage Land Trust, which provides for the department to acquire in fee simple or lesser interest in priority areas, legal fees, appraisals, surveys, or other costs involved in the acquisition of priority areas, and for the development of minimal facilities and management necessary for the protection of priority areas.

Request: Establish project and budget for \$20,000 (Other, Heritage Land Trust Funds) to procure investigative studies required to adequately evaluate property prior to purchase. The agency is considering the acquisition of approximately 225 acres of land located in eastern Horry County. The land, which adjoins DNR’s Waccamaw River Heritage Preserve (HP) / Wildlife Management Area (WMA), is being offered by The Mossy Oak Preserve, Inc. of Murrells Inlet, SC. The property is located approximately 2 miles south of Longs in eastern Horry County adjoins the Waccamaw River HP on the east and west sides and the north side of the Waccamaw River. Most of the property contains bottomland hardwoods, with a small area of upland pine and a portion of a Carolina Bay. It provides habitat for deer, bear, turkey, small game and waterfowl. Acquisition of the tract will secure an important inholding within the preserve. After the land is acquired, it will be managed as part of the Waccamaw River Heritage Preserve/WMA and will be open to the public for hunting, fishing, hiking and view wildlife. The agency estimates that the land acquisition will cost approximately \$488,000 with no additional annual operating costs.

(ff) Summary 6-2019: JBRC Item 32. (P24) Department of Natural Resources  
 Project: 9991, Horry-Waccamaw River HP Land Acquisition (Waccamaw Farm & Timber)  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 17 of 17 in FY19 (estimated at unknown)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 376-387

<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 Land Trust	-	-	-	20,000	20,000
All Sources	=	=	=	<u>20,000</u>	<u>20,000</u>

Funding Source: \$20,000 Other, Heritage Land Trust, which provides for the department to acquire in fee simple or lesser interest in priority areas, legal fees, appraisals, surveys, or other costs involved in the acquisition of priority areas, and for the development of minimal facilities and management necessary for the protection of priority areas.

Request: Establish project and budget for \$20,000 (Other, Heritage Land Trust Funds) to procure investigative studies required to adequately evaluate property prior to purchase. The agency is considering the acquisition of approximately 300 acres of land located in eastern Horry County. The land, which adjoins DNR's Waccamaw River Heritage Preserve (HP) / Wildlife Management Area (WMA), is being offered by Waccamaw Farm & Timber Company, Inc. of Longs, SC. The property is located approximately 2 miles south of Longs in eastern Horry County adjoins the Waccamaw River HP on the east and west sides and the north side of the Waccamaw River. Approximately half of the property contains upland pine areas and the remainder consists of bottomland hardwoods. It provides habitat for deer, bear, turkey, small game and waterfowl. An access road also traverses the site. Acquisition of the tract will connect two large portions of the preserve. After the land is acquired, it will be managed as part of the Waccamaw River Heritage Preserve/WMA and will be open to the public for hunting, fishing, hiking and view wildlife. The agency estimates that the land acquisition will cost approximately \$695,000 with no additional annual operating costs.

**AGENCY:** Patriots Point Development Authority

**PROJECT/SUBJECT:** Annual Report Regarding Lease to Patriots Annex, LLC

At its meetings on June 6, 2017, and August 15, 2017, the Joint Bond Review Committee approved a request by Patriots Point Development Authority to lease-out 61.75 acres to Patriots Annex, LLC, and directed Patriot's Point to submit a report prior to March 31 each year regarding the status of the proposed lease. Patriot's Point submitted the 2019 report on March 29, 2019.

Patriot's Point reports that the lease is still in the Inspection Period, during which period Patriots Annex is seeking zoning approvals, negotiating a fee-in-lieu of property taxes agreement with the Town of Mt. Pleasant and Charleston County, negotiating a development agreement with the Town of Mt. Pleasant, developing conceptual plans, and conducting other due diligence; accordingly, there has been no construction or receipt of rental revenues in connection with the lease.

Patriot's Point further reported that Patriots Annex will submit a request for zoning to the Town of Mt. Pleasant for Preliminary Staff Review in April 2019, which is expected to be heard by the Town's Planning Commission in May or June 2019, with a hearing before Town Council in June or July 2019. Since the report was submitted, the zoning submission has shifted to May, 2019. Patriots Annex has held meetings with Town staff and the Mayor.

The Inspection Period will end on the date three requirements are met: zoning is obtained; a fee-in-lieu of taxes agreement is executed; and a development agreement is executed. If these three requirements have not been met or waived by Patriots Annex by October 5, 2019, either party may cancel the lease. Patriots Annex is required to begin construction within three years of the end of the Inspection Period. Minimum Rent begins the earlier of (i) one year after the end of the Inspection Period, or (ii) October 5, 2020 (three years after the Lease Commencement Date) if the Inspection Period has ended on or before October 5, 2020. If the Inspection Period ends after October 5, 2020, Minimum Rent will begin as of the date the Inspection Period ends. Patriot's Point expects to begin collecting rent before the end of calendar 2020.

On March 15, 2019, the Patriot's Point board unanimously approved Patriots Annex's Conceptual Master plan, which includes 3 hotels, a convention and conference facility, 3 office buildings, 3 parking garages, an amphitheater, retail buildings with residential apartments above the retail spaces, and a public boardwalk. The development is expected to be undertaken in 5 phases over a period of about 10 years. A graphic of the conceptual plan is attached.

**COMMITTEE ACTION:**

Receive as information the Annual Report of Patriot's Point Development Authority regarding its lease with Patriots Annex, LLC.

**ATTACHMENTS:**

- 1) Annual Report of Patriot's Point Development Authority dated March 29, 2019
- 2) Letter from Patriot's Point Development Authority dated April 24, 2019

# PATRIOTS POINT

★ HOME OF THE USS YORKTOWN★

March 26, 2019

Mr. Ric Harmon  
Director of Research; SFAA Liaison  
Joint Bond Review Committee  
Gressette Building; Room 109  
Columbia, SC 29201

Dear Mr. Harmon,

The Joint Bond Review Committee approved a lease agreement between Patriots Point Development Authority and Patriots Annex LLC contingent on Patriots Point providing an annual report, prior to March 31<sup>st</sup> each year, on the status of the development. The attached document is the annual report due by March 31, 2019. The report is in the format previously provided by JBRC staff with our updates annotated after each item.

Please let me know if any additional information is needed. Thank you for your help!

Sincerely,



R. "Mac" Burdette  
Executive Director

cc:

Mr. Ray Chandler, Esq., Chairman, PPDA Board of Directors (via E-mail)  
Mr. Wayne Adams, Chairman, Development Committee, PPDA Board of Directors (via E-mail)  
Ms. Ashlie Lancaster, South Carolina Dept of Administration (via E-mail)  
Mr. William Craver, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Phil Wagoner, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Bob Howard, PPDA Property Manager, (via E-mail)

**Annual Report to JBRC and SFAA**  
**Lease Between Patriots Point Development Authority and Patriots Annex, LLC**  
**(as of March 2019)**

- I. Financial Information
- A. A report concerning the amount of Rent generated by the Lease in the prior 12 months, including:
- (1) The amount of Minimum Rent received; and
  - (2) The amount of Percentage Rent received, broken down into the various categories of Percentage Rent. The Percentage Rent will be further broken down to show how much Percentage Rent is being generated by each improvement on the property.
  - (3) PPDA's use/expenditure of the revenue received in the prior 12 months, including carry-forward balances.
- PPDA Response: No rent has been received. The due diligence period allowed by the lease is expected to end in a few months when the Tenant receives zoning approval from the Town of Mount Pleasant. In accordance with the lease, rent payments will begin one year after the due diligence period ends. No construction has begun.
- B. A projection of the Rent PPDA expects the Lease to generate in the next 12 months.
- PPDA response: No rent is expected in the next 12 months as the tenant continues its due diligence and seeks zoning approvals from the Town of Mount Pleasant. We expect to begin receiving rent payments before the end of 2020.
- C. An estimate of the local and state tax revenue generated by the activity on the Premises during the prior 12 months.
- PPDA Response: None. No revenue-producing improvements have been made.
- D. An estimate of the number of people employed by the businesses operating on the Premises.
- PPDA Response: None. No businesses have been constructed.
- II. Development
- A. An overview of the current Master Plan (or Conceptual Master Plan if no Master Plan is in place yet), including any subdivision of the Premises approved by PPDA in the prior 12 months.
- PPDA Response: Tenant has developed a Conceptual Master Plan per the terms of the lease approved by JBRC/SFAA. This Conceptual Master Plan was unanimously approved by the PPDA Board on March 15, 2019. The plan includes three hotels, a convention/conference facility, three office buildings, three parking garages, an amphitheater, retail buildings with residential apartments above the retail spaces, and a public boardwalk. The

development will be constructed over a period of 10 – 15 years in multiple phases.

- B. The status of each project shown on the Master Plan (or Conceptual Master Plan), including:
- (1) The status of Mt. Pleasant and/or Charleston County approvals required to commence construction.  
PPDA Response: The tenant will submit a request for zoning to the Town of Mount Pleasant Planning Department for Preliminary Staff Review in April 2019. Tenant has held meetings with the Mayor of Mount Pleasant and the Town staff. Concurrent with the zoning application, the tenant is also negotiating a Development Agreement with the Town. The tenant’s zoning application is expected to be heard by the Town of Mount Pleasant Planning Commission in May or June 2019, with a hearing before Town Council in June or July.
  - (2) The status of any improvements currently under construction.  
PPDA Response: None under construction at this time.
  - (3) The status of any improvements completed and operational within the prior 12 months.  
PPDA Response: None.
  - (4) Any change in the status of operating improvements.  
PPDA Response: None.
  - (5) The status of any major repairs or renovations to improvements that required PPDA’s approval in the prior 12 months.  
PPDA Response: None.
- B. An update concerning the Lease’s various development-related deadlines.  
PPDA Response: The “Lease Commencement Date” is October 5, 2017, when SFAA approved and signed the agreement. Tenant now has an inspection period during which Tenant will apply for zoning, negotiate fee-in-lieu of property tax with the Town of Mount Pleasant, and otherwise perform its due diligence. This inspection period ends when the Tenant obtains its zoning from the Town. The lease allows for up to two years to accomplish this. After this two year period (October 4, 2019), if zoning has not been obtained, either party may cancel the lease. The Minimum Rent Commencement Date is the earlier of (1) one year after the Inspection Period ends, or (2) the beginning of the fourth year of the lease, if zoning has been obtained by then. PPDA expects to begin collecting rent before the end of 2020.
- C. Milestones expected in the upcoming 12 months.  
PPDA Response: Within the next few months, we expect the tenant will complete the process to obtain zoning. The Inspection Period will end on the date zoning is approved. One year after the Inspection Period ends, rent will begin to accrue.
- D. An update concerning the PPDA improvements affected by the Lease, including:
- (1) Any improvements vacated by PPDA in the prior 12 months.

- PPDA Response: None.
- (2) The status of any improvements currently being relocated or constructed.  
PPDA Response: None.
- (3) The status of any improvements, the relocation or construction of which was completed in the prior 12 months.  
PPDA Response: None.
- (4) An update concerning the various deadlines for PPDA to vacate or relocate its improvements affected by the Lease.  
PPDA Response: The tenant is required to begin construction within three years of the end of the Inspection Period. We expect the tenant will begin construction within two years of obtaining zoning. The schedule will be more clear after the tenant has obtained zoning – expected within the next few months.

III. Legal/Miscellaneous

- A. An overview of any Sublease or Subparcel Sublease transfers that have occurred in the prior 12 months.  
PPDA Response: None
- B. An overview of any tenant equity interest transfers that have occurred in the prior 12 months.  
PPDA Response: None.
- C. Any changes in the status of the Conservation Easement or the Federal Land Water Conservation Fund restrictions.  
PPDA Response: None.
- D. An update concerning all loans secured by the leasehold estate.  
PPDA Response: None.

# PATRIOTS POINT

★HOME OF THE USS YORKTOWN★

April 24, 2019

Mr. Rick Harmon  
Director of Research; SFAA Liaison  
Joint Bond Review Committee  
Gressette Building; Room 109  
Columbia, SC 29201

Dear Mr. Harmon,

This letter responds to the questions in your email dated April 24, 2019, concerning the approved Conceptual Master Plan for the Patriots Annex development.

The Conceptual Master Plan for Patriots Annex was unanimously approved by our Board of Directors on March 15, 2019. A graphic of the plan is enclosed. The approved plan includes three hotels, a conference facility, over 400,000 sq ft of office space, retail and restaurant buildings, an amphitheater, and structured parking for 2,800 vehicles. The one notable addition is the conference facility. The tenant was approached by the Charleston Convention and Visitors Bureau and asked to consider including a conference facility in the development. After a study was completed for the tenant by a consulting firm, the tenant opted to include the conference facility in place of an office building that was originally proposed. The revenues for Patriots Point from this development are projected to exceed those approved in the original lease by approximately \$240,000 per year at full buildout and operation.

The approved lease allows the tenant fifteen years to complete the buildout of the development depicted in the Conceptual Master Plan. The tenant anticipates building the development in five phases over a period of about ten years. The first phase of the construction will be the hotel labeled as "Hotel 1" on the graphic, along with the adjacent retail and amphitheater. In addition, the tenant anticipates constructing all of the infrastructure needed to support the entire development as part of the phase one construction. We do expect the phased construction to require subdivision of the premises, however, the tenant has not yet requested any subdivision.

Please let me know if any additional information is needed. Thank you for your help!

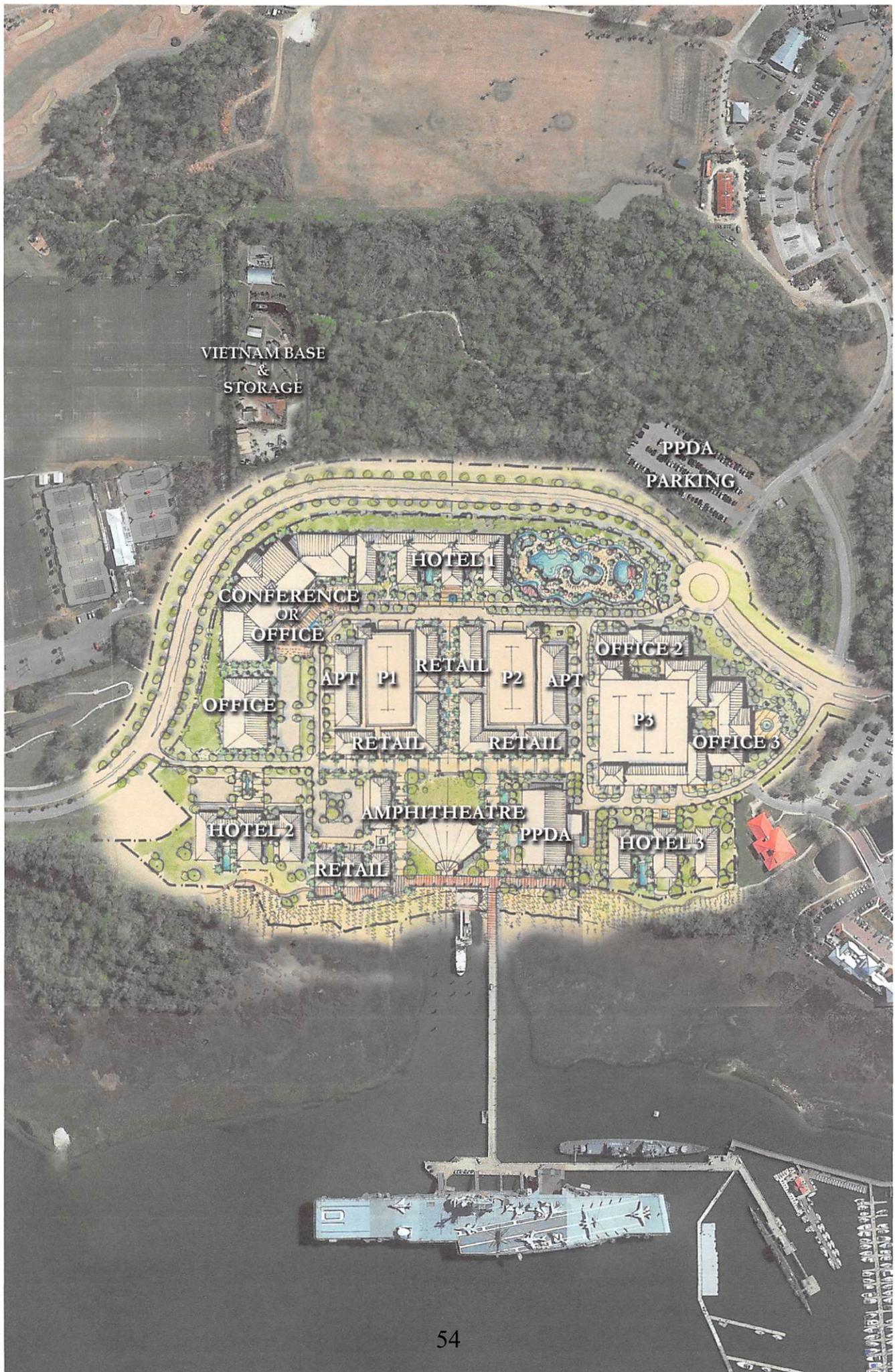
Sincerely,



R. "Mac" Burdette  
Executive Director

cc:

Mr. Ray Chandler, Esq., Chairman, PPDA Board of Directors (via E-mail)  
Mr. Wayne Adams, Chairman, Development Committee, PPDA Board of Directors (via E-mail)  
Ms. Ashlie Lancaster, South Carolina Dept of Administration (via E-mail)  
Mr. William Craver, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Phil Wagoner, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Bob Howard, PPDA Property Manager, (via E-mail)



VIETNAM BASE  
&  
STORAGE

PPDA  
PARKING

HOTEL 1

CONFERENCE  
OR  
OFFICE

OFFICE 2

OFFICE

APT

P1

RETAIL

P2

APT

P3

OFFICE 3

RETAIL

RETAIL

HOTEL 2

AMPHITHEATRE

PPDA

HOTEL 3

RETAIL

**AGENCY:** Various

**PROJECT/SUBJECT:** Pending Matters and Updates from Prior Meetings

The following matters arose in connection with items considered in prior meetings, and were referred to staff for study and resolution. Summaries of the current status of these matters follow.

- a. SC Department of Mental Health  
SC Veterans Nursing Homes Final Approval (January 16, 2019, Item 6)
- b. SC Department of Administration  
Roof Condition Assessments and Process (January 16, 2019, Item 3(b))
- c. SC Department of Administration  
Veteran's Cemeteries (February 20, 2019, Item 3(f))
- d. SC Office of Adjutant General  
Federal Funding for Capital Projects (February 20, 2019, Item 3(h))
- e. SC Department of Mental Health  
Babcock Building Roof Repair/Replacement (February 20, 2019, Item 3(i))
- f. SC Criminal Justice Academy  
Village Dormitory Restroom Renovations (February 20, 2019, Item 3(k))

**COMMITTEE ACTION:**

Receive these updates as information.

**ATTACHMENTS:**

Various; details are attached to each subitem.

**AGENCY:** South Carolina Department of Mental Health

**PROJECT/SUBJECT:** South Carolina Veterans Nursing Homes - Final Approval

By action on June 13, 2018, the committee authorized staff to review and make recommendations regarding any requests of the Department of Mental Health to advance the projects to become eligible for federal funding, with any requests and staff recommendations reported to the committee at its next meeting. By action on January 16, 2019, the committee gave the project final approval, conditioned on a firm limit of \$37,065,450 as the state's commitment to funding the estimated shortfall.

On March 5, 2019, the Department advised that bids had been opened and notices of award had been issued, and further advised that the lowest bids received exceeded the aggregate, then-currently approved construction budget of \$166.2 million by \$18.2 million. Despite efforts to mitigate the deficiency by shifting certain expenditures and value engineering the projects to the extent possible, the deficiency could not be entirely eliminated. The Department evaluated alternatives and concluded deferring pursuant of one of the projects would free sufficient funds to address the deficiency in the other two projects. The deferred project would be resubmitted to the U.S. Department of Veteran's Affairs in 2020, for consideration of construction grant funding in 2021.

The Department canvassed executive and legislative leadership and received indications of support to move forward with construction of the Northeast and Northwest region projects and defer pursuit of the Central region project. In reliance on representations made by the Department as to funding status and executive and legislative support for the Department's alternative plan, Committee staff reviewed and recommended approval of the revised construction budgets and commitment of financial resources to the Northeast and Northwest region projects; deferral of the Central region project; and revision of project authorizations reflective of these changes.

The State Fiscal Accountability Authority approved the permanent improvement project requests and budget revisions as requested by the Department on March 21, 2019. The Department executed Memorandums of Agreement for grant funding on March 25, 2019, prior to the April 3, 2019, deadline. Official grant approval will be evidenced by execution of the Memorandums of Agreement by the Under Secretary of Health, which has not yet been received; however, the Department has advised that the Memorandums are being vetted at the Department of Veteran's Affairs. Department of Veteran's Affairs staff has approved the budgets, given permission to execute contracts, and recommended approval of the grants.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

Harmon Letter regarding State Veteran's Nursing Home Construction Projects dated March 19, 2019

# Capital Improvements Joint Bond Review Committee

**HUGH K. LEATHERMAN, SR.**  
SENATE  
CHAIRMAN

## SENATE MEMBERS

HUGH K. LEATHERMAN, SR.  
HARVEY S. PEELER, JR.  
THOMAS C. ALEXANDER  
PAUL G. CAMPBELL, JR.  
GLENN G. REESE

## HOUSE MEMBERS

G. MURRELL SMITH, JR.  
GILDA COBB-HUNTER  
ALAN D. CLEMMONS  
LEONIDAS E. STAVRINAKIS  
J. GARY SIMRILL



**G. MURRELL SMITH, JR.**  
HOUSE OF REPRESENTATIVES  
VICE CHAIRMAN

**F. RICHARD HARMON, JR.**  
DIRECTOR OF RESEARCH  
SFAA LIAISON  
803-212-6682

**JESSA WIGINGTON**  
ADMINISTRATIVE ASSISTANT  
803-212-6677  
FAX: 803-212-6690

March 19, 2019

Mr. Mark W. Binkley, J.D.  
Interim State Director  
South Carolina Department of Mental Health  
2414 Bull Street, Suite 316  
Columbia, SC 29201

Ms. Jennifer LoPresti  
Capital Budgeting Manager  
South Carolina Department of Administration  
Capital Budget Office  
Suite 529, Edgar A. Brown Building  
Columbia, SC 29201

Re: State Veteran's Nursing Home Construction Projects

Dear Mr. Binkley and Ms. LoPresti:

The South Carolina Department of Mental Health has advised the Joint Bond Review Committee and others that bids have been received for three South Carolina Veteran's Homes proposed for construction in the Central, Northeast, and Northwest regions of the state. The Department has further advised that lowest bids received exceeded the aggregate, currently approved construction budget of \$166.2 million by \$18.2 million.

Financial resources of the state supporting the aggregate construction budget include approximately \$42.5 million in funds set aside in 2015 and \$37 million in additional state appropriations requested by the Department and included in both the Governor's Executive and House of Representatives proposed budgets for the fiscal year ending June 30, 2020. The Department has been informed that additional state funding will not exceed \$37,065,450.

The Department has proposed shifting expenditures for certain equipment and furniture from the construction budgets to future operations contracts and value engineering other project expenditures which, in the aggregate, would mitigate the deficiency in state funding available to support all three projects; however, even with those measures, the Department projects a deficiency in state funding of at least \$5.4 million.

Mr. Mark W. Binkley, J.D.  
Ms. Jennifer LoPresti  
March 19, 2019  
Page 2

Given this unresolved deficiency in state funding necessary to support the full construction budget, the Department has evaluated alternatives and concluded that deferring pursuit of one of the projects will free at least \$25.3 million in state funding to address the deficiency in the other two projects, leaving approximately \$20 million available for the state match portion of a future third State Veterans Home. The Department would expect to re-apply for the deferred project by April 15, 2020, with state match funding required to be in place not later than August 1, 2020, for consideration of construction grant funding by the U.S. Department of Veteran's Affairs in 2021.

The Department has canvassed executive and legislative leadership and received indications of support to move forward with construction of the Northeast region and Northwest region projects and defer pursuit of the Central region project under this alternative plan, and has submitted revised Forms A-1 and other supporting documentation reflecting these changes to the Capital Budget Office of the Department of Administration.

By action on June 13, 2018, the Joint Bond Review Committee authorized Committee staff to review and make recommendations regarding any requests of the Department to advance the projects to become eligible for federal funding, with any requests and staff recommendations reported to the Committee at its next meeting.

Inasmuch as the Committee is not scheduled to reconvene until May 8, 2019, after the impending deadline for federal funding in connection with these projects, and in reliance on the representations made by the Department with respect to funding status and executive and legislative support for the alternative plan summarized herein, Committee staff has reviewed and recommends approval of the revised construction budgets and commitment of financial resources to the Northeast region and Northwest region projects; deferral of the Central region project; and revision of project authorization in accordance with the Forms A-1 and other supporting documentation reflecting these changes as submitted by the Department to the Capital Budget Office. Submission of revised plans for the Central region project should be made by the Department to the Committee at an appropriate future date.

In accordance with the Committee action described above, the Department's request and this recommendation will be reported to the Committee at its next meeting.

Please advise us if you need any further information.

Very truly yours,



F. Richard Harmon, Jr.  
Director of Research

Attachments: Forms A-1

FOR DEPARTMENT USE ONLY	
CHE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-I Form Mailed	_____
SPIRS Date	_____
Summary	_____

**RECEIVED**  
By Kim at 4:07 pm, Mar 15, 2019

(For Department Use Only)
<b>SUMMARY NUMBER</b>
<b>FORM NUMBER</b>

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code   J12   Name   South Carolina Department of Mental Health    
 Contact Person   Pete Creighton   Phone   803-530-3667  

2. PROJECT Project #   9739   Name   State Veterans' Nursing Home Construction Northeast Region    
 Facility #            Facility Name   State Veterans Home  

<b>County Code</b>	21 - Florence
<b>New/Revised Budget</b>	\$57,134,013.00

<b>Project Type</b>	2 - Construct Additional Facilities
<b>Facility Type</b>	3 - Health Care/Medical

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number   8   of   12   for FY   2020  .

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

<b>Establish Project</b>	<input type="checkbox"/>	<b>Decrease Budget</b>	<input type="checkbox"/>	<b>Close Project</b>	<input type="checkbox"/>
<b>Establish Project - CPIP</b>	<input type="checkbox"/>	<b>Change Source of Funds</b>	<input type="checkbox"/>	<b>Change Project Name</b>	<input type="checkbox"/>
<b>Increase Budget</b>	<input checked="" type="checkbox"/>	<b>Revise Scope</b>	<input type="checkbox"/>	<b>Cancel Project</b>	<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 FY18 Veterans Affairs Appropriations Bill provided federal grant funding for the construction of a Home in Florence, based on the community living center design. The Department received a conditional funding letter in October 2018 from VA, which required that the State submit construction bids for approval with the associated State funding match no later than April 2, 2019. Bids have been received and in order to award the contract and receive federal funding, an additional \$1,834,013 in budget authority will be required.

Request approve increase in phase II design and construction funding in order to complete all requirements necessary to receive a federal funding grant from VA in April 2019.

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:   March 2015   Estimated Completion Date:   December 2021    
 Estimated Expenditures: Thru Current FY:   \$10,000,000.00   After Current FY:   \$47,134,013.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<b>PROJECT #</b>	9739
------------------	------

- 1. \_\_\_\_\_ Land Purchase ---->
  - 2. \_\_\_\_\_ Building Purchase ---->
  - 3. 2,782,163.00 Professional Services Fees
  - 4. 2,500,000.00 Equipment and/or Materials ---->
  - 5. \_\_\_\_\_ Site Development
  - 6. 49,097,000.00 New Construction ---->
  - 7. \_\_\_\_\_ Renovations - Building Interior ---->
  - 8. \_\_\_\_\_ Renovations - Utilities
  - 9. \_\_\_\_\_ Roofing - \_\_\_\_\_ Roof Age
  - 10. \_\_\_\_\_ Renovations - Building Exterior
  - 11. \_\_\_\_\_ Other Permanent Improvements
  - 12. \_\_\_\_\_ Landscaping
  - 13. \_\_\_\_\_ Builders Risk Insurance
  - 14. \_\_\_\_\_ Other Capital Outlay
  - 15. \_\_\_\_\_ Labor Costs
  - 16. \_\_\_\_\_ Bond Issue Costs
  - 17. 300,000.00 Other: 3rd Party and Cx
  - 18. 2,454,850.00 Contingency
- \$57,134,013.00 TOTAL PROJECT BUDGET

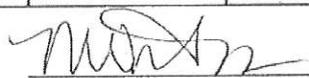
Land: \_\_\_\_\_ Acres  
 Floor Space: \_\_\_\_\_ Gross Square Feet  
 Information Technology \$500,000.00  
 Floor Space: 148,000 Gross Square Feet  
 Floor Space: \_\_\_\_\_ Gross Square Feet

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:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	<u>\$ 0.00</u>

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		8895		3603	3603
(6) Appropriated State		14,624,629.00	14,624,629.00 0.00		8895	68800100	1001	3600
(7) Federal	28,539,164.00		28,539,164.00 0.00		2800	78800100	5787	5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify) Cap Imp & Maint Fund	26,760,836.00	(12,790,616.00)	13,970,220.00 0.00 0.00		7201	98800100	4040	3907
<b>TOTAL BUDGET</b>	<b>\$55,300,000.00</b>	<b>\$1,834,013.00</b>	<b>\$57,134,013.00</b>					

10. SUBMITTED BY:

  
 Signature of Authorized Official and Title

Budget Director, Financial Services  
 Deputy Director, Administrative Services

3/15/19  
 Date

11. APPROVED BY:

(For Department Use Only)

\_\_\_\_\_  
 Authorized Signature and Title

\_\_\_\_\_  
 Date

FOR DEPARTMENT USE ONLY	
CHIE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

**RECEIVED**  
By Kim at 4:09 pm, Mar 15, 2019

(For Department Use Only)
SUMMARY NUMBER
FORM NUMBER

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code J12 Name South Carolina Department of Mental Health  
 Contact Person Pete Creighton Phone 803-530-3667

2. PROJECT Project # 9740 Name State Veterans' Nursing Home Construction Northwest Region  
 Facility # \_\_\_\_\_ Facility Name State Veterans Home

County Code	11 - Cherokee
New/Revised Budget	\$60,122,267.00

Project Type	2 - Construct Additional Facilities
Facility Type	3 - Health Care/Medical

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number 9 of 12 for FY 2020

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

Establish Project	<input type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input checked="" 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 FY18 Veterans Affairs Appropriations Bill provided federal grant funding for the construction of a Home in Cherokee County, based on the community living center design. The Department received a conditional funding letter in October 2018 from VA, which required that the State submit construction bids for approval with the associated State funding match no later than April 2, 2019. Bids have been received and in order to award the contract and receive federal funding, an additional \$3,322,267 in budget authority will be required.

Request approve increase in phase II design and construction funding in order to complete all requirements necessary to receive a federal funding grant from VA in April 2019.

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: March 2015 Estimated Completion Date: December 2021  
 Estimated Expenditures: Thru Current FY: \$10,000,000.00 After Current FY: \$50,122,267.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

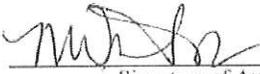
<b>PROJECT #</b>	9740
------------------	------

- |   |                                       |                             |                     |
|---|---------------------------------------|-----------------------------|---------------------|
| 1. _____                                    | Land Purchase ---->                   | Land: _____                 | Acres               |
| 2. _____                                    | Building Purchase ---->               | Floor Space: _____          | Gross Square Feet   |
| 3. <u>2,774,767.00</u>                      | Professional Services Fees            |                             |                     |
| 4. <u>2,500,000.00</u>                      | Equipment and/or Materials ---->      | Information Technology      | <u>\$500,000.00</u> |
| 5. _____                                    | Site Development                      |                             |                     |
| 6. <u>51,950,000.00</u>                     | New Construction ---->                | Floor Space: <u>148,000</u> | Gross Square Feet   |
| 7. _____                                    | Renovations - Building Interior ----> | Floor Space: _____          | Gross Square Feet   |
| 8. _____                                    | 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. <u>300,000.00</u>                       | Other: 3rd Party and Cx               |                             |                     |
| 18. <u>2,597,500.00</u>                     | Contingency                           |                             |                     |
| <u>\$60,122,267.00</u> 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:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ <u>0.00</u>

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		8895		3603	3603
(6) Appropriated State		16,312,518.00	16,312,518.00 0.00		8895	68800100	1001	3600
(7) Federal	29,412,179.00		29,412,179.00 0.00		2800	78800100	5787	5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specifv) Cap Imp & Maint Fund	27,387,821.00	(12,990,251.00)	14,397,570.00 0.00 0.00		7201	98800100	4040	3907
<b>TOTAL BUDGET</b>	<b>\$56,800,000.00</b>	<b>\$3,322,267.00</b>	<b>\$60,122,267.00</b>					

10. SUBMITTED BY:  Budget Director, Financial Services  
~~Deputy Director, Administrative Services~~ 3/15/19  
 Signature of Authorized Official and Title Date

11. APPROVED BY: \_\_\_\_\_  
 (For Department Use Only) Authorized Signature and Title Date

Revised 3/30/16

**AGENCY:** South Carolina Department of Administration

**PROJECT/SUBJECT:** Roof Condition Assessments and Process

Following observations by the committee that roofs are an issue for the state, and in recognition of the committee's sensitivity to warranty periods and agencies' efforts to extend useful lives of existing roofs, the Department of Administration provided an assessment for the 49 facilities it operates and maintains.

Since 2015, roof evaluations have been conducted on 31 buildings:

- 8 facility roofs are in various stages of elastomeric recoating to extend their useful life;
- 15 facility roofs are not suitable for recoating due to their architectural type (4) or poor condition (11); and
- 8 facility roofs have active warranties with coatings that will be evaluated 3-5 years before warranty expiration, which expirations occur at various times between 2029 and 2038.

Determinations for the remaining facility roofs are being evaluated this year.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

SC Department of Administration: State Facility Roofs - February 20, 2019

**State Facility Roofs  
February 20, 2019**

The Department of Administration (Admin) operates and maintains 49 facilities with roofs. Admin staff conduct monthly inspections on all building roofs. Inspections are required to maintain roof warranties but are also conducted on roofs without a warranty or an expired warranty to check for ponding water, potential leaks and to remove debris that could potentially cause damage.

Since agency's creation in 2015, roof evaluations have been conducted on 31 buildings. The following represents the findings from those evaluations:

- 8 facility roofs were identified by an Architecture and Engineering (A&E) firm as eligible for an elastomeric coating system to extend the roof life.
  - 2 have been completed.
  - 3 are in progress/underway.
  - 3 are planned for future coating.
- 15 facility roofs were identified as ineligible by the A&E firm for an elastomeric coating system.
  - 4 roofs were not recommended due to architectural type.
  - 11 roofs were not recommended due to the poor condition of the roof.
- 8 facility roofs have active warranties and per A&E, roof coating should be evaluated 3-5 years prior to the warranty expiration.
  - 3 facility roof warranties expire in 2029
  - 2 facility roof warranties expire in 2034
  - 1 facility roof warranty expires in 2036
  - 2 facility roof warranties expire in 2038

In addition to the roof evaluations conducted above, this year another roof evaluation is underway, including core samples, to determine the eligibility of the remaining facility roofs with expired/expiring warranties for a roof coating system.

There are also 10 facilities that have been identified for sale as part of the Statewide Real Estate Strategic Plan and one facility is scheduled for demolition. These facilities are not being considered for elastomeric coating or replacement.

Of the 31 facility roofs which have been evaluated for the elastomeric coating system, 25.8% have been coated or are scheduled for coating to extend their useful life.

**AGENCY:** South Carolina Department of Administration

**PROJECT/SUBJECT:** South Carolina Veteran's Cemeteries

In connection with the Joint Bond Review Committee's favorable review of the M. J. "Dolly" Cooper Veterans Cemetery Columbaria Grant to construct 1,200 additional burial niches, the Committee requested further information on the number of columbaria in the State.

The Department of Administration subsequently responded that the M. J. "Dolly" Cooper Cemetery is the only State Veterans Cemetery in South Carolina. There are currently 4 columbarium walls with 200 niches per wall at this cemetery, with 86 remaining empty niches before capacity.

The Department advised that it did not have information for the national veterans cemeteries, as they are not maintained by the state.

The National Cemetery Administration web page of the U.S. Department of Veterans Affairs lists 3 national cemeteries in South Carolina: Beaufort National Cemetery, Florence National Cemetery, and Fort Jackson National Cemetery, each of which accommodate casketed and cremated remains, with space currently available to accommodate both types of interments.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

None.

**AGENCY:** South Carolina Office of Adjutant General

**PROJECT/SUBJECT:** Federal Funding for Capital Projects

In connection with the Joint Bond Review Committee's favorable review of the permanent improvement project to demolish existing WWII era barracks and construct Transient Training Enlisted Barracks at the McCrady Training Center in Columbia and Clarks Hill Training Center in McCormick County, the Committee requested amounts received and expenditure details for the National Guard Bureau funds over the last 5 fiscal years; a list of deferred maintenance for facilities managed by the Office of Adjutant General; and guidelines and restrictions for expenditures of National Guard Bureau funds along with their state match requirements.

The Office of Adjutant General provided several reports and the following narrative responsive to these requests:

The first document entitled "Federal Budget Summary" is responsive to the Committee's request for guidelines and restrictions for these funds, including their state match requirements. This document addresses the frequency of distributions, designations and restrictions for operational and capital expenses, with further restrictions applicable to sub-designations for capital expenses. The second page of this document reflects the federal and state cost shares determined by type of unit or facility and ownership of the property. The Office provides periodic updates to the National Guard Bureau to account for the funding and compliance with applicable restrictions.

The following document entitled "Federal Income Statement" reflects a 5 year history of federal facility maintenance and construction funds budgeted for receipt and expense under the Annual Funding Program, and is responsive to the Committee's request for receipts and expenditures over the last 5 fiscal years. The funds reflected on this document are based on the federal fiscal year in which they were budgeted, not the year in which they were expended. Funds obligated during a federal fiscal year (primarily purchases, renovation projects, and construction projects) can be executed in later fiscal years but are charged against the year the funds were budgeted. Capital expenditures include not only construction costs, but also facility maintenance, demolitions, energy programs, and renovations, among others. Moreover, these funds are sub-designated by the National Guard Bureau to subaccounts for specific uses and cannot be transferred between those accounts.

The document entitled "Renovations vs. State Budgeted Funding" reflects only renovation projects (not capital construction, facility maintenance, or other types of facility costs) on Readiness Centers. The information is based on the actual budget as reflected in the Annual Appropriations Act. Proviso 100.20 (for the fiscal year 2018-19) provides that funds appropriated for Armory Revitalizations may be carried forward from the prior fiscal year and expended for the same purpose in the current fiscal year. Renovation costs are based on the date of execution, and not the federal fiscal year in which they were budgeted. Renovations generally take 2-4 years to complete. Renovation costs reflected on the document for the state fiscal years

2012-2018 are actual costs; renovation costs thereafter are estimates based on the planned design and renovations of specified Readiness Centers.

The final document entitled “Estimated Deferred Maintenance Costs” is responsive to the request for that information. This information was developed utilizing “Army Builder”, an estimating software package from the National Guard Bureau and is the standard utilized by all Army National Guards in the nation. In developing the estimate, Army Builder takes into account factors such as age of facility, age of the facility’s components (such as HVAC, electrical and plumbing) and the expected life cycle replacement time and costs. The estimate includes the estimated maintenance costs for all of the SC Army National Guard facilities including those that are funded 100% federal, 75% federal/25% state, and 50% federal/50% state.

Total deferred maintenance is estimated at \$159 million, including costs of installing and upgrading fire systems, of which amount the federal share is approximately \$116 million and the state share is \$43 million. Estimated deferred maintenance for the Readiness Centers only is approximately \$86 million, of which amount \$43 million is the federal share, and \$43 million is the state share.

Construction was completed on the Greenville Joint Readiness Center this past year. Renovations are currently on-going on the Greenwood, Greenville (Donaldson Center) and Lancaster Readiness Centers.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

- 1) South Carolina Army National Guard - Federal Budget Summary
- 2) South Carolina Army National Guard - Federal Income - Cash Flow Statement
- 3) Office of the Adjutant General - Renovations vs. State Budgeted Funding
- 4) Office of the Adjutant General - South Carolina Army National Guard Readiness Center/Armory Estimated Deferred Maintenance



# South Carolina Army National Guard Federal Budget Summary



- Federal Funds are received quarterly through funding distributions from National Guard Bureau and are designated for either Operational or Capital costs
  - Operational (e.g., utilities, salaries, municipal services, etc.)
  - Capital (e.g., facility maintenance, demolitions, energy programs, renovations, construction, etc.)
- Funds cannot be transferred between Operational and Capital
- Funds designated for Capital are further sub-designated by NGB to subaccounts for specific types of use and cannot be transferred between those accounts



# South Carolina Army National Guard Federal Budget Summary



- Federal and State Cost Share for facility maintenance is determined by the type of unit/facility and ownership of the facility/property (State or Federal)
  - 50% Federal/50% State cost share – State Owned Readiness Centers
  - 75% Federal/25% State cost share – Federally Owned Readiness Centers
  - 100% Federal – Federally Owned Maintenance Facilities & Federally owned Training Facilities/Sites



# South Carolina Army National Guard Federal Income Statement



## OFFICE OF THE ADJUTANT GENERAL

## Cash Flow Statement

Construction & Facilities Management Office [CFMO]

For the Federal Fiscal Years 2014 - 2018

Annual Funding Program (AFP)	2014	2015	2016	2017	2018
CFMO Federal Funds from National Guard Bureau	19,189,000	15,742,900	13,712,396	18,066,200	20,325,000
<b>Total AFP</b>	<b>19,189,000</b>	<b>15,742,900</b>	<b>13,712,396</b>	<b>18,066,200</b>	<b>20,325,000</b>
<b>Expenditures</b>					
Personal Service & Fringe	4,048,868	4,473,150	4,441,148	4,893,631	5,218,845
Operating Expenses	12,541,566	9,897,626	8,640,669	8,119,610	7,902,372
<b>Total Operating Expenditures</b>	<b>16,590,434</b>	<b>14,370,776</b>	<b>13,081,817</b>	<b>13,013,241</b>	<b>13,121,217</b>
100% Federal	1,187,264	265,917	312,888	1,403,047	204,866
75% Federal	6,885	-	-	1,515,797	-
50% Federal	1,362,868	912,531	244,156	1,309,154	3,433,639
<b>Total Capital Expenditures</b>	<b>2,557,017</b>	<b>1,178,448</b>	<b>557,044</b>	<b>4,227,998</b>	<b>3,638,505</b>
<b>Pending Encumbrances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>795,198</b>	<b>3,354,768</b>
<b>Projected Balance</b>	<b>41,549</b>	<b>193,676</b>	<b>73,535</b>	<b>29,763</b>	<b>210,510</b>

\*Note: Expenditures are still accruing for FFY17- FFY18

**Note – these funds are tracked based on Budget Years, not on actual year of execution**

	State Budgeted Dollars				Renovation Projects		
	Recurring	Non-Recurring	Capital Reserve	Total	State Share	Federal Share	Total
SFY12	\$0.00	\$250,000.00	\$0.00	\$250,000.00	\$78,750.00	\$166,250.00	\$245,000.00
SFY13	\$0.00	\$500,000.00	\$0.00	\$500,000.00	\$112,606.50	\$112,606.50	\$225,213.00
SFY14	\$0.00	\$650,000.00	\$0.00	\$650,000.00	\$641,076.84	\$840,183.84	\$1,481,260.68
SFY15	\$0.00	\$1,000,000.00	\$1,332,500.00	\$2,332,500.00	\$1,685,956.14	\$1,995,323.38	\$3,681,279.52
SFY16	\$0.00	\$1,500,000.00	\$0.00	\$1,500,000.00	\$122,167.00	\$122,167.00	\$244,334.00
SFY17	\$0.00	\$0.00	\$5,000,000.00	\$5,000,000.00	\$884,000.00	\$0.00	\$884,000.00
SFY18	\$0.00	\$0.00	\$0.00	\$0.00	\$1,571,000.00	\$1,571,000.00	\$3,142,000.00
SFY19	\$1,550,000.00	\$0.00	\$3,000,000.00	\$4,550,000.00	\$3,650,500.00	\$3,650,500.00	\$7,301,000.00
Projected SFY20					\$3,975,000.00	\$3,975,000.00	\$7,950,000.00
Projected SFY21					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY22					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY23					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY24					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY25					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
<b>Totals</b>	<b>\$1,550,000.00</b>	<b>\$3,900,000.00</b>	<b>\$9,332,500.00</b>	<b>\$14,782,500.00</b>	<b>\$41,596,056.48</b>	<b>\$41,308,030.72</b>	<b>\$82,904,087.20</b>

<i>Facility</i>	<i>Cost Share % Federal/State</i>	<i>Estimated Deferred Maintenance</i>	<i>Estimated Fire Alarm System Installation/Upgrade</i>	<i>Cost Share Federal</i>	<i>Cost Share State</i>	<i>Total Cost</i>
Abbeville Readiness Center	50 / 50 %	\$ 652,380.00	\$ 129,174.00	\$ 390,777.00	\$ 390,777.00	\$ 781,554.00
Allendale Readiness Center	50 / 50 %	\$ 827,070.00	\$ 92,772.00	\$ 459,921.00	\$ 459,921.00	\$ 919,842.00
Andrews Readiness Center	50 / 50 %	\$ 827,070.00	\$ 109,578.00	\$ 468,324.00	\$ 468,324.00	\$ 936,648.00
Barnwell Readiness Center	50 / 50 %	\$ 651,230.00	\$ 89,844.00	\$ 370,537.00	\$ 370,537.00	\$ 741,074.00
Batesburg Readiness Center	50 / 50 %	\$ 930,190.00	\$ 92,694.00	\$ 511,442.00	\$ 511,442.00	\$ 1,022,884.00
Bennettsville Readiness Center	50 / 50 %	\$ 486,380.00	\$ 99,690.00	\$ 293,035.00	\$ 293,035.00	\$ 586,070.00
Camden Readiness Center	50 / 50 %	\$ 1,904,190.00	\$ 138,276.00	\$ 1,021,233.00	\$ 1,021,233.00	\$ 2,042,466.00
Charleston Readiness Center	50 / 50 %	\$ 1,904,190.00	\$ 486,396.00	\$ 1,195,293.00	\$ 1,195,293.00	\$ 2,390,586.00
Chester Readiness Center	50 / 50 %	\$ 873,540.00	\$ 104,124.00	\$ 488,832.00	\$ 488,832.00	\$ 977,664.00
Clinton Readiness Center	50 / 50 %	\$ 847,530.00	\$ 111,228.00	\$ 479,379.00	\$ 479,379.00	\$ 958,758.00
Columbia Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 382,434.00	\$ 825,917.00	\$ 825,917.00	\$ 1,651,834.00
Conway Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 91,200.00	\$ 680,300.00	\$ 680,300.00	\$ 1,360,600.00
Darlington Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 129,816.00	\$ 699,608.00	\$ 699,608.00	\$ 1,399,216.00
Dillon Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 95,580.00	\$ 682,490.00	\$ 682,490.00	\$ 1,364,980.00
Easley Readiness Center	50 / 50 %	\$ 1,255,290.00	\$ 103,308.00	\$ 679,299.00	\$ 679,299.00	\$ 1,358,598.00
Eastover Readiness Center	50 / 50 %	\$ 1,489,180.00	\$ 123,126.00	\$ 806,153.00	\$ 806,153.00	\$ 1,612,306.00
Edgefield Readiness Center	50 / 50 %	\$ 1,506,640.00	\$ 97,164.00	\$ 801,902.00	\$ 801,902.00	\$ 1,603,804.00
Florence Readiness Center	50 / 50 %	\$ 1,506,640.00	\$ 97,164.00	\$ 801,902.00	\$ 801,902.00	\$ 1,603,804.00
Fort Mill Readiness Center	50 / 50 %	\$ 1,231,790.00	\$ 109,224.00	\$ 670,507.00	\$ 670,507.00	\$ 1,341,014.00
Fountain Inn Readiness Center	50 / 50 %	\$ 1,231,790.00	\$ 145,284.00	\$ 688,537.00	\$ 688,537.00	\$ 1,377,074.00
Gaffney Readiness Center	50 / 50 %	\$ 1,406,570.00	\$ 142,794.00	\$ 774,682.00	\$ 774,682.00	\$ 1,549,364.00
Georgetown Readiness Center	50 / 50 %	\$ 1,406,570.00	\$ 143,544.00	\$ 775,057.00	\$ 775,057.00	\$ 1,550,114.00
Graniteville Readiness Center	50 / 50 %	\$ 1,857,980.00	\$ 122,286.00	\$ 990,133.00	\$ 990,133.00	\$ 1,980,266.00
Greenville Joint Readiness Center	50 / 50 %	\$ -	\$ -	\$ -	\$ -	\$ -
Greenville Readiness Center (Donaldson Center)	50 / 50 %	Currently undergoing Renovation				
Greenwood Readiness Center	50 / 50 %	Currently undergoing Renovation				
Greer Readiness Center	50 / 50 %	\$ 2,850,990.00	\$ 148,302.00	\$ 1,499,646.00	\$ 1,499,646.00	\$ 2,999,292.00
Hartsville Readiness Center	50 / 50 %	\$ 1,246,670.00	\$ 111,696.00	\$ 679,183.00	\$ 679,183.00	\$ 1,358,366.00
Hemingway Readiness Center	50 / 50 %	\$ 754,360.00	\$ 83,916.00	\$ 419,138.00	\$ 419,138.00	\$ 838,276.00
Hodges Readiness Center	50 / 50 %	\$ 1,964,820.00	\$ 148,566.00	\$ 1,056,693.00	\$ 1,056,693.00	\$ 2,113,386.00
Kingstree Readiness Center	50 / 50 %	\$ 988,360.00	\$ 99,042.00	\$ 543,701.00	\$ 543,701.00	\$ 1,087,402.00

<i>Facility</i>	<i>Cost Share % Federal/State</i>	<i>Estimated Deferred Maintenance</i>	<i>Estimated Fire Alarm System Installation/Upgrade</i>	<i>Cost Share Federal</i>	<i>Cost Share State</i>	<i>Total Cost</i>
Lancaster Readiness Center	50 / 50 %	Currently undergoing Renovation				
Laurens Readiness Center	50 / 50 %	\$ 2,132,680.00	\$ 109,926.00	\$ 1,121,303.00	\$ 1,121,303.00	\$ 2,242,606.00
Manning Readiness Center	50 / 50 %	\$ 1,560,950.00	\$ 155,760.00	\$ 858,355.00	\$ 858,355.00	\$ 1,716,710.00
Marion Readiness Center	50 / 50 %	\$ 844,590.00	\$ 103,626.00	\$ 474,108.00	\$ 474,108.00	\$ 948,216.00
Moncks Corner Readiness Center	50 / 50 %	\$ 2,085,730.00	\$ 106,158.00	\$ 1,095,944.00	\$ 1,095,944.00	\$ 2,191,888.00
Mt. Pleasant Readiness Center	50 / 50 %	\$ 2,085,730.00	\$ 147,372.00	\$ 1,116,551.00	\$ 1,116,551.00	\$ 2,233,102.00
Mullins Readiness Center	50 / 50 %	\$ 2,085,730.00	\$ 177,120.00	\$ 1,131,425.00	\$ 1,131,425.00	\$ 2,262,850.00
Myrtle Beach Readiness Center	50 / 50 %	\$ 946,600.00	\$ 77,820.00	\$ 512,210.00	\$ 512,210.00	\$ 1,024,420.00
Newberry Readiness Center	50 / 50 %	\$ 1,554,020.00	\$ 201,024.00	\$ 877,522.00	\$ 877,522.00	\$ 1,755,044.00
North Charleston Readiness Center	50 / 50 %	\$ 1,904,190.00	\$ 225,768.00	\$ 1,064,979.00	\$ 1,064,979.00	\$ 2,129,958.00
Orangeburg Readiness Center	50 / 50 %	\$ 2,291,670.00	\$ 157,608.00	\$ 1,224,639.00	\$ 1,224,639.00	\$ 2,449,278.00
Pine Ridge Readiness Center	50 / 50 %	\$ 1,563,920.00	\$ 243,774.00	\$ 903,847.00	\$ 903,847.00	\$ 1,807,694.00
Rock Hill Readiness Center	50 / 50 %	\$ 1,563,920.00	\$ 147,240.00	\$ 855,580.00	\$ 855,580.00	\$ 1,711,160.00
Saluda Readiness Center	50 / 50 %	\$ 1,289,130.00	\$ 108,060.00	\$ 698,595.00	\$ 698,595.00	\$ 1,397,190.00
Seneca Readiness Center	50 / 50 %	\$ 1,289,130.00	\$ 94,758.00	\$ 691,944.00	\$ 691,944.00	\$ 1,383,888.00
Spartanburg Readiness Center	50 / 50 %	\$ 1,289,130.00	\$ 302,622.00	\$ 795,876.00	\$ 795,876.00	\$ 1,591,752.00
Sumter Readiness Center	50 / 50 %	\$ 1,682,120.00	\$ 117,648.00	\$ 899,884.00	\$ 899,884.00	\$ 1,799,768.00
Timmonsville Readiness Center	50 / 50 %	\$ 1,030,640.00	\$ 123,342.00	\$ 576,991.00	\$ 576,991.00	\$ 1,153,982.00
Union Readiness Center	50 / 50 %	\$ 1,643,730.00	\$ 126,984.00	\$ 885,357.00	\$ 885,357.00	\$ 1,770,714.00
Varnville Readiness Center	50 / 50 %	\$ 1,802,230.00	\$ 140,496.00	\$ 971,363.00	\$ 971,363.00	\$ 1,942,726.00
Walterboro Readiness Center	50 / 50 %	\$ 887,280.00	\$ 96,126.00	\$ 491,703.00	\$ 491,703.00	\$ 983,406.00
Wellford Readiness Center	50 / 50 %	\$ 1,091,330.00	\$ 113,208.00	\$ 602,269.00	\$ 602,269.00	\$ 1,204,538.00
West Columbia Readiness Center	50 / 50 %	\$ 2,040,700.00	\$ 143,178.00	\$ 1,091,939.00	\$ 1,091,939.00	\$ 2,183,878.00
Columbia – TAG Building	53 / 47%	\$ 1,269,400.00	\$ 95,580.00	\$ 723,439.40	\$ 641,540.60	\$ 1,364,980.00
Beaufort Readiness Center	75 / 25%	\$ 930,190.00	\$ 180,864.00	\$ 833,290.50	\$ 277,763.50	\$ 1,111,054.00
Clemson Readiness Center	75 / 25%	\$ 2,394,810.00	\$ 166,764.00	\$ 1,921,180.50	\$ 640,393.50	\$ 2,561,574.00
McEntire Site (Federal/State - 4 Buildings)	75 / 25%	\$ 12,066,075.00	\$ -	\$ 9,049,556.25	\$ 3,016,518.75	\$ 12,066,075.00
Anderson Readiness Center (AAMDC)	100%	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ -	\$ 1,500,000.00
Clarks Hill Training Center Site	100%	\$ 6,477,700.00	\$ -	\$ 6,477,700.00	\$ -	\$ 6,477,700.00
Darlington/Florence Field Maintenance Shop 12	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Donaldson AASF 2	100%	\$ 300,000.00	\$ -	\$ 300,000.00	\$ -	\$ 300,000.00

<i>Facility</i>	<i>Cost Share % Federal/State</i>	<i>Estimated Deferred Maintenance</i>	<i>Estimated Fire Alarm System Installation/Upgrade</i>	<i>Cost Share Federal</i>	<i>Cost Share State</i>	<i>Total Cost</i>
Edgefield Field Maintenance Shop 6	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Hampton Field Maintenance Shop 14	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Hartsville Field Maintenance Shop 11	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Hemingway Field Maintenance Shop 3	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
McCrary Training Center (MTC)	100%	\$ 19,433,100.00	\$ -	\$ 19,433,100.00	\$ -	\$ 19,433,100.00
McEntire Site (Federal - CSMS & AASF)	100%	\$ 36,198,225.00	\$ -	\$ 36,198,225.00	\$ -	\$ 36,198,225.00
Pine Ridge 43rd CST	100%	\$ 253,600.00	\$ -	\$ 253,600.00	\$ -	\$ 253,600.00
Rock Hill Field Maintenance Shop 5	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Saluda Field Maintenance Shop 6	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Summerville Field Maintenance Shop 13	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Union Field Maintenance Shop 8	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
		\$ 151,752,270.00	\$ 7,491,048.00	\$ 115,971,096.65	\$ 43,272,221.35	\$ 159,243,318.00

<i>Total Estimated Deferred Maintenance</i>	\$ 151,752,270.00
<i>Total Estimated Cost to Install/Upgrade Fire Systems</i>	\$ 7,491,048.00
<i>Total Federal Share</i>	\$ 115,971,096.65
<i>Total State Share</i>	\$ 43,272,221.35
<b><i>Total Estimated Deferred Maintenance Costs</i></b>	<b>\$ 159,243,318.00</b>

**AGENCY:** South Carolina Department of Mental Health

**PROJECT/SUBJECT:** Babcock Building Roof Repair/Replacement

In connection with the Joint Bond Review Committee's favorable review of the Babcock Building Roof Repair/Replacement project, the Committee authorized the Department of Mental Health to expend up to \$390 thousand toward the cost of the project, with the commitment from the Department that once reimbursement was received by the Insurance Reserve Fund, the Department would immediately replenish the account so that no services are affected. Moreover, Committee staff was directed to contact the Insurance Reserve Fund to communicate the Committee's expectation that a decision as to the amount of reimbursement was reached not later than Friday, February 22, 2019.

On Friday, February 22, the Director of the Insurance Reserve Fund communicated to Committee staff the IRF's determination to pay \$455,395.98, net of deductible, supported by an estimate prepared by JS Held.

The Insurance Reserve Fund received the claim from the Department on December 14, 2018 following the fire that occurred on December 13, 2018. The building is insured by the IRF for an agreed value of \$1,609,637, and is insured at salvage value due to its age and condition. The IRF's payment is for tarping of the building to shed water, preparing a scope for the new roof structure, and removing burn debris. IRF communicated this amount to the Department on Thursday, February 21, 2019, and issued its proof of loss on Friday, February 22, 2019, with funds made available to the Department that same day.

Committee staff recommended and the Department committed to reserve the \$65,395.98 in insurance proceeds exceeding the permanent improvement project authorization until a determination is made to proceed in a later phase to restore the historic features of the building, or until such time as the Department requests and receives favorable review by the Committee for its use otherwise.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

JS Held Estimate provided by the Insurance Reserve Fund.



2019-02-20-1514

**Temporary Repairs**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
1. Blusky Bid for temp tarping	1.00 EA @	135,000.00 =	135,000.00
2. Fire damage debris removal per Blusky	1.00 EA @	20,000.00 =	20,000.00
3. General Demolition - per hour	160.00 HR @	35.22 =	5,635.20
Cost to remove fall hazards, piping, plaster etc..			

**Roof**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
4. 2" x 10" x 20' #2 & better Fir / Larch (material only)	10.00 EA @	19.12 =	191.20
5. 2" x 10" x 8' #2 & better Fir / Larch (material only)	2.00 EA @	7.65 =	15.30
6. 2" x 10" x 16' #2 & better Fir / Larch (material only)	4.00 EA @	15.18 =	60.72
7. 2" x 10" x 12' #2 & better Fir / Larch (material only)	2.00 EA @	11.52 =	23.04
8. 2" x 8" x 20' #2 & better Fir / Larch (material only)	127.00 EA @	13.70 =	1,739.90
9. 2" x 8" x 8' #2 & better Fir / Larch (material only)	114.00 EA @	5.48 =	624.72
10. 2" x 8" x 18' #2 & better Fir / Larch (material only)	13.00 EA @	12.46 =	161.98
11. 2" x 8" x 16' #2 & better Fir / Larch (material only)	19.00 EA @	10.87 =	206.53
12. 2" x 8" x 14' #2 & better Fir / Larch (material only)	17.00 EA @	9.65 =	164.05
13. 2" x 8" x 12' #2 & better Fir / Larch (material only)	13.00 EA @	8.25 =	107.25
14. 2" x 8" x 10' #2 & better Fir / Larch (material only)	23.00 EA @	6.85 =	157.55
15. 2" x 6" x 20' #2 & better Fir / Larch (material only)	13.00 EA @	15.79 =	205.27
16. 2" x 6" x 8' #2 & better Fir / Larch (material only)	3.00 EA @	4.60 =	13.80
17. 2" x 6" x 12' #2 & better Fir / Larch (material only)	4.00 EA @	6.93 =	27.72
18. R&R Rafters - 2x8 - Labor only - (using rafter length)	4,370.44 LF @	3.33 =	14,553.56
19. R&R Rafters - 2x10 - Labor only - (using rafter length)	89.26 LF @	3.70 =	330.26
20. R&R Rafters - hip - 10" - Labor only (use hip length)	200.33 LF @	26.58 =	5,324.77
21. R&R Rafters - 2x6 - Labor only - (using rafter length)	323.10 LF @	2.81 =	907.92
22. R&R Sheathing - spaced 1" x 6"	5,856.00 SF @	3.66 =	21,432.96
23. General Demolition - per hour	160.00 HR @	35.22 =	5,635.20
Labor to cut remaining connections for removal			

**Roof1**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
24. R&R Standing seam metal roofing	5,193.52 SF @	5.64 =	29,291.46

**CONTINUED - Roof1**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
25. Additional charge for high roof (2 stories or greater)	51.94 SQ @	3.72 =	193.22
26. Additional charge for high roof (2 stories or greater)	51.94 SQ @	13.09 =	679.89
27. R&R Roof mount power attic vent	2.00 EA @	434.27 =	868.54
28. R&R Saddle or cricket - up to 25 SF	1.00 EA @	143.29 =	143.29
29. R&R Soffit - box framing - 2' overhang	270.20 LF @	5.58 =	1,507.71
30. R&R Soffit - wood	540.40 SF @	3.86 =	2,085.94
31. Prime & paint exterior soffit - wood	540.40 SF @	1.62 =	875.45
32. R&R Gable cornice return 2 stories or greater	2.00 EA @	73.87 =	147.74
33. cornice - at roof	44.00 LF @	45.16 =	1,987.04
34. Finish Carpenter - per hour	40.00 HR @	60.42 =	2,416.80
Remove cornice work for reinstall			

**Roof2**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
35. R&R Standing seam metal roofing	661.45 SF @	5.64 =	3,730.58
36. R&R Saddle or cricket - 26 to 50 SF	1.00 EA @	245.41 =	245.41
37. R&R Saddle or cricket - up to 25 SF	1.00 EA @	143.29 =	143.29
38. Additional charge for high roof (2 stories or greater)	6.61 SQ @	3.72 =	24.59
39. Additional charge for high roof (2 stories or greater)	6.61 SQ @	13.09 =	86.52

**Interior Repairs**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
40. Acoustic plaster over metal lath	5,350.00 SF @	7.65 =	40,927.50
41. Scaffold - per section (per month)	270.00 MO @	111.00 =	29,970.00

**General Conditions**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
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**CONTINUED - General Conditions**

<b>DESCRIPTION</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>
42. Commercial Supervision / Project Management - per hour	80.00 HR @	56.37 =	4,509.60
43. Dumpster load - Approx. 40 yards, 7-8 tons of debris	1.00 EA @	670.27 =	670.27
44. Crane and operator - 115 ton capacity	80.00 HR @	355.00 =	28,400.00
45. Generator - 6,000 watt - portable (per day)	14.00 DA @	70.89 =	992.46
46. Boom lift - 50'-60' reach	20.00 DA @	480.00 =	9,600.00
47. Fall protection harness and lanyard - per week	20.00 WK @	22.00 =	440.00
48. General clean - up	40.00 HR @	36.24 =	1,449.60
49. Temporary toilet (per month)	2.00 MO @	92.47 =	184.94

**Asbestos**

<b>DESCRIPTION</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>
50. Asbestos removal cost	1.00 EA @	30,000.00 =	30,000.00

**Grand Total Areas:**

0.00 SF Walls	0.00 SF Ceiling	0.00 SF Walls and Ceiling
0.00 SF Floor	0.00 SY Flooring	0.00 LF Floor Perimeter
0.00 SF Long Wall	0.00 SF Short Wall	0.00 LF Ceil. Perimeter
0.00 Floor Area	0.00 Total Area	0.00 Interior Wall Area
150.45 Exterior Wall Area	0.00 Exterior Perimeter of Walls	
5,854.97 Surface Area	58.55 Number of Squares	270.20 Total Perimeter Length
89.26 Total Ridge Length	136.40 Total Hip Length	

**Summary for Dwelling**

Line Item Total	404,090.74
Material Sales Tax	3,739.18
Subtotal	407,829.92
Overhead	25,283.03
Profit	25,283.03
<b>Replacement Cost Value</b>	<b>\$458,395.98</b>
<b>Net Claim</b>	<b>\$458,395.98</b>

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John Schneider

**Recap of Taxes, Overhead and Profit**

	<b>Overhead (10%)</b>	<b>Profit (10%)</b>	<b>Material Sales Tax (8%)</b>	<b>Laundry &amp; D/C Tax (8%)</b>	<b>Manuf. Home Tax (2%)</b>	<b>Storage Rental Tax (8%)</b>	<b>Local Food Tax (2%)</b>
<b>Line Items</b>	25,283.03	25,283.03	3,739.18	0.00	0.00	0.00	0.00
<b>Total</b>	<b>25,283.03</b>	<b>25,283.03</b>	<b>3,739.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Recap by Room**

**Estimate: 2019-02-20-1514**

<b>Temporary Repairs</b>	<b>160,635.20</b>	<b>39.75%</b>
<b>Area: Roof</b>	<b>51,883.70</b>	<b>12.84%</b>
Roof1	40,197.08	9.95%
Roof2	4,230.39	1.05%
<hr/>		
<b>Area Subtotal: Roof</b>	<b>96,311.17</b>	<b>23.83%</b>
<b>Interior Repairs</b>	<b>70,897.50</b>	<b>17.54%</b>
<b>General Conditions</b>	<b>46,246.87</b>	<b>11.44%</b>
<b>Asbestos</b>	<b>30,000.00</b>	<b>7.42%</b>
<hr/>		
<b>Subtotal of Areas</b>	<b>404,090.74</b>	<b>100.00%</b>
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<b>Total</b>	<b>404,090.74</b>	<b>100.00%</b>

**Recap by Category**

<b>O&amp;P Items</b>	<b>Total</b>	<b>%</b>
CLEANING	1,449.60	0.32%
GENERAL DEMOLITION	21,789.33	4.75%
HEAVY EQUIPMENT	38,000.00	8.29%
FINISH CARPENTRY / TRIMWORK	2,416.80	0.53%
FRAMING & ROUGH CARPENTRY	20,867.15	4.55%
HAZARDOUS MATERIAL REMEDIATION	30,000.00	6.54%
HEAT, VENT & AIR CONDITIONING	833.30	0.18%
LABOR ONLY	4,509.60	0.98%
MASONRY	1,987.04	0.43%
METAL STRUCTURES & COMPONENTS	30,914.25	6.74%
INTERIOR LATH & PLASTER	40,927.50	8.93%
PAINTING	875.45	0.19%
ROOFING	19,809.81	4.32%
SCAFFOLDING	30,410.00	6.63%
SOFFIT, FASCIA, & GUTTER	3,123.51	0.68%
TEMPORARY REPAIRS	1,177.40	0.26%
<b>O&amp;P Items Subtotal</b>	<b>249,090.74</b>	<b>54.34%</b>
<b>Non-O&amp;P Items</b>	<b>Total</b>	<b>%</b>
WATER EXTRACTION & REMEDIATION	155,000.00	33.81%
<b>Non-O&amp;P Items Subtotal</b>	<b>155,000.00</b>	<b>33.81%</b>
<b>O&amp;P Items Subtotal</b>	<b>249,090.74</b>	<b>54.34%</b>
Material Sales Tax	3,739.18	0.82%
Overhead	25,283.03	5.52%
Profit	25,283.03	5.52%
<b>Total</b>	<b>458,395.98</b>	<b>100.00%</b>



**AGENCY:** South Carolina Criminal Justice Academy

**PROJECT/SUBJECT:** Village Dormitory Restroom Renovations

In connection with the Joint Bond Review Committee's favorable review of the Village Dormitory Restroom Renovations project to address deterioration in flooring and wall tile in the restrooms of all 4 floors of the dormitory building constructed in 2012, the Committee directed staff to work with the agency for more information about the construction warranty.

Committee staff met with representatives of the agency, the Office of State Engineer, and Capital Budget Office on March 5, 2019. Thereafter, on March 14, 2019, the agency, its architect, and a civil engineer with 28 years' experience in the waterproofing industry met and from that meeting, the civil engineer made observations and preliminary suggestions. He noted that there were no indications of the building settling. The agency intends to engage him for the project and schedule a return to the facility for invasive testing and a determination whether or not additional issues need to be considered for the repairs. He suggested undertaking the project in the Fall of 2019.

The agency is to address the possibility of design or construction defects and determine the possibility of recovery from any third party. Based on preliminary analysis, the agency suspects that a solid waterproofing membrane was substituted with a liquid waterproofing agent during construction with the approval of the agency, likely in an effort to promote cost savings. The likelihood of potential recovery from any third party remains uncertain.

The agency has committed to keeping Committee staff apprised of progress and developments.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

None.

**JOINT BOND REVIEW COMMITTEE**  
Meeting of May 8, 2019

**Item Number 5**

**AGENCY:** Joint Bond Review Committee

**PROJECT/SUBJECT:** Future Meeting

The next meeting of the State Fiscal Accountability Authority is tentatively scheduled for Tuesday, June 18, 2019.

**2019**

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

**COMMITTEE ACTION:**

Schedule next meeting.

**ATTACHMENTS:**

None