

**Capital Improvements
Joint Bond Review Committee**

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ADMINISTRATIVE ASSISTANT
803-212-6677

**JOINT BOND REVIEW COMMITTEE MEETING
Tuesday, August 20, 2024 – 1:00 p.m.
433 Blatt Building**

AGENDA

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AGENDA
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AGENCY: Midlands Technical College

SUBJECT: Proposed Acquisition of Real Property and Lease
Scout Motors Training Center, Richland County

Midlands Technical College requests review of its proposal to purchase 4.56 acres of real property and a 40,992 square foot building located at 101 Research Drive within Carolina Research Park in Columbia from Et Columbia Eng, LLC¹ and, following acquisition, to lease the property to the South Carolina State Board for Technical and Comprehensive Education for use as a training center by readySC for employees of Scout Motors.

The property is being acquired for a purchase price of \$5,001,000 and will be funded by contributions of \$1.33 million by Richland County, \$1.33 million by the State Board for Technical and Comprehensive Education, \$1.33 million by Midlands Technical College, and \$1 million by the South Carolina Department of Commerce.

The term of the proposed lease is 5 years with 2 automatic renewals of 3 years each, beginning upon acquisition of the property. Nominal consideration for the lease will be \$1, with the tenant responsible for all maintenance and operations costs, and any improvements to the property. Any improvements made by the tenant will become the property of Midlands Technical College at the expiration or earlier termination of the lease.

No option to purchase the property is included in the lease.

COMMITTEE ACTION:

Review and comment on the College's request to purchase 4.56 acres of real property and a 40,992 square foot building in Columbia and, following acquisition, to lease the property to the South Carolina State Board for Technical and Comprehensive Education for use as a training center by readySC for employees of Scout Motors.

ATTACHMENTS:

1. Department of Administration Agenda Item Worksheets.
2. Letter dated July 30, 2024, of Mr. Randall Johnson, CPA, Vice President, Finance, South Carolina Technical College System.

¹ A Missouri limited liability company in good standing registered with the SC Secretary of State effective June 6, 2013. CT Corporation System, Columbia, SC, is registered agent. Private Participant Disclosures were included with the submission.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: August 20, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster

Ashlie Lancaster, Director
Facilities Mgmt. & Property Services

Kevin Etheridge

Kevin Etheridge, Acting Office Director
Executive Budget Office

2. Subject: Midlands Technical College Acquisition of ± 4.56 acres of land and a 40,992 square foot building and subsequent Lease Out to the SC State Board for Technical and Comprehensive Education

3. Summary and Background Information:

Midlands Technical College requests approval to purchase ± 4.56 acres of land and a 40,992 square foot building located at 101 Research Drive in Columbia and to lease the property to the SC State Board for Technical and Comprehensive Education for use as a training center by readySC for Scout Motors' employees. The funding for the property acquisition will come from the SC Department of Commerce, the SC State Board for Technical and Comprehensive Education, Midlands Technical College, and Richland County at a total cost of \$5,001,000.

The initial term of the lease will be five (5) years with two (2) automatic renewals of three (3) years each commencing upon acquisition of the property. Consideration for the lease is \$1.00, with the tenant responsible for all maintenance and operations costs, as well as any improvements to the property. Any improvements made by the tenant will become the property of Midlands Technical College at the expiration or earlier termination of the lease.

No option to purchase the property is included in the lease.

4. What is the JBRC asked to do? Approve the Midlands Technical College Acquisition of ± 4.56 acres of land and a 40,992 square foot building and subsequent Lease Out to the SC State Board for Technical and Comprehensive Education.

5. What is recommendation of the submitting agency involved? Approve the Midlands Technical College Acquisition of ± 4.56 acres of land and a 40,992 square foot building and subsequent Lease Out to the SC State Board for Technical and Comprehensive Education.

6. List of Supporting Documents:

- (a) Letter from Agency
- (b) H59-6313 PIP Submission for Building Acquisition

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: August 20, 2024

Regular Agenda

1. Submitted By:

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

Kevin Etheridge
 Kevin Etheridge, Executive Budget Office

2. Subject:

SC State Board for Technical and Comprehensive Education – Building Acquisition for readySC training

3. Summary Background Information:

Project: SC State Board for Technical and Comprehensive Education
 H59.6313: Building Acquisition for readySC training

Request: Establish Final Land Acquisition to purchase +/-4.56 acres and a building in Richland County.

Included in CPIP: Yes – 2024 CPIP Priority 1 of 1 in FY25 (estimated at \$5,001,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Richland County				1,333,666	1,333,666
Other, Department of Commerce				1,000,000	1,000,000
Other, SC State Board for Technical and Comprehensive Education				1,333,667	1,333,667
Other, Midlands Technical College				1,333,667	1,333,667
All Sources				<u>5,001,000</u>	<u>5,001,000</u>

Rationale: The property is being acquired to house training by readySC for Scout Motors' employees while a training center is being constructed in Blythewood. The property will be purchased by the Department of Commerce, SC State Board for Technical and Comprehensive Education, Midlands Technical College, and Richland County. The ownership will be retained by Midlands Technical College and the SC State Board for Technical and Comprehensive Education will lease the building on a long-term lease.

Characteristics: The property to be acquired is +/-4.56 acres and a 40,992 square foot building located at 101 Research Drive, within Carolina Research Park in Columbia.

Financial Impact: The property is being offered by Et Columbia Engineering, LLC for \$5,001,000. The acquisition will be funded from Other, Richland County (uncommitted balance \$1.33 million at May 1, 2024), Other, Department of Commerce (uncommitted balance \$1 million at May 1, 2024), Other SC State Board for Technical and Comprehensive Education (uncommitted balance \$1.33 million at May 1, 2024), and Other, Midlands Technical College (uncommitted balance \$1.33 million at May 1, 2024). The project is not expected to result in any change in annual operating expenditures. An appraisal was completed in February 2024

and valued the property at \$5,001,000. A Phase I Environmental Site Assessment was completed in June 2024 and revealed no evidence of recognized environmental conditions in connection with the property, and therefore a Phase II assessment is not recommended at this time. A Building Condition Assessment was completed in July 2024 and found \$6,000 in Immediate Costs, \$387,575 in Short-Term Costs, and \$369,000 in Long-Term costs to rectify deficiencies. After acquisition, \$1,000,000 in renovations will be completed to upfit the building for its intended use. Letters of support have been received from Richland County and Richland One School District authorizing the removal of the property from the tax rolls.

Full Project Estimate: \$5,001,000 funded by Richland County, Department of Commerce, SC State Board for Technical and Comprehensive Education, and Midlands Technical College Funds.

4. What is JBRC asked to do?

Consider approval of the Permanent Improvement Project Phase II.

5. What is the recommendation of the Department of Administration?

The item is complete and ready for JBRC review.

6. List of Supporting Documents:

1. Permanent Improvement Project Building Acquisition for readySC training



Tim Hardee
System President

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Ex Officio



July 30, 2024

Ms. Ashlie Lancaster
Director, Facilities Management and Property Services
South Carolina Department of Administration

Dear Ms. Lancaster:

On behalf of the South Carolina Technical College System (SCTCS), I respectfully request that you please bring forward the lease agreement between Midlands Technical College and SCTCS for JBRC and SFAA approvals. Both parties have reviewed and agreed to the terms of the lease.

Please do not hesitate to contact me at 803.896.5316 or johnsonr@sctechsystem.edu if you have any questions.

Sincerely,

Randall Johnson, CPA
Vice President, Finance

Cc: Brad Neese, Vice President, Division of Economic Development
Dr. Barrie Kirk, Provost, Midlands Technical College

AGENCY: South Carolina Public Service Authority

SUBJECT: Proposed Acquisition of Real Property
Site for Potential Future Generation Facility, Hampton County

The South Carolina Public Service Authority requests approval to acquire approximately 155 acres located in the northeast section of the Southern Carolina Industrial Campus in Hampton County as a site for a potential future generation facility. The property is offered by the Southern Carolina Regional Development Alliance¹ for its appraised value of \$3,217,490.

The property is located on Highway 68 approximately 5 miles west of I-95 near Yemassee, and was identified as the preferred site following a review of 32 potential locations within 7 counties. The property is zoned industrial and is located near existing electric and natural gas transmission lines.

COMMITTEE ACTION:

In accordance with Section 58-31-240(B)(2) of the South Carolina Code,² review and approve, reject, or modify the Authority's request to acquire approximately 155 acres located in Hampton County for an appraised value of \$3,217,490, for use as a site for a potential future generation facility.

ATTACHMENTS:

1. Letter dated August 20, 2024, of Mr. J. Martine Watson, Chief Commercial Officer, Santee Cooper.
2. Map of the property and substantive terms of the acquisition.

¹ A South Carolina nonprofit organization in good standing registered with the SC Secretary of State effective August 26, 1994. Danny Black, Barnwell, SC, is registered agent. Private Participant Disclosures were included with the submission.

² Section 58-31-240(B)(2) of the South Carolina Code provides that a transfer of any interest in real property by the South Carolina Public Service Authority, regardless of the value of the transaction, requires approval, rejection, or modification by the Joint Bond Review Committee.

August 20, 2024

The Honorable Harvey S. Peeler, Jr.
Chairman, Joint Bond Review Committee
South Carolina Senate
111 Gressette Building
Columbia, South Carolina 29201

Re: Acquisition of +/- 155 acres for a potential future generation site

Dear Chairman Peeler:

The South Carolina Public Service Authority ("Santee Cooper") requests that the Joint Bond Review Committee approve the acquisition of a +/- 155-acre parcel offered by the Southern Carolina Regional Development Alliance, located in the NE section of the Southern Carolina Industrial Campus, for a potential future generation site. The Southern Carolina Industrial Campus is located in Hampton County, on Highway 68 approximately 5 miles west of I-95, with Yemassee being the nearest town.

Santee Cooper has identified a potential need for a future generation site. A total of 32 potential locations within 7 counties were reviewed, including properties owned by Santee Cooper. The Southern Carolina Industrial Campus was identified as the preferred location due to site suitability near both a Santee Cooper transmission line and a natural gas transmission line. This site is zoned industrial with current plans avoiding all wetlands. Additional potential uses of the site support other operational needs such as transmission, substations, and material storage.

Attachment A describes the substantive terms of the proposed purchase for which approval is requested, and includes maps showing the location of the Property.

Santee Cooper respectfully requests that the JBRC approve the acquisition of the Alliance NE site for the purchase price of \$20,758 per upland acre or ~ \$3,217,490 (based on appraisal).

Sincerely,



J. Martine Watson

Attachment: As stated

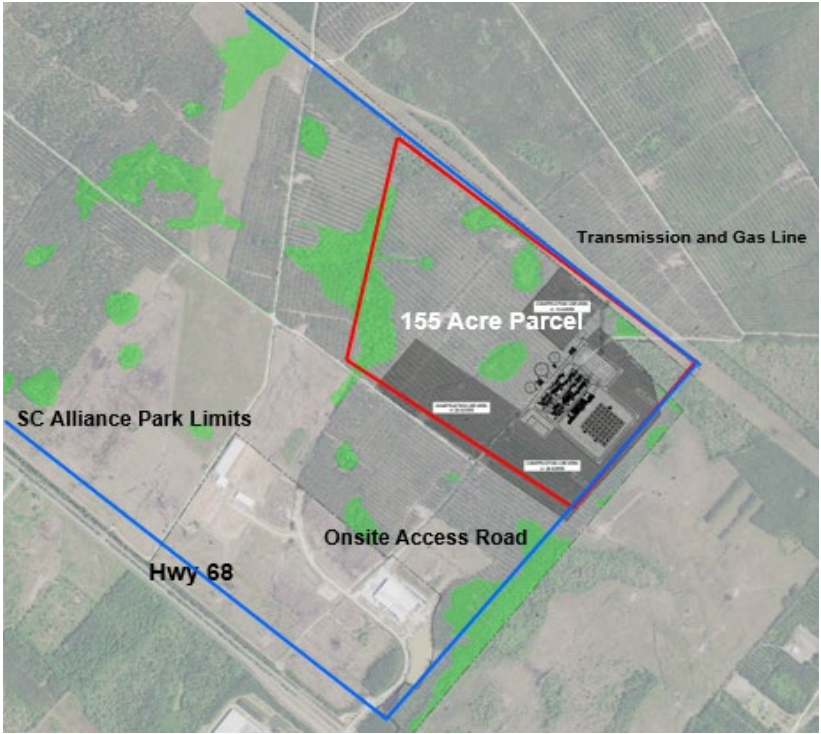
JMW:cmb

Attachment A

Substantive terms of proposed purchase are as follows:

Seller	Southern Carolina Regional Development Alliance
Property	+/- 155 acres
Purchase Price	\$20,758 per upland acre or ~ \$3,217,940
Pricing Methodology	Based on Appraised Value
Approximate Closing Date	December 2024





AGENCY: Department of Administration
Facilities Management and Real Property Services

SUBJECT: Proposed Lease
South Carolina Department of Administration
Office Space at 1628 Browning Road, Columbia

The South Carolina Department of Administration requests review of its proposal to extend its current lease for office space located at 1628 Browning Road, Columbia, from Browning Office Investment, LLC.¹ The Agency has leased space at this location since September 2008, and the current lease of 16,966 square feet will expire on October 31, 2024. The lease supports administrative space for the South Carolina Enterprise Information System, and the Department proposes to extend the existing lease for one year while it explores the possibility of relocation to other state space.

The Department of Administration conducted a solicitation for various terms and received 6 responses to the solicitation. The proposal for the requested location represents the least expensive offer.

The term of the proposed lease is 1 year beginning November 1, 2024. The rental rate will be \$15.75 per square foot and includes all operating expenses. Total rent over the initial term will be \$267,215. No option to purchase the property is included in the lease.

The Department of Administration reports that lease payments will be made from state appropriations; and the agency's submission represents that funding for payments will be sufficient throughout the lease term. The Department of Administration reports that comparable rates for similar commercial space available in the area range from an average rate of \$20.00 to \$27.00 per square foot.

COMMITTEE ACTION:

Review and make recommendation regarding the proposed lease.

ATTACHMENTS:

1. Department of Administration, Facilities Management and Property Services, Agenda Item Worksheet.
2. Letter dated May 14, 2024, of Mr. Nick Brunson, Chief Technology Officer, South Carolina Department of Administration.

¹ A North Carolina limited liability company in good standing registered with the SC Secretary of State effective May 8, 2006. Corporation Service Company of Columbia, SC is registered agent. Private Participant Disclosures were included with the submission.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: August 20, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster
Ashlie Lancaster, Director

2. Subject: South Carolina Department of Administration Lease at 1628 Browning Road in Columbia

3. Summary and Background Information:

The South Carolina Department of Administration requests approval to extend its current lease for office space at 1628 Browning Road, in Columbia SC from Browning Office Investment, LLC for the South Carolina Enterprise Information System (SCEIS). The Agency has leased space at this location since September 2008. The current lease for $\pm 16,966$ square feet will expire on October 31, 2024, and the rate is \$15.37/SF. The proposed lease would be for the same $\pm 16,966$ square feet for one year while Admin explores the possibility of moving SCEIS into state space that will be vacated at the Columbia Mills building when the Department of Public Health moves to 400 Otarre Parkway in Cayce.

The Department of Administration conducted a solicitation for various terms. Six proposals were received with the current location being the least expensive offer.

The space meets the state space standard of 210 SF/person with a density of 134 SF/person. The lease provides 154 free surface lot parking spaces for staff and visitors adjacent to the building.

The requested lease extension is for one (1) year commencing November 1, 2024. The rental rate will be \$15.75 per square foot which equals \$267,214.50. This is a full gross lease and includes all operating expenses.

The following chart represents comparable lease rates of similar space in the Columbia area, all of which were received in response to this solicitation:

Tenant	Location	Rate /SF*
Vacant*	1400 Pickens Street	\$20.00
Vacant*	1001 Pinnacle Point	\$20.00
Vacant*	7 Technology Circle	\$20.00
Vacant	246 Stoneridge Dr	\$27.00
Vacant	240 & 246 Stoneridge Dr	\$27.00

*Rates subject to operating expenses and base rent escalations.

SCEIS has adequate funds for the lease according to a Budget Approval Form submitted April 14, 2024. Lease payments will be funded through state appropriations. No option to purchase the property is included in the lease.

4. What is the JBRC asked to do? Approve the proposed lease extension for one year for the South Carolina Department of Administration for $\pm 16,966$ square feet of space at 1628 Browning Road in Columbia from Browning Office Investment, LLC.

5. What is recommendation of the submitting agency involved? Approve the proposed lease extension for one year for the South Carolina Department of Administration for $\pm 16,966$ square feet of space at 1628 Browning Road in Columbia from Browning Office Investment, LLC.

6. List of Supporting Documents:
(a) None

May 14, 2024

Ms. Ashlie Lancaster
South Carolina Department of Administration
Real Property Services
1200 Senate Street, 6th floor
Columbia, SC 29201

RE: Lease for 1628 Browning Road, Columbia SC 29210

Dear Ms. Lancaster:

The South Carolina Department of Administration, SCEIS requests approval from the Joint Bond Review Committee, the State Fiscal Accountability Authority and the Department of Administration, Facilities Management and Property Services (FMPS), to enter a five-year lease with Browning Office Investment, LLC for 18,209 rentable square feet of office space at 1628 Browning Road, Columbia SC 29210. The current lease at this address expires on October 31, 2024.

After contacting state agencies to verify that there was no adequate state space available, the Department of Administration solicited for commercial space and six proposals were received. After careful consideration, 1628 Browning Road was selected because it was a full gross lease and the most cost-effective offer received. The cumulative cost of the lease during the term is \$1,587,169.39.

Thank you for your consideration of this request and please let me know if you need any additional information.

Sincerely,



Nick Brunson



AGENCY: Department of Administration
Facilities Management and Real Property Services

SUBJECT: Proposed Lease
South Carolina Department of Health and Human Services
Office Space at 4130 Faber Place Drive, North Charleston

The South Carolina Department of Health and Human Services requests review of its proposal to lease 13,200 square feet of office space located at 4130 Faber Place Drive, North Charleston, from REVA Kay Ashley Corporate Center LLC.¹ The Agency has leased space at this location since 2006, and the current lease will expire on January 14, 2025. The lease supports the Department's Community Long-Term Care, Eligibility, and Baby Net programs.

The Department of Administration conducted a solicitation for various terms following a determination that other state space was not available, and received 3 responses to the solicitation. The proposal for the requested location represents the least expensive offer.

The term of the proposed lease is 7 years and 1 month beginning January 14, 2025, with rent for the first month of the term abated. The rental rate is \$22.00 per square foot for the initial year of the term; thereafter, rent will increase by 4% annually. The rental rate includes all operating expenses. Total rent over the term will be \$2,293,665. No option to purchase the property is included in the lease.

The Department of Administration reports that lease payments will be made from state appropriations and federal funds; and the agency's submission represents that funding for payments will be sufficient throughout the lease term. The Department of Administration reports that comparable rates for similar commercial space available in the area range from an average rate of \$25.00 to \$54.04 per square foot.

COMMITTEE ACTION:

Review and make recommendation regarding the proposed lease.

ATTACHMENTS:

1. Department of Administration, Facilities Management and Property Services, Agenda Item Worksheet.
2. Letter dated July 30, 2024, of Mr. Robert M. Kerr, Director, South Carolina Department of Health and Human Services.

¹ A Virginia limited liability company in good standing registered with the SC Secretary of State effective March 29, 2016. InCorp Services, Inc. of Lexington, SC is registered agent. Private Participant Disclosures were included with the submission.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: August 20, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster

Ashlie Lancaster, Director

2. Subject: SC Department of Health and Human Services Lease of 4130 Faber Place Drive, Suite 300, N. Charleston

3. Summary Background Information:

The SC Department of Health and Human Services (HHS) requests approval to lease thirteen thousand two hundred (13,200) square feet (a reduction of approximately 5,781 sf) of office space in North Charleston from REVA Kay Ashley Corporate Center LLC for Community Long Term Care/Eligibility/Baby Net. The current lease for 18,981 square feet will expire on January 14, 2025, and the rate is \$20.30/SF. HHS has been leasing space at this location since 2006.

After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for various terms. Three offers were received in response to the solicitation. The selected location was the least expensive offer.

The requested lease term is seven (7) years and one (1) month commencing January 15, 2025.

The rent for the first month of the term will be abated. Thereafter, rent for the first full year of the term will be \$290,400.00 or \$22.00 per square foot. The rental rate shall escalate by 4% annually over the term. All operating expenses are included in the lease. The following chart sets forth the rent over the term.

<u>TERM</u>	<u>PERIOD: FROM - TO</u>	<u>MONTHLY RENT</u>	<u>ANNUAL RENT</u>	<u>RENT PER SF</u>
Month 1	1/15/2025-2/14/2025	abated	abated	abated
YEAR 1	2/15/2025-2/14/2026	\$24,200.00	\$290,400.00	\$22.00
YEAR 2	2/15/2026-2/14/2027	\$25,168.00	\$302,016.00	\$22.88
YEAR 3	2/15/2027-2/14/2028	\$26,174.72	\$314,096.64	\$23.80
YEAR 4	2/15/2028-2/14/2029	\$27,221.71	\$326,660.51	\$24.75
YEAR 5	2/15/2029-2/14/2030	\$28,310.58	\$339,726.93	\$25.74

YEAR 6	2/15/2030-2/14/2031	\$29,443.00	\$353,316.00	\$26.77
YEAR 7	2/15/2031-2/14/2032	\$30,620.72	\$367,448.64	\$27.84

The maximum total rent that could be paid over the term is \$2,293,664.72.

The lease meets the state space standard of 210 SF/person with a density of 206 SF/person.

The following chart represents comparable lease rates of similar space in the North Charleston area:

Tenant	Location	Annual Rate per SF
Vacant	1360 Truxton+	\$25.00
Vacant	4600 Goer Drive+	\$54.04
Vacant	Maybank Hwy Building E*	\$40.00
Vacant	276 E. Bay St.*	\$29.75

*Rates do not include utilities, property expenses or building services and may also be subject to base rent and/or operating expense escalations.

+Received in response to solicitation.

The lease has adequate parking in the surface lot surrounding the premises.

HHS has adequate funds for the lease according to a Budget Approval Form submitted to the Capital Budgeting Office on July 29, 2024. Lease payments will be funded through state appropriations and federal funding. No option to purchase the property is included in the lease.

-
- 4. What is the JBRC asked to do?** Approve the proposed seven-year and one month lease for HHS for 13,200 square feet of office space in North Charleston from REVA Kay Ashley Corporate Center LLC.
-

- 5. What is recommendation of the submitting agency involved?** Approve the proposed seven-year and one month lease for HHS for 13,200 square feet of office space in North Charleston from REVA Kay Ashley Corporate Center LLC.
-

6. List of Supporting Documents:

- (a) Letter from HHS

Henry McMaster GOVERNOR
Robert M. Kerr DIRECTOR
P.O. Box 8206 > Columbia, SC 29202
www.scdhhs.gov

July 30, 2024

Ms. Ashlie Lancaster
South Carolina Department of Administration
Real Property Services
1200 Senate Street, 6th floor
Columbia, SC 29201

RE: Lease for 4130 Faber Place

Dear Ms. Lancaster:

The Department of Health and Human Services requests approval from the Department of Administration, Facilities Management and Property Services (FMPS), to enter into a seven-year lease with REVA Kay Ashley Corporate Center LLC for 13,200 rentable square feet of office space at 4130 Faber Place Drive, Suite 300, North Charleston, SC. The Department of Health and Human Services' current lease at 4130 Faber Place Drive expires on January 14, 2025.

After contacting state agencies to verify that there was no adequate state space available, the Department of Administration solicited for commercial space and three proposals were received. After careful consideration, 4130 Faber Place Drive, Suite 300, North Charleston, SC was selected because it is the current location for this lease and is the cheapest seven-year offer. The cumulative cost of the lease during the term is \$2,293,664.72.

Thank you for your consideration of this request and please let me know if you need any additional information.

Sincerely,



Robert M. Kerr, Director



AGENCY: Department of Administration
Facilities Management and Real Property Services

SUBJECT: Proposed Lease
Medical University of South Carolina
Office and Retail Space at 22 WestEdge Street, Charleston

The Medical University of South Carolina requests review of its proposal to lease 25,763 square feet of office and retail space located at 22 WestEdge Street, Charleston, from 22 WestEdge Owner LLC.¹ The proposal includes separate leases for the first and sixth floors of the building and will support the University's Physical and Occupational Therapy programs.

The Department of Administration conducted a solicitation for various terms following a determination that other state space was not available, and received 5 responses to the solicitation. Although the proposal for the selected location was not the lowest offer, the University made the selection based on the property's characteristics and proximity to campus.

The term of the proposed leases is 11 years beginning on completion of upfitting the space.

First Floor Lease. The rental rate for the lease of the first floor will be abated for the first year of the term; thereafter, base rent beginning in year 2 will be \$36.75 per square foot; will increase by 4% in years 3 and 4; and will further increase in year 5. Base rent for years 6 through 11 will increase at 2.5% per year. In addition to base rent, the University will pay a pro-rata share of building operating costs estimated at \$6.30 per square for the first year, which will be abated. Thereafter, the University's share of operating expenses will be subject to a 5% cap year over year, other than increases in real estate taxes, common space utilities, and insurance premiums, all of which will be subject to an 8% cap. Utilities for space occupied by the University will be paid directly by the University to the utility provider.

Sixth Floor Lease. The rental rate and other terms of the lease of the sixth floor are substantially the same as the terms of the lease of the first floor, including abatement for the first year; except that all operating expenses will be included in the rental rate for the lease of the sixth floor.

Parking. The Landlord will provide 3 parking cards per 1,000 square feet of rental space at the then-current parking rate charged by the parking deck operator, the presently estimated cost of which is \$125 per space per month.

Total rent for both leases over the term will be \$12,080,300. No option to purchase the property is included in either lease. In the event that the University exercises its right to early termination other than by its dissolution or failure to receive appropriations, the University must pay the unamortized portion of the costs of renovations made by the landlord in an amount that will not exceed \$2,691,528. In addition to the foregoing, the University is responsible for construction costs estimated at \$2.5 million.

¹ A Delaware limited liability company in good standing registered with the SC Secretary of State effective July 19, 2023. Capitol Corporate Services, Inc. of Columbia, SC is registered agent. Private Participant Disclosures were included with the submission.

The Department of Administration reports that lease payments will be made from tuition; and the University's submission represents that funding for payments will be sufficient throughout the lease term. The Department of Administration reports that comparable rates for similar commercial space available in the area range from an average rate of \$26.00 to \$44.33 per square foot.

COMMITTEE ACTION:

Review and make recommendation regarding these proposed leases.

ATTACHMENTS:

1. Department of Administration, Facilities Management and Property Services, Agenda Item Worksheet.
2. Letters dated July 23, 2024, of Ms. Rachel Jones, Director of Lease Management, Medical University of South Carolina.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: August 20, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster
Ashlie Lancaster, Director

2. Subject: Medical University of South Carolina Leases of 22 West Edge in Charleston

3. Summary Background Information:

The Medical University of South Carolina (University) requests approval to enter into two leases totaling twenty-five thousand seven hundred sixty three (25,763) square feet of office and retail space in Charleston from 22 WestEdge Owner, LLC for the College of Health Professions Physical Therapy and Occupational Therapy Doctorate programs. One lease for four-thousand thirteen (4,013) square feet will be on the first floor of the building (First Floor Lease) for faculty and staff offices and student support and the second lease for twenty-one thousand seven hundred fifty (21,750) square feet will be on the sixth floor of the building (Sixth Floor Lease) for educational classrooms.

After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for various terms and five offers were received. The selected location was determined by the University to be the best choice although it was not the lowest priced offer because of its proximity to campus and the campus feel of the building.

Each requested lease term is eleven (11) years and will commence upon completion of upfits to the tenant space by the landlord.

With respect to the First Floor Lease, the base rent and operating expenses for the first year of the term will be abated. The base rent in year 2 will be \$147,477.75 or \$36.75 per square foot. The base rental rate shall escalate by 4% annually for years three and four with a larger increase in year five. Base rent for years six through eleven will escalate at 2.5% per year.

In addition to base rent, for the First Floor Lease, the University will also pay Landlord its pro-rata share of building operating costs which is estimated to be \$6.30 per SF for the first Lease Year and will be abated for that first year. Starting in Lease Year 2, Tenant will pay its pro-rata share of building operating costs and increases thereto subject to a 5% cap over Tenant's share of actual building operating costs in the previous year other than with respect to increases in real estate taxes, utilities and insurance premiums which will be subject to an 8% cap. The First Floor Lease does not include building operating costs in the rent because it is retail space, and the Landlord requires all tenants of the retail space to pay building operating costs in addition to rent. Additionally, utilities for the leased space will be paid directly to the utility provider. The following chart sets forth the base rent and estimated additional rent (rounded) to be paid to Landlord for the First Floor Lease over the term.

<u>TERM</u>	<u>BASE RENT PER SF</u>	<u>MONTHLY BASE RENT</u>	<u>ANNUAL BASE RENT</u>	<u>MAXIMUM ADDITIONAL ANNUAL RENT</u>	<u>TOTAL MAXIMUM ANNUAL RENT</u>
YEAR 1	abated	abated	abated	abated	abated
YEAR 2	\$36.75	\$12,289.81	\$147,477.75	\$27,087.75	\$174,565.50
YEAR 3	\$38.59	\$12,905.14	\$154,861.67	\$28,634.76	\$183,496.43
YEAR 4	\$40.52	\$13,550.56	\$162,606.76	\$30,274.53	\$192,881.29
YEAR 5	\$44.96	\$15,035.38	\$180,424.48	\$32,012.94	\$212,437.42
YEAR 6	\$46.08	\$15,411.26	\$184,935.09	\$33,856.23	\$218,791.33
YEAR 7	\$47.24	\$15,796.54	\$189,558.47	\$35,811.11	\$225,369.58
YEAR 8	\$48.42	\$16,191.45	\$194,297.43	\$37,884.69	\$232,182.12
YEAR 9	\$49.63	\$16,596.24	\$199,154.87	\$40,084.60	\$239,239.46
YEAR 10	\$50.87	\$17,011.15	\$204,133.74	\$42,418.95	\$246,552.69
YEAR 11	\$52.14	\$17,436.42	\$209,237.08	\$44,896.43	\$254,133.51

All operating expenses will be included in the rent in the Sixth Floor Lease. Rent for the first year of the term will be abated. The rent in year 2 will be \$799,312.50 or \$36.75 per square foot. The rental rate shall escalate by 4% annually for years three and four with a larger increase in year five. Rent for years six through eleven will escalate at 2.5% per year.

The following chart sets forth the rent (rounded) to be paid to Landlord for the Sixth Floor Lease over the term.

<u>TERM</u>	<u>RENT PER SF</u>	<u>TOTAL MONTHLY RENT</u>	<u>TOTAL ANNUAL RENT</u>
YEAR 1	abated	abated	abated
YEAR 2	\$36.75	\$66,609.38	\$799,312.50

YEAR 3	\$38.59	\$69,944.38	\$839,332.50
YEAR 4	\$40.52	\$73,442.50	\$881,310.00
YEAR 5	\$44.96	\$81,490.00	\$977,880.00
YEAR 6	\$46.08	\$83,527.25	\$1,002,327.00
YEAR 7	\$47.24	\$85,615.43	\$1,027,385.18
YEAR 8	\$48.42	\$87,755.82	\$1,053,069.80
YEAR 9	\$49.63	\$89,949.71	\$1,079,396.55
YEAR 10	\$50.87	\$92,198.45	\$1,106,381.43
YEAR 11	\$52.14	\$94,503.42	\$1,134,041.00

The maximum total rent and building operating expenses that could be paid to Landlord for both leases over the 11-year term is \$12,080,300 (rounded).

In the event Tenant exercises its right to terminate the leases early other than due to Tenant's dissolution or failure to obtain appropriations, Tenant shall pay to Landlord the then unamortized portion of the cost of renovations paid by the Landlord not to exceed \$2,691,527.46. (Tenant is also estimated to have an additional construction responsibility of \$2,500,000.00).

The following chart represents comparable lease rates of similar space in the Charleston area:

Tenant	Location	Annual Rate per SF*
Vacant	4600 Goer Drive**	\$44.33
Vacant	2070 Sam Rittenberg Boulevard (Citadel Mall)**	\$28.00
Vacant	3950 Faber Place**	\$26.00
Vacant	2155 Eagle Drive**	\$26.00
Vacant	1940 Algonquin Road	\$40.00
Vacant	701 E Bay Street	\$43.00
Vacant	100 Coastal Drive	\$37.50
Vacant	100 Calhoun Street	\$37.00

*Above rates do not necessarily include utilities, property expenses or building services and may also be subject to base rent and/or operating expense escalations.

**Received in response to this solicitation.

Landlord will provide parking cards at a ratio of three parking cards per 1000 square feet of leased space at the then current monthly cost charged by the parking deck operator which is presently estimated to be \$125.00 per month M-F from 8:00 a.m. to 6:00 p.m.

The University has adequate funds for the leases according to a Budget Approval Form submitted to the Capital Budgeting Office on July 30, 2024. Lease payments will be funded through tuition funds. The leases were approved by the University's Board of Trustees on April 12, 2024. The leases were approved by CHE on June 6, 2024.

No option to purchase the property is included in the leases.

4. What is the JBRC asked to do? Consider approval of the two proposed eleven-year leases for the Medical University of South Carolina for a total of 25,763 square feet of office space in Charleston from 22 WestEdge Owner, LLC.

5. What is recommendation of the submitting agency involved? Consider approval of the two proposed eleven-year leases for the Medical University of South Carolina for a total of 25,763 square feet of office space in Charleston from 22 WestEdge Owner, LLC.

6. List of Supporting Documents:

- (a) Letter from Agency



MUSC Real Estate Management Group
Real Estate Services - Leasing
22 WestEdge Street, Suite 300
Charleston, SC 29403
843-792-5996

July 23, 2024

Ashlie Lancaster
Director of Facilities Management and Property Services
Office of the Executive Director
Department of Administration
1200 Senate Street, Suite 460
Columbia, SC 29201

RE: 22 WestEdge Street, 1st Floor, Charleston

Dear Ms. Lancaster:

The Medical University of South Carolina (MUSC) requests to lease 4,013 square feet of space on the 1st floor of 22 WestEdge Street in Charleston to provide space for College of Health Professions, Doctorate Physical Therapy and Occupation Therapy Doctorate programs. This space will be used for faculty & staff offices and student support. After confirming that no state space was available the Department of Administration conducted a solicitation for commercial space and five offers were received. This location was selected because one of the four responses has plans for building demolition within the next 3-5 years and other two locations were too far away and did not have a “campus life” feel which is important for the student body.

The MUSC Board of Trustees approved this lease on April 14, 2024. CHE approval this lease on June 6, 2024. MUSC requests JBRC review for approval at their August 20, 2024 meeting and SFAA review for approval at their August 27, 2024 meeting.

Requested Lease Terms for Approval:

TERM: Eleven (11) years: [1/1/2025 – 12/31/2035]

TOTAL AMOUNT PER SQUARE FOOT: \$36.75

TOTAL ANNUALIZED BASE LEASE AMOUNT:

Year 1	\$0.00 – Abated Rent	Year 6	\$184,935.09
Year 2	\$147,477.75	Year 7	\$189,558.47
Year 3	\$154,861.67	Year 8	\$194,297.43
Year 4	\$162,606.76	Year 9	\$199,154.87
Year 5	\$180,424.48	Year 10	\$204,133.74
		Year 11	\$209,237.08

TOTAL AMOUNT OF BASE RENT TERM: \$1,826,664.77

TOTAL ESTIMATED LEASE TERM INCLUDING OPEX: \$2,179,626.76

Please let me know if you have any questions.

Sincerely,

Rachel Jones

Rachel Jones
Medical University of South Carolina
Director of Lease Management



MUSC Real Estate Management Group
Real Estate Services - Leasing
22 WestEdge Street, Suite 300
Charleston, SC 29403
843-792-5996

July 23, 2024

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

RE: 22 WestEdge Street, 6th Floor, Charleston

Dear Ms. Lancaster:

The Medical University of South Carolina (MUSC) requests to lease 21,750 square feet of space on the 6th floor of 22 WestEdge Street in Charleston to provide space for College of Health Professions, Doctorate Physical Therapy and Occupation Therapy Doctorate programs. This space will be used for educational classrooms. After confirming that no state space was available the Department of Administration conducted a solicitation for commercial space and five offers were received. This location was selected because one of the four responses has plans for building demolition within the next 3-5 years and other two locations were too far away and did not have a “campus life” feel which is important for the student body.

The MUSC Board of Trustees approved this lease on April 14, 2024. CHE approval this lease on June 6, 2024. MUSC requests JBRC review for approval at their August 20, 2024 meeting and SFAA review for approval at their August 27, 2024 meeting.

Requested Lease Terms for Approval:

TERM: Eleven (11) years: [1/1/2025 – 12/31/2035]

TOTAL AMOUNT PER SQUARE FOOT: \$36.75

TOTAL ANNUALIZED LEASE AMOUNT:

Year 1	\$0.00 – Abated Rent	Year 6	\$1,002,240.00
Year 2	\$799,312.50	Year 7	\$1,027,470.00
Year 3	\$839,278.13	Year 8	\$1,053,156.75
Year 4	\$881,242.03	Year 9	\$1,079,485.67
Year 5	\$977,880.00	Year 10	\$1,106,472.81
		Year 11	\$1,134,134.63

TOTAL AMOUNT OF RENT TERM: \$9,900,672.52

Please let me know if you have any questions.

Sincerely,

Rachel Jones

Rachel Jones
Medical University of South Carolina
Director of Lease Management

AGENCY: Department of Administration
Facilities Management and Real Property Services

SUBJECT: Proposed Lease
University of South Carolina
Office and Warehouse Space at 411 Huger Street, Columbia

The University of South Carolina requests review of its proposal to lease 24,480 square feet of office and warehouse space located at 411 Huger Street, Columbia, from 411 Huger Street, LLC.¹ The lease will support consolidation of staff, equipment, bulk storage, and vehicle services of the University's Parking and Transportation Departments that are currently housed at multiple locations across the campus.

The Department of Administration conducted a solicitation for various terms following a determination that other state space was not available, and received one responsive offer.

The term of the proposed lease is 7 years beginning October 1, 2024. The rental rate is \$6.00 per square foot for the initial year of the term; thereafter, rent will increase by 2% annually. In addition to the base rent, the University must directly pay for all operating costs including without limitation utilities, custodial and groundskeeping services, security, trash removal, and pest control, estimated at \$37,000 for the first year. The University is also responsible for reimbursement of taxes and insurance, estimated at \$60,610 for the first year. The landlord has responsibility for repair or replacement of the building envelope, including the roof, foundation, and structure, along with all mechanical, electrical, and plumbing repairs exceeding \$2,000 per occurrence.

The University's submission indicates that total rent over the term is expected to be \$1,516,920. No option to purchase the property is included in the lease. In the event that the University exercises its right to early termination other than by its dissolution or failure to receive appropriations, the University must pay the unamortized portion of the cost of renovations made and leasing commission paid by the landlord in an amount that will not exceed \$126,000.

The Department of Administration reports that lease payments will be made from the University's parking permit and fines lease revenue account; and the agency's submission represents that funding for payments will be sufficient throughout the lease term. The Department of Administration reports that comparable rates for similar commercial space available in the area range from an average rate of \$6.45 to \$9.00 per square foot.

COMMITTEE ACTION:

Review and make recommendation regarding the proposed lease.

¹ A South Carolina limited liability company in good standing registered with the SC Secretary of State effective July 12, 2018. Stuart M. Lee of Columbia, SC is registered agent. Private Participant Disclosures were included with the submission.

ATTACHMENTS:

1. Department of Administration, Facilities Management and Property Services, Agenda Item Worksheet.
2. Letter dated June 12, 2024, of Mr. Derek S. Gruner, AVP Planning Design and Construction/University Architect, University of South Carolina.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: August 20, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster

Ashlie Lancaster, Director

2. Subject: University of South Carolina Lease of 411 Huger Street in Columbia

3. Summary Background Information:

The University of South Carolina (University) requests approval to lease twenty-four thousand four hundred eighty (24,480) square feet of office and warehouse space in Columbia from 411 Huger Street, LLC. This is a new lease to consolidate Parking and Transportation Services to create operational efficiencies and improve campus services. According to the University, this lease will enable USC Parking and Transportation Services to consolidate groups and assets that are currently in five locations around the campus and beyond. These spaces and their intended new uses are listed below:

1. **Pendleton Street Garage** (Main Parking and Transportation Services Administrative Offices and Customer Service). The Parking and Transportation Services space in the Pendleton Garage suite will be the new home for Card Services and office space for on-site Food Service Management staff. Relocating Card Services from the Russell House Student Union will enable other space reallocations at the Russell House to ultimately offer more square footage for food service to serve the growing student body. Food Service Management staff currently resides in a small building that the University intends to renovate for a new purpose. Incidentally, Card Services and Food Service contract management report to the same Director at USC thus there is management efficiency gained by co-locating these functions to the Pendleton Street Garage after Parking and Transportation Services relocates.
2. **Bull Street District Staging Lot.** Buses and shuttles have been staged at a parking lot in the Bull Street District. The land upon which this lot is situated must be reclaimed in late 2024 for the construction of the Health Sciences Campus to proceed in early 2025. These shuttles and buses will relocate to the property around the leased building at 411 Huger Street.
3. **Bull Street Garage.** The Parking and Transportation Services suite in the Bull Street Garage is planned as a site to store and distribute textbooks. Currently, textbooks occupy high-value space in the main level of the Russell House Student Union. Relocating this function will enable prime space in the Russell House to be converted to dining space to serve the growing student body.
4. **1413 Bluff Road.** The offices and shuttle repair space that Parking and Transportation Services currently occupies at this location are being considered as a site for Facilities Management that could include recycling, offices, and shop space.
5. **Horizon Garage.** Parking and Transportation Services uses Horizon Garage for storage of parking management equipment such as barriers and signage among numerous other items. Some of this space will be retained by Parking and Transportation Services for use at the nearby Colonial Life Arena; however, significant

amounts of Parking and Transportation Services storage will be relocated to 411 Huger Street in the warehouse areas of the lease site.

After contacting state agencies to verify no adequate State space was available, the Department of Administration solicited for commercial space for various terms. One responsive offer was received in response to the solicitation.

The requested lease term is seven (7) years commencing October 1, 2024. The base rent for the first year of the term will be \$146,880.00 or \$6.00 per square foot. The base rental rate shall escalate by 2% annually over the term. The following chart sets forth the base rent (rounded) over the term.

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RENT PER SF</u>
YEAR 1	\$146,880.00	\$12,240.00	\$6.00
YEAR 2	\$149,817.60	\$12,484.80	\$6.12
YEAR 3	\$152,813.95	\$12,734.50	\$6.24
YEAR 4	\$155,870.23	\$12,989.19	\$6.37
YEAR 5	\$158,987.64	\$13,248.97	\$6.49
YEAR 6	\$162,167.39	\$13,513.95	\$6.62
YEAR 7	\$165,410.74	\$13,784.23	\$6.76

The University will reimburse the Landlord for actual taxes and insurance which are estimated to be \$60,610.40 for the first year. The University will also directly pay for all operating costs including but not limited to utilities, custodial services, groundskeeping services, security, trash removal, pest control and preventive maintenance. Operating costs for utilities, custodial services, groundskeeping services, security, trash removal, pest control are estimated at \$1.51 per square foot or approximately \$37,000 in year one. The University will utilize the University's facilities team to handle preventive maintenance. The Landlord will, at its expense, repair and/or replace the building envelope, including but not limited to the roof, foundation and structure and all mechanical, electrical, and plumbing repairs and/or replacements over \$2,000.00 per occurrence.

In the event Tenant exercises its right to terminate the lease early other than due to Tenant's dissolution or failure to obtain appropriations, Tenant shall pay to Landlord the then unamortized portion of the cost of renovations and leasing commission paid by the Landlord, which cost, collectively, shall not exceed \$126,000.

The lease meets the state space standard of 210 SF/person with a density less than 100 SF/person.

The following chart represents comparable lease rates of similar space in the Columbia area:

Tenant	Location	Annual Rate per SF*
Vacant	1326 Bush River Rd.	\$9.00
Vacant	211 Shoptline Dr.	\$6.45
Vacant	120 Queen Pkwy	\$8.00
Vacant	4608 Fernandina	\$8.00

*Above rates do not include utilities, property expenses or building services and may also be subject to base rent and/or operating expense escalations.

The lease has adequate parking in the surface lot surrounding the premises.

The University has adequate funds for the lease according to a Budget Approval Form approved by the Capital Budgeting Office on June 13, 2024. Lease payments will be funded through parking permit and fine fees lease revenue account. The lease was approved by the University's Board of Trustees on June 19, 2024.

No option to purchase the property is included in the lease.

-
- 4. What is the JBRC asked to do?** Approve the proposed seven-year lease for the University of South Carolina for 24,480 square feet of office and warehouse space in Columbia from 411 Huger Street, LLC.
-

- 5. What is recommendation of the division of Facilities Management and Property Services?** Approve the proposed seven-year lease for the University of South Carolina for 24,480 square feet of office and warehouse space in Columbia from 411 Huger Street, LLC.
-

- 6. List of Supporting Documents:**
(a) Letter from Agency



June 12, 2024

Ms. Ashlie Lancaster
South Carolina Department of Administration
Real Property Services
1200 Senate Street, 6th floor
Columbia, SC 29201

RE: 411 Huger St. Columbia SC 29201

Dear Ms. Lancaster:

The University of South Carolina – Parking and Transportation Services, requests approval from the Joint Bond Review Committee and the State Fiscal Accountability Authority to enter into a (7) year lease with 411 Huger Street, LLC. for 24,480 rentable square feet of office and warehouse space at 411 Huger St. Columbia, SC. The USC Parking and Transportation Services department does not have a current lease.

USC Parking and Transportation Services was granted approval by the USC Board of Trustees on June 19, 2024 to pursue leasing space and is seeking this space to consolidate staff, equipment, bulk storage, and vehicle assets to be at one location. Currently, Parking and Transportation Services are housed at multiple locations. Consolidating our assets and staff under one roof will create operational efficiencies and improve service to the campus.

After contacting state agencies to verify that there was no adequate state space available, the Department of Administration solicited for commercial space and one proposal was received.

Base rent for the first year will be \$146,880.00; \$6.00 per SF to include actual taxes and insurance which are estimated to be \$60,610.00 for an annual total of \$207,590.00. Base rent will escalate 2% annually.

The University will also pay operating expenses estimated at \$1.51 per SF; \$37,000.00 annually.

The cumulative cost of the lease during the term is anticipated to be \$1,516,920.35.

Thank you for your consideration of this request and please let me know if you need any additional information.

Sincerely,

Derek S Gruner
AVP Planning Design and Construction/University Architect
Facilities Planning Design and Construction
803.777.1184

AGENCY: South Carolina Public Service Authority

SUBJECT: Lease Proposal
Jefferies Generating Station Property, Moncks Corner

Section 58-31-240(B) of the South Carolina Code of Laws provides that a transfer of any interest in real property by the South Carolina Public Service Authority, regardless of the value of the transaction, requires approval, rejection, or modification by the Joint Bond Review Committee, except that this requirement does not apply to encroachment agreements, rights of way, or lease agreements made by the Authority for property within the Federal Energy Regulatory Project boundary.

The Authority requests approval to extend a lease of 15.8 acres located adjacent to the Authority's Jefferies Hydroelectric Generating Station in Moncks Corner to Cameron Ag Products, LLC.¹ The Authority originally entered into the lease in February 2017, which was amended in July 2018 and August 2019, and extended in December 2021 through December 31, 2024. The Authority requests approval to extend the lease, as amended, through December 31, 2027.

Cam Ag leases the property to unload and store synthetic gypsum for sale to the Authority and is permitted use of the existing rail spur and rail line leading into the property. The lease fee is \$10 annually, and Cam Ag is responsible for permitting and maintenance of the rail, and for arranging its own power supply. The 2018 and 2019 amendments permitted Cam Ag to unload and store additional material consisting of granite and sand for sale to third parties.

The Authority purchases gypsum from Cam Ag to supplement gypsum produced at its Cross and Winyah Generation Stations to fulfill its obligation to provide wallboard quality gypsum to American Gypsum. Gypsum supplied by Cam Ag is the Authority's least cost source primarily because transporting gypsum by rail is less costly than transporting by truck. Revenue from third party sales associated with the 2018 and 2019 amendments lower Cam Ag's handling costs, which further benefits the Authority. Moreover, Cam Ag loads pond ash removed from the ash pond undergoing closure at the Jefferies Station into rail cars for transport to cement companies in the southeast. Those companies beneficially use the ash, and this method of disposal results in lower costs to the Authority versus landfilling the material.

COMMITTEE ACTION:

Approve renewal of the lease of 15.8 acres by the Authority to Cameron Ag Products, LLC as described herein and more fully in the documents supporting the Authority's submission.

¹ A South Carolina limited liability company in good standing registered with the SC Secretary of State effective March 30, 2016. William R. Johnson of Summerville, SC is registered agent. Private Participant Disclosures were included with the submission.

ATTACHMENTS:

1. Letter dated August 20, 2024, of Mr. J. Martine Watson, Chief Commercial Officer, Santee Cooper.
2. Substantive terms of the lease extension.
3. Maps of the property location.

August 20, 2024

The Honorable Harvey S. Peeler, Jr.
Chairman, Joint Bond Review Committee
South Carolina Senate
111 Gressette Building
Columbia, South Carolina 29201

Re: Lease of Property at the Jefferies Hydroelectric Generating Station
Property/Site location: 463 Power House Rd, Moncks Corner, Berkeley County, SC

Dear Chairman Peeler:

The South Carolina Public Service Authority ("Santee Cooper") requests that the Joint Bond Review Committee ("JBRC") approve the extension of an existing lease of property adjacent to its Jefferies Hydroelectric Generating Station ("Jefferies") in Berkeley County.

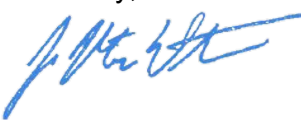
Jefferies previously consisted of two coal-fired and two oil-fired electric generating units, along with the hydroelectric facility on Lake Moultrie. While the hydroelectric facility remains and continues to operate, the fossil fuel-fired units were retired and demolished. Some associated infrastructure remains, including the rail line and rail spur previously used by the station to deliver coal, and the equipment used to unload the coal trains.

Santee Cooper entered into a lease with Cameron Ag Products, LLC in 2017 for a 15.8 acres portion of the Jefferies site to unload and store synthetic gypsum for sale to Santee Cooper and other parties and for the use of the existing rail spur and rail line. The Lease is set to expire on December 31, 2024. Santee Cooper purchases the gypsum stored on the Jefferies site from CamAg to supplement gypsum produced at its other power generating sites to fulfill its contractual obligations to provide wallboard quality gypsum to American Gypsum. Gypsum supplied by Cam Ag is currently Santee Cooper's least cost source of supplemental synthetic gypsum due to lower handling and transportation costs. By optimally using a site that currently has limited other uses, the services Santee Cooper receives from Cam Ag are a financial benefit to Santee Cooper's operations.

Attachment A describes the substantive terms of the Lease Extension for which approval is requested, and includes maps showing the location of the property.

Santee Cooper respectfully requests that the JBRC approve the request for the extension of this Lease through December 31, 2027.

Sincerely,



J. Martine Watson

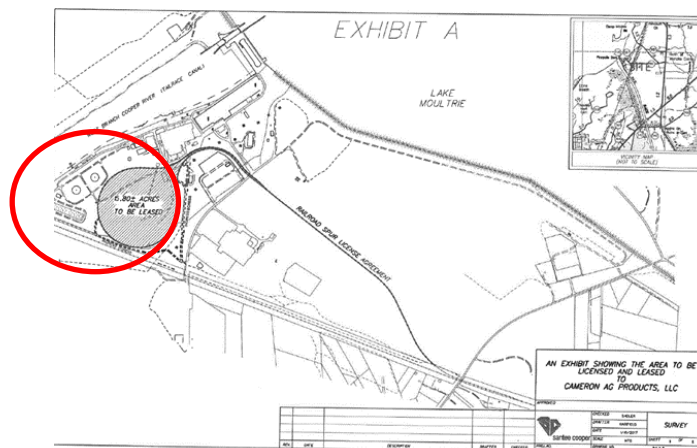
Attachment: As stated

JMW:cmb

Attachment A

Substantive terms of Lease Extension for 15.8 acres of the Jefferies Hydroelectric Generation Station located at 463 Power House Road, Moncks Corner, Berkeley County, South Carolina, are as follows:

Lessor	Southern Carolina Public Service Authority
Lessee	Cameron Ag Products, LLC Sole Members of this LLC are Edward M. Rast and William R. Johnson
Property	15.8 acres of the Jefferies Hydroelectric Generation Station in Berkeley County
Extension Term	Three (3) year extension expiring on December 31, 2027
Rental and Mutual Benefits	Annual lease fee is \$10.00 with Lessee being responsible for maintenance of the rail, any permitting and arranging its own power supply. Santee Cooper benefits through the ability to purchase synthetic gypsum at the lowest available cost due to the lower handling and transportation costs of being located on Santee Cooper property.



AGENCY: South Carolina Public Service Authority

SUBJECT: Lease Proposal
Reddy Ice, LLC, Cherokee County

The South Carolina Public Service Authority requests approval of a proposed lease agreement between Cherokee County Cogeneration Partners, LLC and Reddy Ice, LLC¹ effective October 1, 2024.

The lease covers approximately 2 acres and certain facilities and equipment situated thereon, and was included among the assets of the Cherokee LLC acquired by the Authority effective November 1, 2023.² The property, facilities, and equipment were the subject of a sublease at the time of acquisition, which was extended with the approval of the Committee through September 30, 2024, to accommodate negotiation of a long-term lease that maintains operations of the facility in its current location while better aligning each organization's business strategies for future operations.

Among other things, the proposed agreement simplifies rental payments under ordinary commercial terms; provides for the eventual decoupling of certain services related to steam, ammonia use, and electrical power; and provides for a purchase option by the lessee at fair market value.

The term of the proposed lease is 5 years, from October 1, 2024, to September 30, 2029, with one optional 5-year renewal term, and a second optional 5-year renewal term if the first is exercised. Payments under the lease are comprised of an annual base rate of \$139,320 with a 2% annual escalator, and monthly utility charges for actual demand and use, as determined by the then-current rate schedule of the local power supplier. The lease provides for a non-transferable purchase option at fair market value with 12-months-notice to the lessor. The lessee is required to separate electric utility services on the earlier exercise of either the purchase or first renewal option.

COMMITTEE ACTION:

Approve the lease with a 5-year initial term, and the renewal options and other terms summarized above and more fully described in the attached submission.

ATTACHMENTS:

1. Letter dated August 13, 2024, of Mr. J. Martine Watson, P.E., Chief Commercial Officer, Santee Cooper.
2. Substantive terms of the lease and map of the property.

¹ Reddy Ice, LLC operates an ice manufacturing facility on the property and employs approximately 17 employees.

² At its meeting on October 10, 2023, the Joint Bond Review Committee approved the Authority's request to acquire approximately 107 acres in connection with its acquisition of the ownership interests of Cherokee County Cogeneration Partners, LLC, including the property and facilities that are the subject of this proposal.



J. Martine Watson, P.E.

Chief Commercial Officer

(843) 761-7072

marty.watson@santeecooper.com

August 13, 2024

The Honorable Harvey S. Peeler, Jr.
Chairman, Joint Bond Review Committee
South Carolina State Senate
111 Gressette Building
Columbia SC 29201

Re: Lease Agreement – Cherokee County Cogeneration Partners, LLC and Reddy Ice, LLC

Dear Chairman Peeler:

The South Carolina Public Service Authority (“Santee Cooper”) requests that the Joint Bond Review Committee (“JBRC”) approve a proposed lease agreement (the “Lease”) between Cherokee County Cogeneration Partners, LLC (“Cherokee LLC”) and Reddy Ice, LLC (“Reddy Ice”) effective October 1, 2024.

Background

As the members of the JBRC will recall, Santee Cooper purchased, with JBRC approval, 100% interest in the Cherokee LLC effective November 1, 2023, for the benefit of owning the natural gas generation and capacity from the combined cycle unit owned and operated by the Cherokee LLC. As part of the transaction, there was an existing sublease of real property and equipment with Reddy Ice for the purpose of operating an ice manufacturing plant, which was extended, also with JBRC approval, through September 30, 2024. The ice manufacturing plant is located directly adjacent to the natural gas facility on the property owned by Cherokee LLC, as depicted in the aerial photo attached to this letter.

Proposed Lease

Cherokee LLC is very interested in providing the opportunity for Reddy Ice to maintain operations of the ice manufacturing plant and entering into a long-term lease agreement that will keep this manufacturing facility operational for the foreseeable future at its current location. Reddy Ice and Santee Cooper personnel have worked diligently to negotiate terms that would align with each organization’s strategy for future operations. Both parties agree that the ice facility assets and equipment are in favorable working condition and Reddy Ice is interested in continuing to lease

the property with updated terms for at least five years, if not longer. The previous lease has been in effect since 1998 and was initially drafted, negotiated and executed by two separate parties at the time the ice facility was under construction, so for several reasons it is time to bring the terms of the agreement between the parties up to date.

The new, proposed lease agreement provides for several updated terms that are more appropriate for the current circumstances and long-standing relationship between the parties. Most importantly, the parties worked together to simplify the rental payments and align these rental payments with the local rate schedule for actual power and water use while also keeping a base rental rate of \$139,320 per year, with a 2% annual escalator, as generally contained in other, normal commercial leases. Further, there is an obligation on the part of the Lessee to decouple the services related to steam and ammonia use within two years from the effective date of the lease, as well as an agreement that Reddy Ice will pursue steps to separate the electric power services from the Santee Cooper operations if Reddy Ice exercises either its purchase option rights or the first lease renewal option (discussions regarding separation of wastewater services will occur in good faith during the separation of services process). Separating the electric services would require that Reddy Ice collaborate with Duke Energy – Carolinas, the direct provider of electric utility service when the natural gas unit is not actively running, to purchase, install and schedule those electric utility services. The Lessee does have an option to enter into negotiations to purchase the dedicated ice facility property at fair market value, if it so desires during the initial term or renewal term(s) of the lease, with sufficient notice to Santee Cooper. This is a significant reason that it was important to address and update the payment terms and obligations set forth in the lease. Other relevant terms of the lease and a map showing the location of the ice manufacturing plant in relation to the natural gas facility have been included in Attachment A to this letter. During the entire term of the lease, Santee Cooper will continue to conduct the natural gas operations adjacent to the leased premises as it deems necessary for its own business purposes, and the planned use by Reddy Ice is consistent with those operations.

Santee Cooper respectfully requests that the JBRC approve the Lease with a 5-year Initial Term, renewal options and other arm's length negotiated terms identified herein. Should you have any questions or need any further documentation, please do not hesitate to contact me.

Sincerely,



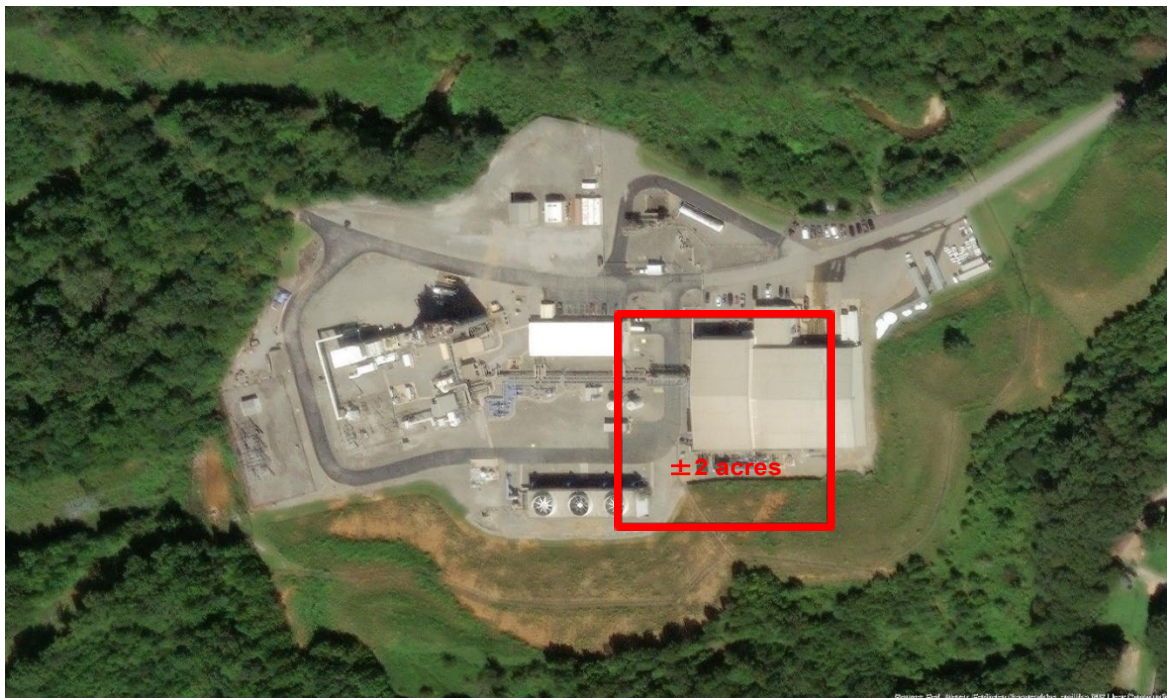
J. Martine Watson

Attachment: As stated

Attachment A

The substantive terms of the Lease Agreement are as follows:

Lessor	Cherokee County Cogeneration Partners, LLC
Lessee	Reddy Ice, LLC
Property	Currently includes roughly 2 acres with the ice manufacturing equipment and fixtures included
Current Term	October 1, 2024 to September 30, 2029
Extension	Proposed 5-year term; one 5-year renewal term available, with a second 5-year renewal option if the first is exercised.
Purchase Option	Lessee with non-transferable option to purchase at FMV with 12-months notice.
Rental Rate Calculation	Payment of the rental rate includes (i) annual base rate of \$139,320 with a 2% annual escalator; and (ii) monthly utility charges for actual demand and use (the utility rate is based on then-current rate schedule of the local power supplier).
Special Provisions	Lessee is required to separate the electric utility services upon the exercise of either the purchase option or the first lease renewal option, whichever occurs first.



AGENCY: Department of Administration
Executive Budget Office

SUBJECT: Financing Proposal for Permanent Improvements
Clemson University
College of Veterinary Medicine

Clemson University requests Phase II review to establish the full design and construction budget for its College of Veterinary Medicine.

Permanent Improvement Project. The project was established in March 2023 with a Phase I budget of \$10,000,000, funded with lottery expenditure funds, subsequently supplemented with \$85 million in state appropriations, for an existing budget authorization of \$95 million. This request will increase the project budget to \$270,000,000, funded by \$10 million in lottery expenditure funds; \$47 million in Capital Reserve funds; \$163 million in State appropriations; and \$50 million in proceeds from the issuance of general obligation state institution bonds.

The University proposes to construct a 233,000 square foot building and will initially support a class size of 80 students and up to 100 or more in the future. Following construction, the facility is expected to support 292 students and student employees, and 132 faculty and staff members.

Construction is expected to be complete in June 2026.

General Obligation State Institution Bonds (Issued by the State on Behalf of Clemson University). The University proposes funding a portion of the permanent improvements with proceeds from the issuance of not exceeding \$51,000,000 General Obligation State Institution Bonds.

Article X, §13(6)(b) of the South Carolina Constitution authorizes the issuance of state general obligation bonds for an institution of higher learning if the bonds are additionally secured by a pledge of the revenues derived from the tuition fees received by that institution; provided, that the maximum annual debt service on all state institution bonds issued for the institution and outstanding at any time will not exceed 90% of the total tuition fees received by the institution in the preceding fiscal year. Chapter 107 of Title 59 of the SC Code implements this constitutional provision.

Tuition fees collected by the University for the fiscal year ended June 30, 2024, and made available to comply with the constitutional and statutory limit on debt service totaled \$87,981,180.¹ Maximum annual debt service on existing and proposed bonds is not expected to exceed \$43,841,676, or 50% of tuition fees designated for compliance with the limit on annual debt service.

Documentation supporting the submission states that no student tuition or fee increase will be required as a direct consequence of the permanent improvement project.

¹ Unaudited.

The full faith and credit of the State will be pledged to the payment of the proposed bonds; however, no mortgage or lien will be given on any real property of the institution or the state.

The University has made a covenant to designate and deposit sufficient tuition fees to meet the 90% maximum annual debt service requirement for the life of the bonds. In the event that revenue from tuition fees in any fiscal year is insufficient to meet debt service requirements, the State Treasurer is required to set aside and apply general tax revenues of the state sufficient to provide for the punctual payment of debt service then or to become due in that fiscal year.

The term of the proposed bonds will be 20 years.

COMMITTEE ACTION:

1. Review and make recommendation regarding the University's request to establish Phase II full design and construction for the permanent improvement project, to be funded by \$10 million in lottery expenditure funds; \$47 million in Capital Reserve funds; \$163 million in State appropriations; and \$50 million in proceeds from the issuance of general obligation state institution bonds.
2. Review and make recommendation regarding the University's request for issuance by the state on its behalf of not exceeding \$51,000,000 General Obligation State Institution Bonds.

ATTACHMENTS:

1. Department of Administration, Executive Budget Office Agenda Item Worksheet.
2. Letter dated July 22, 2024, of Mr. Gary T. Pope, Jr., Pope Flynn, LLC, Bond Counsel.
3. Bond Information Report and Exhibits.

AVAILABLE:

1. Constitutional and Statutory References: Article X, §13(6)(b) of the South Carolina Constitution; Chapter 107 of Title 59 of the South Carolina Code of Laws (State Institution Bonds).
2. Resolution of the University's Board of Trustees requesting issuance of the bonds.
3. Form of Resolution of the State Fiscal Accountability Authority authorizing issuance of the bonds.

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: August 20, 2024

Regular Agenda

1. Submitted By:

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

Kevin Etheridge
 Kevin Etheridge, Executive Budget Office

2. Subject:

Clemson University – College of Veterinary Medicine Construction

3. Summary Background Information:

Project: Clemson University
 H12.9965: College of Veterinary Medicine Construction

Request: Establish Phase II Full Construction Budget to construct a teaching complex, research laboratories and clinical spaces.

Phase I Approval: March 2023 (estimated at \$285,000,000) (SFAA)
Partial Phase II Approval: April 2024 (estimated at \$285,000,000) (JBRC)

Included in CPIP: Yes – 2024 CPIP Priority 1 of 9 in FY25 (estimated at \$270,000,000)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Institution Bonds				50,000,000	50,000,000
FY25 Capital Reserve (5) (College of Veterinary Medicine)				47,000,000	47,000,000
FY24 Appropriated State, Proviso 118.19 (B)(10)(a), (College of Veterinary Medicine)		75,000,000	75,000,000		75,000,000
Appropriated State, Operating (FY23 Proviso 14.1), (College of Veterinary Medicine)		10,000,000	10,000,000		10,000,000
FY25 Appropriated State, Proviso 118.20 (B)(9)				78,000,000	78,000,000
Other, FY23 Lottery Expenditure Account	10,000,000		10,000,000		10,000,000
All Sources	<u>10,000,000</u>	<u>85,000,000</u>	<u>95,000,000</u>	<u>175,000,000</u>	<u>270,000,000</u>

Summary of Work: The university completed a comprehensive feasibility study to develop a detailed implementation and program plan. This project will utilize this study to conduct site selection and engage architectural/engineering firms and a Construction Manager at Risk to provide schematic design of the facilities. The facilities will include, but not be limited to, a teaching complex, research laboratories and clinical spaces. Clemson will construct the main teaching building and labs but will partner with private clinics for clinical experiences. A partial Phase II request

was previously approved to continue with design work and award early construction packages. This increase will allow construction to continue.

Rationale: South Carolina currently does not have a College of Veterinary Medicine, and only four states have fewer veterinarians per capita. There is a rapid growth in national demand for services and investment in animal health. Further, research done at veterinary colleges is increasingly important for protecting human public health. Currently, SC contracts to fund the difference between residential and non-residential tuition for SC veterinary students in cooperating states. Clemson's distributed model for clinical learning will leverage existing assets in the state through partnerships with industry and clinical enterprises.

Facility Characteristics: The new facility to be constructed will be approximately 233,000 square feet. Based on current analysis per the university, SC can justify a class size of 80 students that may grow to 100 or more in the future. Once the College of Veterinary Medicine is constructed, it is expected to be utilized by approximately 292 students and student employees, 50 faculty, and 82 staff.

Financial Impact: This increase will be funded from Institution Bonds (\$50 million to be issued), FY25 Capital Reserve (uncommitted balance \$47 million at July 16, 2024), and FY25 Appropriated State (nonrecurring) Funds (uncommitted balance \$78 million at July 16, 2024). The project is expected to result in an increase of \$1,640,724 (year 1), \$1,689,946 (year 2), and \$1,740,644 (year 3), in annual operating expenditures. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$5,710,000 over 30 years. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$1,005 per student per semester, and has not increased for the years 2020-2021 to 2024-2025. \$380 of the \$1,005 is currently pledged for debt service. The balance of the fee, \$625 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$270,000,000 funded from Institution Bonds, Capital Reserve, Appropriated State (nonrecurring), Appropriated State (operating), and Lottery Expenditure Account Funds. Completion of construction is anticipated in June 2026.

4. What is JBRC asked to do?

Consider approval of the Permanent Improvement Project Phase II Increase.

5. What is the recommendation of the Department of Administration?

The item is complete and ready for JBRC review.

6. List of Supporting Documents:

1. Permanent Improvement Project College of Veterinary Medicine Construction



Pope Flynn, LLC
1411 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201
MAIN 803.354.4900
FAX 803.354.4899
www.popeflynn.com

July 22, 2024

Mr. F. Richard Harmon, Jr.
Director of Research
Joint Bond Review Committee
312 Gressette Building
Columbia, South Carolina 29201

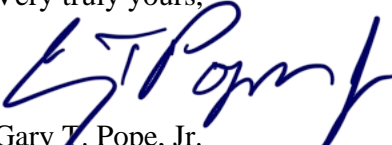
Re: Not Exceeding \$51,000,000 of General Obligation State Institution Bonds (Issued on Behalf of Clemson University) of the State of South Carolina

Dear Rick:

Clemson University (the "University") plans to request project review and approval of a new School of Veterinary Medicine project at the August 20, 2024 Joint Bond Review Committee and August 27, 2024 State Fiscal Accountability Authority meetings, and in connection with such request will propose that a portion of the budget for such project include proceeds of the above-referenced bonds (the "Bonds"). In accordance with the policy adopted by the Joint Bond Review Committee on October 7, 2014, as amended on September 13, 2016, regarding any agency or institution request for a project approval that results in the addition of bond funds to the project budget, please find enclosed the required documentation detailing the proposed financing of the proposed project. On behalf of the University, we respectfully request that the Joint Bond Review Committee consider the request for the use of proceeds from the proposed Bonds in connection with its consideration of the proposed project at its meeting currently scheduled for August 20, 2024.

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

Very truly yours,



Gary T. Pope, Jr.

c: Rick Petillo, Vice President and Chief Financial Officer, Clemson University
Jackie D. Hipes, Assistant Director, Debt Management Division, Office of State Treasurer
Jennifer LoPresti, Capital Budgeting Manager, Executive Budget Office
Enclosures

Clemson University Bond Information Report
for the School of Veterinary Medicine Project

Prepared in Connection with the Proposed Authorization of
Not Exceeding \$51,000,000 of State of South Carolina General Obligation
State Institution Bonds (Issued on Behalf of Clemson University)

August 20, 2024 Joint Bond Review Committee Meeting

Amount and Type of Bond. Clemson University (the “University”) is making application to the South Carolina State Fiscal Accountability Authority for the issuance of not exceeding \$51,000,000 of State of South Carolina General Obligation State Institution Bonds (Issued on Behalf of Clemson University) (the “Bonds”), in order to provide funds: (i) to construct, improve, and furnish a new school of veterinary medicine, and related improvements and infrastructure, on the campus of the University; (ii) to reimburse the University for expenses incurred in anticipation of the issuance of such State Institution Bonds ((i) and (ii), collectively, the “Project”); and (iii) to pay for expenses related to the issuance of the Bonds.

Revenues Pledged to Pay the Bonds. Tuition revenues of the University and the full faith, credit, and taxing power of the State of South Carolina would be pledged to the payment of the Bonds. Article X, Section 13, Paragraph (6)(b) of the South Carolina Constitution provides that general obligation bonds for any state institution of higher learning designated by the General Assembly (“State Institution Bonds”) may be issued, if such bonds shall be additionally secured by a pledge of the revenues derived from the tuition fees received by the particular institution of higher learning for which such State Institution Bonds are issued; provided, that the maximum annual debt service on all State Institution Bonds so additionally secured issued for such state institution thereafter to be outstanding shall not exceed 90% of the sums received by such state institution of higher learning from tuition fees for the fiscal year next preceding. The University has covenanted to designate and deposit sufficient tuition fees to meet the 90% maximum annual debt service covenant for the life of the Bonds. Title 59, Chapter 107 of the South Carolina Code (the “Enabling Act”) provides for the authorization of State Institution Bonds. Section 11-29-30 of the South Carolina Code requires the State Treasurer to set aside from the tuition fees collected by such state institution and received in each fiscal year in which interest on and principal of the Bonds become due, so much of such revenues from such tuition fees as may be necessary in order to pay the interest on and principal of all State Institution Bonds issued on behalf of the University and due in each fiscal year, and the State Treasurer thereafter applies such moneys to the punctual payment of such principal and interest as they become due. In the event revenues derived from the tuition fees so pledged prove insufficient to meet the payments of interest on and principal of the Bonds in such fiscal year, then the State Treasurer is authorized and directed to set aside so much of the general tax revenues received in each fiscal year as may be necessary to pay the principal of and interest on the Bonds due in such year and to apply the same to the punctual payment of such principal and interest.

The sum of tuition fees, for the purposes of the Enabling Act, for the fiscal year ended June 30, 2024, totaled \$87,981,180 (unaudited). The debt service requirements on all existing, authorized, and proposed State Institution Bonds (Issued on Behalf of the University) are attached as Exhibit A. Exhibit B reflects maximum annual debt service of \$43,841,676 in fiscal year 2027, and debt service utilization of fiscal year 2024 tuition fees ranging from 20% to 50%, compared to the 90% statutory limitation. The University will covenant that the schedule of tuition fees now in effect at the University will be revised from time to time and whenever necessary in order to provide the annual principal and interest requirements of all State Institution Bonds now or hereafter to be outstanding, which have been or will be issued on behalf of the University.

New Revenue Generation. The facility will be home to the new College of Veterinary Medicine, which will increase enrollment. The University estimates over \$10 million of additional non-appropriated revenue from enrollment growth, research funding and fundraising. In addition to these revenues, the College of Veterinary Medicine is expected to have a significant economic impact for the State of South Carolina. The University is not relying on any increase in revenues to pay debt service on the Bonds.

Other Funds Available to Pay Bonds. Current tuition levels are more than sufficient to pay the debt service on the Bonds. In order for current tuition levels to be insufficient, enrollment would need to decrease by approximately 40%. The University's enrollment has increased every year since 2002 and has grown approximately 31.52% in the past 10 years.

Student Fees, Credit of the State, Mortgages. The full faith and credit of the State of South Carolina would be pledged to the payment of the Bonds. No Special Student Fee is authorized to be imposed in connection with the Bonds, and none is contemplated. No mortgage or lien has been or will be given in connection with the issuance of the Bonds.

Prepared July 22, 2024

Exhibit A

Clemson University - State Institution Bonds - Composite Debt Service

Fiscal Year	Proposed Issue					
	Existing Debt	Debt Service on		Principal	Interest	Composite
		Authorized but				
	Service	Unissued			Debt Service	
6/30/2025	\$ 26,570,513	\$ 8,066,879	\$ 1,135,000	\$ 1,058,592	\$ 36,830,983	
6/30/2026	26,569,513	13,577,233	1,950,000	1,744,149	\$ 43,840,895	
6/30/2027	26,576,063	13,573,670	2,010,000	1,681,944	\$ 43,841,676	
6/30/2028	26,568,213	13,571,797	2,070,000	1,620,237	\$ 43,830,246	
6/30/2029	26,568,413	13,574,539	2,135,000	1,557,102	\$ 43,835,054	
6/30/2030	26,265,325	13,573,254	2,200,000	1,492,839	\$ 43,531,418	
6/30/2031	25,760,625	13,575,704	2,265,000	1,426,839	\$ 43,028,168	
6/30/2032	20,808,269	13,574,971	2,335,000	1,358,662	\$ 38,076,902	
6/30/2033	20,660,794	13,576,713	2,405,000	1,288,379	\$ 37,930,885	
6/30/2034	20,516,481	13,570,629	2,475,000	1,215,988	\$ 37,778,098	
6/30/2035	17,979,069	13,570,809	2,550,000	1,141,243	\$ 35,241,121	
6/30/2036	17,824,700	13,571,747	2,630,000	1,059,898	\$ 35,086,345	
6/30/2037	14,008,450	13,571,667	2,720,000	971,530	\$ 31,271,647	
6/30/2038	8,857,250	13,571,667	2,815,000	876,330	\$ 26,120,247	
6/30/2039	8,855,450	13,575,962	2,920,000	774,146	\$ 26,125,557	
6/30/2040	8,447,400	13,569,660	3,025,000	664,938	\$ 25,706,997	
6/30/2041	7,954,500	13,574,122	3,145,000	547,870	\$ 25,221,492	
6/30/2042	7,953,750	13,572,878	3,270,000	422,385	\$ 25,219,013	
6/30/2043	-	13,568,664	3,400,000	289,296	\$ 17,257,960	
6/30/2044	-	13,575,957	3,545,000	148,536	\$ 17,269,493	
Totals	\$ 338,744,775	\$ 265,958,518	\$ 51,000,000	\$ 21,340,899	\$ 677,044,192	

Exhibit B

Clemson University - State Institution Bonds - Coverage

Fiscal Year	FY24 Tuition*		Utilization of	
	Composite Debt	Pledged to Debt	Pro Forma	Pledged Revenues
	Service	Service	Pledged Tuition	(90% is Debt Limit)
6/30/2025	\$ 36,830,983	\$ 87,981,180	\$ -	42%
6/30/2026	43,840,895	87,981,180	-	50%
6/30/2027	43,841,676	87,981,180	-	50%
6/30/2028	43,830,246	87,981,180	-	50%
6/30/2029	43,835,054	87,981,180	-	50%
6/30/2030	43,531,418	87,981,180	-	49%
6/30/2031	43,028,168	87,981,180	-	49%
6/30/2032	38,076,902	87,981,180	-	43%
6/30/2033	37,930,885	87,981,180	-	43%
6/30/2034	37,778,098	87,981,180	-	43%
6/30/2035	35,241,121	87,981,180	-	40%
6/30/2036	35,086,345	87,981,180	-	40%
6/30/2037	31,271,647	87,981,180	-	36%
6/30/2038	26,120,247	87,981,180	-	30%
6/30/2039	26,125,557	87,981,180	-	30%
6/30/2040	25,706,997	87,981,180	-	29%
6/30/2041	25,221,492	87,981,180	-	29%
6/30/2042	25,219,013	87,981,180	-	29%
6/30/2043	17,257,960	87,981,180	-	20%
6/30/2044	17,269,493	87,981,180	-	20%

* Unaudited

AGENCY: Department of Administration
Executive Budget Office

SUBJECT: Financing Proposal for Permanent Improvements
Clemson University
Jervey Athletic Center Renovations and
Performance & Wellness Center Addition

Clemson University requests Phase II review to revise the source of funds for the construction of an addition to and renovation of a portion of the Jervey Athletic Center.

Permanent Improvement Project. The project was established in May 2023 with a Phase I budget of \$750,000, funded with athletic gifts and donations. This request will increase the portion of funding for the project from proceeds of the issuance of athletic facilities revenue bonds from \$20,000,000 to \$50,000,000, and eliminate the portion of funding for the project from athletic gifts and donations. Neither the project scope nor the overall budget will change.

The University proposes to construct a 50,600 square foot addition and renovate 18,850 square feet within the existing Athletic Center that will support the volleyball and track and field programs. Facility improvements will include updated locker rooms for home and visiting teams and officials, and will further include showers, nutrition, bistro, lounge, and film rooms. Additional improvements will include modernization of restrooms, concessions, seating, and playing areas; elevating the roof above the playing court; and purchasing additional equipment. The facilities will support 445 students and staff.

Construction is expected to be complete in March 2025.

Athletic Facilities Revenue Bonds. The Committee previously recommended and the State Fiscal Accountability Authority subsequently approved an issuance by the University of not exceeding \$20,750,000 Athletic Facilities Revenue Bonds to defray a portion of the costs and expenses of the permanent improvements, including expenses associated with issuance of the bonds. Clemson now proposes issuance of additional Athletic Facilities Revenue Bonds in an amount not exceeding \$31,000,000 to defray costs of the project previously authorized to be funded by athletic gifts and donations.

Athletic Facilities Revenue Bonds are payable from and secured by a pledge of the Net Revenues of the Athletic Department, and the gross receipts from the imposition of an Admissions Fee. Athletic Facilities Revenue Bonds are further secured by, but the University does not currently impose, any Special Student Fee. The full faith and credit of the State will not be pledged to the payment of the proposed bonds; nor will any mortgage or lien be given on any real property of the institution or the state.

Pledged Revenues for the fiscal year ended June 30, 2023, totaled \$37,452,990.¹ Maximum annual debt service on existing and proposed bonds is not expected to exceed \$14,115,808, with

¹ Pledged Revenues for the fiscal year ended June 30, 2024, are not yet available, as the University's books had not been closed as of the date of submission. Notwithstanding, the University expects that pledged revenues for the fiscal year ended June 30, 2024, will equal or exceed pledged revenues for the fiscal year ended June 30, 2023.

debt service coverage ranging from 2.65 to 12.03 times annual debt service throughout the term of the University's existing and proposed debt.

Section 59-119-940 of the Code of Laws limits the amount of the University's athletic revenue bonds that may be outstanding at any time to \$500,000,000.² Athletic revenue bonds outstanding following issuance of previously authorized bonds and the proposed bonds will not exceed \$221,770,000.

Documentation supporting the University's submission states that no student tuition or fee increase will be required as a direct consequence of the permanent improvement project. Moreover, Clemson does not impose a student fee to pay debt service on athletic facilities revenue bonds, but does collect an admissions fee on certain tickets to athletic events.

The University's submission indicates that it prudently and rigorously manages its athletic operations and debt to ensure that revenues pledged to athletics remain well in excess of debt service obligations. In the event that revenues were insufficient to pay debt service, the University's Athletic Department could request additional support from IPTAY. In no event would student tuition or academic fees be used to pay debt service on the bonds.

The term of the proposed bonds will be 30 years.

COMMITTEE ACTION:

1. Review and make recommendation regarding the University's request to increase the portion of the project previously authorized to be funded from proceeds of the issuance of athletic facilities revenue bonds from \$20,000,000 to \$50,000,000, and eliminate the portion of the project previously authorized to be funded from athletic gifts and donations.
2. Review and make recommendation regarding the University's request to issue additional Athletic Facilities Revenue Bonds in an amount not exceeding \$31,000,000 to defray costs of the project previously authorized to be funded by athletic gifts and donations.

ATTACHMENTS:

1. Department of Administration, Executive Budget Office Agenda Item Worksheet.
2. Letter dated July 22, 2024, of Gary T. Pope, Jr., Pope Flynn, LLC, Bond Counsel.
3. Bond Information Report and Exhibits.

² As amended by the enactment of Act 214 of 2024, which increased the amount so limited from \$200 million to \$500 million effective July 1, 2024.

AVAILABLE:

1. Constitutional and Statutory References: Article X, §13(9) of the South Carolina Constitution; Article 9, Chapter 119 of Title 59 of the South Carolina Code of Laws (Athletic Facilities Revenue Bonds).
2. Board of Trustees resolution requesting issuance of the bonds pursuant to Article 9, Chapter 119 of Title 59 of the South Carolina Code of Laws.
3. Form of State Fiscal Accountability Authority resolution authorizing issuance of the bonds.

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: **August 20, 2024**

Regular Agenda

1. Submitted By:

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

Kevin Etheridge
 Kevin Etheridge, Executive Budget Office

2. Subject:

Clemson University – Jervy Athletic Center Renovations and Performance & Wellness Center Addition

3. Summary Background Information:

Project: Clemson University
 H12.9968: Jervy Athletic Center Renovations and Performance & Wellness Center Addition

Request: Change Source of Funds to remove Athletic Gifts and Donations and add Athletic Revenue Bond Funds to construct an addition to and renovate a portion of the Jervy Center.

Included in CPIP: No – Change Source of Funds requests are not required to be included in the CPIP submission.

Phase I Approval: May 2023 (estimated at \$50,000,000) (SFAA)

Phase II Approval: October 2023 (estimated at \$50,000,000) (SFAA)

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Athletic Revenue Bonds		20,000,000	20,000,000	30,000,000	50,000,000
Other, Athletic Gifts & Donations	750,000	29,250,000	30,000,000	(30,000,000)	
All Sources	<u>750,000</u>	<u>49,250,000</u>	<u>50,000,000</u>		<u>50,000,000</u>

Summary of Work: The project will construct an approximately 50,600 square foot addition and renovate approximately 18,850 square feet within the existing Athletic Center, including improvements for the volleyball and track and field programs. The facility improvements will include updated locker rooms for officials, Clemson and visiting teams, including showers, nutrition, bistro, lounge, and film room spaces. Modernization of restrooms, concessions, seating and playing areas, raising the roof above the playing court, and additional equipment will also be included. The existing 1.5” metal deck roof on the Jervy Athletic Center will be replaced with a tapered polyisocyanurate insulation system on metal deck with a TPO roofing membrane. The roof to be installed on the new Performance and Wellness Center addition will also be a tapered polyisocyanurate insulation system on metal deck with a TPO roofing membrane. The new roofs will come with a 20-year material and workmanship warranty.

Rationale: With the addition of Women’s Gymnastics and Women’s Lacrosse, additional square footage is needed beyond the capacity of existing Performance and Wellness facilities. The existing facility needs significant improvements and modernization of all lower-level areas, per the university. The renovation and

Wellness facilities. The existing facility needs significant improvements and modernization of all lower-level areas, per the university. The renovation and addition were determined to be more cost effective than the alternative of replacing the facility with all new construction.

Facility Characteristics: The existing facility is 85,000 square feet and was constructed in 1972 (51 years old). Approximately 18,180 square feet of the facility will be renovated in this project. The addition to be constructed will be approximately 50,600 square feet. The facility currently provides services for all Clemson student-athletes but serves as the primary home of Women's Volleyball and Men's and Women's Track and Field. In addition, it provides locker rooms for visiting volleyball teams, baseball teams, and officials/umpires. The improvements to the Jervey Performance and Wellness Center will be utilized by approximately 400 students and 45 staff.

Financial Impact: The project will be funded from Athletic Revenue Bonds (to be issued). The project is expected to result in an increase of \$328,900 (year 1), \$338,767 (year 2), and \$348,930 (year 3) in annual operating expenditures. The addition will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$749,196 over a 30-year period. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$1,005 per student per semester, and has not increased for the years 2020-2021 to 2024-2025. \$380 of the \$1,005 is currently pledged for debt service. The balance of the fee, \$625 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$50,000,000 funded by Athletic Revenue Bonds.
Contract execution is expected in November 2023 and completion of construction in March 2025.

4. What is JBRC asked to do?

Consider approval of the Permanent Improvement Project Change Source of Funds.

5. What is the recommendation of the Department of Administration?

The item is complete and ready for JBRC review.

6. List of Supporting Documents:

1. Permanent Improvement Project Jervey Athletic Center Renovations/Performance & Wellness Center Addition
 2. Clemson University Bond Information Report
-

4. What is JBRC asked to do?

Consider approval of the Permanent Improvement Project Phase II Increase.

5. What is the recommendation of the Department of Administration?

The item is complete and ready for JBRC review.

6. List of Supporting Documents:

3. Jervey Athletic Center Renovations and Performance & Wellness Center Addition



Pope Flynn, LLC
1411 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201
MAIN 803.354.4900
FAX 803.354.4899
www.popeflynn.com

July 22, 2024

Mr. F. Richard Harmon, Jr.
Director of Research
Joint Bond Review Committee
312 Gressette Building
Columbia, South Carolina 29201

Re: Not Exceeding \$31,000,000 Clemson University, South Carolina Athletic Facilities
Revenue Bonds, Series 2024

Dear Rick:

On behalf of Clemson University (the "University"), we respectfully request that the Joint Bond Review Committee review the above-referenced bonds (the "Bonds") pursuant to Section 59-119-940 of the Code of Laws of South Carolina 1976, as amended, at its meeting scheduled for October 8, 2024. The Bonds are being issued to defray a portion of the costs of the University's Jervy Athletic Center Renovations and Performance and Wellness Center Addition Project (the "Project"). The Project was reviewed by the Joint Bond Review Committee on October 10, 2023, and approved by the State Fiscal Accountability Authority on October 17, 2023. The University proposes to change the sources of funds for the Project from \$20 million of Athletic Facilities Revenue Bonds and \$30 million of Athletic Gifts and Donations to \$50 million of Athletic Facilities Revenue Bonds. Not exceeding \$20.75 million of Athletic Facilities Revenue Bonds were reviewed and approved at the same meetings at which the Project was considered. The University now proposes to change the \$30 million portion of the budget for the Project originally comprised of Athletic Gifts and Donations to \$30 million from the proceeds of the Bonds. In accordance with the policy adopted by the Joint Bond Review Committee on October 7, 2014, as amended on September 13, 2016, regarding any agency or institution request for a project approval that results in the addition of bond funds to the project budget, please find enclosed the required documentation detailing the proposed financing of the proposed Project. The Series Resolution adopted by the Board of Trustees on July 18, 2024 authorizing the Bonds is also enclosed. On behalf of the University, we respectfully request that the Joint Bond Review Committee review the issuance of the Bonds under Section 59-119-940 of the Code of Laws of South Carolina 1976, as amended, and consider the request for the use of proceeds from the proposed Bonds in connection with Project at its meeting currently scheduled for August 20, 2024. Please let us know should you require anything further or if you have any questions regarding the enclosed.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'G. Pope, Jr.', is written over the typed name.

Gary T. Pope, Jr.

c: Rick Petillo, Vice President and Chief Financial Officer, Clemson University
Jackie D. Hipes, Assistant Director, Debt Management Division, Office of State Treasurer
Jennifer LoPresti, Capital Budgeting Manager, Executive Budget Office
Enclosures

Clemson University Bond Information Report

Prepared in Connection with the Proposed Authorization of

Not Exceeding \$31,000,000 of
Clemson University, South Carolina Athletic Facilities Revenue Bonds

August 20, 2024 Joint Bond Review Committee Meeting

Amount and Type of Bond. Clemson University (the “University” or “Clemson”) is seeking review by the Joint Bond Review Committee and approval by the South Carolina State Fiscal Accountability Authority for the issuance of not exceeding \$31,000,000 of Clemson University, South Carolina Athletic Facilities Revenue Bonds (the “Bonds”), the proceeds of which may be applied for the purposes of: (1) paying the costs of, and reimbursing the University for capital expenditures previously made in connection with, the Project (as defined below); (2) paying the principal of and interest on any Series 2024 Notes (as defined below) whether at maturity or early redemption; and (3) paying certain costs of issuance of the Series 2024 Bonds, including any credit enhancement thereof. The Project is defined to include the costs to construct, improve, expand, renovate, and equip Athletic Facilities on the campus of the University, including (i) University, visiting team, and officiating professionals locker room facilities, (ii) sports medicine, nutrition and strength and conditioning facilities, (iii) fan amenities, and (iv) competition venues, and infrastructure related thereto on the campus of the University.

Revenues Pledged to Pay the Bonds. The University’s Athletic Facilities Revenue Bonds are payable from, and are secured by a pledge of, the Net Revenues of the Athletic Department and the gross receipts from the imposition of the Admissions Fee and any Special Student Fee (“Pledged Revenues”) as contemplated in the enabling act authorizing Clemson’s athletic facilities revenue bonds. The University does not impose any Special Student Fee. Such Pledged Revenues for the fiscal year ended June 30, 2023, totaled \$37,452,990 (books for Fiscal Year 2024 have not been closed as of the date of submission). The estimated debt service requirements on all existing, authorized, and proposed Athletic Facilities Revenue Bonds are attached as Exhibit A. Exhibit B reflects estimated maximum annual debt service of \$14,115,808 in the fiscal year ending June 30, 2025, and debt service coverage ranging from 2.65 to 12.03 times annual debt service.

New Revenue Generation. The primary purposes of this project are to provide expansion space for the recently added sports of Women’s Gymnastics and Women’s Lacrosse, and to modernize and enhance existing 51-year-old facilities, rather than additional revenue generation. The University does anticipate fundraising opportunities in connection with the facility and associated programs, however it is not relying on any new revenues in connection with the Project.

Other Funds Available to Pay Bonds. The University prudently and rigorously manages both its athletic debt portfolio and operations to ensure that athletic Pledged Revenues remain well in excess of debt service obligations. Over the past five years these Pledged Revenues have yielded debt service coverage in excess of two times annual debt service. In the improbable event that athletic Pledged Revenues were insufficient to pay debt service, the University’s Athletic Department could request additional support from IPTAY.

Admissions Fee and Special Student Fees. Credit of the State. Mortgage. Neither the full faith and credit of Clemson University nor the State of South Carolina has been pledged to the payment of Athletic Facilities Revenue Bonds. Further, no mortgage or lien has been or will be given on any real property of Clemson University. Currently an Admissions Fee is charged on certain tickets to athletic events. The University does not currently impose a Special Student Fee. The Board of Trustees may from time to time consider imposing such a fee. Under the Athletic Facilities Revenue Bond Act, any Admissions Fee or Special Student Fee is pledged to the payment of Athletic Facilities Revenue Bonds.

Prepared July 22, 2024

Exhibit A

Athletics Facilities Revenue Bonds - Debt Service

		Debt Service on			
		Proposed Bond Issue			
		Debt Service On			Total Composite
Existing Debt		Authorized but			
Fiscal Year	Service	Unissued Bonds	Principal	Interest	Debt Service
6/30/2025	\$ 13,048,226	\$ 428,088	\$ -	\$ 639,494	\$ 14,115,808
6/30/2026	10,623,326	1,251,175	590,000	1,278,988	13,743,489
6/30/2027	10,619,411	1,248,377	605,000	1,259,872	13,732,660
6/30/2028	10,621,511	1,250,458	625,000	1,240,573	13,737,541
6/30/2029	10,619,599	1,247,270	645,000	1,220,948	13,732,816
6/30/2030	10,626,069	1,248,768	665,000	1,200,695	13,740,531
6/30/2031	10,615,919	1,249,795	685,000	1,179,814	13,730,527
6/30/2032	10,620,444	1,250,305	710,000	1,158,236	13,738,985
6/30/2033	10,620,694	1,250,295	730,000	1,135,800	13,736,789
6/30/2034	10,621,619	1,249,811	755,000	1,112,732	13,739,162
6/30/2035	10,626,669	1,248,701	780,000	1,088,648	13,744,018
6/30/2036	10,621,706	1,251,214	805,000	1,062,416	13,740,336
6/30/2037	10,617,681	1,247,044	835,000	1,033,839	13,733,563
6/30/2038	10,617,413	1,246,814	865,000	1,003,403	13,732,630
6/30/2039	10,622,325	1,250,344	895,000	971,104	13,738,772
6/30/2040	10,622,763	1,247,352	930,000	936,807	13,736,922
6/30/2041	10,625,000	1,248,097	965,000	900,426	13,738,523
6/30/2042	10,611,550	1,247,058	1,005,000	861,469	13,725,077
6/30/2043	10,616,375	1,249,294	1,045,000	819,822	13,730,490
6/30/2044	10,615,263	1,249,782	1,090,000	775,764	13,730,809
6/30/2045	10,623,013	1,248,560	1,135,000	729,145	13,735,718
6/30/2046	4,818,150	1,250,583	1,185,000	679,897	7,933,631
6/30/2047	3,848,163	1,249,260	1,240,000	625,755	6,963,177
6/30/2048	3,177,825	1,251,337	1,295,000	569,099	6,293,261
6/30/2049	3,176,875	1,251,587	1,355,000	509,931	6,293,392
6/30/2050	3,178,125	1,250,009	1,420,000	448,021	6,296,154
6/30/2051	3,177,500	1,246,603	1,485,000	383,141	6,292,244
6/30/2052	-	1,250,034	1,555,000	313,286	3,118,320
6/30/2053	-	1,251,112	1,625,000	240,139	3,116,251
6/30/2054	-	1,249,838	1,700,000	163,699	3,113,538
6/30/2055	-	1,251,213	1,780,000	83,731	3,114,944
Totals	\$ 246,833,214	\$ 37,910,175	\$ 31,000,000	\$ 25,626,691	\$ 341,370,079

Exhibit B

Athletic Facilities Revenue Bonds - Coverage

Fiscal Year	FY23 Revenues		Coverage Ratio Based on FY23 Pledged Revenues	Pro Forma		Pro Forma Coverage Ratio
	Composite Debt Service	Pledged to Debt Service*		Pledged Revenues	Total Pro Forma Pledged Revenues	
6/30/2025	\$ 14,115,808	\$ 37,452,990	2.65	-	37,452,990	2.65
6/30/2026	13,743,489	37,452,990	2.73	-	37,452,990	2.73
6/30/2027	13,732,660	37,452,990	2.73	-	37,452,990	2.73
6/30/2028	13,737,541	37,452,990	2.73	-	37,452,990	2.73
6/30/2029	13,732,816	37,452,990	2.73	-	37,452,990	2.73
6/30/2030	13,740,531	37,452,990	2.73	-	37,452,990	2.73
6/30/2031	13,730,527	37,452,990	2.73	-	37,452,990	2.73
6/30/2032	13,738,985	37,452,990	2.73	-	37,452,990	2.73
6/30/2033	13,736,789	37,452,990	2.73	-	37,452,990	2.73
6/30/2034	13,739,162	37,452,990	2.73	-	37,452,990	2.73
6/30/2035	13,744,018	37,452,990	2.73	-	37,452,990	2.73
6/30/2036	13,740,336	37,452,990	2.73	-	37,452,990	2.73
6/30/2037	13,733,563	37,452,990	2.73	-	37,452,990	2.73
6/30/2038	13,732,630	37,452,990	2.73	-	37,452,990	2.73
6/30/2039	13,738,772	37,452,990	2.73	-	37,452,990	2.73
6/30/2040	13,736,922	37,452,990	2.73	-	37,452,990	2.73
6/30/2041	13,738,523	37,452,990	2.73	-	37,452,990	2.73
6/30/2042	13,725,077	37,452,990	2.73	-	37,452,990	2.73
6/30/2043	13,730,490	37,452,990	2.73	-	37,452,990	2.73
6/30/2044	13,730,809	37,452,990	2.73	-	37,452,990	2.73
6/30/2045	13,735,718	37,452,990	2.73	-	37,452,990	2.73
6/30/2046	7,933,631	37,452,990	4.72	-	37,452,990	4.72
6/30/2047	6,963,177	37,452,990	5.38	-	37,452,990	5.38
6/30/2048	6,293,261	37,452,990	5.95	-	37,452,990	5.95
6/30/2049	6,293,392	37,452,990	5.95	-	37,452,990	5.95
6/30/2050	6,296,154	37,452,990	5.95	-	37,452,990	5.95
6/30/2051	6,292,244	37,452,990	5.95	-	37,452,990	5.95
6/30/2052	3,118,320	37,452,990	12.01	-	37,452,990	12.01
6/30/2053	3,116,251	37,452,990	12.02	-	37,452,990	12.02
6/30/2054	3,113,538	37,452,990	12.03	-	37,452,990	12.03
6/30/2055	3,114,944	37,452,990	12.02	-	37,452,990	12.02

* Books for FY24 have not been closed as of the date of submission.

AGENCY: Department of Administration
Capital Budget Office

SUBJECT: Permanent Improvement Project Proposals

The Department of Administration has submitted 41 proposals for Permanent Improvement Projects on behalf of agencies, summarized as follows:

	Items	Existing Budget	Proposed Budget Change	Estimated Total Project Cost
Higher Education				
H09 - The Citadel	1	108,000	3,645,270	3,753,270
H24 - South Carolina State University	1	75,000	11,564,128	11,639,128
H51 - Medical University of South Carolina	1	70,000,000	9,933,236	79,933,236
H59 - Aiken Technical College	1	300,000	23,792,351	24,092,351
Higher Education Total	4	70,483,000	48,934,985	119,417,985
Agencies				
D50 - Department of Administration	5	3,921,700	3,676,459	11,219,018
E24 - Office of the Adjutant General	6	44,992,076	13,464,287	61,345,433
H73 - Vocational Rehabilitation Department	1	15,000	1,328,180	1,343,180
J12 - Department of Mental Health	2	7,500	583,326	1,034,076
J16 - Department of Disabilities & Special Needs	7	106,500	14,288,286	14,394,786
N04 - Department of Corrections	1	-	225,000	14,500,000
N12 - Department of Juvenile Justice	2	1,476,363	1,623,637	3,100,000
P24 - Department of Natural Resources	8	3,576,000	20,688,862	25,633,937
P28 - Department of Parks, Recreation & Tourism	5	1,126,362	1,049,379	4,454,626
Agencies Total	37	55,221,501	56,927,416	137,025,056
Grand Total	41	125,704,501	105,862,401	256,443,041

COMMITTEE ACTION:

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

ATTACHMENTS:

1. Department of Administration, Capital Budget Office, Permanent Improvements Proposed by Agencies - Summary 1-2025 covering the period March 30, 2024, through June 19, 2024.

1. Project: The Citadel
 H09.9626: Krause School of Leadership and Ethics Reno/Addition
- Request: Change Project Name, Change Source of Funds, Revise Scope and Establish Phase II Full Construction Budget to construct an addition and to renovate 201, 202 and 203 Richardson Avenue.
- Included in CPIP: Yes – 2024 CPIP Priority 3 of 3 in FY25 (estimated at \$3,753,270)
- Phase I Approved: December 2023 (estimated at \$3,600,000) (SFAA)
- Supporting Details: Pages 1-18

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Gifts	108,000		108,000	2,855,557	2,963,557
Other, Leadership Lab Fee				400,695	400,695
Other, TCF-Faculty Excellence				115,854	115,854
Other, Rollover-Provost				80,000	80,000
Other, Annual Asset Management				104,453	104,453
Other, Institutional Capital Project				88,711	88,711
All Sources	<u>108,000</u>		<u>108,000</u>	<u>3,645,270</u>	<u>3,753,270</u>

Summary of Work: The project will renovate units 201, 202 and 203, which total 6,791 gross square feet in the two-story building which is used for office space. A single story approximately 2,270 gross square foot addition will also be constructed at the front/north side of the units. A new accessible ramp and restrooms will be added to the units. The HVAC system and electrical system will be replaced. The exterior finish of the addition will be stuccoed to match the existing units. It will have hurricane-rated windows and a low-slope roof. The roof to be installed on the addition will be a Modified Bitumen Roofing system that will come with a 25 material and workmanship warranty.

Rationale: This project establishes the home for the School of Leadership and Ethics. The collective vision is to be the pre-eminent School of Leadership and Ethics. This renovation and addition will further the goal by transforming the interior into an open, contemporary space for faculty, staff, and students, that is set apart from its former use as housing. Most of this building remains in its original condition. There have been minor upgrades to the first-floor areas to accommodate faculty and staff occupancy. This renovation and addition will expand the faculty and staff areas, as well as student interaction spaces. There is currently no handicapped assessable entrance or accessible restrooms in these units. The HVAC system is still in operation but is in poor condition. The old residential electrical system is at maximum capacity and needs to be replaced and expanded. The renovation and addition to Richardson Avenue facilitates the creation of a new School of Leadership and Ethics.

Facility Characteristics: 201-204 Richardson Avenue totals 9,692 gross square feet and was constructed in 1936 (88 years old). It is a two-story building comprised of four units. Three of the four units, 201, 202 and 203, totaling 6,791 gross square feet will be renovated in this project. The building was originally constructed to serve as faculty housing but is currently used as

office space. A single-story, approximately 2,270 gross square foot addition will also be constructed. The facility will house the administration and some specialty teaching spaces that support approximately 520 undergraduate and graduate students, and approximately 21 faculty and staff.

Financial Impact:

This phase of the project will be funded from Other, Gifts (uncommitted balance \$2.85 million at June 6, 2024), Other, Leadership Lab Fees (uncommitted balance \$401K at June 5, 2024), Other, TCF-Faculty Excellence (uncommitted balance \$444K at June 5, 2024), Other, Rollover-Provost (uncommitted balance \$425K at June 5, 2024), Other, Annual Asset Management (uncommitted balance \$105K at June 5, 2024), and Other, Institutional Capital Project Funds (uncommitted balance \$9.0 million at June 5, 2024). The Leadership Laboratory Fee is received from dedicated charges of \$1,208 per freshman cadet and \$1,040 per upperclassman cadet annually. The TCF-Faculty Excellence Funds is money granted by The Citadel Foundation on an annual basis. The Rollover-Provost Fund is money granted by The Citadel Foundation on an annual basis. The Annual Asset Management Fund is money utilized for annual maintenance of The Citadel which is funded by appropriation funds and or institutional capital project funds. The Institutional Capital Project Fund is all excess debt service fund transferred to the Institutional Capital Project Fund as of June 30th each year. The project is expected to result in an increase of \$4,530 (year 1), \$4,760 (year 2), and \$5,000 (year 3), in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.

Full Project Estimate:

\$3,753,270 funded by Gifts, Leadership Lab Fees, TCF-Faculty Excellence, Rollover-Provost, Annual Asset Management, and Institutional Capital Project Funds. Contract execution is expected in August 2025 and completion of construction in October 2026.

2. Project: South Carolina State University (PSA)
H24.9665: SC State PSA Research & Extension Center (Bamberg County)
- Request: Establish Phase II Full Construction Budget to construct a new Research & Extension Center in Bamberg County.
- Included in CPIP: Yes – 2024 CPIP Priority 1 of 5 in FY26 (estimated at \$2,000,000)
- Phase I Approval: January 2024 (estimated at \$5,000,000) (SFAA)
- Supporting Details: Pages 19-82

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, USDA Evans Allen Grant	75,000		75,000	11,564,128	11,639,128
All Sources	<u>75,000</u>		<u>75,000</u>	<u>11,564,128</u>	<u>11,639,128</u>

Summary of Work: The project will construct an Education Building, Research Building and two small Residential Buildings. Separate facilities are being constructed to create a mini “campus” feel. This is intended to enhance the functionality of the research center by creating courtyard spaces between buildings that can serve as sample farms or outdoor teaching areas. This also allows for flexibility to zone the heating and cooling requirements of the campus. The separation of the residential component also adds a psychological benefit to visiting scholars as they can leave the building and have an enhanced level of privacy and autonomy outside of work hours. The roof to be installed on the new buildings will be a sloped gable roof and will come with the minimum 20-year material and workmanship warranty.

Rationale: The facility is needed to provide administrative, programmatic and research areas for existing and future staff as well as volunteers to fulfill the Land Grant mission of providing research, teaching and extension programs to the citizenry of South Carolina. Additionally, the facility will offer staff, professors, researchers and volunteers the opportunity to engage the community in enhancing economic development and lifelong learning opportunities for the community, youth, families and businesses.

Facility Characteristics: The Education Building will be 10,519 square feet. The Research Building will be 11,422 square feet. The two Residential Buildings will be 550 square foot each. The total campus area to be constructed is 23,041 square feet. The facility will be utilized by 16 students, 8 to 10 faculty/researchers, 6 staff, and approximately 4,500 to 5,200 clients for SC State Public Service Activities.

Financial Impact: The project will be funded from Federal, USDA Evans Allen Grant Funds (uncommitted balance \$13.6 million on June 19, 2024). The Grant funds are previously approved USDA funds. The project is expected to result in an increase of \$191,037 (years 1 thru 3), in annual operating expenditures. The building will be construction to meet Two Green Globes certification standards with anticipated energy savings of \$278,862 over a 30-year period.

Full Project Estimate: \$11,639,128 funded by USDA Evans Allen Grant Funds. Contract execution is expected in May 2025 and completion of construction in August 2026. The estimated cost to complete the project has increased from the Phase I amount because the estimate was provided at a schematic level, and it did not consider site specific project requirements. Additionally, the original estimate did not account for professional design fees or fees associated with Green Globes registration and submittals.

3. Project: Medical University of South Carolina
 H51.9854: College of Health Professions President Street Academic Building
- Request: Increase Phase II Full Construction Budget and Revise Scope to upfit the top two floors of the building and to add a new sanitary sewer pumping station to the building.
- Included in CPIP: Yes – 2024 CPIP Priority 1 of 6 in FY25 (estimated at \$79,933,236)
- Phase I Approval: December 2021 (estimated at \$40,000,000) (SFAA)
- Phase II Approval: November 2022 (estimated at \$50,000,000) (SFAA)
- Phase II Increase Approval: June 2023 (estimated at \$70,000,000) (SFAA)
- Supporting Details: Pages 149-168

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
State Institution Bonds		45,000,000	45,000,000		45,000,000
Federal, NIH Grant				7,453,067	7,453,067
Other, Institutional Capital Reserves	600,000	4,400,000	5,000,000		5,000,000
Other, CHP Clinical Reserves		20,000,000	20,000,000	409,929	20,409,929
Other, Capital Renewal				2,070,240	2,070,240
All Sources	<u>600,000</u>	<u>69,400,000</u>	<u>70,000,000</u>	<u>9,933,236</u>	<u>79,933,236</u>

Summary of Work: The project was established to construct an approximately 94,000 gross square foot building north of the Bioengineering building on President Street. It will include 5,000 square feet of research space, teaching lab and multipurpose classroom spaces and a minimum of an additional 30 faculty and staff office and support space. The bottom four floors will be finished for immediate occupancy, the top two floors will be shell space for future College of Health Professions expansion. The roof to be installed will be a two-ply modified bitumen roof membrane system with a cover board and polyisocyanurate insulation over metal roof deck. The roof will come with a minimum 20-year material and workmanship warranty. The revised project scope will upfit the top two floors of the building and add the addition of a new sanitary sewer pumping station.

Rationale: The new facility is needed to support growth of the various academic programs within the College of Health Professions. Additionally, MUSC was awarded a federal grant to construct a Clinical Research Center for Restoration of Neural-based Function in the Real World (RENEW CENTER) on the 5th and 6th floors of the building. During final utility approval for the building, Charleston Water System determined that the building's sanitary sewer piping could not be tied into an existing sanitary sewer previously installed. Therefore, and due to the numerous utility conflicts on President Street, construction of a new sanitary sewer pumping station is a required scope addition.

Facility Characteristics: The new facility will be 94,000 gross square feet. The 1st to 4th floors will support the Bachelor of Science in Healthcare Studies, Health Administration (master's and Doctorate), Health Informatics, Doctor of Philosophy in Health and Rehabilitation Science, Cardiovascular Perfusion, Physician Assistant Studies, Anesthesia for Nurses, Speech Language Pathology, Physical Therapy, Occupational Therapy, and Genetic Counseling

Program. The new RENEW Center (5th & 6th floors) will support the expansion of collaborative research in Neural Function, Physical Function, Psychosocial Function, and Innovation and Technology Clusters. The facility will be accessible to students, faculty, staff and MUSC constituents.

Financial Impact: This increase will be funded Other, National Institutes of Health Grant (uncommitted balance \$7.45 million on May 22, 2024), Other, Clinical Reserves (uncommitted balance \$20.5 million on May 22, 2024), and Other, Capital Renewal Funds (uncommitted balance \$4 million on May 22, 2024). The grant funds are received from a Federal NIH Grant. Revenue to the CHP Clinical Reserves Fund is derived from clinical revenue generated by patient services. Revenue to the Capital Renewal Fund is institution capital reserves earmarked for deferred maintenance and renewal. The project will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$675,464 over a 30-year period. The project is expected to result in an increase of \$332,000 (year 1), and \$631,000 (years 2 thru 3), in annual operating expenditures. MUSC does not charge a separate plant improvement fee to the students. No student fees or tuition will be increased as a consequence of the project.

Full Project Estimate: \$79,933,236 funded by State Institution Bonds, National Institutes of Health Grant, Institutional Capital Project, Clinical Reserves, and Capital Renewal Funds. Construction completion is anticipated in December 2025.

4. Project: Aiken Technical College
 H59.6250: Nursing Building Construction
- Request: Establish Phase II Full Construction Budget to construct a nursing building to house the expansion of the Health Science Technologies.
- Included in CPIP: Yes – 2024 CPIP Priority 1 of 2 in FY25 (estimated at \$24,228,480)
- Phase I Approval: May 2023 (estimated at \$20,650,000) (Admin)
- Supporting Details: Pages 169-196

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY17 Capital Reserve (21), Aiken Technical College Life Science Building	300,000		300,000	2,700,000	3,000,000
FY17 Appropriated State, Proviso 118.16 (B)(23)(f), Life Science Building				650,000	650,000
Other, SRS Settlement				11,500,000	11,500,000
Other, Local				8,942,351	8,942,351
All Sources	<u>300,000</u>		<u>300,000</u>	<u>23,792,351</u>	<u>24,092,351</u>

Summary of Work: The project will construct a 36,000 square foot two story nursing building. The roof to be installed on the building will be a mechanically attached PVC thermoplastic roof membrane low slope roof system and will come with the minimum 20-year material and workmanship warranty. The building will include student commons spaces and academic areas, which include study areas throughout the first floor, five (5) private study rooms, four (4) collaborative active learning classrooms and a Computer Lab. Additionally, there will be Six (6) Simulation Suites (Obstetrics High-Fidelity, Pediatric Baby High-Fidelity, Pediatric Jr. High-Fidelity, Medical/Surgery (3), Med Pyxis and related support spaces), debriefing/meeting rooms, control rooms (6), staging and storage, Skills Labs (2) with nursing stations and storage and a Virtual Anatomy Lab are also included. A President's Suite will include a reception area, offices, conference/meeting rooms, workroom, kitchenette and storage. A Faculty/Dean's Suite will include reception, offices, conference room, workroom, mail/copy room, filing room, a breakroom and related support spaces.

Rationale: This building will assist the college in meeting accreditation standards and demand for the programs. Upon relocation of the nursing programs to the nursing building, the available space in the current Health Sciences building will be utilized to enhance existing programs and expand with additional offerings in the Health Sciences. The Surgical Technology program is proposing expansion to an associate degree Surgical Technology. The Medical Coding certificate is proposed to expand to a Health Information Management degree. The Radiological Technology degree proposes to add a Sonography component. A Dental Hygiene associate degree is proposed to augment the Dental Assistant diploma. New programs proposed include Pharmacy Technology, Cardiovascular Technology, BIO/Med Laboratory Technology and Dialysis Technicians.

Facility Characteristics: The nursing building to be constructed will be 36,000 square feet. The building will house the associate degree in nursing (ADN) program, the Certified Nursing Assistant (CNA) program, the Licensed Practical Nursing (LPN) program and the Emergency Medical Technician (EMT) program.

Financial Impact:	This phase of the project will be funded from FY17 Capital Reserve (uncommitted balance \$2.7 million on June 24, 2024), FY17 Appropriated State (nonrecurring) (uncommitted balance \$650K on June 24, 2024), Other, SRS Settlement (uncommitted balance \$11.5M on June 24, 2024), and Other Local Funds (uncommitted balance \$14.32 million on June 24, 2024). The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$125,629 over a 30-year period. The project is expected to result in an increase of \$3,938 (year 1), and \$15,750 (years 2 thru 3), in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Currently, no portion of tuition is designated for capital improvements.
Full Project Estimate:	\$24,092,351 funded by Capital Reserve, Appropriated State (nonrecurring), SRS Settlement and Local Funds. Contract execution is expected in September 2024 and completion of construction in December 2025.

5. Project: Department of Administration
 D50.6157: Blatt Building – 3rd Floor VAV Replacement
- Request: Establish Phase I Pre-Design Budget to replace terminal hot water reheat VAV mechanical units.
- Included in CPIP: Yes – 2024 CPIP Priority 9 of 27 in FY25 (estimated at \$1,565,349)
- Supporting Details: Pages 219-228

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY25 Appropriated State				23,480	23,480
All Sources				<u>23,480</u>	<u>23,480</u>

Summary of Work: The project will replace 54 terminal hot waters reheat VAV mechanical units to include associated duct work. The majority of this work will be performed above the ceiling on the 3rd floor. The scope also includes replacing all light fixtures with LED light fixtures, installing a new acoustical ceiling system, and replacing the carpet.

Rationale: The equipment and ductwork are original to the building and is past its useful life, leading to periodic failures and disruption of service.

Facility Characteristics: The Blatt Building is 155,162 gross square feet and was constructed in 1978 (46 years old). The 3rd floor of the building is 27,795 gross square feet. The systems are original to the building. The building is utilized by 80 to 100 SC House of Representatives staff year-round, and from January to July each year the number increases to approximately 330.

Financial Impact: This phase of the project will be funded from FY24 Appropriated State Funds (uncommitted balance \$13.35 million on July 1, 2024). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$1,565,349 (internal). Phase II will be funded by Appropriated State, and Depreciation Reserve Funds.

6. Project: Department of Administration
 D50.6158: SC Data Center - Replace UPS A-Side Modules and Battery String
- Request: Establish Phase I Pre-Design Budget to replace and upgrade the uninterrupted power source.
- Included in CPIP: Yes – 2024 CPIP Priority 10 of 27 in FY25 (estimated at \$1,500,000)
- Supporting Details: Pages 229-236

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other – SC Division of Technology				25,510	25,510
All Sources				<u>25,510</u>	<u>25,510</u>

- Summary of Work: The project will replace and upgrade the “A Side” Uninterrupted Power Source (UPS) at the SC Data Center in Columbia.
- Rationale: The purpose of this project is to establish true Uninterrupted Power Source Redundancy in the power supply for the SC Data Center’s data processing equipment.
- Facility Characteristics: The SC Data Center is approximately 76,021 square feet and was constructed in 1999 (25 years old). The A-Side UPS Module 1 and battery string are original to the building. The building is utilized by approximately 205 SC Division of Technology (DTO) staff plus varying numbers of customers and visitors daily.
- Financial Impact: The project will be funded from Other, SC Division of Technology Funds (uncommitted balance \$9.17 million on June 5, 2024). The project is not expected to result in any change in annual operating expenditures.
- Full Project Estimate: \$1,500,000 (internal) funded by SC Division of Technology Funds. The Phase I amount requested is 1.70% of the estimated cost to complete the project and the additional amount will be used to cover hazardous materials testing.

7. Project: Department of Administration
D50.6134: DOA - Repoint and Clean Exterior Façade
- Request: Establish Phase II Full Construction Budget for the repair and maintenance of the exterior veneer of the Brown Building, Calhoun Building, Dennis Building, and Wade Hampton Building.
- Included in CPIP: Yes – 2024 CPIP Priority 6 of 27 in FY25 (estimated at \$3,429,344)
- Phase I Approval: December 2023 (estimated at \$1,950,000) (SFAA)
- Supporting Details: Pages 237-246

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Depreciation Reserve	33,000		33,000	3,396,344	3,429,344
All Sources	<u>33,000</u>		<u>33,000</u>	<u>3,396,344</u>	<u>3,429,344</u>

Summary of Work: The project will include re-pointing the mortar joints, as needed, and repairing the limestone paneled veneer, as needed, and cleaning the exterior building envelope of the Brown Building, Calhoun Building, Dennis Building, and the Wade Hampton Building.

Rationale: There is evidence of mortar deterioration in the veneer, which must be addressed to prevent moisture infiltration and further deterioration of the building envelope.

Facility Characteristics: The Brown Building is approximately 156,182 square feet and was constructed in 1972 (52 years old). The Calhoun Building is approximately 97,672 square feet and was constructed in 1926 (98 years old). The Dennis Building is approximately 247,573 gross square feet and was constructed in 1950 (74 years old). The Wade Hampton Building is approximately 121,141 square feet and was constructed in 1938 (86 years old). The Brown Building is utilized by Administrative Law Clerk, Attorney General, Commission for the Blind, Department of Public Safety, Department of Administration, Judicial Branch, Medical University of South Carolina, Parks, Recreation & Tourism, Secretary of State, State Board of Financial Institutions, Procurement Review Board, Senate and Education Oversight. The building is utilized by approximately 350 employees and various visitors daily. The Dennis Building is utilized by Attorney General, Commission for the Blind, Department of Natural Resources, Department of Revenue and Fiscal Affairs, and Legislative Council. The building is utilized by 750 employees and visitors daily. The Calhoun Building is utilized by SC Judicial Branch. The building is utilized by 190 employees and various visitors daily. The Wade Hampton Building is utilized by Commission on Prosecution Coordination, Governor's Office, Office of State Treasurer, Office of the Comptroller General, Department of Administration, Department of Agriculture, the State Fiscal Accountability Authority, Bureau of Protective Services and Adjutant General. The building is utilized by 275 employees and various visitors daily.

Financial Impact: The project will be funded from Depreciation Reserve Funds (uncommitted balance \$5 million on July 1, 2024). Revenues received are derived from the rent account, which receives rent charged to agencies. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$3,429,344 funded by Depreciation Reserve Funds. Contract execution is expected in January 2025 and completion of construction in October 2025.

8. Project: Department of Administration
 D50.6139: State Fleet – Construct New Pole Building
- Request: Increase Phase I Pre-Design Budget, Change Project Name, and Revise Scope to demolish the existing building and construct a new one as requested by the Office of State Fleet Management.
- Included in CPIP: Yes – 2024 CPIP Priority 8 of 27 in FY25 (estimated at \$615,325)
- Phase I Approval: December 2023 (estimated at \$248,400) (JBRC Staff)
- Supporting Details: Pages 247-256

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Fleet Management	8,700		8,700	6,125	14,825
All Sources	<u>8,700</u>		<u>8,700</u>	<u>6,125</u>	<u>14,825</u>

Summary of Work: The project was established to enclose and convert the existing carport into additional office space. This comprised of constructing a new floor slab, installation of a new roof, new siding, new windows, upgrading the HVAC, upgrading the electrical infrastructure, updating the flooring, and wall finishes and constructing a new carport structure. The revised scope of work will demolish the existing facility, construct a 28x60, 1,680 square foot pole building, with two vehicle bays and 800 Sq. Ft. +/- of finished office space. The new facility will provide sufficient space for 1 private office, space for 3 cubicles, a break area, two restrooms, key closet, and a common area to conduct business with customers. All roofing material options will be evaluated during the Phase I process.

Rationale: The staff has outgrown the size of the current office space and requires more office square footage to provide services. The initial A&E indicated that the estimated cost to renovate the existing facility was much higher than expected and Fleet requested to modify the scope of work.

Facility Characteristics: The Reception Building is +/- 925 square feet and was constructed in 1991 (33 years old). The project will include the existing +/- square feet of space and the +/-225 square feet of additional space. The new building will be utilized by two existing and two additional Fleet Management staff plus various customers daily. The new building will also allow for multiple vehicles to be serviced and not exposed to environmental elements.

Financial Impact: The project will be funded from Other, Fleet Management Funds (uncommitted balance \$1.75 million on June 7, 2024). Revenue received are derived from a Department of Administration cost allocation plan to recover the cost of operating the comprehensive statewide Fleet Management Program. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$619,325 (internal) funded by Fleet Management Funds.

9. Project: Department of Administration
D50.6040: Supreme Court – Waterproof Walls and Windows and Roof Repairs
- Request: Increase Phase II Full Construction Budget and Revise Scope to replace the three sets of front lobby entrances and enhance ADA accessibility as requested by the Judicial Branch.
- Included in CPIP: Yes – 2024 CPIP Priority 26 of 27 in FY25 (estimated at \$4,263,651)
- Phase II Approval: September 2019 (estimated at \$2,599,445) (Admin.)
- Phase II Increase & Revise Scope: May 2022 (estimated at \$3,546,488) (SFAA)
- Phase II Increase: January 2023 (estimated at \$3,900,000) (Admin)
- Decrease & Transfer: June 2024 (estimated at \$3,880,000) (Admin)
- Support Details: Pages 257-268

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY20 Capital Reserve (1), (State-Owned Building Deferred Maintenance)	2,599,445	(20,000)	2,579,445		2,579,445
FY22 Appropriated State, Proviso 118.18 (B)(67), (Facilities Management Permanent Improvements)		161,719	161,719		161,719
FY22 Appropriated State, Proviso 118.18 (B)(67), (Facilities Management Permanent Improvements) (transfer from D50-6083)		353,512	353,512		353,512
FY25 Appropriated State				225,000	225,000
Other, Non-Departmental (transfer from D50-6003)		112,074	112,074		112,074
Other, FY19 Judicial Capital Reserve (38), (Supreme Court Security) (transfer from D50-6008)		165,740	165,740		165,740
Other, FY19 Judicial Capital Reserve (38), (Supreme Court Security)		341,987	341,987		341,987
Other, SCJB Development		165,523	165,523		165,523
All Sources	<u>2,599,445</u>	<u>1,280,555</u>	<u>3,880,000</u>	<u>225,000</u>	<u>4,105,000</u>

Summary of Work: The project was established to replace the windows at the Supreme Court building with ballistic windows to address water infiltration issues and to protect the Supreme Court Justices and staff housed in the facility. The project will also address the exterior wall and window waterproofing issues which includes: 1) Cleaning of exterior wall; 2) Tuck-pointing; 3) Limestone repairs; 4) Repair of embedded carbon steel elements in the limestone; 5) Miscellaneous removal or minor repairs to existing exterior elements. The project will also address repair needs as well as provide safety improvements at the roof of the building. The work will include repairs/modifications to the stainless-steel gutter liner that was installed in 2011-2012 as part of a new quartz zinc metal roof assembly and correct

related construction deficiencies for which a settlement was received from the Surety. The work will also include installation of fall protection stations at the existing single ply membrane portion of the roof. New roof walkway protection pads will also be added at strategic locations to provide additional protection for the roof membrane. Minor repairs will also be done on the single-ply roof and submitted for warranty eligibility, which expired in 2021. The revised scope of work will add the replacement of three sets of front entrance assemblies, installation of ADA hardware and push button access, and the installation of access control on one set of doors for use by staff.

Rationale: The windows are original to the building, have multiple leaks, and are not energy efficient. This project will require special attention to detail and preservation methods as well as some additional coordination and review with state and municipal authorization because the building is a National Register Property and City of Columbia Historic landmark building.

Facility Characteristics: The Supreme Court Building is approximately 51,006 square feet and was constructed in 1921 (103 years old). The windows are original to the building, the metal gutters were renovated in 2011, and the single ply roof was replaced in 2006. The work will address the Supreme Court Building Envelope, which includes approximately 21,370 square feet of exterior walls, 76 windows, and the approximately 17,600 square foot roof. The building is utilized by approximately 50 Judicial Branch staff and approximately 5,800 visitors a year.

Financial Impact: This increase will be funded from FY24 Appropriated State Funds (uncommitted balance \$13.35 million on July 1, 2024). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$4,105,000 funded by Capital Reserve, Appropriated State, Non-Departmental, Judicial Capital Reserve, and SCJB Development Funds. Construction completion is anticipated in June 2026.

10. Project: Office of the Adjutant General
 E24.9855: Donaldson Washrack
- Request: Establish Phase I Pre-Design Budget to install gravity fed sewer lines for the AASF – Upstate Wash rack.
- Included in CPIP: Yes – 2024 CPIP Priority 18 of 20 in FY25 (estimated at \$250,000)
- Supporting Details: Pages 269-276

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, National Guard Bureau				3,750	3,750
All Sources				<u>3,750</u>	<u>3,750</u>

Summary of Work: The project will install gravity fed sewer lines to include cutting pavement where required to install the new system. The plan is to keep/reuse portions of the existing settlement/sediment tanks. New piping will be connected on the downstream side and run to an identified tie-in location.

Rationale: The new system will allow for the Agency to stop routing wastewater from the flight line area wash rack through the Oil Water Separator in front of the facility and solve some of the settlement issues at and around the current tanks. Wastewater is currently being collected in collection tanks which requires payment to be hauled away.

Facility Characteristics: The wash rack is 320 square feet and was installed in 2014 (10 years old). The Donaldson Army Aviation Support Facility utilizes the wash rack to wash down the aircraft and air craft engines. The support facility supports approximately 226 individuals, and the wash rack is utilized by 25 trained staff.

Financial Impact: The project will be funded from Federal, National Guard Bureau Funds (uncommitted balance is \$2.3 million on June 18, 2024). Revenue to the fund is 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. The project is expected to result in a decrease of \$500 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$250,000 (internal) funded by National Guard Bureau Funds.

11. Project: Office of the Adjutant General
E24.9856: NG Federal Facilities Revitalization (Annualized)
- Request: Establish Phase I Pre-Design Budget to complete renovations, modifications, etc. to facilities maintained and operated by the agency.
- Included in CPIP: Yes – 2024 CPIP Priority 8 of 20 in FY25 (estimated at \$1,181,050)
- Supporting Details: Pages 277-284

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, National Guard Bureau				9,255	9,255
All Sources				<u>9,255</u>	<u>9,255</u>

Summary of Work: This annualized project will complete renovations to the CSMS, 10 Field Maintenance Shops, Army Aviation Support Facility 1, Army Aviation Support Facilities – Upstate, McCrady Training Center and Clarks Hill Training Site. The first facility to be renovated in this project is the McCrady Training Center Building 3906. The renovations will allow for the facility to be used as a headquarters and classroom. The roof, exterior siding, sidewalks, doors, ceiling, lighting, and HVAC system will all be replaced. All roofing material options will be evaluated during the Phase I process. Interior layout changes will create a classroom and replace aging wood panel partition walls. Restroom modifications will be made to better suit for classroom use and the fixtures, plumbing and partitions will be updated.

Rationale: The renovations will allow for code and energy efficiency updates to re-purpose this 1970's structure to become home to the new Warrant Officer Candidate Accession Program as well as the existing Warrant Officer Candidate School. Proper classroom and administration facilities allow for accreditation of the Candidate Schools to continue selecting, training and developing leaders for the SC Army National Guard.

Facility Characteristics: The McCrady Training Center Building 3906 is 4,186 square feet and was constructed in 1996 (28 years old). The entire building will be renovated as part of this project. The building is utilized by approximately 150 individuals of the Warrant Officer Training School.

Financial Impact: The project will be funded from Federal, National Guard Bureau Funds (uncommitted balance is \$2.3 million on June 18, 2024). Revenue to the fund is 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. The project is expected to result in a decrease of \$300 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$617,825 (internal) funded by National Guard Bureau Funds. The total estimated cost of the project in its entirety is \$6,287,050.

12. Project: Office of the Adjutant General
E24.9854: RC/FMS Parking Improvements (Annualized)
- Request: Increase Phase I Pre-Design Budget to add the design of the Anderson AADMC facility in this project to demo parking areas and reconstruct parking areas at various facilities across the state.
- Included in CPIP: Yes – 2024 CPIP priority 10 of 20 FY25 (estimated at \$1,992,500)
- Phase I Approval: January 2024 (estimated at \$681,000) (JBRC)
- Support Details: Pages 285-292

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	10,500		10,500	3,750	14,250
Federal, National Guard Bureau				3,750	3,750
All Sources	<u>10,500</u>		<u>10,500</u>	<u>7,500</u>	<u>18,000</u>

Summary of Work: This annualized project will demo what remains of the existing military (MIL) vehicle and/or Personally Owned Vehicle (POV) Parking Areas, either completely or in damaged areas, re-compact sub-grade, apply asphalt overlays and re-stripe. Additionally, additional authorized parking space to include new utilities and storm water fixtures, along with any required site work to include sidewalk removal to add ADA compliant parking spaces and ramps will be constructed. Depending on circumstances, and Readiness Center or Field Maintenance Shop where parking covers the existing potable water service line, this line maybe replaced due to the age and type of material. Work will be completed at various armories across the state with repairs occurring based on conditions. These armories are anticipated to be Fort Mill, Anderson, Camden, Field Maintenance Shop 11, Clinton, Chester, Greer, Manning, Walterboro, Andrews, West Columbia, and Moncks Corner. This phase of the project will address Fort Mill (previously approved), and Anderson.

Rationale: The paved parking areas at numerous armories are in disrepair and/or are in complete failure and cannot be utilized for assigned Military Equipment or Soldier or Public parking. Repairs and/or replacement of the parking surface will provide improved parking. The construction of the additional paved Organizational and/or POV Parking areas will provide the unit with an adequate area for parking its assigned Military Equipment or the additional POVs used by the Soldiers now assigned to the unit.

Facility Characteristics: After reconstruction and expansion, the Fort Mill Readiness Center motor pool space will be expanded to 2,380 square yards, and parking for privately owned vehicles will be expanded to 340 square yards. The readiness center parking is utilized by approximately 119 1222 Engineering Company staff/soldiers. After reconstruction and expansion, the Anderson Center org parking will be expanded to 9,783 square yards, and parking for non-org parking will be expanded to 6,206 square yards. The readiness center parking is utilized by approximately 223 Missile Defense and 119 Air Defense staff/soldiers.

Financial Impact: This increase will be funded from Appropriated State, Operating (uncommitted balance \$4 million on July 1, 2024), and Federal, National Guard Bureau Funds (uncommitted balance \$2.3 million on June 18, 2024). Revenue to the National Guard Bureaus Fund is 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. The project is expected to result in a decrease of \$300 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$2,052,250 (internal) for Fort Mill and Anderson, funded by Operating, and National Guard Bureau Funds. The total estimated cost to complete all 12 armories is \$9,482,250.

13. Project: Office of the Adjutant General
 E24.9857: SCEMD Joint Operations Center Emergency Repairs
- Request: Establish Phase II Full Construction Budget for an emergency project to repair damage sustained to the Pine Ridge Armory/SC Emergency Management Division building.
- Included in CPIP: Yes – 2024 CPIP Priority 19 of 20 in FY25 (estimated at \$1,337,883)
- Supporting Details: Pages 293-304

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating				598,714	598,714
Federal, National Guard Bureau				598,713	598,713
All Sources				<u>1,197,427</u>	<u>1,197,427</u>

Summary of Work: This emergency project, which is also established under an emergency procurement, will repair and renovate the building. It will include electrical, mechanical, plumbing, and general contractor work.

Rationale: Due to a busted water line extensive flooding occurred on the first and second floor causing destruction and significant damage to facility infrastructure, furnishings, and supporting equipment. In the event of a state emergency (i.e., Winter Storms, Hurricanes, Floods, etc.), the Emergency Management Division, which serves as the State coordinating point for Statewide Emergency operations, would not be able to respond at full capacity or provide common operating space for multiple responding agencies as necessary.

Facility Characteristics: The SC Emergency Management Division Building is 60,629 square feet and was constructed in 1994 (30 years old). This project will make repairs and renovations to 35,000 square feet. The building is utilized by approximately 55+ State Employees, Federal Employees, and Active Guard members daily. It is utilized by approximately 200 individuals in an activated or state response.

Financial Impact: The project will be funded from Appropriated State, Operating (uncommitted balance \$3.23 million on November 8, 2023), and Federal, National Guard Bureau Funds (uncommitted balance is \$2.3 million on June 18, 2024). Revenue to the National Guard Bureau Fund is 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. The project is expected to result in an increase of \$400 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$1,197,427 funded by Appropriated State Operating and National Guard Bureau Funds. The construction contract was executed in January 2024 and construction completion is anticipated in August 2024.

JOINT BOND REVIEW COMMITTEE
PERMANENT IMPROVEMENTS PROPOSED BY AGENCIES
March 30, 2024 through June 19, 2024

SUMMARY 1-2025

14. Project:	Office of the Adjutant General E24.9793, Armory Revitalization (Annualized)
Request:	Increase the Phase II Full Construction Budget to add funds for the construction of Wellford and Hartsville.
Included in CPIP:	Yes – 2024 CPIP Priority 2 of 20 in FY25 (estimated at \$56,791,626)
Phase II Approval:	November 2016 (estimated at \$10,500,000) (SFAA)
Phase II Increase Approval:	September 2018 (estimated at \$13,500,000) (Admin.)
CSOF Approval:	September 2018 (estimated at \$13,500,000) (JBRC Staff)
Phase II Increase Approval:	December 2019 (estimated at \$19,600,000) (SFAA)
CSOF Approval:	April 2020 (estimated at \$20,000,000) (Admin.)
Phase II Increase Approval:	June 2020 (estimated at \$21,000,000) (SFAA)
Phase II Increase Approval:	October 2020 (estimated at \$23,100,000) (SFAA)
Phase II Increase Approval:	March 2021 (estimated at \$45,524,000) (SFAA)
Phase II Increase Approval:	April 2022 (estimated at \$41,000,000) (SFAA)
Phase II Increase Approval:	June 2023 (estimated at \$44,141,626) (SFAA)
Supporting Details:	Pages 305-318

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY16 Capital Reserve (40), (Armory Revitalizations)	5,000,000		5,000,000		5,000,000
FY19 Capital Reserve (7), (Armory Revitalizations)		3,000,000	3,000,000		3,000,000
FY20 Appropriated State, Proviso 118.16(B)(18)(b), (Armory Construction and Revitalizations)		3,050,000	3,050,000		3,050,000
FY22 Appropriated State, Proviso 118.18(B)(69)(b), (Armory Revitalization)		2,000,000	2,000,000		2,000,000
FY23 Appropriated State, Proviso 118.19(B)(74)(a), (Armory Revitalization Funding)		608,513	608,513	804,687	1,413,200
FY22 Appropriated State, Carryforward		6,500,000	6,500,000		6,500,000
FY24 Appropriated State, Proviso 118.19(B)(63)(b), (Armory Revitalizations)				4,499,999	4,499,999
Federal, National Guard Bureau	5,500,000	16,374,600	23,483,113	5,036,669	28,519,782
Other, FY20 Armory Main		500,000	500,000		500,000
All Sources	<u>10,500,000</u>	<u>32,033,113</u>	<u>44,141,626</u>	<u>10,341,355</u>	<u>54,482,981</u>

Summary of Work:	The project was established to complete significant repairs at ten (10) Readiness Centers (aka; Armories) that are in the worst conditions of disrepair of the 63 RCs and are chosen based on the A/E's assessment/design. The centers include Greenwood, Lancaster, Greenville, Florence, Sumter, Laurens, Union, Hartsville, Easley and Wellford. Each of these facilities has varying issues that need to be repaired or renovated, but the major cost items include 1) Roof replacement or repairs. Roofs will be replaced at Florence, Sumter, Easley, Laurens, Union, and Hartsville because each roof is approximately 40+ years old. Five armories have built-up bituminous roofing systems and two have standing seam metal roofs and all will be replaced with the same roofing material. All roofs will come with a minimum 20-year material and workmanship warranty. 2) HVAC systems maintenance and/or repairs. 3) Replacing existing exterior windows, doors, and storefront systems. 4) Interior renovations of latrines, kitchen, lighting, fire suppression, carpeting/flooring, painting of interior & exterior walls. 5) Electrical system upgrades. 6) Site improvements and repairs of parking lots, stormwater systems, security fencing, security lighting. 7) Foundation, structure, and exterior wall repairs.
Rationale:	In most cases, items require replacement since they have exceeded their service life. In accordance with Federal law, the State of South Carolina is obligated to the National Guard Bureau to provide operation and maintenance funding for those facilities if there is a federally recognized unit assigned to the facilities.
Facility Characteristics:	Each armory is 45,000 to 65,000 square feet and was constructed in 1970 (54 years old). The agency has relocated and/or consolidated force structure to other RCs and closed the sub-standard RCs that could be closed. Each armory will be utilized by 300+ National Guardsman statewide.
Financial Impact:	This increase will be funded with FY23 Appropriated State (nonrecurring) (uncommitted balance \$804K on June 18, 2024), FY24 Appropriated State (nonrecurring) (uncommitted balance \$4.5 million on June 18, 2024), and Federal, National Guard Bureau (project) Funds (uncommitted balance \$10.5 million on June 18, 2024). Revenue to the National Guard Bureau Fund is received from the Construction and Facilities Management Office's Master Cooperative Agreement funds. The project is expected to result in an increase of \$6,000 (years 1 thru 3), in annual operating expenditures.
Full Project Estimate:	\$54,482,981 funded by Capital Reserve, Appropriated State, National Guard Bureau and Armory Maintenance Funds. Construction completion for Laurens is expected in October 2024. Construction completion for Union is expected in December 2024. Contract execution for Wellford and Hartsville is expected in August 2024 and completion of construction in August 2025.
Other:	6 of 10 facilities (Greenwood/Lancaster/Greenville/Florence/Sumter/Easley) have been completed.

15. Project: Office of the Adjutant General
 E24.9838: UTES CHP OP Line Units Replacement
- Request: Increase Phase II Full Construction Budget and Revise Scope to add a metal canopy over the Controlled Humidity Preservation Lines.
- Included in CPIP: Yes – 2024 CPIP Priority 17 of 20 in FY25 (estimated at \$1,905,000)
- Phase II Approval: August 2022 (estimated at \$839,950) (JBRC)
- Supporting Details: Pages 319-327

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, National Guard Bureau	839,950		839,950	1,905,000	2,744,950
All Sources	<u>839,950</u>		<u>839,950</u>	<u>1,905,000</u>	<u>2,744,950</u>

Summary of Work: The project was established to replace the existing Controlled Humidity Preservation (CHP) Operational Preservation (OP) Line Systems located at the SC Army National Guard's Unit Training Equipment Site at the McCrady Training Center on Fort Jackson. This includes replacing SATS ADU-300-40 units on OP lines 1 thru 10, and the Munters ADU-300 on OP line 11, with an IAT 300RE unit. The ADU-600 units on OP lines 12 thru 15 will be replaced with IAT 600RE units. Unit replacement includes new controls for timed operation (no networking) and new air distribution ducting to replace the old PVC with metal duct on lines 4 thru 10. All flex hoses and CARS will be replaced. The additional scope will install a metal canopy over the Controlled Humidity Preservation Lines.

Rationale: The equipment is used to preserve Federally Owned Armored Vehicles (Tanks, Artillery, IFVs, etc.) located at the Unit Training Site by reducing the humidity inside them to reduce corrosion. This suspends the vehicles from the standard maintenance cycle, therefore reducing the number of mechanic man-hours required. The CHP OP Line Systems have reached the end of their life cycle, and repair parts are becoming unavailable.

Facility Characteristics: The existing CHP OP Line Systems were installed in 2002 (22 years old). The OP Line Systems are located on concrete parking pads outside the UTES Building.

Financial Impact: The project will be funded from Federal, National Guard Bureau Funds (uncommitted balance \$2.3 million on June 18, 2024). Revenue to the fund is 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. The project is expected to result in an increase of \$29,389 (year 1), \$30,859 (year 2), and \$32,402 (year 3), in annual operating expenses.

Full Project Estimate: \$2,744,950 funded by National Guard Bureau Funds. Contract execution is expected in September 2024 and completion of construction in January 2025.

16. Project: Vocational Rehabilitation Department
 H73.9627: Marlboro VR Center Repaving
- Request: Establish Phase II Full Construction Budget to repair and resurface the existing parking lot and loading area
- Included in CPIP: Yes – 2024 CPIP Priority 1 of 3 in FY25 (estimated at \$718,400)
- Phase I Approval: June 2024 (estimated at \$718,400) (JBRC)
- Supporting Details: Pages 328-337

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Appropriated State, Proviso 118.19 (B)(25), (Marlboro VR Center Paving)				179,600	179,600
Federal, Vocational Rehabilitation Services Grant	15,000		15,000	1,148,580	1,163,580
All Sources	<u>15,000</u>		<u>15,000</u>	<u>1,328,180</u>	<u>1,343,180</u>

Summary of Work: The project will repair and resurface the existing parking lot and loading area. Subsurface investigations will be required to determine the depth and extent of deterioration of the existing paving prior to resurfacing. Exterior lighting will also be added to the parking areas for increased safety and security.

Rationale: The existing parking lot needs repair and resurfacing.

Facility Characteristics: The Marlboro Vocational Rehabilitation (VR) Center is 24,100 square feet and was constructed in 1988 (36 years old). The existing parking totals 9,200 square yards. This is an Area Office which provides vocational rehabilitation services to individuals with a wide range of disabilities. The goal of these services is to prepare and assist eligible citizens with disabilities to achieve and maintain competitive employment. The center is utilized by 24 staff and 45 to 50 consumers.

Financial Impact: This phase of the project will be funded from FY24 Appropriated State (nonrecurring) (uncommitted balance \$179K on June 19, 2024), and Federal, Vocational Rehabilitation Services Grant Funds (uncommitted balance \$26 million on June 19, 2024). The Vocational Rehabilitation Services Grant Funds are received to be used for the provision of VR services. The project is expected to result in an increase of \$400 (year 1), and \$1,200 (years 2 thru 3), in annual operating expenditures.

Full Project Estimate: \$1,343,180 funded by Appropriated State (nonrecurring) and Vocational Rehabilitation Services Grant Funds. The estimated cost to complete the project has increased from the Phase I submission and the 2024 CPIP because the unit costs for the asphalt and concrete paving are much higher in Marlboro, as well as the engineers are anticipating poor soil conditions based on their experience in this area. Contract execution is expected in October 2024 and completion of construction in February 2025.

17. Project: Department of Mental Health
 J12.9867: Lexington MHCs HVAC Replacement
- Request: Establish Phase I Pre-Design Budget to replace the split system heat pump units for two Lexington Mental Health Facilities.
- Included in CPIP: Yes – 2024 CPIP Priority 14 of 28 in FY25 (estimated at \$450,000)
- Supporting Details: Pages 338-347

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance				6,750	6,750
All Sources				<u>6,750</u>	<u>6,750</u>

- Summary of Work: The project will replace the split system heat pump units totaling 61 tons.
- Rationale: The existing systems run on R-22, which is becoming more costly and difficult to find as the production of the refrigerant is being phased out.
- Facility Characteristics: The Lexington Community Mental Health Center is 15,465 square feet and the satellite is 8,917 square feet. Both buildings were constructed in 1998 (26 years old). The facility provides Adult and Child treatment, IPS, Housing, Access to Mobile Crisis, and other intensive community outreach programs. Other programs that take place outside of this building (school mental health, law enforcement outreach, and ICS). These patients occasionally have to come to the building if they cannot be served in the community. Combined, the centers have 74 staff and serve 2,327 patients on average per month.
- Financial Impact: The project will be funded from Capital Improvement & Maintenance Funds (uncommitted balance \$23 million on June 12, 2024). Revenue to this fund is 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. The project is expected to result in a decrease of \$2,000 (year 1), and \$5,000 (years 2 thru 3), in annual operating expenditures.
- Full Project Estimate: \$450,000 (internal) funded by Capital Improvement & Maintenance Funds.

18. Project: Department of Mental Health
 J12.9863: Columbia Area MHC Sprinkler Replacement
- Request: Establish Phase II Full Construction Budget to replace the fire sprinkler system in the Columbia Area Mental Health Building 200.
- Included in CPIP: Yes – 2024 CPIP Priority 6 of 28 in FY25 (estimated at \$600,000)
- Phase I Approval: March 2024 (estimated at \$500,000) (JBRC)
- Supporting Details: Pages 348-357

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	7,500		7,500	576,576	584,076
All Sources	<u>7,500</u>		<u>7,500</u>	<u>576,576</u>	<u>584,076</u>

Summary of Work: The project will replace the fire sprinkler system.

Rationale: The existing sprinkler system is a wet system and there have been multiple leaks. While the life expectancy of a wet fire sprinkler system is 40 years, it is not unusual for wet fire sprinkler systems to start failing at 15-20 years, per the agency. This system is 14 years old and has suffered multiple sprinklers leaks the past few years, some requiring Insurance Reserve Fund submissions to repair and is why it is desired to replace the system before a line ruptures and causes water damage to the building. The failures are attributed to poor installation and bad pipes. The system is inspected annually and maintained, but the system is still continuing to fail.

Facility Characteristics: The Columbia Area Mental Health Building 200 is 28,215 square feet and was constructed in 2010 (14 years old). The sprinkler system is original to the building. The building houses the Mental Health Administrative, Treatment, and Therapy Programs, and is utilized by 109 staff, and serves the mental health needs for over 6,000 clients in the area each year.

Financial Impact: The project will be funded from Capital Improvement & Maintenance Funds (uncommitted balance \$23 million on June 12, 2024). Revenue to this fund is 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. The project is expected to result in a decrease of \$500 (year 1), and \$2,000 (years 2 thru 3), in annual operating expenditures.

Full Project Estimate: \$584,076 funded by Capital Improvement & Maintenance Funds. Contract execution is expected in February 2025 with construction completion in June 2025.

19. Project: Department of Disabilities & Special Needs
 J16.9946: Coastal Center - Hillside Dorms - Bathroom Renovations
- Request: Establish Phase II Full Construction Budget to complete finish and fixture renovations at the Hillside Dorms.
- Included in CPIP: Yes - 2024 CPIP Priority 21 of 31 in FY2025 (estimated at \$1,123,604)
- Phase I Approval: October 2023 (estimated at \$600,000) (JBRC)
- Supporting Details: Pages 358-369

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Excess Debt Service	9,000		9,000	1,114,604	1,123,604
All Sources	<u>9,000</u>		<u>9,000</u>	<u>1,114,604</u>	<u>1,123,604</u>

Summary of Work: The project will complete finish and fixture renovations to consumer bathrooms to include tile work, ceiling grids, wall finishes, toilet partitions, toilets, sinks, and shower modifications in Hillside Dorms 220, 320, 420, 520, 620.

Rationale: Renovation of these bathrooms will assure continued safety for the buildings' occupants.

Facility Characteristics: Hillside Dorms 220, 320, 420, 520, and 620 are 5,725 square feet each, total 28,625 square feet, and were constructed in 1966 (58 years old). The dorms are utilized by approximately 195 faculty, staff and residents.

Financial Impact: The project will be funded from Excess Debt Service funds (uncommitted balance \$6.33 million on June 30, 2024). Revenue to the fund is invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$1,123,604 funded by Excess Debt Service Funds. Contract execution is expected in August 2024 with construction completion in August 2026. The estimated cost to complete the project has increased from the Phase I estimate due to the architect identifying additional things that are needed to accomplish this project that include the use of epoxy coatings in lieu of tile in some areas, plumbing modifications, and accounting for existing mortar beds.

20. Project: Department of Disabilities & Special Needs
 J16.9949: Coastal Center – Highlands 110 Renovations
- Request: Establish Phase II Full Construction Budget and Revise Scope to complete interior renovations to Highland Dorm 110.
- Included in CPIP: Yes - 2024 CPIP Priority 22 of 31 in FY2025 (estimated at \$2,233,749)
- Phase I Approval: October 2023 (estimated at \$1,000,000) (SFAA)
- Supporting Details: Pages 370-381

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Excess Debt Service	15,000		15,000	2,218,749	2,233,749
All Sources	<u>15,000</u>		<u>15,000</u>	<u>2,218,749</u>	<u>2,233,749</u>

Summary of Work: The project was established to complete interior renovations to Highland Dorm 110, to include ceiling grid/tiles, wall finishes and repairs, flooring, and door replacements. The revised scope will add renovating the bathrooms to this project.

Rationale: Renovation of this facility will assure continued safety for the buildings' occupants.

Facility Characteristics: Highland Dorm 110 is 11,128 square feet each and was constructed in 1966 (58 years old). The dorm is utilized by approximately 53 faculty, staff and residents.

Financial Impact: The project will be funded from Excess Debt Service funds (uncommitted balance \$6.33 million on June 30, 2024). Revenue to the fund is invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$2,233,749 funded by Excess Debt Service Funds. Contract execution is expected in August 2024 with construction completion in August 2026. The estimated cost to complete the project has increased from the Phase I estimate because the bathroom renovation was added to the project, as well as the cost was determined to be significantly higher once a professional assessment of the building was completed.

21. Project: Department of Disabilities & Special Needs
 J16.9950: Coastal Center – Highlands 210- and 310-Bathroom Renovations
- Request: Establish Phase II Full Construction Budget, Change Project Name and Revise Scope to provide finish and fixture renovations in Highland Dorms 210, and 310.
- Included in CPIP: Yes - 2024 CPIP Priority 23 of 31 in FY2025 (estimated at \$633,745)
- Phase I Approval: October 2023 (\$450,000) (JBRC)
- Supporting Details: Pages 382-393

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Excess Debt Service	6,750		6,750	626,995	633,745
All Sources	<u>6,750</u>		<u>6,750</u>	<u>626,995</u>	<u>633,745</u>

Summary of Work: The project was established to complete finish and fixture renovations to consumer bathrooms to include tile work, ceiling grids, wall finishes, toilet partitions, toilets, sinks, and shower modifications in Highland Dorms 120, 210, 310. The revised scope will remove Highlands 110, which is now included in project J16-9949.

Rationale: Renovation of this facility will assure continued safety for the buildings' occupants.

Facility Characteristics: Highland Dorm 210 is 11,105 square feet, and Highland Dorm 310 is 11,128 square feet, and were all constructed in 1966 (58 years old). The dorms are utilized by approximately 72 faculty, staff and residents.

Financial Impact: The project will be funded from Excess Debt Service funds (uncommitted balance \$6.33 million on June 30, 2024). Revenue to the fund is invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$633,745 funded by Excess Debt Service Funds. Contract execution is expected in May 2024 with construction completion in June 2026.

22. Project: Department of Disabilities & Special Needs
 J16.9951: Coastal Center – Developmental Services – Roof Replacement
- Request: Establish Phase II Full Construction Budget to replace the roof on the Developmental Services Building.
- Included in CPIP: Yes - 2024 CPIP Priority 24 of 31 in FY2025 (estimated at \$550,496)
- Phase I Approval: October 2023 (estimated at \$450,000) (JBRC)
- Supporting Details: Pages 394-409

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Excess Debt Service	6,750		6,750	543,746	550,496
All Sources	<u>6,750</u>		<u>6,750</u>	<u>543,746</u>	<u>550,496</u>

Summary of Work: The project will remove and replace the existing asphalt shingle roof systems, low sloped bitumen, and associated metal flashing with a 2-ply modified bitumen roof system that will come with the minimum 20-year material and workmanship warranty.

Rationale: Roof replacement will assure continued safety for the buildings' occupants.

Facility Characteristics: The Developmental Services Building is 9,455 square feet and was constructed in 1979 (45 years old). The roof system was replaced in 1997 (27 years old). The building is utilized by approximately 100 faculty, staff and clients.

Financial Impact: The project will be funded from Excess Debt Service funds (uncommitted balance \$6.33 million on June 30, 2024). Revenue to the fund is invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$550,496 funded by Excess Debt Service Funds. Contract execution is expected in August 2024 with construction completion in August 2026.

23. Project: Department of Disabilities & Special Needs
 J16.9952: Midland Center – Cedar Dorm Renovation
- Request: Establish Phase II Full Construction Budget and Revise Scope to complete interior and exterior renovations on the Cedar Dorm.
- Included in CPIP: Yes - 2024 CPIP Priority 25 of 31 in FY2025 (estimated at \$4,335,584)
- Phase I Approval: October 2023 (estimated at \$1,500,000) (SFAA)
- Supporting Details: Pages 410-425

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Excess Debt Service	22,500		22,500	4,313,084	4,335,584
All Sources	<u>22,500</u>		<u>22,500</u>	<u>4,313,084</u>	<u>4,335,584</u>

- Summary of Work: The project was established to complete exterior and interior renovations that include ceiling grid/tiles, wall finishes and repairs, flooring, door replacement, and complete replacement of the asphalt shingle roof systems, low sloped bitumen, and associated metal flashing. The roof will be replaced with either a modified bitumen roof membrane system or a thermoplastic roof membrane system and will come with the minimum 20-year material and workmanship warranty. The revised scope of work will now include anti-ligature finishes.
- Rationale: Upgrading this facility will allow this building to be used as an overflow facility while other campus buildings are renovated.
- Facility Characteristics: Cedar Dorm is 11,962 square feet and was constructed in 1976 (48 years old). The roof system was replaced in 1999 (25 years old). The building is utilized by approximately 36 faculty, staff and residents.
- Financial Impact: The project will be funded from Excess Debt Service funds (uncommitted balance \$6.33 million on June 30, 2024). Revenue to the fund is invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year. The project is not expected to result in any change in annual operating expenditures.
- Full Project Estimate: \$4,335,584 funded by Excess Debt Service Funds. Contract execution is expected in October 2023 with construction completion in April 2026. The estimated cost to complete the project has increased from the Phase I estimate due to the scope revision, as well as the cost was determined to be significantly higher once a professional assessment of the building was completed.

24. Project: Department of Disabilities & Special Needs
 J16.9956: Pee Dee Center – Exterior Cladding/Building Envelope Repair
- Request: Revise Scope and establish Phase II Full Construction Budget to make exterior repairs to the Pecan Dorms.
- Included in CPIP: Yes - 2024 CPIP Priority 27 of 31 in FY2025 (estimated at \$736,619)
- Phase I Approval: October 2023 (estimated at \$600,000) (JBRC)
- Supporting Details: Pages 426-437

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Excess Debt Service	9,000		9,000	727,619	736,619
All Sources	<u>9,000</u>		<u>9,000</u>	<u>727,619</u>	<u>736,619</u>

Summary of Work: The project was established to make exterior repairs on Pecan Buildings 201, 202, 203, 204 and 205 that include the building envelope, brick veneer, roof gables, windows, and doors. The revised scope will remove Pecan Building 201 because it will be included in a future project that will complete a complete renovation to that building.

Rationale: The exterior of these buildings are original and in need of up-fitting.

Facility Characteristics: Pecan Buildings 202, 203, 204 and 205 total 26,668 square feet and were constructed in 1957 (67 years old). The dorms are utilized by approximately 192 faculty, staff and clients.

Financial Impact: The project will be funded from Excess Debt Service funds (uncommitted balance \$6.33 million on June 30, 2024). Revenue to the fund is invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$736,619 funded by Excess Debt Service Funds. Contract execution is expected in August 2024 with construction completion in August 2026.

25. Project: Department of Disabilities & Special Needs
 J16.9957: Pee Dee Center – Gym, Therapy, Pool Building Renovations
- Request: Establish Phase II Full Construction Budget to make exterior and interior repairs to the buildings.
- Included in CPIP: Yes - 2024 CPIP Priority 28 of 31 in FY2025 (estimated at \$4,780,989)
- Phase I Approval: October 2023 (estimated at \$2,500,000) (SFAA)
- Supporting Details: Pages 438-449

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Excess Debt Service	37,500		37,500	4,743,489	4,780,989
All Sources	<u>37,500</u>		<u>37,500</u>	<u>4,743,489</u>	<u>4,780,989</u>

Summary of Work: The project will include exterior and interior renovations that include ceiling grid/tiles, wall finishes and repairs, flooring, door replacement, and repairs to the exterior of the building. The exterior repairs will include roof patchwork and repairs.

Rationale: The building finishes are original to the buildings. Additionally, the buildings will serve as an alternate facility while renovations are being done on Pee Dee Campus. These buildings can be upgraded without major disruption.

Facility Characteristics: The Gym, Therapy, and Pool Buildings total 19,944 square feet. The Gym was constructed in 1954 (70 years old). The Therapy Building was constructed in 1983 (41 years old). The Pool Building was constructed in 1985 (39 years old). The buildings are utilized by approximately 171 faculty, staff and clients.

Financial Impact: The project will be funded from Excess Debt Service funds (uncommitted balance \$6.33 million on June 30, 2024). Revenue to the fund is invested and held by the State Treasurer's Office on behalf of SCDDSN and are comprised of revenues of the commission that exceeds the payment due or to become due during the then current fiscal year and an additional sum equal to the maximum annual debt service requirement of the obligations for a succeeding fiscal year. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$4,780,989 funded by Excess Debt Service Funds. Contract execution is expected in August 2024 with construction completion in August 2026. The estimated cost to complete the project has increased from the Phase I estimate because the cost was determined to be significantly higher once a professional assessment of the building was completed.

26. Project: Department of Corrections
 N04.9801: RNG (Renewable Natural Gas) Project

Request: Establish Phase I Pre-Design Budget to allow the agency to partner with GreenGas to explore options to develop a Renewable Natural Gas project at the Wateree Correctional facility.

Included in CPIP: Yes – 2024 CPIP Priority 6 of 8 in FY26 (estimated at \$8,000,000)

Supporting Details: Pages 450-461

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, GreenGas USA				300,000	300,000
All Sources				<u>300,000</u>	<u>300,000</u>

Summary of Work: The project will allow GreenGas USA to lease an area at the Wateree Correctional Institution and install and operate one or more tank based anaerobic digesters at Wateree River Farms with a total digester capacity of approximately 1 million gallons. The anaerobic digesters will process the Feedstock Material which utilizes Dairy manure and up to 35,000 tons of food waste per year, as well as other feedstock sources that may be in close proximity to the facility.

Rationale: The anaerobic digesters on the leased shall permit GreenGas USA to capture and process raw gas generated by the facility's on-site dairy manure and food waste for the purpose of upgrading and processing the Raw Gas into saleable renewable natural gas. This RNG will be introduced into the SC Natural Gas Pipeline.

Facility Characteristics: The new facility will be approximately 78,408 square feet on 1.8 acres.

Financial Impact: The project will be fully funded from Other, GreenGas USA Funds (\$14.5 million committed on July 11, 2024). GreenGas will pay a proposed \$100K annually for use of the property for a contract term of 20 years. GreenGas will share 50% of net project profits with the Department of Corrections, starting Year 1 for the 20-year contract term. The profit share will be net of a capital recovery charge that provides GreenGas with recovery of and minimum return on capital.

Full Project Estimate: \$14,500,000 funded by GreenGas USA.

27. Project: Department of Juvenile Justice
 N12.9632: School Safety Upgrades
- Request: Establish Phase II Full Construction Budget to improve the safety and security of school buildings and classrooms at three campuses.
- Included in CPIP: No – The project was erroneously excluded during the 2024 CPIP submission process.
- Supporting Details: Pages 462-475

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, FY24 SC Department of Education Grant Award				925,000	925,000
All Sources				<u>925,000</u>	<u>925,000</u>

Summary of Work: The project will include exterior and interior security improvements. The work at the Broad River Road Complex's Birchwood High School will include the replacement of three entryway storefronts with new secure storefronts, secure interior doors and windows, and a new emergency response intercom to replace and existing obsolete PA/communication system that is no longer in working order. The work at the classrooms buildings at the Upstate Evaluation Center and the Coastal Evaluation Center will include adding an entry control system.

Rationale: The agency has received a grant from the Department of Education to fully fund this project, which allows the work to be completed. Without the grant funds, this project would not be completed at this time. Due to the requirement that the funds be used by September 2025, this project is being requested to bypass Phase I and establish the project at Phase II.

Facility Characteristics: The Broad River Road Complex's Birchwood High School, Upstate Evaluation Center and the Coastal Evaluation Center total 76,800 square feet. Birchwood High School was constructed in 1976 (48 years old), and the Upstate Evaluation Center and Coastal Evaluation Center were constructed in 2021 (3 years old). These facilities are utilized by 91 staff and 367 students.

Financial Impact: The project will be funded from Other, FY24 SC Department of Education Grant Award Funds (\$925K awarded on February 28, 2024). This grant was awarded to make classroom/internal door lock upgrades, window film/covers or bulletproof glass or bulletproof film for windows, secure school entry points and access control, and electronic or other technology. The project is expected to result in a decrease of \$2,000 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$925,000 (internal) funded by FY24 SC Department of Education Grant Award Funds. Contract execution is expected in November 2024 with construction completion in September 2025.

28. Project: Department of Juvenile Justice
 N12.9621: HVAC R22 Replacement
- Request: Increase Phase II Full Construction Budget and Revise Scope to replace HVAC systems in facilities statewide
- Included in CPIP: Yes – 2024 CPIP 10 of 14 in FY25 (estimated at \$2,000,000)
- Phase II Approval: April 2022 (estimated at \$1,476,363) (Admin)
- Supporting Details: Pages 476-483

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Appropriated State, Proviso 118.18 (B)(50)(c), (HVAC Replacement)	1,476,363		1,476,363	523,637	2,000,000
Federal, ARP ESSER				175,000	175,000
All Sources	<u>1,476,363</u>		<u>1,476,363</u>	<u>698,637</u>	<u>2,175,000</u>

Summary of Work: The project was established to replace existing HVAC systems in the following facilities statewide: Birchwood Science/Gym, Birchwood Vocational, John G. Richards Gym, Palmetto, Willow Lane Girls Transition Home, Evergreen, The Juvenile Detention Center, Palmetto Annex, Building 2007, and the Midland Evaluation Center's Pearl unit. The revised scope will add the replacement of four (4) additional housing units on the Broad River Road Campus, Holly, Maple, Poplar, and Cypress. These units were not included in the original scope due to use of a newer refrigerant.

Rationale: The HVAC units being replaced operate on R22 freon and the R22 freon component is no longer in production making repairs and maintenance more expensive over the long term. The current HVAC units are reaching the end of their service lives and need replacement.

Facility Characteristics: The fourteen (14) facilities total 135,372 square feet and were constructed between 2002 (22 years old) and 2009 (15 years old). The facilities in this project are utilized by 159 faculty/staff, plus security, and 337 youth.

Financial Impact: This increase will be funded from FY22 Appropriated State (nonrecurring) (uncommitted balance \$523K on May 28, 2024), and Federal, ARP ESSER (\$307K awarded on May 28, 2024). The ARP ESSER funds were received from the American Rescue Plan Act that was signed into law. These funds are provided to state educational agencies and school districts to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the nation's students. The project is expected to result in a decrease of \$20,000 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$2,175,000 funded by FY22 Appropriated State (nonrecurring), and ARP ESSER Funds. Construction completion is anticipated in December 2025.

29. Project: Department of Natural Resources
 P24.6106: Colleton – Bennett’s Point Field Station Renovations

Request: Establish Phase I Pre-Design Budget to replace the HVAC system that serves the McKenzie Field Station in Colleton County.

Included in CPIP: Yes – 2024 CPIP Priority 17 of 62 in FY25 (estimated at \$805,200)

CHE Approval: N/A

Supporting Details: Pages 484-491

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, NOAA				5,925	5,925
All Sources				<u>5,925</u>	<u>5,925</u>

Summary of Work: The project will replace the existing HVAC systems with new energy efficient HVAC systems that include dehumidification. The new HVAC systems will be installed on elevated platforms which would be above the flood elevation level.

Rationale: The current units are struggling to keep the interior of the building conditioned and do not provide for dehumidification, which is essential in this environment for keeping the building conditioned as well as preventing other complications associated with high humidity, per the agency.

Facility Characteristics: The Field Station is comprised of a Classroom/Office/Lab Building and a Dormitory Building. The existing HVAC systems are 20+ years old. This facility serves as a staging area for Marine Research, Law Enforcement and Education for the agency, as well as other State/Federal agencies and educational groups, and is utilized by 8,000 individuals annually.

Financial Impact: The project will be funded from Federal, NOAA Funds (uncommitted balance \$389K on June 18, 2024). These Federal Funds have been received to perform improvements at Bennett’s Point Field Station, to specifically replace the HVAC system for the McKenzie Field Station. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$395,000 (internal) funded by NOAA Funds.

30. Project: Department of Natural Resources
 P24.6052: Beaufort – Waddell Mariculture Maturation Ponds Maintenance
- Request: Increase Phase II Full Construction Budget to renovate the maturation ponds at the Waddell Mariculture Center in Bluffton.
- Included in CPIP: Yes – 2024 CPIP Priority 10 of 62 in FY25 (estimated at \$7,584,800)
- Phase II Approval: December 2021 (estimated at \$3,500,000) (Admin)
- Supporting Details: Pages 492-501

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Appropriated State, Proviso 118.18 (B)(52)(f), (Waddell Fish Hatchery – Deferred Maint. /Upgrades)	3,500,000		3,500,000		3,500,000
FY23 Appropriated State, Proviso 118.19 (B)(44)(g), (Infrastructure Needs)				1,088,000	1,088,000
Other – Marine Resources, Saltwater Fishing License				2,996,800	2,996,800
All Sources	<u>3,500,000</u>		<u>3,500,000</u>	<u>4,084,800</u>	<u>7,584,800</u>

Summary of Work: The project will address re-contouring the existing ponds to allow for replicated research. Repairs include concrete water control structures, basins, walkways, pond liners, electrical upgrades, pond pipes and valve replacements. The project will also renovate the saltwater/freshwater holding tower that allows for gravity flow of water to hatchery, ponds, outdoor tank systems, and greenhouse systems. This will include inflow and outflow pipes, valves, refurbishment of the saltwater and freshwater compartments and the addition of valves to allow the flushing of sediment from the tower. The current maturation building will be deconstructed and replaced with a 2,000 square foot pole barn set over the existing foundation for outdoor tanks. A greenhouse system will be added to provide thermal stability in cold months to allow flounder to be grown outside. IT infrastructure will be installed allowing remote monitoring of ponds. The additional funds being added to the project will allow additional ponds to be renovated.

Rationale: This project will allow for replicated research, gravity flow of water to hatchery, ponds, outdoor tank systems, and greenhouse systems. The valves to allow the flushing of sediment will reduce buildup that leads to water loss from leaks. The greenhouse system will provide thermal stability in cold months to allow flounder to be grown outside. The IT infrastructure portion will allow for automatic data recording and alerts to be sent if water quality parameters are outside safe ranges for fish.

Facility Characteristics: The Maturation Building is 2,000 square feet and along with the current Waddell Mariculture Center Hatchery was constructed in 1984 (40 years old). The Hatchery supports the agency’s Marine Resources Research and Monitoring - Flounder Restocking Program and is utilized by 10 staff on a daily basis.

Financial Impact: This increase will be funded from FY23 Appropriated State (nonrecurring) Funds (uncommitted balance \$8.45 million on June 14, 2024), and Other, Marine Saltwater Fishing License Funds (uncommitted balance \$4.55 million on June 14, 2024). Revenue received for the Marine Resources; Saltwater Fishing Licenses is received from the sale of

recreational fishing licenses. The project is expected to result in an increase of \$2,500 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$7,584,800 funded by Appropriated State (nonrecurring) and Marine Resources, Saltwater Fishing License Funds. Contract execution is expected in October 2024 with construction completion in September 2025.

31. Project: Department of Natural Resources
P24.6097: Marion-Marsh WMA Land Acquisition (Waterfront Preservation)
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the acquisition of +/-491 acres in Marion County.
- Included in CPIP: Yes – 2024 CPIP Priority 45 of 62 in FY25 (estimated at \$640,000)
- Supporting Details: Pages 502-519

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Appropriated State, Proviso 118.19 (B)(37)(b), (Habitat Protection and Land Conservation Acquisitions)				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

- Rationale: Acquisition of the property would protect property along the Pee Dee River that provides riparian, wetland, and aquatic habitats, floodwater storage, flood-flow attenuation, and water quality improvement functions. Protection of the property would enhance and expand the protection of riparian and aquatic habitats. The property adjoins Marsh Wildlife Management Area and will be open to the public for recreation.
- Characteristics: The tract is on the Pee Dee River floodplain. Ninety percent of the property is palustrine-wetland habitat and located within a Flood Hazard Area, 100-year floodplain. The property borders 0.7 miles of the Pee Dee River and several sections of stream (portions of the Bull Swamp/Mulyn Creek system) run from NW to SE across the property.
- Financial Impact: The property is offered by Waterfront Preservation Foundation, Inc. of Mt. Pleasant, SC for the proposed purchase price of \$980,000. The due diligence activities will be funded from FY24 Appropriated State (nonrecurring) Funds (uncommitted balance \$12.84 million on June 19, 2024). The project is expected to result in an increase of \$10,000 (year 1), and \$5,000 (years 2 thru 3), in annual operating expenditures.
- Full Project Estimate: \$1,000,000 (internal) funded by Appropriated State (nonrecurring) Funds.
- Other: The South Carolina Department of Natural Resources has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase.

32. Project: Department of Natural Resources
P24.6074: Pickens - Jocassee Gorges WMA Land Acquisition (Keasler Tract)

Request: Establish Final Land Acquisition to purchase +/-160 acres of land in Pickens County.

Included in CPIP: Yes – 2024 CPIP Priority 47 of 62 in FY25 (estimated at \$380,000)

Phase I Approval: October 2023 (estimated at \$380,000) (JBRC)

Supporting Details: Pages 520-545

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Fish & Wildlife Protection (Deer)	20,000		20,000		20,000
Other, Fish & Wildlife Protection (Timber)				330,000	330,000
All Sources	<u>20,000</u>		<u>20,000</u>	<u>330,000</u>	<u>350,000</u>

Rationale: The acquisition of the property will protect additional habitat adjoining the Jocassee Gorges Wildlife Management Area. Acquisition of the tract will provide an additional habitat for the public to engage in outdoor activities. It will be open to the public for outdoor recreational activities.

Characteristics: The property is approximately three miles west of Sunset north of US Highway 11 in northern Pickens County. It is composed of forested uplands containing plant pine and mixed pine/hardwoods. A section of Little Eastatoe Creek and three associated streams located within the property.

Financial Impact: The property is offered by Naturaland Trust for \$330,000. The acquisition will be funded from Fish & Wildlife Protection (Timber) Funds (uncommitted balance \$1.70 on June 19, 2024). Revenue to this fund is derived income from timbers harvests on DNR lands. Revenue from this source must be expended by DNR for the protection, promotion, propagation, and management of freshwater fisheries and wildlife, the enforcement of related laws, the administration of the department, and the dissemination of information, facts, and findings the department considers necessary. The project is expected to result in an increase of \$3,000 (year 1), \$1,500 (year 2), and \$1,000 (year 3), in annual operating expenditures. An appraisal was completed in February 2024 and valued the property at \$680,000. A Phase I Environmental Site Assessment was completed in February 2024 and revealed no evidence of recognized environmental conditions in connection with the property, and therefore a Phase II assessment is not recommended at this time. A Building Condition Assessment is not required because there are no buildings located on the property. Letters of support are not required because the property is owned by a nonprofit organization.

Full Project Estimate: \$350,000 funded by Fish & Wildlife Protection (Deer), and Fish & Wildlife Protection (Timber) Funds.

Other: The South Carolina Department of Natural Resources has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase

33. Project: Department of Natural Resources
 P24.6075: Pickens - Jocassee Gorges WMA Land Acquisition (Rocky Bottom Tract)
- Request: Establish Final Land Acquisition to purchase +/-61 acres of land in Pickens County.
- Included in CPIP: Yes – 2024 CPIP Priority 46 of 62 in FY25 (estimated at \$258,000)
- Phase I Approval: October 2023 (estimated at \$246,000) (JBRC)
- Supporting Details: Pages 546-571

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Fish & Wildlife Protection (Timber)	16,000		16,000	238,000	254,000
All Sources	<u>16,000</u>		<u>16,000</u>	<u>238,000</u>	<u>254,000</u>

Rationale: The acquisition of the property will protect additional habitat adjoining the Jocassee Gorges Wildlife Management Area. Acquisition of this tract would support conservation efforts in the Keowee-Toxaway drainage, help protect waters that flow into the Eastatoe River and Lake Keowee and provide additional lands for the public to engage in outdoor recreational activities.

Characteristics: The property is approximately one mile east of F. Van Clayton Memorial Highway north of Rocky Bottom Road. It adjoins the Jocassee Gorges Wildlife Management Area on three sides. The site contains a mixture of mixed hardwood forest with herbaceous vegetation and shrubs in the understory. Numerous perennial and ephemeral streams are located on the property, along with big and small game animal species.

Financial Impact: The property is offered by Naturaland Trust for \$238,000. The acquisition will be funded from Fish & Wildlife Protection (Timber) Funds (uncommitted balance \$1.70 million on June 19, 2024). Revenue to this fund is derived income from timbers harvests on DNR lands. Revenue from this source must be expended by DNR for the protection, promotion, propagation, and management of freshwater fisheries and wildlife, the enforcement of related laws, the administration of the department, and the dissemination of information, facts, and findings the department considers necessary. The project is expected to result in an increase of \$1,500 (year 1) and \$500 (years 2 thru 3), in annual operating expenditures. An appraisal was completed in February 2024 and valued the property at \$330,000. A Phase I Environmental Site Assessment was completed in February 2024 and revealed no evidence of recognized environmental conditions in connection with the property, and therefore a Phase II assessment is not recommended at this time. A Building Condition Assessment is not required because there are no buildings located on the property. Letters of support are not required because the property is owned by a nonprofit organization.

Full Project Estimate: \$254,000 funded by Fish & Wildlife Protection (Timber) Funds.

Other: The South Carolina Department of Natural Resources has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase

34. Project: Department of Natural Resources
P24.6084: Jasper-Coosawhatchie HP Land Acquisition Part II (OSI)

Request: Establish Final Land Acquisition to purchase +/-1,202 acres of land in Jasper County.

Included in CPIP: Yes – 2024 CPIP Priority 42 of 62 in FY25 (estimated at \$3,870,000)

Phase I Approval: October 2023 (estimated at \$3,870,000) (SFAA)

Supporting Details: Pages 572-605

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, USFS Forest Legacy	20,000		20,000	3,020,000	3,040,000
Other, Heritage Land Trust				805,000	805,000
All Sources	<u>20,000</u>		<u>20,000</u>	<u>3,825,000</u>	<u>3,845,000</u>

Rationale: The acquisition of the property will expand a Heritage Preserve/Wildlife Management Area for the public to engage in outdoor recreational activities such as for big and small game hunting. Also, activities to promote bobwhite quail restoration, recruitment of red-cockaded woodpeckers and the expansion of gopher tortoise populations will be undertaken. If the property is acquired, it will be managed as part of the new Coosawhatchie Heritage Preserve/Wildlife Management Area.

Characteristics: The property is approximately eight miles north of Ridgeland west of Interstate 95. It adjoins the west side of a 3,507-acre tract recently acquired by DNR and the east side of a 398-acre tract (project P24-6085) proposed for acquisition by DNR. The property is comprised of upland mixed pine, hardwoods, sand ridges, open areas, and wetlands. Approximately 68 priority plant and animal species are known or expected to occur in the area.

Financial Impact: The property is offered by Open Space Institute Land Trust for \$3,850,000. The acquisition will be funded from Federal, Forest Legacy Administrative Grant (uncommitted balance \$3.97 million on May 31, 2024), and Other, Heritage Land Trust Funds (uncommitted balance \$33.50 million on May 31, 2024). Revenue received from the USFS Forest Legacy Grant is authorized by the Cooperative Forestry Assistance Act of 1978 as amended by the 1990 Farm Bill Section 1217 of Title XII of the Food, Agriculture, Conservation and Trade Act of 1990, and is to protect environmentally important forest areas that are threatened by conversion to non-forest uses. Revenue to the Heritage Land Trust Fund is authorized by SC Code 51-17-115 and provides for the department to use Heritage Land Trust Funds 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. The project is expected to result in an increase of \$10,000 (year 1), \$25,000 (year 2), and \$5,000 (year 3), in annual operating expenditures. An appraisal was completed in March 2024 and valued the property at \$5,820,000. A Phase I Environmental Site Assessment was completed in June 2024 and revealed no evidence of recognized environmental conditions in connection with the property, and therefore a Phase II assessment is not recommended at this time. A Building Condition Assessment is not required because there are no buildings located on the property. Letters of support are not required because the property is owned by a nonprofit organization.

Full Project Estimate: \$3,845,000 funded by Forest Legacy Administrative Grant and Heritage Land Trust Funds.

Other: The South Carolina Department of Natural Resources has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase

35. Project: Department of Natural Resources
 P24.6085: Jasper-Coosawhatchie HP Land Acquisition Part III (TNC)
- Request: Establish Final Land Acquisition to purchase +/-398 acres of land in Jasper County.
- Included in CPIP: Yes – 2024 CPIP Priority 43 of 62 in FY25 (estimated at \$2,690,000)
- Phase I Approval: October 2023 (estimated at \$2,2690,000) (SFAA)
- Supporting Details: Pages 606-635

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, USFS Forest Legacy	20,000		20,000	935,000	955,000
Other, Heritage Land Trust				1,392,137	1,392,137
Other, Fish & Wildlife Protection (Deer)				150,000	150,000
Other, Fish & Wildlife Protection (Timber)				150,000	150,000
All Sources	<u>20,000</u>		<u>20,000</u>	<u>2,627,137</u>	<u>2,647,137</u>

Rationale: The acquisition of the property will expand a Heritage Preserve/Wildlife Management Area for the public to engage in outdoor recreational activities such as for big and small game hunting. Also, activities to promote bobwhite quail restoration, recruitment of red-cockaded woodpeckers and the expansion of gopher tortoise populations will be undertaken. If the property is acquired, it will be managed as part of the new Coosawhatchie Heritage Preserve/Wildlife Management Area.

Characteristics: The property is approximately eight miles north of Ridgeland west of Interstate 95. It adjoins the east side Possum Corner Road and the west side of a 1,205-acre parcel (project P24-6084) proposed for acquisition by DNR. The property is comprised of upland mixed pine, hardwoods, sand ridges, open areas, and wetlands. Approximately 68 priority plant and animal species are known or expected to occur in the area.

Financial Impact: The property is offered by The Nature Conservancy for \$2,627,137. The acquisition will be funded from Federal, Forest Legacy (uncommitted balance \$3.97 million on May 31, 2024), Other, Heritage Land Trust (uncommitted balance \$33.50 million on May 31, 2024), Other, Fish & Wildlife Protection (Deer) (uncommitted balance \$1.35 million on May 31, 2024), and Fish & Wildlife Protection (Timber) (uncommitted balance \$1.70 million on June 19, 2024). Revenue received from the USFS Forest Legacy Grant is authorized by the Cooperative Forestry Assistance Act of 1978 as amended by the 1990 Farm Bill Section 1217 of Title XII of the Food, Agriculture, Conservation and Trade Act of 1990, and is to protect environmentally important forest areas that are threatened by conversion to non-forest uses. Revenue to the Heritage Land Trust Fund is authorized by SC Code 51-17-115 and provides for the department to use Heritage Land Trust Funds 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. Revenue to the Fish & Wildlife Protection (Deer) Fund is derived income from timbers harvests on DNR lands. Revenue from this source must be expended by DNR for the protection, promotion, propagation, and management of freshwater fisheries and wildlife, the enforcement of related laws, the administration of the department, and the dissemination of information, facts, and findings

the department considers necessary. Revenue to the Fish and Wildlife Protection (Timber) Fund is derived income from timbers harvests on DNR lands. Revenue from this source must be expended by DNR for the protection, promotion, propagation, and management of freshwater fisheries and wildlife, the enforcement of related laws, the administration of the department, and the dissemination of information, facts, and findings the department considers necessary. The project is expected to result in an increase of \$5,000 (years 1 thru 3), in annual operating expenditures. An appraisal was completed in March 2024 and valued the property at \$2,935,000. A Phase I Environmental Site Assessment was completed in June 2024 and revealed no evidence of recognized environmental conditions in connection with the property, and therefore a Phase II assessment is not recommended at this time. A Building Condition Assessment is not required because there are no buildings located on the property. Letters of support are not required because the property is owned by a nonprofit organization.

Full Project Estimate: \$2,647,137 funded by USFS Forest Legacy Administrative Grant, Heritage Land Trust, Fish & Wildlife Protection (Timber), and Fish & Wildlife Protection (Deer) Funds.

Other: The South Carolina Department of Natural Resources has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase

36. Project: Department of Natural Resources
P24.6108: Horry - Lewis Ocean Bay HP Land Acquisition (CMC)

Request: Establish Final Land Acquisition to purchase +/-353 acres of land in Horry County.

Included in CPIP: Yes – 2024 CPIP Priority 41 of 62 in FY25 (estimated at \$9,568,000)

Supporting Details: Pages 636-663

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY25 Appropriated State, Proviso 118.20 (B)(37)(c), (Habitat Protection and Land Conservation)				9,558,000	9,558,000
All Sources				<u>9,558,000</u>	<u>9,558,000</u>

Rationale: The acquisition of the property will protect similar habitats that exist on Lewis Ocean Bay Heritage Preserve (LOBHP) containing pine savannas and blackwater swamp forests. There are several elements of occurrence records for the federal At-Risk and globally imperiled Venus flytrap (*Dionaea muscipula*). The abundance and range of Venus flytrap has been decimated by fire suppression and land conversion. It is now known from only a few populations in the world – two populations in Horry County, SC and in a few coastal counties of NC. The largest population of Venus flytrap in the state of South Carolina is found centered at Lewis Ocean Bay HP and is the only population within the state that is considered to have long-term viability. The species is thought to be extirpated from Georgetown and Berkeley counties because of fire suppression and land use changes. Once acquired, the property will be open to the public for outdoor recreational activities and will be incorporated as part of the LOBHP.

Characteristics: The property is across International Drive from Lewis Ocean Bay Heritage Preserve, just north of the Carolina Forest community. A portion of Socastee Swamp runs through the property.

Financial Impact: The property is offered by Conway Hospital, Inc. for \$9,538,000. The acquisition will be funded from FY25 Appropriated State (nonrecurring) Funds (uncommitted balance \$10 million on August 1, 2024). The project is expected to result in an increase of \$10,000 (year 1), and \$5,000 (years 2 thru 3), in annual operating expenditures. An appraisal was completed in February 2024 and valued the property at \$9,538,000. A Phase I Environmental Site Assessment was completed in July 2024 and revealed evidence of a recognized environmental condition in connection with the property. The assessment concluded that the southwest portion of the property is within the expanded investigation area of Range III in the former Conway Bombing and Gunnery Range and has not been screened for Munitions and Explosives of Concern (MEC). Because the potential presence of MEC or associated materials cannot be ruled out, this portion of the property's past use as Conway Bombing and Gunnery Range III Safety Zone is considered a recognized environmental condition. Back in May 2018 a Remedial Investigation Report on the Former Conway Bombing and Gunnery Range was completed for the U.S. Army Corps of Engineers and concluded that any munitions' related hazards were cleared by a private landowner funded operation. SCDHEC concurred with the No DoD Action Indicated (NDAI) recommendation. A Phase II Assessment is not recommended at this time. A Building Condition Assessment is not required because there are no buildings located on the property. Letters of support are not required because the property is owned by a nonprofit organization.

Full Project Estimate: \$9,558,000 funded by FY25 Appropriated State (nonrecurring) Funds.

Other: The South Carolina Department of Natural Resources has coordinated and collaborated with the South Carolina Conservation Bank to confirm that the proposed conservation land acquisition of this property is an appropriate conservation purchase and will maximize the most cost-effective use of funds appropriated or authorized by the General Assembly in the proposed purchase

37. Project: Department of Parks, Recreation & Tourism
 P28.9851: Dearborn New Park Development

Request: Establish Phase I Pre-Design Budget to develop a state park on Dearborn Island in Chester.

Included in CPIP: Yes – 2024 CPIP Priority 26 of 37 in FY25 (estimated at \$2,013,589)

Supporting Details: Pages 664-673

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY23 Appropriated State, Proviso 118.19 (B)(45)(k), (State Park Enhancements)				30,204	30,204
All Sources				<u>30,204</u>	<u>30,204</u>

Summary of Work: This project will consist of site development, new construction, interior renovations to existing facilities, utilities, and landscaping. The multifaceted project will blend nature and history. The new park will feature hiking and biking trails with scenic viewpoints, as well as white water and flat-water paddling opportunities. All roof material options will be considered during the Phase I process.

Rationale: According to the agency, Dearborn Island State Park will boost tourism and stimulate the local economy by offering diverse recreational activities. With hiking, biking, and paddling options, the park will draw visitors seeking outdoor adventures. These attractions will support nearby businesses and create jobs, contributing to the economic vitality of the region. The project aligns with the goal of fostering sustainable tourism while preserving the natural and cultural heritage of the area.

Facility Characteristics: The historic structure located on the property was constructed in 1910 (114 years old). Total square footage of any new facilities will be determined upon assessment of existing facilities and completion of planning and design. New facilities may be constructed to provide necessary staff and visitor amenities. The new park is estimated to have over 10 million state park visitors annually.

Financial Impact: This phase of the project will be funded from FY23 Appropriated State Funds (non-recurring) (uncommitted balance is \$3.14 million on March 30, 2024). The project is expected to result in an increase of \$10,000 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$2,013,589 (internal). Phase II will be funded by \$3,147,000 in Appropriated State (nonrecurring), and \$120,864 in Duke Energy Funds.

38. Project: Department of Parks, Recreation & Tourism
 P28.9855: Hampton Plantation Boardwalk and Dock
- Request: Establish Phase I Pre-Design Budget to extend the existing boardwalk.
- Included in CPIP: Yes – 2024 CPIP Priority 18 of 37 in FY25 (estimated at \$300,000)
- Supporting Details: Pages 674-681

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Endowment & Gifts				4,500	4,500
All Sources				<u>4,500</u>	<u>4,500</u>

Summary of Work: The project will extend the existing boardwalk an additional 72' to provide access to Wamba Creek, a historical and scenic waterway. The structure will include a 16' x 16' pier head, 5' x 20' gangway with an 8' x 30' aluminum floating dock.

Rationale: This extension will improve access to Wamba Creek for visitors to the historic site, especially visitors from the surrounding community.

Facility Characteristics: The existing boardwalk and dock in Hampton Plantation is approximately 104 feet long by 6 feet wide, with a walkable area of 5 feet, for a total of approximately 624 square feet. It was constructed in 1996 (28 years old). The boardwalk and dock are utilized by an average of 10 million state park visitors per year.

Financial Impact: The project will be funded from Other, Endowment & Gift Funds (uncommitted balance of \$366K on March 14 2024). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$300,000 (internal) funded by Endowment & Gift Funds.

39. Project: Department of Parks, Recreation & Tourism
 P28.9824: Huntington Beach Boardwalk - Hurricane Ian Repairs
- Request: Increase Phase II Full Construction Budget remove and replace the boardwalk at Huntington Beach State Park.
- Included in CPIP: No – The project was not included in the 2024 CPIP because the need for the increase was unknown at the time of the 2024 CPIP submission.
- Phase I Approval: May 2023 (estimated at \$500,000) (JBRC)
- Phase II Approval: August 2023 (estimated at \$806,361.84) (JBRC)
- Change Source of Funds Approval: May 2024 (estimated at \$806,361.84) (Admin)
- Supporting Details: Pages 682-689

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, FEMA		344,036	344,036		344,036
Other, Park Revenue	7,500	40,147	47,647	416,937	464,584
Other, Insurance Reserve		300,000	300,000		300,000
Other, FEMA Match		114,679	114,679		114,679
All Sources	<u>7,500</u>	<u>798,862</u>	<u>806,362</u>	<u>416,937</u>	<u>1,223,299</u>

- Summary of Work: The project will remove the damaged boardwalk and construct a new boardwalk in its place. The existing small damaged three-tab asphalt shingle roof covering the wildlife viewing area will be replaced with either three-tab asphalt shingles or a metal roof. The new roof will come with a minimum 20-year material and workmanship warranty. The additional funds being added will cover additional cost to repair a larger section of the boardwalk, as well as the overlook because the very end of the boardwalk was lost after another storm.
- Rationale: The March boardwalk sustained damage during Hurricane Ian which include the loss of various sections of decking, hand-railing and support beams. It has been deemed unsafe and is closed to the public.
- Facility Characteristics: The existing boardwalk is 5,700 square feet and was constructed in 1991 (32 years old). The new boardwalk to be constructed will be the same footprint (5,700 square feet), of the existing boardwalk. The agency is currently in negotiations with FEMA on possibly raising the height of the boardwalk, however the length and width will be same as before. The boardwalk is used by approximately 1.1 million visitors annually.
- Financial Impact: This increase will be funded from Other, Park Revenue Funds (uncommitted balance \$9.19 million on June 19, 2024). Park Revenues are derived from operating revenue 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. The project is not expected to result in any change in annual operating expenditures.
- Full Project Estimate: \$1,223,299 funded by FEMA and Insurance Reserve, Park Revenue, Insurance Reserve, and FEMA Match Funds. Contract execution is expected in September 2024 and completion of construction in July 2025.

40. Project: Department of Parks, Recreation & Tourism
P28.9847: Myrtle Beach State Park Pier (Emergency)
- Request: Increase Phase II Full Construct Budget & Change Source of Funds to repair the pier at the park.
- Included in CPIP: No – The project was not included in the 2024 CPIP because the need for the increase was unknown at the time of the 2024 CPIP submission.
- Phase II Approval: June 2024 (estimated at \$300,000) (JBRC)
- Supporting Details: Pages 690-697

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY17 Appropriated State, Proviso 118.16 (B)(39)(d) (transfer from P28-9764), State Park Pier Repair	122		122		122
Other, Park Revenue	225,573		225,576	(225,573)	
Other, Insurance Reserve				248,311	248,311
Other, Insurance Reserve (transfer from P28-9820)	65,667		65,667		65,667
Other, Insurance Reserve (transfer from P28-9764)	8,638		8,638		8,638
All Sources	<u>300,000</u>		<u>300,000</u>	<u>22,738</u>	<u>322,738</u>

Summary of Work: The project will repair the damaged pier. This increase will cover the additional pilon and knee brace needed.

Rationale: The pier was damaged by Hurricane Ian, on December 17th, 2023. High surf conditions resulted in the loss of the right corner piling and cross beam off the end of the pier. Additionally, on January 9th, 2024 another storm impacted the pier resulting in the loss and damage of two more support pilings and support beam. The loss of support pilings jeopardizes the structural integrity of the pier, per the agency. One of the second piles were removed by park staff to prevent further damage to the structure. The fishing pier and store generate over a million dollars in annual revenue. The park generates approximately \$8 million in revenue, which is vital to the operation of the park service. Pier closures negatively affect revenues at this operation.

Facility Characteristics: The Myrtle Beach State Park Pier is 16,848 square feet and was constructed in 1990 (34 years old). The park sees approximately two million park visitors and camping/cabin reservation holders each year.

Financial Impact: This increase will be funded from Other, Insurance Reserve Funds (uncommitted balance \$252K on July 1, 2024). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$322,738 funded by FY17 Appropriated State (nonrecurring), Park Revenue, and Insurance Reserve Funds. Contract execution is expected in July 2024 with construction completion in July 2024.

41. Project: Department of Parks, Recreation & Tourism
 P28.9835: Property Acquisition – Staff Housing at Black River State Park

Request: Establish Final Land Acquisition to purchase +/- 5.95-acres of land with a house in Georgetown County.

Included in CPIP: Yes – 2024 CPIP Priority 35 of 37 in FY25 (this component estimated at \$595,000)

Phase I Approval: March 2024 (estimated at \$270,000) (JBRC)

Revise Scope & Change Project Name: May 2024 (estimated at \$270,000) (JBRC Staff)

Supporting Details: Pages 698-714

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY24 Appropriated State, Proviso 118.19 (B)(38)(a), (Additional Park Property Acquisitions)	20,000		20,000	575,000	595,000
All Sources	<u>20,000</u>		<u>20,000</u>	<u>575,000</u>	<u>595,000</u>

Rationale: PRT is in the process of building out the future Black River State Park with properties stretching along the Black River corridor from Kingstree to Choppee, SC. Currently, the existing PRT-owned properties along this corridor only have infrastructure to support one full-time staff member for the park. Per the agency, there is an urgent need to hire additional full-time staffing to aid the development process and maintenance of the future Black River State Park. It will also give the agency the ability to secure staff housing to quickly bolster staff capacity for the anticipated park. In the agencies' master planning process stake holders identified the need to protect parcels of the Black River for paddler experience. They also identified the need for Black River Ranger housing to provide emergency and enforcement along the river. This tract will help the state save conservation land, time, and money to build future housing.

Characteristics: The property is +/- 5.95-acres of land with a house located at 415 Whiskey Lane in Georgetown. The house is 1,925 square feet and was constructed in 2006 (18 years old). The house is move-in ready, with no need for any renovations. The size of the property provides additional space to be utilized for the buildout of park maintenance and storage areas.

Financial Impact: The property is offered by Nicholas Bardsley and Pamela Hall for \$575,000. The acquisition will be funded from FY24 Appropriated State Funds (non-recurring) (uncommitted balance \$613K on June 21, 2024). An appraisal was completed in June 2024 and valued the property at \$582,000. A Phase I Environmental Site Assessment was completed in June 2024 and found no evidence of recognized environmental conditions in connection with the property and therefore no further evaluation is recommended at this time. A Building Condition Assessment was completed in June 2024 and found \$71,200 in immediate and short-term costs to be rectified. Those repairs will be made by park staff using Park Revenue funds. Letters of support have been received from Georgetown County and Georgetown County School District authorizing the removal of the property from the tax rolls. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$595,000 funded by FY24 Appropriated State (non-recurring) Funds.

AGENCY: South Carolina State Fiscal Accountability Authority

SUBJECT: Proposed Ceiling Allocation Plan for Calendar Year 2025

Article 3 of Chapter 11, Title 1 of the South Carolina Code of Laws provides for the Allocation of State Ceiling on Issuance of Private Activity Bonds, and further provides among other things that, no later than September 30 of the year preceding the calendar year to which the state ceiling applies, the State Fiscal Accountability Authority must publish a State Ceiling Allocation Plan that assigns percentages of the state ceiling to categories of any of the permitted purposes prescribed by the Internal Revenue Code. The Plan is subject to review and comment by the Committee.

In compliance with these statutory requirements, the State Authority has submitted its proposed State Ceiling Allocation Plan for Calendar Year 2025, which among other things:

- Assigns percentages to private activity bond purposes permitted by the Internal Revenue Code, subject to certain limitations;
- Provides for periodic allocations equally divided among the periods during the year in which allocations are to be made;
- Establishes competitive criteria, including a scoring and ranking process among requests, to achieve highest value and greatest public benefit;
- Provides for allocation of the private activity bond limit for all issuing authorities in response to authorized requests; and
- Provides for limitations on amounts assigned to authorized requests.

The State Authority seeks review of and comment by the Committee on the Plan for 2025, which will apply to allocations of state ceiling beginning January 1, 2025. The Plan has received comprehensive review and comment from Authority and Committee staff, the South Carolina State Housing Finance and Development Authority, and the South Carolina Department of Commerce; and has been distributed to members of the State Authority and their respective staffs. The State Authority is expected to consider adoption of the Plan for 2025 at its meeting scheduled on August 27, 2024.

COMMITTEE ACTION:

Review and comment on the proposed State Ceiling Allocation Plan for Calendar Year 2025.

ATTACHMENTS:

1. Letter dated August 7, 2024, of Mr. Grant Gillespie, Executive Director, South Carolina State Fiscal Accountability Authority.
2. 2025 South Carolina State Ceiling Allocation Plan.

HENRY MCMASTER, CHAIR
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

BRIAN J. GAINES
COMPTROLLER GENERAL



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CHAIRMAN, SENATE FINANCE COMMITTEE

BRUCE W. BANNISTER
CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE

August 7, 2024

F. Richard Harmon, Jr.
Director of Research
Joint Bond Review Committee
312 Gressette Building
Columbia, SC 29201

RE: South Carolina State Ceiling Allocation Plan – 2025

Dear Mr. Harmon:

Section 1-11-520(A) of the SC Code of Laws requires that the State Fiscal Accountability Authority publish a State Ceiling Allocation Plan, subject to review and comment by the Joint Bond Review Committee. In compliance with this statutory requirement, and after consultation with Authority members I have enclosed a proposed 2025 State Ceiling Allocation Plan for the Committee's review and comment. Please submit this to the Committee for its consideration at its meeting scheduled for August 20, 2024.

Should you have any questions or concerns do not hesitate to contact me.

Sincerely,

Grant Gillespie

Cc: State Fiscal Accountability Authority Members (via email only)
Delbert Singleton (via email only)
Keith McCook (via email only)

2025 South Carolina State Ceiling Allocation Plan

SECTION A. CONVENTIONS, DEFINITIONS AND EXHIBITS

Authorized Request includes any request submitted pursuant to §1-11-530(A) or (B) and any request for Issuance Approval as defined below using prior year carryforward.

Issuance approval means approval by the State Authority for the issuance by State Housing of private activity bonds for a multi-family housing project, as required by Section 31-13-90.

Plan Year refers to the year to which this plan applies, which is noted in the header on each page.

Commerce means the South Carolina Department of Commerce.

Committee means the Joint Bond Review Committee.

JEDA means the Jobs-Economic Development Authority.

Secretary means the Secretary of the State Fiscal Accountability Authority.

State Authority means the State Fiscal Accountability Authority.

State Housing means the State Housing Finance Development Authority.

Exhibit	Subject
A	Competitive Criteria for Industrial and Economic Development Projects, and Projects Proposed for Other Qualified Purposes
B	Competitive Criteria for Multi-family Housing Projects
C	Evaluation and Ranking Report Format for Multi-family Housing Projects

SECTION B. AUTHORITY AND ADOPTION

The State Authority approved this plan at its meeting of August 27, 2024. Unless the State Authority provides otherwise herein, the Plan is effective upon adoption.

The Committee favorably reviewed this plan at its meeting of August 20, 2024.

Section 1-11-520(A) requires the annual publication of a State Ceiling Allocation Plan no later than September thirtieth of the year preceding the Plan Year. The State Authority intends to adopt each year's plan at its last regularly scheduled meeting prior to September thirtieth.

2025 South Carolina State Ceiling Allocation Plan

SECTION C. PLAN UPDATES AND AMENDMENTS; PLAN PUBLICATION

Administrative Updates

The Plan may be updated administratively as provided herein. An administrative update authorized by this plan is deemed not to constitute an amendment to the Plan.

By the second Monday in January, the Secretary shall publish an administrative update of the plan that (a) updates Section D to state the actual certified amount of state ceiling for the Plan Year, (b) updates Section D to recalculate the limits on authorized requests using the total state ceiling for the Plan Year, (c) updates Section E to state the then-current amounts identified in that Section (d) adds to Section E the amount of any carryforward designated in the prior calendar year pursuant to Section 1-11-520(G), and (e) using the Category Percentages previously approved, recalculates the dollar amounts in Section G based on the actual certified amount of state ceiling for the Plan year.

At the State Authority's first regularly scheduled meeting for the Plan Year, the Secretary will submit a summary of the updates to the State Authority as an informational agenda item.

Plan Amendments

The Plan may be amended as allowed by Title 1, Chapter 11. Section 1-11-520 expressly contemplates amendments to the annual allocation plan upon a finding of exceptional and compelling circumstances by the State Authority. Amendments are subject to review and comment by the Committee. See Section H.

Publication of the Plan

Section 1-11-520(A) requires the State Authority to publish the plan. Once approved, the Secretary is directed to publish the approved plan, as well as any amendment or update, by posting it to the State Authority's website. The initial plan and every update or amendment shall remain on the State Authority's website until the end of the Plan Year.

All updates or amendments shall be sequentially numbered. With each update or amendment, the header shall be revised to include the number and date of the update or amendment, as applicable.

SECTION D. DETERMINATION OF STATE CEILING AND LIMITS ON STATE CEILING FOR AUTHORIZED REQUESTS

The total state ceiling on the issuance of private activity bonds for the current Plan Year is \$671,694,375, as certified by the Secretary pursuant to Section 1-11-500.

2025 South Carolina State Ceiling Allocation Plan

Unless authorized pursuant to Section 1-11-520(D), the amount of state ceiling that may be allocated to an authorized request may not exceed 10% of the total state ceiling (\$67,169,437.50) in the case of an industrial or economic development project, or 5% (\$33,584,718.75) for any other authorized request.

The total state ceiling for the Plan Year will not be known until the January following the plan's adoption; accordingly, for purposes of the plan's publication, the State Authority will use the state ceiling for the year in which the plan is published. As reflected above, the limits on authorized requests are calculated against the total state ceiling for the year preceding this Plan Year. As reflected in Section E below, the plan will also use an estimate of the carryforward the Secretary anticipates will be unused and available for the Plan Year. These and other tentative amounts will be updated pursuant to Section C.

SECTION E. DETERMINATION OF AMOUNTS SUBJECT TO THIS ALLOCATION PLAN

In addition to the amount determined pursuant to Section 1-11-500, certain amounts available from carryforward from prior years and other adjustments are subject to the provisions of this Allocation Plan, as follows:

Amount determined pursuant to Section 1-11-500	\$671,694,375
Plus amounts expired, relinquished, revoked, or otherwise not utilized for issuance	\$0
Plus amounts carried forward from prior calendar years that remain unused:	
Allocated to Multi-Family Housing (2022; expires 2025)	\$200,977,550
Allocated to Multi-Family Housing (2023; expires 2026)	\$175,507,079
<hr/> Total	<hr/> \$1,048,179,004 ¹

SECTION F. ALLOCATION PERIODS & DATES FOR ALLOCATIONS TO AUTHORIZED REQUESTS

Pursuant to Section 1-11-520(B), the State Authority hereby provides for two allocation periods and hereby designates February 1 and August 1 as the beginning of each period. On those dates, 50% of the state ceiling assigned to each category is made available for subsequent allocation to authorized requests.

Authorized requests for an allocation of state ceiling, as well as requests for issuance approval for projects using carryforward from prior years will be considered on one or more dates on or

¹ The State Authority allocated and designated as carryforward \$375,507,079 of the 2023 state ceiling to State Housing on December 31, 2023. Of that amount, State Housing elected to apply \$175,507,079 to its multi-family housing program and \$200,000,000 to its single-family program.

2025 South Carolina State Ceiling Allocation Plan

after the beginning of each allocation period, as established and announced by the Executive Director of the State Authority. Notwithstanding the foregoing, all authorized requests for the same permitted purpose during a single allocation period must be made at only one meeting during that period.

SECTION G. CATEGORIES OF PERMITTED PURPOSES; PERCENTAGE ASSIGNMENTS TO CATEGORIES

In accordance with Section 1-11-520(A), the State Authority adopts the following categories of permitted purposes and assigns percentages of the current-year state ceiling to those categories.

Categories of Permitted Purposes ²	Category Percentage	Category Amount	Amount Available for Allocation on or after February 1 of the Plan Year	Amount Available for Allocation on or after August 1 of the Plan Year
Industrial and Economic Development ³	40%	\$268,677,750	\$134,338,875	\$134,338,875
Multi-Family Housing ⁴	0%	\$0.00	\$0.00	\$0.00
Single-Family Housing ⁵	20%	\$134,338,875	\$67,169,437.50	\$67,169,437.50
Other Qualified Purposes ⁶	40%	\$268,677,750	\$134,338,875	\$134,338,875
Totals	100%	\$671,694,375	\$335,847,187.50	\$335,847,187.50

The above amounts are subject to revisions pursuant to the update required by Section C.

As noted in Section E, there is carryforward available for Multi-Family Housing that will expire during the plan year unless otherwise utilized. Accordingly, no assignment of state ceiling is contemplated for Multi-Family Housing until the available carryforward is exhausted.

Any unused state ceiling from the first period shall automatically carry over to the same category for the second period unless reassigned by State Authority pursuant to 1-11-520(C).

If an authorized request submitted to the Secretary cannot be approved pursuant to the then-current plan even with a reassignment pursuant to Section 1-11-520(C), the Secretary is authorized not to place the request on the State Authority's agenda. In such an event, Secretary

² Generally, see IRS Publication 4078 (Rev. 9-2019) for a complete list of permitted purposes prescribed by the IRC.

³ Facilities for the furnishing of water; sewage facilities; privately owned solid waste disposal facilities; facilities for the local furnishing of electric energy or gas; local district heating or cooling; qualified hazardous waste facilities; qualified enterprise zone facilities; qualified small issue bonds.

⁴ Qualified residential rental projects.

⁵ Qualified mortgage bonds.

⁶ Mass commuting facilities; privately owned high-speed intercity rail facilities; qualified redevelopment bond; and qualified student loan bonds.

2025 South Carolina State Ceiling Allocation Plan

will notify the State Authority's members as soon as practicable prior to the scheduled meeting date.

SECTION H. PLAN AMENDMENTS

Any change to the amount of state ceiling allocated to a category that cannot be accomplished by a reassignment pursuant to Section 1-11-520(C) can only be effected by an amendment to the annual allocation plan in accordance with Section 1-11-520(B) following review and comment by the Joint Bond Review Committee.

SECTION I. EVALUATION AND RANKING BY STATE HOUSING AND COMMERCE

Pursuant to Section 1-11-520(E), the State Authority hereby directs that State Housing perform the periodic evaluation and ranking of all multi-family housing projects involving either an authorized request for state ceiling or a request for issuance approval of bonds using carryforward. In performing this evaluation and ranking, State Housing will use the competitive criteria adopted in this plan and provide a report as described in **Exhibit C**.

Pursuant to Section 1-11-520(E), the State Authority hereby directs that the South Carolina Department of Commerce perform the periodic evaluation and ranking of any non-housing project involving an authorized request for state ceiling. In performing this evaluation and ranking, Commerce will use the competitive criteria adopted in this plan and provide a report as described herein.

SECTION J. SUBMISSION FOR 2025 RANKING

No request for an allocation of state ceiling will be considered by the State Authority until the project associated with the request has been evaluated and ranked by either State Housing or Commerce, as applicable.

No request for issuance approval for a multi-family housing project using carryforward allocated to State Housing in prior years will be considered by the State Authority until the project has been evaluated and ranked by State Housing. Reference Section E.

Timely submissions are essential for applicants seeking an allocation of state ceiling or approval to issue multi-family housing bonds. Any delay can undermine the ability of the State Authority to timely adopt any plan amendment necessary to modify the category assignments. Reference Section H.

Industrial and Economic Development

Any Industrial or Economic Development project making an authorized request during an allocation period must submit all necessary information to Commerce by any due date established by Commerce for the applicable allocation period. Once the State Authority adopts

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a schedule for its regular meetings in the Plan Year, Commerce should announce all applicable due dates for each allocation period.

Not later than the published bond due date for the applicable State Authority meeting, Commerce must provide the State Authority with its allocation recommendations and its evaluation and ranking for any non-housing project seeking an allocation of state ceiling, provided the request was timely received by Commerce.

As noted in Item 6 of Section P below, Commerce must provide the State Authority with written confirmation of the Coordinating Council's allocation recommendations no later than the published bond due date for the applicable State Authority meeting.

Multi-Family Housing

All multi-family housing projects making an authorized request during an allocation period must submit all necessary information to State Housing by the due date established by State Housing for the applicable allocation period. Once the State Authority adopts a schedule for its regular meetings in the Plan Year, State Housing should announce all applicable due dates for each allocation period.

Not later than the published bond due date for the applicable State Authority meeting, State Housing must provide the State Authority with a report of its evaluation and ranking of all projects requesting an allocation of state ceiling and all projects requesting issuance approval for a multi-family housing project using carryforward allocated to State Housing in prior years. State Housing's report must also include its evaluation and ranking of all pending state tax credit applications. The report must include all the information identified in **Exhibit C**.

As noted in Item 7 of Section P below, State Housing must provide the State Authority with written confirmation of its Board's allocation recommendations for State Housing projects no later than the published bond due date for the applicable State Authority meeting.

SECTION K. REQUIRED REPORTS

No later than September 30th each year, the State Authority must adopt a plan for the next calendar year. In order to develop that plan, the State Authority needs reliable information before it begins drafting. To gather that information, the State Authority requests the following reports be submitted by August 1st of each year.

The State Authority acknowledges that specific project details may not be known in all cases for the coming plan year; accordingly, specificity is expected to the extent known, accompanied by reasonable estimates of anticipated requests.

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These reports will also inform any decisions to reassign state ceiling pursuant to section 1-11-520(C), to reallocate by amending the plan pursuant to section 1-11-520(B), or to reserve current-year state ceiling for year-end designation as carryforward.

Industrial and Economic Development Bonds

Commerce and JEDA, in consultation with the South Carolina Coordinating Council for Economic Development (Coordinating Council), must provide a coordinated report for proposed industrial and economic development projects to the State Authority identifying all known requests for state ceiling for the year following the plan year. The response must include the project name,⁷ amount of the state ceiling request, year of allocation, and tentative recommendation of Commerce in accordance with the competitive criteria described below.

Separate from its report, Commerce must submit proposed deadlines for the year following the plan year by which those seeking state ceiling for Industrial and Economic Development projects or projects proposed for other qualified purposes must submit their proposals to Commerce in order for Commerce to provide the State Authority with its final ranking and recommendations no later than the bond submission deadline for the meetings at which state ceiling allocation requests will be considered for the applicable allocation period. Commerce must submit proposed deadlines on the 10th business day following the Authority's adoption of a meeting schedule for the Plan Year.

Commerce may also submit a request for the State Authority to assign up to 40 percent of state ceiling for Industrial and Economic Development, less any allocation requested for known projects, to accommodate future but presently unidentifiable requests; provided, however, that once known, each such request shall identify the project, amount of the allocation request, year of allocation, and include a recommendation of Commerce in accordance with the competitive criteria.

Multi-Family and Single-Family Housing Bonds

State Housing must provide a report for proposed single-family and multi-family housing projects to the State Authority identifying all pending and expected authorized requests for the year following the plan year. The response must include the project name, amount of the state ceiling request, amount of state tax credit (if any), and year of allocation.

The report must also include recommendations for the amount of carryforward from prior years needed for State Housing to continue each of its programs in the year following the plan year.

With its report, Housing must submit proposed deadlines for the year following the plan year by which those seeking state ceiling for multi-family housing projects must submit their

⁷ Or other identifying information in the event the name of the project is not yet public.

2025 South Carolina State Ceiling Allocation Plan

proposals to Housing in order for Housing to provide the State Authority with its final ranking and recommendation no later than the bond submission deadline for the meetings at which state ceiling allocation requests will be considered for the applicable allocation period.

State Housing must provide the Secretary with a year-end account of any unused remaining carryforward from prior years no later than first business day of January each year.

SECTION L. COMPETITIVE CRITERIA - GENERALLY

Section 1-11-520(E) requires that the allocation plan establish competitive criteria for allocation of state ceiling to authorized requests, and further provides that competitive criteria may be unique to each category but must be uniform within each category and established to achieve highest value and greatest public benefit.

For purposes of this Allocation Plan, determinations of highest value and greatest public benefit will be made on the basis of the relationship of the state resources requested to the measurable benefit of the proposed project.

SECTION M. COMPETITIVE CRITERIA FOR INDUSTRIAL AND ECONOMIC DEVELOPMENT ALLOCATION AND ALLOCATION TO OTHER PERMITTED PURPOSES

Commerce must provide each year to the State Authority for inclusion in the annual State Ceiling Allocation Plan its recommendations for determining highest value and greatest public benefit for allocation of state ceiling to industrial and economic development projects, and projects proposed for other qualified purposes.

Determinations of highest value and greatest public benefit must include at a minimum and without limitation such measures as the number of new permanent jobs⁸ that will be created by the project; the capital investment of the project sponsor independent of state incentives and resources; and a cost benefit analysis generally reflecting a positive financial benefit to the state. The Coordinating Council must submit its proposed recommendations for the year following the plan year to the State Authority no later than August 1 of the plan year. Commerce will use these measures to evaluate any ceiling allocation requests for Industrial and Economic Development projects and projects proposed for other qualified purposes, and such evaluations shall be presented to the Coordinating Council for approval at a public meeting.

For projects seeking state discretionary incentives such as job development credits and/or state grant funding, a definitive agreement with the Coordinating Council must have been finalized prior to consideration by the State Authority. Such agreements with the Coordinating Council may include a preliminary revitalization, grant performance or other incentive agreement

⁸ Generally, maintenance of existing jobs will not meet this criterion.

2025 South Carolina State Ceiling Allocation Plan

provided that it contains minimum new permanent job and investment commitments by the entity seeking an allocation.

For projects that are not seeking state discretionary incentives, such information as is requested and determined by Commerce to be sufficient for Commerce to evaluate the feasibility and competitiveness of the proposal must be submitted to Commerce prior to consideration by the State Authority.

If multiple projects will be submitted for consideration by the State Authority within a single allocation period, Commerce must rank those projects from highest to lowest value and public benefit as determined by provisions of this section.

In addition to the foregoing, Commerce must, after the project has been fully vetted and all due diligence conducted, provide a definitive recommendation for the amount of state ceiling proposed to be allocated to the project, following an affirmative vote of the Coordinating Council in a public meeting.

For the current year, the competitive criteria for Industrial and Economic Development projects recommended by Commerce are adopted by the State Authority, attached as **Exhibit A**, and incorporated into this Plan by reference.

SECTION N. COMPETITIVE CRITERIA FOR MULTI-FAMILY HOUSING ALLOCATION

State Housing must provide each year to the State Authority for inclusion in the State Ceiling Allocation Plan its recommendations for determining highest value and greatest public benefit for allocation of state ceiling to multi-family housing projects.

Determinations of highest value and greatest public benefit must reflect the relationship of the state resources proposed for the project to the affordable housing benefits the project will achieve. Total state resources must include without limitation the amount of state ceiling, any applicable state tax credits, and any other state resources and incentives as are germane and applicable to the project. Affordable housing benefits must include without limitation such facility characteristics as the heated residential square footage, number of bedrooms, and number of tenants the project is designed to serve. A determination of highest value must include a comparison of the state resources to the project's total cost.

State Housing may coordinate these determinations with the applicable Qualified Allocation Plan and any other threshold requirements, policies, or procedures as are consistent with this section.

If multiple multi-family project submissions (for ceiling allocation and/or issuance approval for use of carryforward) will be considered by the State Authority within a single allocation period, State Housing must rank those projects from highest to lowest value and public benefit, as determined by the provisions of this section and Exhibit B.

2025 South Carolina State Ceiling Allocation Plan

These criteria will be applied uniformly to all multi-family housing projects whether seeking current year ceiling allocation or issuance approval using carryforward. State Housing must submit its proposed recommendations for the coming year to the State Authority no later than August 1 of the plan year.

In addition to the foregoing, State Housing must, after the projects are fully vetted and all due diligence conducted, provide a definitive recommendation for the amount of state ceiling proposed to be allocated to any State Housing project, following an affirmative vote of its governing board in a public meeting.

For the current year, the competitive criteria for Multi-family Housing projects recommended by State Housing are adopted by the State Authority, attached as **Exhibit B**, and incorporated into this Plan by reference.

SECTION O. COMPETITIVE CRITERIA FOR SINGLE-FAMILY HOUSING ALLOCATION

Multiple competing requests during a single allocation period are not expected for submissions in this category. Accordingly, the State Authority has determined that the highest value and greatest public benefit are most appropriately determined at the programmatic level, rather than by allocations to specific requests.

SECTION P. SUBMISSION REQUIREMENTS FOR AUTHORIZED REQUESTS

All submissions for allocation of state ceiling must be complete at the time of submission. The Secretary is authorized not to place any incomplete submission on the agenda. The request must be in accordance with the statutory provisions of Section 1-11-530. In addition to the foregoing, all requests for allocation of state ceiling must meet all of the following requirements, as applicable:

1. If the applicable private activity bonds require approval of the State Authority, the request for allocation of state ceiling must include a contemporaneous request for approval to issue the associated bonds. A request for an allocation of state ceiling associated with a contemporaneous request for issuance approval is not complete unless it includes all items required by the State Authority for the issuance approval request.
2. If the applicable private activity bonds require the approval of an entity other than the State Authority, the issuer, or a state constitutional officer, a certified statement from the other approving entity must be submitted with the allocation request. For example, an issuance of bonds by JEDA must be approved by the Coordinating Council (§ 41-43-110(A)).
3. If a request for allocation of state ceiling regards private activity bonds for a multi-family housing project, either (i) the petition making the request must be accompanied by both a preliminary determination of the project's eligibility for the South Carolina housing tax credit (§12-6-3795(B)(5)(d)) and all comments provided by a county and city pursuant to Section 12-6-

2025 South Carolina State Ceiling Allocation Plan

3795(C)(3)); or (ii) the petition making the request must include an irrevocable waiver of any claim for a state tax credit pursuant to Section 12-6-3795, accompanied by proof that the petition has been filed with State Housing.

4. If a request for issuance approval regards private activity bonds for a multi-family housing project, and is using carryforward allocated to State Housing in prior years, either the (i) the petition making the request must be accompanied by both a preliminary determination of the project's eligibility for the South Carolina housing tax credit (§12-6-3795(B)(5)(d)) and all comments provided by a county and city pursuant to Section 12-6-3795(C)(3)); or (ii) the petition making the request must include an irrevocable waiver of any claim for a state tax credit pursuant to Section 12-6-3795, accompanied by proof that the petition has been filed with State Housing.

5. If an authorized request regards a multi-family housing project, the request must undergo a feasibility and underwriting review by State Housing; accordingly, the request must be accompanied by a Certificate of Allocating Agency (42(m) Letter). This requirement applies even if the project includes an irrevocable waiver of any claim for state tax credits pursuant to Section 12-6-3795.

6. The petition submitted for each authorized request must include an acknowledgement that any amount of allocation subsequently requested will constitute a new authorized request and a representation that "the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project." Reference Section 1-11-530(C).

7. In the case of a proposed industrial or economic development project using state ceiling from either the Industrial and Economic Development or Other Qualified Purposes categories, the authorized request must be accompanied by a letter signed by an executive officer of the project sponsor establishing the project scope and expenditure schedule for proceeds of bonds to which the ceiling allocation applies.

8. In the case of a proposed industrial or economic development project using state ceiling from either the Industrial and Economic Development or Other Qualified Purposes categories, the project must appear on the list of projects ranked by the Coordinating Council for Economic Development and must have received a definitive recommendation from the Coordinating Council for the amount of state ceiling proposed to be allocated to the project.

9. In the case of a proposed project using state ceiling from the Multi-family Housing category or prior year carryforward previously allocated to State Housing for multi-family housing projects, the project must appear on a single consolidated list of projects ranked by State Housing and must have received a definitive recommendation from State Housing for the amount of state ceiling proposed to be allocated to the project.

2025 South Carolina State Ceiling Allocation Plan

10. A request to take any of the following actions must be accompanied by a letter signed by an executive officer of the project sponsor providing a thorough explanation of the compelling circumstances leading to the request and a justification for why those circumstances were not successfully avoided: A request (a) to reinstate or extend the validity of previously allocated state ceiling, (b) to allocate state ceiling to a project if previously allocated state ceiling was allowed to expire, or (c) to allocate additional state ceiling to a project. In addition, a request to allocate additional state ceiling to a project must be accompanied by supporting financial analysis demonstrating the further amount necessary to accomplish financial feasibility of the project. A responsible officer of the project sponsor is expected to attend the applicable State Authority meeting.

11. A request (a) to approve single-project allocations for carry-forward election, or (b) to approve carryforward elections prior to the fourth quarter of the calendar year to which the state ceiling applies must be accompanied by a letter signed by an executive officer of the project sponsor that provides a compelling justification for such action and a thorough explanation of why it is in the best interest of the state to approve the request. As noted below, such requests are considered extraordinary and will receive a heightened level of review. A responsible officer of the project sponsor is expected to attend the applicable State Authority meeting.

12. In the case of an industrial or economic development project, an authorized request seeking more than ten percent of the total state ceiling for the Plan Year must be accompanied by a thorough and compelling statement of facts justifying such an extraordinary allocation of state ceiling to a single project and sufficient to support the finding required by Section 1-11-520(D). The petition must be accompanied by a statement of position by the Coordinating Council regarding the relative size of the request.

13. In the case of a project for any purpose other than for industrial or economic development, an authorized request seeking more than five percent of the total state ceiling for the Plan Year must be accompanied by a thorough and compelling statement of facts justifying such an extraordinary allocation of state ceiling to a single project and sufficient to support the finding required by Section 1-11-520(D).

14. If any part of the submission is subject to review, comment or other action of the Joint Bond Review Committee, the item must be submitted to the committee prior to consideration of the submission by the State Authority.

If a request does not meet each and every published requirement by the submission deadline for the applicable State Authority meeting, the State Authority's Secretary is authorized not to place the item on the State Authority's agenda.

The State Authority reserves its discretion to amend and supplement these procedures as circumstances dictate.

2025 South Carolina State Ceiling Allocation Plan

The State Authority and its members reserve the right to require additional information for any particular item.

SECTION Q. EXTENSIONS AND CARRYFORWARDS

Section 1-11-530(C) provides that each authorized request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project. In addition to the foregoing, the State Authority must be reasonably assured that any allocation of state resources will be utilized prior to expiration. Accordingly, the State Authority will undertake a heightened level of review and exercise conservative discretion in addressing any request to (1) reinstate or extend the validity of previously allocated state ceiling, (2) allocate state ceiling to a project if previously allocated state ceiling was allowed to expire, (3) allocate additional state ceiling to a project, (4) approve single-project allocations for carry-forward election, (5) or approve carryforward elections prior to the fourth quarter of the calendar year to which the state ceiling applies.

SECTION R. BACKGROUND

On August 30, 2022, the State Fiscal Accountability Authority adopted the inaugural South Carolina State Ceiling Allocation Plan pursuant to Act 202 of 2022. Section A of the 2022 State Ceiling Allocation Plan provided the background and purpose of the plan. The background and purpose of the inaugural plan and Act 202 of 2022 has not changed and need not be repeated on an annual basis. However, the Background and Purpose as written in the 2022 State Ceiling Allocation Plan remains relevant and is incorporated by reference for the 2023 South Carolina State Ceiling Allocation Plan.

EXHIBIT A

2025 COMPETITIVE CRITERIA FOR ECONOMIC DEVELOPMENT AND OTHER PROJECTS

SUMMARY OF PROCEDURES FOR EVALUATING REQUESTS FOR STATE CEILING ALLOCATIONS

The following briefly summarizes the procedures applicable to the methodology employed by the South Carolina Department of Commerce (the “Department”) in evaluating industrial and economic development projects that are requesting an allocation of the state private activity bond limit by the State Fiscal Accountability Authority (SFAA).

Background

The Department was designated by the South Carolina General Assembly to assist SFAA in determining the allocation of the state private activity bond limit for industrial and economic development projects. As required by Act 202 of 2022 and the South Carolina State Ceiling Allocation Plan, Commerce has established competitive criteria to evaluate industrial and economic development projects. These criteria are designed to achieve highest value and greatest public benefit.

Review Procedures and Scoring

During the review process, Department staff will evaluate the following factors for each industrial and economic development project requesting allocation of the state ceiling and will give scores weighted in the ranges set forth on the attached Scoring Criteria for Bond Applicants and as discussed below.

1. **Tier ranking of the county in which the project will be located as determined by the South Carolina Department of Revenue for the year in which allocation is sought.**
Projects in the most rural counties will be given higher scores to encourage development in those counties. The rural counties are most in need of industrial development to sustain and improve those counties.
2. **Type of Project.**
Projects that improve public infrastructure will score higher than projects that only benefit the public through job creation and investment. Manufacturing projects will score higher than non-manufacturing projects because they attract suppliers that generate further new job creation and investment to South Carolina.
3. **Number of existing jobs to be maintained at the project.**
The larger the current employment, the higher the score because larger companies have the greatest impact on the economy of the local region and the state as a whole.
4. **Number of net new jobs to be created at the project.**
The more jobs being created, the greater the impact on the economy of the local region and the state as a whole by providing more employment for residents and resulting in increased income to the state.
5. **Average salary of the new jobs to be created at the project.**
Jobs with higher wages will increase income to the state, and jobs with wages above the per capita income of the county have a greater impact on the economic well-being of that county.
6. **Existing investment of the entity.**
The greater the existing investment the more property taxes that will be received to benefit the economy of the local region and the state as a whole.
7. **New investment to be made at the project.**
Similarly, the greater the new investment, the more property taxes that will be received and will benefit the county and local school districts.

8. **Financing available to support the project.**

This category is the most subjective, but a vital consideration. A project's ability to support the project financially is essential to success.

9. **Cost Benefit**

The South Carolina Coordinating Council for Economic Development (the "Coordinating Council") will perform a cost benefit analysis on each project. Absent extenuating circumstances, a project that does not have a positive financial benefit to the state will not be recommended for state ceiling allocation; provided, however, projects locating in Tier 3 and 4 counties will not be excluded from consideration because of a negative return on investment resulting from the estimated value of job tax credits. While the cost benefit analysis assumes all job tax credits earned and accrued are used, as a practical matter, companies rarely have sufficient income tax liability to use the maximum value of the credits. This is particularly true in the most rural counties because of the extremely high value of the job tax credits under state law.

After consideration of each factor and allocation of appropriate scores, the Department will then calculate the final score using the following formula:

$$((\text{County Designation} \times (\text{New Jobs} + \text{New Investment})) + \text{Type of Project} + \text{Existing jobs} + \text{Existing Investment} + \text{Average Salary} + \text{Financing} + \text{Cost Benefit})$$

Scoring Criteria for Bond Applicants			
<u>County Designation</u>			
Tier 4			3
Tier 3			2
Tier 2			1
Tier 1			1
<u>Type of Project</u>			
Public Infrastructure			4
Manufacturing			2
Other Business			0
<u>Existing Jobs</u>			
> 500			2
100-500			1
0-100			0
<u>New Jobs</u>			
>300			5
150-300			4
50-149			3
25-49			2
<25			1
<u>Existing Investment</u>			
>\$300,000,000			3
\$100,000,000- \$300,000,000			2
\$70,000,000-\$100,000,000			1
<\$70,000,000			0
<u>New Investment</u>			
>\$20,000,000			4
\$10,000,000-\$20,000,000			3
\$5,000,000-\$10,000,000			2
<\$5,000,000			1
<u>Avg. Salary</u>			
>150% of per capita income			2
100% of per capita income			1
<100%			0
<u>Financing</u>			
Financing in place			5
Financing not sufficient to sustain project			0
<u>Cost Benefit</u>			
Positive State Benefit > \$10 million			4
Estimate positive state benefit < \$9.9 Million			2
Negative			-30

EXHIBIT B

2025 COMPETITIVE CRITERIA FOR MULTI-FAMILY HOUSING PROJECTS



South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: 803.896.9001 TTY: 803.896.8831

SCHousing.com

C. Todd Latiff
Chairman

Richard A. Hutto
Executive Director

August 1, 2024

Delbert H. Singleton, Jr., Secretary
State Fiscal Accountability Authority
Wade Hampton Building
1200 Senate Street, Ste 600
Columbia, SC 29201

Re: 2025 Proposed State Ceiling Criteria

Dear Secretary Singleton:

Please be aware that the Proposed State Ceiling Criteria for 2025 will remain the same as the Proposed State Ceiling Criteria last year.

I would greatly appreciate if this matter could be placed before the State Fiscal Accountability Authority for consideration in conjunction with the State Ceiling Allocation Plan.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Hutto".

Richard Hutto, CPA
Executive Director



South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: 803.896.9001 TTY: 803.896.8831

SCHousing.com

C. Todd Latiff
Chairman

Richard A. Hutto
Executive Director

Proposed State Ceiling Criteria

For those projects seeking an allocation of state ceiling or carryforward for a multifamily project intending to utilize 4% federal low-income housing tax credits, SC Housing will require certain threshold criteria as detailed in the applicable Qualified Allocation Plan (QAP) which is the controlling document related to the allocation of the credit. This threshold criteria includes items such as financial feasibility, minimum applicant experience, site control, financial capacity of the applicant, and readiness to proceed (i.e., without limitation, establishment of the bond working group, existence of letters of interest or letters of intent from lenders, syndicators, and other parties). Additionally, SC Housing will require projects to meet the requirements outlined in SC Housing's Multifamily Tax-Exempt Bond Finance Program manual.

Projects meeting the threshold criteria described above will be ranked for state ceiling utilizing the following criteria that evidence the highest value and greatest public benefit as required by Act 202 of 2022 and the State Ceiling Allocation Plan. Section O of the State Ceiling Allocation Plan requires, at a minimum, certain measures to be included. The following criteria meet the requirements of the State Ceiling Allocation Plan:

- State resources per heated residential square foot
 - This criterion will rank projects from lowest to highest, based on a calculation of state resources (bond ceiling and state tax credit) per heated residential square foot (i.e., excluding common areas), to demonstrate the most efficient use of state resources for the portion of total project costs applicable to actual tenant housing.
- State resources per bedroom
 - This criterion will rank projects from lowest to highest, based on a calculation of state resources per bedroom, to demonstrate the most efficient use of state resources for the number of families the project will house.
- State resources per dollar of total project costs
 - This criterion will rank projects from lowest to highest, based on a calculation of state resources to total project costs to demonstrate the most efficient investment of state resources in the project overall.
- State resources per potential tenant
 - This criterion will rank projects from lowest to highest, based on a calculation of state resources per potential tenant to demonstrate the most efficient use of state resources for the number of potential residents the project will house.

A 30% adjustment to state resources will be made as a ranking consideration for projects located in USDA-designated rural areas. A 10% adjustment to state resources will be made for new construction units, as a ranking consideration for projects providing an overall increase in affordable housing. These adjustments apply for the sole purpose of establishing project rankings.

[illegible]

Exhibit C - Evaluation and Ranking Report Format for Multi-family Housing Projects

1	Project Name
2	Location (Municipality)
3	Issuer
4	Attorney
5	State Tax Credits (1 year)
6	State Tax Credits (10 years)
7	State Tax Credit Letter Date
8	Current Year-Ceiling Allocation Request Amount
9	Ceiling Allocation Date
10	Carryforward granted by SFAA or SC Housing
11	Amount of Carryforward requested from SHFDA
12	Balance of Carryforward held by SHFDA
13	Annual State Tax Credit needed
14	Balance of Annual State Tax Credits Allocated to 4% projects

AGENCY: South Carolina Office of Resilience

SUBJECT: Proposed Transfer from Disaster Relief and Resilience Trust Fund

Proviso 118.19(B)(61) of the Fiscal Year 2023-24 Appropriations Act made provision for an appropriation of \$200,000,000 to the Disaster Relief and Resilience Reserve Fund established within the South Carolina Office of Resilience.

By letter dated August 5, 2024, the South Carolina Office of Resilience requests review of its proposal to transfer a total of \$27,400,000 from the Reserve Fund to the South Carolina Conservation Bank to facilitate acquisition of three parcels of real property, summarized as follows.

<u>Project</u>	<u>County</u>	<u>Current Owner</u>	<u>Resilience Funding Request</u>	<u>Total State Investment</u>	<u>Appraised Value</u>
Snows Island	Florence	HTFF TRS, Inc. ¹	\$ 14,400,000	\$ 14,400,000	\$ 14,400,000
Snows Island Addition	Florence	Open Space Institute	5,000,000	5,229,080	14,280,000
Waites-Becky	Horry	Becky Boyce	8,000,000	8,000,000	19,420,000
Total			\$ 27,400,000	\$ 27,629,080	\$ 48,100,000

Proviso 117.182 of the Fiscal Year 2023-24 Appropriations Act directs Resource Agencies, including the Office of Resilience, to coordinate and collaborate with the Conservation Bank to maximize the most cost-effective options with greatest public benefit in the acquisition of interests in land for natural resource protection and rural land preservation.

The Office of Resilience has represented, and the Conservation Bank has confirmed, coordination and collaboration on the proposed acquisition of these properties in accordance with the directives of the Proviso. The Conservation Bank has further confirmed that the subject properties have been identified as high priority acquisitions for the state's conservation efforts.

Following these proposed transfers, there will remain a balance of \$131,993,180 held in the Disaster Relief and Resilience Reserve Fund; and \$39,850,000 in funds transferred by the Office of Resilience to the Conservation Bank to fund grants subject to potential reimbursement, in whole or in part.

COMMITTEE ACTION:

Review and provide comment on the proposed transfer of \$27,400,000 from the Disaster Relief and Resilience Reserve Fund to the South Carolina Conservation Bank to facilitate the acquisitions of three parcels as described herein.

¹A Delaware corporation in good standing registered with the SC Secretary of State effective July 21, 2023, as amended on August 9, 2024. Corporation Service Company of West Columbia, SC is registered agent. Private Participant Disclosures were included with the submission.

ATTACHMENTS:

1. Letter dated August 5, 2024, of Mr. Benjamin I. Duncan, II, Chief Resilience Officer.



HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

5 August 2024

Via Email Only – rickharmon@scsenate.gov

Mr. F. Richard Harmon, Jr.
Director of Research
Joint Bond Review Committee
321 Gressette Building
Columbia, SC 20201

Re: South Carolina Office of Resilience request to transfer funds to South Carolina Conservation Bank (Update to 17 June 2024)

Dear Mr. Harmon:

The South Carolina Office of Resilience (SCOR) requests authority to expend a total of \$27,400,000 in funds on three separate projects coordinated with the SC Conservation Bank (SCCB) and other state resource agencies. The uncommitted balance in SCOR Resilience Acquisition Fund #4067001 is \$159,393,180. The project coordination complies with Proviso 117.171 of the FY24-25 Appropriations Act. Upon approval, funds from the FY23-24 one-time appropriation to SCOR will be utilized for these projects.

Each of these projects follow independent timelines and collaborative funding strategies, but they all accrue to the goal of permanently securing the natural and historic integrities in South Carolina’s lands or lands along South Carolina’s waterways. There are wetlands protection, flood reduction, clean water and/or other conservation co-benefits with these properties. The SCCB; SCOR; the Department of Natural Resources (DNR); and the Department of Parks, Recreation, and Tourism (SCPRT) have collaborated on this submittal for JBRC’s consideration in the interests of the state’s citizens.

We respectfully request approval for SCOR to transfer \$27,400,000 to SCCB for the following projects:

Project	County	SCOR Funding	Total SC Investment	Appraised Value	Current Owner
Snows Island	Florence	\$14,400,000	\$14,400,000 *	\$14,400,000	HTFF TRS, Inc.

South Carolina Office of Resilience
632 Rosewood Drive, Columbia, SC 29201

P: 803-896-4215
F: 803-771-2887
www.scor.sc.gov

Project	County	SCOR Funding	Total SC Investment	Appraised Value	Current Owner
Snows Island Addition	Florence	\$5,000,000	\$5,950,000 *	\$14,280,000	Open Space Institute
Waites- Becky	Horry	\$8,000,000	\$8,000,000 *	\$19,420,000	Becky Boyce

*Open Space Institute may apply to the SC Conservation Bank for additional funds should other funding sources not be realized.

We have attached SCCB coordination forms with the project summaries and other relevant information. The total project cost for each property is within or below appraised value.

If applicable, upon approval of the above requested SCOR funds transfers to SCCB, these acquisitions will follow Section 7: Real Property Acquisitions Policies and Guidance for the Establishment and Maintenance of Permanent Improvement Projects for State Agencies. Following the transfers, the balance remaining in the SCOR Resilience Acquisition Fund will be \$131,993,180.

On behalf of SCOR and Raleigh West of SCCB, we remain available to provide any further information or answer any questions you may have.

Sincerely,



Benjamin I. Duncan, II
Chief Resilience Officer

AGENCY: Joint Bond Review Committee

SUBJECT: Effects of Act 214 of 2024

On July 2, 2024, Governor McMaster signed into law Act 214 of 2024, which among other things amends the provisions of Chapter 47 of Title 2 (Joint Bond Review Committee) to refine the definitions of permanent improvement projects; exempt certain projects from the review of the Committee and approval by the State Fiscal Accountability Authority; delete the requirement of comment by the Commission on Higher Education on submissions of permanent improvements made by institutions of higher learning; clarify that gifts in kind are included in sources of funds for purposes of permanent improvements; increase the borrowing limitations imposed on athletic revenue bonds issued by certain institutions; increase the review threshold for certain leases; and repeal provisions relating to new construction at certain institutions.

The legislation has implications for the submission, review, and approval processes for permanent improvement projects subject to Committee review and Fiscal Accountability Authority approval, the full impact of which has not been determined.

Further guidance will be furnished prior to the next meeting of the Committee.

COMMITTEE ACTION:

Receive as information.

AGENCY: South Carolina Jobs Economic Development Authority

SUBJECT: Annual Report

Section 41-43-110(A) of the South Carolina Code of Laws requires that the South Carolina Jobs Economic Development Authority provide a report of its activities to the Joint Bond Review Committee. The report is due annually on July 31. The Authority has provided two reports pursuant to this requirement.

- 1) Bond Closing Report July 1, 2023 – June 30, 2024
- 2) Fiscal Year 2024 Coordinating Council for Economic Development Approvals - JEDA Bond Projects

The reports are provided as information to the Committee.

COMMITTEE ACTION:

Receive the reports submitted by the Jobs-Economic Development Authority as information.

ATTACHMENTS:

1. Bond Closing Report – July 1, 2023 - June 30, 2024.
2. Coordinating Council Enterprise Committee Approvals - Fiscal Year 2024.



South Carolina Jobs-Economic Development Authority Bond Closing Report
July 1, 2023 - June 30, 2024

Borrower	County	Final Bond		Date	Jobs		Existing	Details of Financing
		Amount	Closed		Created	Jobs		
AHP - Hawthorn Springs	Lexington	\$66,521,000	7/14/2023	6	0		New construction of affordable housing	
Kiawah Life Plan Village - Seafields	Charleston	\$216,700,000	7/27/2023	80	0		New contruction of Senior Living facility	
Virtus Academy	Florence	\$13,890,000	8/22/2023	13	72		New capital for expansion of existing educational facility	
Global Academy of South Carolina	Spartanburg	\$31,437,200	8/29/2023	50	3		New capital expenditure for educational facility	
AAC East LLC	Marlboro	\$9,000,000	9/7/2023	40	30		New capital for expansion of manufacturing facility	
AnMed Health	Anderson & Pickens	\$126,700,000	9/7/2023	100	3506		New capital expenditures for healthcare system	
Atlantic Collegiate Academy	Horry	\$21,270,000	9/29/2023	33	1		New capital expenditure for educational facility	
Riverwalk Academy	York	\$26,270,000	11/21/2023	15	92		Refinance and new new capital expenditures for educational facility	
Furman University	Greenville	\$69,410,000	5/8/2024	0	905		Renovation and capital improvements at educational facility	
Novant Health	Chas/Beau/Jasper	\$1,909,790,000	5/14/2024	0	1224		Acquisition costs of thee hospital systems and affiliated practices	
Wofford College	Spartanburg	\$30,385,000	5/30/2024	0	485		Refinance and new new capital expenditure for educational facility	
Total JEDA Bonds Issued FY Ending June 30, 2024		\$2,521,373,200						

PROJECT NAME	COUNTY	ASSOCIATED JOB #	INDUCEMENT AMOUNT	JEDA APPROVAL DATE	COORDINATING COUNCIL / ENTERPRISE COMMITTEE APPROVAL DATE
AAC East, LLC	Marlboro	70	\$10M	7/12/2023	7/13/2023
AnMed Health	Anderson & Pickens	3,606	\$130M	6/14/2023	7/13/2023
Berkeley Charter Education Assn- Willie Jeffries School of Excellence	Orangeburg	61	\$26M	6/14/2023	7/13/2023
Mountain View Preparatory	Spartanburg	60	\$30M	6/14/2023	7/13/2023
MycoWorks, Inc.	Union	360	\$90M	6/14/2023	7/13/2023
Beaufort Academy	Beaufort	80	\$45M	7/12/2023	8/3/2023
Global Academy of S.C.	Spartanburg	53	\$35M	7/12/2023	8/3/2023
Berkeley Charter Education Assn- Willie Jeffries School of Excellence	Orangeburg	51	\$35M	8/16/0223	9/7/2023
Patriot Services Group- Lakeside Place Aptmts	Greenville	12	\$70	8/16/2023	9/7/2023
Patriot Services Group Providence Park Aptmts	Richland	12	\$70M	8/16/2023	9/7/2023
Redwood Materials, East	Berkeley	100	\$190M	9/20/2023	9/21/2023
Riverwalk Academy	York	107	\$35M	10/19/2023	11/2/2023
Southern Collegiate Academy	Spartanburg	33	\$31M	10/19/2023	11/2/2023
Last Step Recycling	Chester	44	\$11M	11/15/2023	12/7/2023
Wofford College	Spartanburg	485	\$35M	2/21/2024	3/7/2024
Berkeley Charter Education Assn- Mevers School of Excellence & Berkeley Preparatory Academy	Berkeley	110	\$40M	3/22/2024	4/4/2024

Furman University	Greenville	905	\$90M	3/22/2024	4/4/2024
Novant Health	Beaufort, Berkeley, Charleston, Georgetown Hampton & Jasper	1,224	\$2.36BN	3/22/2024	4/4/2024
GMCK12, LLC dba Greer Preparatory Academy & Greer Middle College Charter HS	Greenville	82	\$39.8M	5/15/2024	6/6/2024
McLeod Health	Horry & Florence	11.075	\$150M	5/15/2024	6/6/2024
Redwood Materials, East	Berkeley	100	\$420M	5/15/2024	6/6/2024

AGENCY: South Carolina Department of Commerce

SUBJECT: Quarterly Report Pursuant to Act 3 of 2023

Act 3 of 2023 provided for among other things appropriations to the Department of Commerce in the amounts of \$1,091,082,986 to defray the cost of certain infrastructure and other improvements, and \$200,000,000 as a loan to the project sponsor for additional soil stabilization, each in support of Project Connect, now publicly known as Scout Motors, Inc.

The Act further provides that the Department of Commerce must furnish a quarterly project status report to the Joint Bond Review Committee until all of the funds have been expended, and the Secretary of Commerce has certified that all project obligations have been met.

Responsive to these provisions, the South Carolina Department of Commerce has provided to the Committee its project status report for the period ending June 30, 2024, which reflects expenditures for the period of \$94.3 million, and total expenditures to date of \$324.6 million.

The report also provides a general status update for the project covering activities and developments during the reporting period.

COMMITTEE ACTION:

Review and comment on the report in accordance with the Act.

ATTACHMENTS:

1. Project Connect Quarterly Status Report for the period ended June 30, 2024.



Report: Project Connect (Scout) Quarterly Status Report

Report Date: July 24, 2024

Required By: Act No. 3 of the 2023-2024 Appropriations Act (H3504)

Funds Expended through June 30, 2024:

Designated Recipient and Purpose	Amount Designated	Prior Periods	Current Period	Remaining Balance
Richland County				
Grant	831,082,986			516,010,127
Land Acquisition		27,922,946		
Site Improvements		87,233,282	39,851,343	
Mitigation		44,761,726	1,143	
Soil Stabilization		36,237,333	15,520,526	
Reimbursements- Scout		31,772,280	31,772,280	
Loan	200,000,000		-	200,000,000
Soil Stabilization				
SC Technical College	25,000,000	1,500,000	3,000,000	20,500,000
Training Center				
SC Department of Transportation	200,000,000		-	200,000,000
Other Recipients				
City of Columbia	35,000,000	806,137	4,184,535	30,009,328
Totals to Date	1,291,082,986	230,233,704	94,329,827	966,519,455

General Updates and Developments:

- Wetland Permit was issued on January 12, 2024.
- Collaborative meetings continue with SCDOT, Norfolk Southern and Palmetto Rail for the completion of the new interchange, rail bridge and providing rail to the site.
- Three of the main Scout buildings are currently under construction.

AGENCY: Clemson University

SUBJECT: Semiannual Report Pursuant to Proviso 14.1 of the Fiscal Year
2023-24 Appropriations Act

Proviso 14.1 of the Fiscal Year 2023-24 Appropriations Act, as continued in the Fiscal Year 2024-25 Appropriations Act, requires among other things that funds appropriated for the construction of a College of Veterinary Medicine at Clemson University must be accounted for separately, and the University must report semiannually to the Chairman of the Joint Bond Review Committee the amount of funding carried forward, the amount of funding remaining to be expended, the overall status of the project, and any other information requested by the Committee.

Responsive to this requirement, Clemson has provided its semiannual report as of June 30, 2024, as follows.

Capital costs of new facilities supporting the College are estimated at \$285 million and have not changed. The General Assembly has appropriated a total of \$225.5 million in non-recurring capital funding; \$12.5 million in recurring education and general funding; and \$8 million in recurring funding for the remaining capital need. Proceeds from the issuance of not exceeding \$51 million General Obligation State Institution Bonds will be used to fully fund the remaining capital costs of the facilities.

The University expects to enroll the College's first class of 80 students in the Fall of 2026.

Facilities are being designed to accommodate as many as 128 students per class, and include approximately 233,000 square feet of space supporting a farm animal ambulatory service; farm animal and equine clinical skills teaching centers; and lecture halls, classrooms, teaching, and research labs on the new campus.

Expenditures through June 30, 2024, totaled \$63.8 million in capital expenditures, and \$12.2 million in operating expenditures and transfers. The University expects to carry forward \$46.6 million in unobligated funds which, together with \$125 million in non-recurring funding and \$8 million in recurring funding, will provide \$179.6 million in available funding for further capital expenditures in fiscal year ending June 30, 2025. The University expects to carry forward \$288 thousand in unobligated funds which, together with \$12.5 million in recurring funding, will provide \$12.8 million for operating expenditures in fiscal year ending June 30, 2025.

The report also provides a general status update for the College's staffing, accreditation, and curriculum, all of which activities appear to be progressing toward its scheduled objectives supporting enrollment of students in Fall 2026.

COMMITTEE ACTION:

Receive as information and provide comment as appropriate.

ATTACHMENTS:

1. Letter of Dr. Steven L. Marks, BVSc, MS, MRCVS, DACVIM, Dean, College of Veterinary Medicine, Clemson University.
2. Semiannual Report to the Joint Bond Review Committee, June 2024.



The Honorable Senator Harvey S. Peeler, Jr.
Chairman, Joint Bond Review Committee
105 Gressette Building
Columbia, SC 29201

Dear Senator Peeler:

On behalf of Clemson University, I am pleased to provide an update regarding the Clemson University College of Veterinary Medicine. As you are aware, Proviso 14.1 of the 2023-2024 Appropriations Bill (Act 84 of 2023) and continued in the 2024-2025 Appropriations Bill (H.5100 R252) requires that the Clemson University College of Veterinary Medicine submit to the Joint Bond Review Committee (JBRC) a semiannual report on the necessary permanent improvements associated with the College to include: the amount of funding carried forward, the amount remaining to be expended, and the overall status of the project.

In accordance with Proviso 14.1, the second semiannual report is included. Data reported is as of June 30, 2024.

Please let me know if you need further information. As always, we stand ready to answer any questions from you or other members of the Committee.

Sincerely,

Steven L. Marks, BVSc, MS, MRCVS, DACVIM
Dean

Clemson University College of Veterinary Medicine Semiannual Report to the Joint Bond Review Committee July 2024

Clemson University is pleased to provide our second semiannual report on the status and progress of establishing a College of Veterinary Medicine at Clemson as required under FY 24 & FY25 Proviso 14.1.

General Overview

In 2022, a partnership began between the South Carolina General Assembly and Clemson University to establish a College of Veterinary Medicine in South Carolina. A feasibility study documented shortages of veterinarians nationally and in South Carolina in all practice areas – farm animal, public health, food safety and security, research as well as companion animal care.

The study also recommended use of a Distributed Model of Veterinary Education and class size of 80 students per year. This plan is expected to graduate veterinarians equipped to go to practice immediately upon graduation but equally prepared to enter any other veterinary career path.

Overview of the Capital Project

Capital costs estimate of \$285 million has remained constant throughout the project to date. The new facilities will include approximately 233,000 ft² of space, including a home for a farm animal ambulatory service, farm animal and equine clinical skills teaching centers (co-located at Clemson PSA Piedmont Research & Education Center farms), and other appropriate lecture halls, classrooms, teaching labs, and research labs on the new campus.

Recurring and Capital Funding Summary:

FY23 - \$10 million - nonrecurring appropriation

FY24 - \$75 million for E&G and \$15.5 million for PSA - nonrecurring appropriations

FY24 - \$12.5 million for E&G - recurring appropriation, Proviso 14.1

FY25 - \$125 million nonrecurring appropriation (E&G), Proviso 14.1

FY25 - \$8 million recurring for remaining capital need

See the chart below for a summary spending as of July 1, 2024.

Report Date - 7/12/24	Fiscal Year		
Designated Recipient and Purpose: Clemson University College of Veterinary Medicine	2023	2024	2025
Non-Recurring Capital			
Clemson University Appropriated	10,000,000	75,000,000	78,000,000 47,000,000
FY23 Lottery Expend. Account			
FY24 118.19 (B)(10)(1) & 14.1			
FY25 118.20 (B)(9) & 14.1			
FY25 Capital Reserve Fund			
PSA Appropriated			
FY24 Proviso 118.19 (B)(35)(a)		15,466,000	
Internal Transfer from Recurring Operating		10,000,000	
Prior Year Carryforward		9,421,346	46,642,148
Total Non-Recurring Capital	10,000,000	109,887,346	171,642,148
Expenditures			
Capital Construction	167,843	63,245,198	
Operational	410,811	-	
Total Expenditures	578,654	63,245,198	
Fiscal Year-End Balance	9,421,346	46,642,148	

Recurring Capital			
Clemson University Appropriated			
Part 1A 14			8,000,000

Recurring Operating			
Clemson University Appropriated			
Part 1A 14		12,500,000	12,500,000
Prior Year Carryforward		-	287,703
Total Recurring Operating		12,500,000	12,787,703
Expenditures			
Operational		2,212,297	
Internal Transfer to Capital Project		10,000,000	
Total Expenditures		12,212,297	
Fiscal Year-End Balance		287,703	

The FY25 Appropriations Act provided \$8 million in recurring funds for the remaining \$50M capital need.

Summary of expenditures:

The University is progressing from the design phase of the project into the construction phase. The project remains on track for substantial occupancy estimated by late Spring 2026. Of the \$12.5 million FY24 recurring funds, \$10 million (as allowed by proviso 14.1) was internally designated to support the construction project. The combination of non-recurring and recurring funding in FY25 budget should meet 100% of the capital needs for this project.

\$2.212 million of the remaining \$2.5 million FY24 recurring was expended on the initial college operations as listed above by 6/30/24. These expenditures include: the initial recruitment and hiring of critical staff (14 total to date), consultants (2 to date), joint faculty (2 to date), some continued travel for benchmarking, engagement, and development of clinical partnerships, the first AVMA consultative accreditation visit and continued configuration and setup of the college's temporary office accommodations for new employees as they are onboarded.

Future recurring funding needs:

Re-allocation to Clemson of Commission on Higher Education recurring funds currently paid for South Carolina resident veterinary students to attend out of state schools was included in the original plan to start in the first FY a class is enrolled. Total funding for out of state seats currently allocated through CHE is estimated to be \$6.284* million. Reallocating and phasing \$1.571 million per year for four years beginning the first FY the Clemson CVM enrolls students completes this part of the plan. Enrolling students in the Fall of 2026 would start this process in FY27.

(* - 26 seats @ \$33,500 x 4 years – determined by actual amount provided to out of state CVMs in FY24 = \$3.484 million; FY21 budget provided 20 additional seats @ \$35,000 x 4 years = \$2.8 million)

Progress Report (July 2024):

- *Staffing*- In addition to Founding Dean (Dr. Steven Marks) and Associate Dean for Academic Affairs (Dr. Nicki Wise) previously reported, Associate Dean for Clinical Programs (Dr. Brian Butler) and Department Chair (Dr. Brian Aldridge) along with other critical initial staff are now in place.
- *Accreditation*- American Veterinary Medical Association Council on Education (AVMA COE) conducted a consultative site visit May 12-16, 2024, the first step in the accreditation process. A comprehensive site visit is required before Clemson will be eligible to receive a "letter of reasonable assurance" from the AVMA COE. This letter is required before any recruiting of students or acceptance of applications can begin, as well as making offers of admission.
- *Curriculum* – Initial curriculum outline including course names and numbers has been developed and approved by the Clemson's Graduate Curriculum Committee and the Board of Trustees. The next steps will include the approval of the Doctor of Veterinary Medicine degree by the Commission on Higher Education, followed by approval by the Southern Association of Colleges and Schools Commission on Colleges.
- *Facilities* – The site for the new campus (off West Queen Street and Starkey Road in Pendleton), has been cleared and other site preparations are underway (Turner Construction). Architect & Engineering Teams (LS3P, Flad & Associates and Foil Wyatt) are finalizing design documents and starting work on construction documents.

AGENCY: University of South Carolina

SUBJECT: Semiannual Report Pursuant to Proviso 20.5 of the Fiscal Year
2023-24 Appropriations Act

Proviso 20.5 of the Fiscal Year 2023-24 Appropriations Act, as continued in the Fiscal Year 2024-25 Appropriations Act, authorizes the University of South Carolina to undertake permanent improvements necessary for the renovation and upfit of the University's existing Science and Technology Building East Tower and construction of the University's new Science and Technology Center as funds are available. The Act provided an appropriation of \$29 million in support of furthering education of the state's future workforce in Science, Technology, Engineering, and Mathematics and other high-demand fields. These funds must be accounted for separately, and the University must report semiannually to the Chairman of the Joint Bond Review Committee the amount of funding carried forward, the amount of funding remaining to be expended, the overall status of the project, and any other information requested by the Committee.

Responsive to this requirement, the University has provided its semiannual report as of June 30, 2024, as follows.

The East Tower project expands academic space throughout a 50,000 square foot shell space consisting of 3 floors east of the main entrance lobby of the existing Science and Technology Building. The project will provide 16 modern classrooms, 4 instructional science labs, student study areas, faculty offices, and new support spaces accommodating up to 1,000 students and faculty. The project has been established with a budget not to exceed \$25 million and expected completion in the fall semester of 2025.

The new Science and Technology Center is proposed for construction on the same block as the existing Science and Technology Building and is envisioned as a 5-story structure comprised of 100,000 square feet of space for translational research in collaboration with corporate partners, and will provide wet and dry research labs and student support services. The University is conducting a feasibility study to confirm programming, design, and a project budget to inform future funding requirements. The balance of \$4 million in funding appropriated pursuant to the Fiscal Year 2023-24 Appropriations Act will be applied to the project budget.

Expenditures through the reporting period ended June 30, 2024, were relatively modest at \$888 thousand for the East Tower Upfit Renovation, with a balance remaining of \$28.1 million, which has been carried forward for future expenditure in accordance with the Proviso.

COMMITTEE ACTION:

Receive as information and provide comment as appropriate.

ATTACHMENTS:

1. Letter dated July 12, 2024, of Mr. Derek S. Gruner, Registered Architect, LEED AP, University Architect and Associate Vice President of Planning, Design, and Construction, University of South Carolina.
2. Semiannual Report to the Joint Bond Review Committee, June 30, 2024.
3. Proviso 20.5 (USC: Science and Technology Center) of the Fiscal Year 2023-24 Appropriations Act.



July 12, 2024

Facilities Planning Design and Construction

The Honorable Senator Harvey S. Peeler, Jr.
Chairman, Joint Bond Review Committee
Senate of South Carolina
105 Gressette Building
Columbia, SC 29201

The Honorable Representative Bruce Bannister
Vice-Chairman, Joint Bond Review Committee
SC House of Representatives
525 Blatt Building
Columbia, SC 29201

Re: Report for the USC Science and Technology Building East Tower and new Science and Technology Center

Dear Senator Peeler and Representative Bannister:

On behalf of a grateful University of South Carolina, we are pleased to provide a status update for the USC Science and Technology Building East Tower upfit renovation and planning associated with a proposed new Science and Technology Center pursuant to Proviso 20.5 of the annual appropriations act.

Specifically, Proviso 20.5 requires the university to submit to the Joint Bond Review Committee (JBRC) a report of funding carried forward, the amount remaining to be expended, the overall status of the projects, and any other pertinent information. In accordance with this proviso, a report through FY 2024 follows this introductory letter.

The university is sincerely appreciative of the legislature's investment of \$29 million in these projects to date. The East Tower project will provide 16 modern classrooms and 4 instructional science labs among other student-focused spaces for the fall semester of 2025. The positive impact these instructional spaces will have on students in the western district of our campus will be profound.

Please let us know if we can offer any further information as we stand ready to respond to questions from you or other members of the Joint Bond Review Committee.

Very respectfully,

Derek S. Gruner, Registered Architect, LEED AP
University Architect and Associate Vice President of Planning, Design and Construction
University of South Carolina
Cc: Rick Harmon, Edward Walton, Craig Parks

**University of South Carolina
Science and Technology Center
Report to the Joint Bond Review Committee
July 2024
(for the fiscal year ending June 30, 2024)**

Proviso 20.5 authorizes the university to utilize \$29 million of appropriated funds in FY24 to renovate the existing Science and Technology Building East Tower and/or to partially fund the construction of the new Science and Technology Center in support of furthering education of the state's future workforce in STEM and other high-demand fields.

Overview and Status of the Projects

East Tower Upfit Renovation

Background: The Science and Technology Building is a repurposed facility that was renovated and partially upfitted in 2019 to provide numerous instructional science labs, classrooms, and public core spaces over three floors leaving approximately 100,000 square feet for future upfit expansions. Aside from the extraordinary sustainability aspects of repurposing the existing building, the project has proven to be fiscally responsible by saving the university the cost of removing and recreating a 200,000 gross square foot shell building.

The East Tower project, first included in USC's CPIP in 2021, expands academic space throughout a 50,000 square foot three-floor shell space east of the main entrance lobby. The program will provide 16 modern classrooms, 4 instructional science labs, student study areas, faculty offices, and new core support spaces capable of accommodating approximately 1000 students and faculty. The East Tower will become a center for modern classrooms in the west district of the campus serving our growing student body.

While the proviso fully authorizes this project, we did execute an initial A-1 on June 23, 2023. Please note the project is now budgeted not to exceed \$25 million. The design and construction drawings have been completed and are currently being priced through competitive bidding by general contractors. Bids are due on July 31st, 2024. The construction schedule is aggressive with anticipated completion for the fall semester of 2025. Completion for spring semester of 2026 is a contingency plan should issues arise during construction that extend the schedule. The completion schedule will be confirmed by November of 2024 and will be updated in the next report to the JBRC on or before December 21, 2024.

New Science and Technology Center

This new facility is proposed to be constructed on a parking lot on the same block as the Science and Technology Building and will face the important Greene Street campus pedestrian artery. The new facility is envisioned as a five-story structure comprised of approximately 100,000 gross square feet of innovation space for translational research collaborating with corporate partners. The facility will also provide wet and dry research labs and student support spaces. A feasibility study is underway that will confirm programming, schematic design, and a project budget to inform future appropriation requests. Four million dollars remains from the appropriation to be applied to the project budget. Other appropriations and/or university funding will be identified in the near future for the project to proceed as planned.

Note: The New Science and Technology Center is priority number 1 in year 2 of the 2024 CPIP.

Summary of Spending Chart

Report Date – Through 6/30/2024	Fiscal Year
University of South Carolina Science and Technology Building East Tower Upfit Renovation	FY24
Non-Recurring Capital	
Capital Reserve Fund FY24 H.4301	\$15,000,000
Appropriated State FY24 Proviso 118.19	\$14,000,000
Total Non-Recurring Capital	\$29,000,000
Amount Expended (East Tower Upfit Renovation Only)	\$888,202
Amount Remaining to be Expended (FY24 Carry Forward)	\$28,111,798

Copy of Proviso 20.5

20.5. (USC: Science and Technology Center) With funds appropriated for the University of South Carolina Science and Technology Center, in support of furthering education of the state's future workforce in STEM and other high-demand fields, the University is authorized to undertake permanent improvements necessary for the renovation and upfit of the University's existing Science and Technology Building "East Tower" and/or construction of the University's new Science and Technology Center as funds are available. Further, funds appropriated in this act for the University's Science and Technology Center may be carried forward and expended exclusively in support of completing the necessary permanent improvements described herein. The funds must be accounted for separately, and the University shall report semiannually to the Chairman of the Joint Bond Review Committee on the amount of funding carried forward, the amount remaining to be expended, the overall status of the project(s), and any other information requested by the committee.

AGENCY: South Carolina Department of Administration
Executive Budget Office

SUBJECT: Annual Report of Expenditures
Savannah River Site Litigation Settlement Funds

Proviso 118.19(72) of the Fiscal Year 2022-23 Appropriations Act provided for certain expenditures from proceeds of the Savannah River Site Litigation, and Proviso 118.19(72.1) required written requests for funding that must be reported to the Committee and the legislative delegations prior to disbursement of the funds to recipients.

Through June 30, 2024, expenditures of amounts awarded totaled \$40,555,367, and amounts awarded but not yet expended totaled \$294,075,668. Further details of these expenditures are reflected on the attached report.

COMMITTEE ACTION:

Receive as information.

ATTACHMENTS:

1. Savannah River Site Litigation Settlement Fund Annual Expenditure Report.

Savannah River Site Litigation Settlement Fund Annual Expenditure Report

County / Project	Allocated Amount	Date Request Received	Meeting Approved	FY23 Annual Expenditures	FY24 Annual Expenditures	Balance
Row Labels	Allocated Amount					
Aiken	\$ 146,350,000					
Aiken County Public School District - New Career and Technology Center and district-wide technology upgrades	\$ 30,000,000	12/15/22	4-2023	\$ 331,002	\$ 1,092,402	\$ 28,576,595
Aiken County United Way Building/Infrastructure	\$ 250,000	12/15/22	4-2023	\$ 250,000	\$ -	\$ -
Aiken Generational Park	\$ 1,200,000	12/15/22	4-2023	\$ -	\$ 109,409	\$ 1,090,591
Aiken Railroad Facilities Renovation and Completion	\$ 900,000	12/15/22	4-2023	\$ -	\$ -	\$ 900,000
Aiken Rural Health Services Building	\$ 6,000,000	12/15/22	4-2023	\$ 3,311,915	\$ 2,688,085	\$ -
Children's Place Incorporated/Multi-County Therapeutic Child Care Infrastructure	\$ 500,000	12/15/22	4-2023	\$ 500,000	\$ -	\$ -
Cyber Initiative in Infrastructure Investment to complement Fort Gordon Army Cyber Command and Georgia Cyber Command	\$ 15,000,000	12/15/22	4-2023	\$ -	\$ -	\$ 15,000,000
Fox Creek Athletic Complex	\$ 500,000	03/18/22	5-2023	\$ 386,708	\$ 113,292	\$ -
Highway 19 Corridor Business/Economic Development Improvements (New Ellenton) and Downtown Water/Sewer Infrastructure (Wagener, Jackson, Burnettsville, and Salley)	\$ 6,000,000	12/20/22	4-2023	\$ 255,524	\$ 592,282	\$ 5,152,194
Improvements to Sage Mill Industrial Park to include water and sewer upgrades	\$ 5,000,000	12/15/22	4-2023	\$ -	\$ -	\$ 5,000,000
Industrial Park Project in eastern Aiken County (land and infrastructure)	\$ 10,000,000	12/20/22	4-2023	\$ -	\$ 3,919,900	\$ 6,080,100
North Augusta/Aiken County New Savannah Bluff Lock and Dam	\$ 2,000,000	12/15/22	4-2023	\$ 199,650	\$ -	\$ 1,800,350
Off-site Infrastructure Improvements for SRS National Lab, including the Aiken Technology Innovation Center	\$ 20,000,000	12/15/22	4-2023	\$ -	\$ -	\$ 20,000,000
Redevelopment and Economic Development in Downtown and Aiken's Northside Toward I-20	\$ 20,000,000	03/14/23	6-2023	\$ -	\$ 940,895	\$ 19,059,105
Water line along Highway 39 from Wagener to Monetta with two elevated storage tanks and three pump stations	\$ 25,000,000	12/15/22	4-2023	\$ 9,600,000	\$ 720,227	\$ 14,679,773
	\$ 4,000,000	12/15/22	4-2023	\$ -	\$ -	\$ 4,000,000
Allendale	\$ 27,000,000					
Allendale County Law Enforcement Agency Consolidation and Upgrades (To be resubmitted)	\$ 2,500,000	05/28/24	6-2024	\$ -	\$ -	\$ 2,500,000
Allendale County - Purchase, Permitting, and Development of Potential Industrial Property Site	\$ 5,000,000	01/05/23	4-2023	\$ -	\$ 1,300,425	\$ 3,699,575
Allendale County - Renovate C.V. Bing High School to Consolidate Law Enforcement and Other Town and County Facilities	\$ 4,500,000	08/01/23	1-2024	\$ -	\$ -	\$ 4,500,000
Allendale School District - Capital Improvements to Allendale High School and other district buildings	\$ 15,000,000	05/23/23	7-2023	\$ -	\$ 1,057,600	\$ 13,942,400
Bamberg	\$ 9,000,000					
Bamberg County - Cross Rhodes Industrial Park Speculative Building	\$ 4,000,000	12/02/22	4-2023	\$ -	\$ -	\$ 4,000,000
Bamberg County Consolidated Schools - Schools Facilities Bond Reduction	\$ 5,000,000	08/15/23	2-2024	\$ -	\$ 164,309	\$ 4,835,691
Barnwell	\$ 110,000,000					
Barnwell Multipurpose Building	\$ 2,000,000	04/14/23	7-2023	\$ -	\$ 2,000,000	\$ -
Blackville Multipurpose Space	\$ 2,000,000	05/11/23	7-2023	\$ -	\$ 254,925	\$ 1,745,075
Construction of Consolidated High School and Career Center and K-8 School for Williston and Blackville	\$ 105,000,000	02/27/24	5-2024	\$ -	\$ -	\$ 105,000,000
Williston City Park Multipurpose Building	\$ 1,000,000	08/01/23	1-2024	\$ -	\$ -	\$ 1,000,000
Colleton	\$ 1,387,932					
Colleton County - New Speculative Industrial Shell Building and Engineering	\$ 1,387,932	05/28/24	6-2024	\$ -	\$ -	\$ 1,387,932
Edgefield	\$ 19,700,000					
Bettis Academy Preparatory School Renovation and Construction	\$ 1,200,000	01/18/23	5-2023	\$ 360,000	\$ -	\$ 840,000
Edgefield County Law Enforcement Center	\$ 18,000,000	09/21/22	2-2023	\$ -	\$ 2,309,538	\$ 15,690,462
Edgefield County School District - Workforce Development Training and Equipment	\$ 500,000	07/20/23	1-2024	\$ -	\$ 137,225	\$ 362,775
Hampton	\$ 3,137,931					
Hampton County - Purchase property adjacent to Southern Carolina Industrial Park	\$ 3,137,931	12/09/22	4-2023	\$ 609,543	\$ 1,448,213	\$ 1,080,175
Lexington	\$ 11,900,000					
Batesburg-Leesville Industrial Park - Construction of Speculative Building on Parcel #1	\$ 2,100,000	01/30/23	5-2023	\$ -	\$ -	\$ 2,100,000
Batesburg-Leesville Industrial Park - Site Preparation for Parcel #1	\$ 1,250,000	01/30/23	5-2023	\$ -	\$ 31,900	\$ 1,218,100
Chapin Business and Technology Park at Brighton - Site Preparation for Parcel #10	\$ 1,250,000	01/30/23	5-2023	\$ -	\$ -	\$ 1,250,000
Saxe Gotha Industrial Park - Phase II Roadway and Water Expansion	\$ 4,800,000	01/30/23	5-2023	\$ -	\$ -	\$ 4,800,000
Saxe Gotha Industrial Park - Site Preparation for Parcel #9	\$ 2,500,000	01/30/23	5-2023	\$ 112,000	\$ 1,559,152	\$ 828,848
Orangeburg	\$ 6,155,172					
Orangeburg County - Hidden Valley Road/Essex Road Sewer	\$ 655,172	10/26/22	3-2023	\$ -	\$ -	\$ 655,172
Orangeburg County - Holly Hill Services Center Renovation	\$ 1,000,000	10/31/22	4-2023	\$ -	\$ 42,423	\$ 957,577
Orangeburg County - Property Acquisition	\$ 500,000	05/04/23	7-2023	\$ -	\$ 427,096	\$ 72,904
Western End Industrial Speculative Building	\$ 4,000,000	10/31/22	4-2023	\$ -	\$ 3,729,728	\$ 270,272
Grand Total	\$ 394,631,035					

AGENCY: South Carolina Aeronautics Commission

SUBJECT: Proposed Aircraft Acquisitions

Proviso 118.19(B)(58) of the Fiscal Year 2023-24 Appropriations Act provided non-recurring funding in an amount of \$10 million to the South Carolina Aeronautics Commission designated “Aircraft Replacement” to purchase newer aircraft supporting the state fleet.

Section 1-11-405 of the South Carolina Code provides that no aircraft may be purchased, leased, or lease-purchased for more than a thirty-day period by any state agency without the prior authorization of the Department of Administration or the State Fiscal Accountability Authority, as appropriate, and the Joint Bond Review Committee.

Responsive to this requirement, the South Carolina Aeronautics Commission requested review of its plan to acquire a replacement for the State’s 1990 King Air 350 and, following this purchase, to sell both existing aircraft in the fleet, with proceeds of the sale to be applied with the balance of the appropriation to purchase a second aircraft, subject to further review and comment by the Committee. In addition to the foregoing, the Commission committed to report its findings and selection to the Committee following acquisitions of suitable replacement aircraft. The Committee concurred with this approach following its review of the Commission’s proposal on January 24, 2024.

On August 2, 2024, the Commission reported that it had taken possession of the first replacement aircraft, and advised its intent to proceed with the sale of both existing aircraft, and acquisition of the second replacement aircraft, all in accordance with the acquisition plan considered by the Committee in January 2024.

The Commission has committed to inform the Committee of further developments as they occur.

COMMITTEE ACTION:

Receive as information.

ATTACHMENTS:

1. Correspondence of Mr. Gary W. Siegfried, PE, Executive Director, South Carolina Aeronautics Commission.

Rick Harmon

From: Siegfried, Gary <gsiegfried@aeronautics.sc.gov>
Sent: Friday, August 2, 2024 5:28 PM
Cc: Siegfried, Gary; Mikell, Melody; Truemper, Tim; Gantt, Ronnie; Hyer, Chuck; Cropsey, Matthew
Subject: SC Aeronautics Aircraft Acquisition Update
Attachments: IMG_20240802_115521192_HDR.jpg; IMG_20240802_115401086_HDR.jpg

Good afternoon all,

I am happy to report that SC Aeronautics took possession of the first replacement aircraft in our effort to modernize the State's aircraft fleet. There will be more information coming, including a summary of the process and related documentation, but I just wanted to pass along sincere thanks from me and my staff to all who helped get us to this point.

Starting with Governor McMaster and the Executive Budget Office Staff, thank you for carefully considering our request to replace the airplanes and placing our budget request in your submittal to legislature. Without you and your office getting this ball rolling, this would have been much more difficult if not impossible.

Rick Harmon, David Avant, Keith McCook, John White, and Grant Gillespie thank you for fielding my numerous telephone calls and emails to get me pointed in the right direction and helping with the right approach.

Members of the Joint Bond Review Committee and the State Fiscal Accountability Authority, thank you for reviewing and approving our non-standard process to complete this acquisition. Without this approval, this would have been a very difficult search. I mentioned that it could be difficult to find the right aircraft, and this proved to be true with only three good candidates available throughout the country.

Member of the Aeronautics Commission, especially the Aircraft Committee, thank you for all your support, hard work, and patience as we moved through the process.

Finally, to members of my staff especially Melody Mikell, Tim Truemper, Ronnie Gantt, Chuck Hyer and Matt Cropsey, thank you. We could not have gotten this done without you.

Next up is to get the two old airplanes sold, then we will reconvene the Aircraft Search Committee and get started on aircraft #2. Now that we know the process, this should be easier.

Thanks again and I hope you all have a great weekend.

Gary



Gary W. Siegfried, PE
Executive Director
South Carolina Aeronautics Commission
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Email: gsiegfried@aeronautics.sc.gov
Website: aeronautics.sc.gov





AGENCY: Joint Bond Review Committee

SUBJECT: Future Meeting

The State Fiscal Accountability Authority is scheduled to meet on Tuesday, October 15, 2024.

2024

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

COMMITTEE ACTION:

Schedule next meeting.