

**Capital Improvements
Joint Bond Review Committee**

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MILLER A. SMOAK
ADMINISTRATIVE ASSISTANT
803-212-6677

JOINT BOND REVIEW COMMITTEE MEETING
Wednesday, January 24, 2024 – 10:00 a.m.
105 Gressette Building

AGENDA

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AGENCY: South Carolina Transportation Infrastructure Bank

SUBJECT: Proposed Transportation Infrastructure Project

Chapter 43 of Title 11 (the South Carolina Transportation Infrastructure Bank Act) provides that the Bank may provide loans and other financial assistance to pay for all or part of eligible costs of qualified projects, subject to the review and approval of the Joint Bond Review Committee. The Act also provides that funding may be raised for qualified projects through the issuance of revenue bonds, subject to the review and approval of the Committee.

By letter dated January 2, 2024, the Infrastructure Bank Board requests approval of the Committee for financial assistance approved by the Bank on October 17, 2023, for 1 project in Pickens County, and for the potential issuance by the Bank of up to \$44,716,000 in revenue bonds as needed to provide financial assistance to this project. The project totals \$44,716,000 in financial assistance and is summarized as follows:

Pickens County – SC-183 Widening. Up to \$44,716,000 (grant)
Widen SC-183 from Old Farris Bridge in Greenville County to SC-135 in Pickens County. Total cost of \$71,200,000, with local match of \$22,500,000 (34%) and other funds of \$3,984,000. Bank-assigned project score: 78.

Statutory Requirements

Project Approvals. The Bank Board must determine eligible projects and select those qualified to receive a loan or other financial assistance, with preference given to eligible projects which have local financial support. The board must consider the projected feasibility of the project and the amount and degree of risk to be assumed by the Bank, and also may consider without limitation the local support of the project; economic benefit and enhancement of mobility, public safety, project completion, and transportation services; the ability of the applicant to repay a loan; the financial or in-kind contributions to the project; weighting to areas of the state experiencing high unemployment; and whether the governing bodies of the county or the municipality in which the project is to be located provide by resolution a finding that the project is essential to economic development, or the Bank receives a resolution or certificate from the Coordinating Council for Economic Development that the project is essential to economic development in the State, or both. Eligible projects must have eligible costs of at least \$25 million.¹

The Bank also is required to prioritize its projects in accordance certain provisions of Act 114 of 2007, which was amended by Act 275 of 2016, particularly taking into consideration financial viability including estimated maintenance and repair costs over the expected life of the project; public safety; potential for economic development; traffic volume and congestion; truck traffic; the pavement quality index; environmental impact; alternative transportation solutions; and consistency with local land use plans.²

¹ SC Code Section 11-43-180.

² SC Code Sections 11-43-265, requiring compliance with prioritization criteria prescribed in SC Code Section 57-1-370(B)(8).

Revenue Bonds. The Bank is authorized to issue bonds to raise funds for qualified projects, subject to the review and approval of the Committee.³ The bonds must be authorized by a resolution of the Bank, with determinations made by the Bank as to maturity, denominations, medium of payment, repurchase provisions, interest timing and rates, and method of sale. The state treasurer must issue the bonds of the Bank not later than 60 days upon the resolution of the Bank authorizing the issuance of the bonds.⁴

Demonstration by Bank of Compliance with Statutory Requirements

Prior to accepting applications for Bank assistance, the Bank developed and adopted objective scoring criteria incorporating the statutory requirements described above, which scoring criteria form the basis to establish qualified projects and their priorities. Scoring includes consideration for local match and its relationship to total project cost; other funds; the Metropolitan Planning Organization and Council of Governments score; a public benefit preliminary score; and a financial plan score. Scores derived from application of the Bank's methodology are reflected for the project in the summary above, with further supporting details included in documentation accompanying the Bank's request.

The Bank also has adopted standard terms and conditions with which each project awarded financial assistance must comply.

By resolution adopted on December 7, 2023, the South Carolina Department of Transportation Commission approved the decision by the Bank Board to provide financial assistance to the project, following the Commission's findings among others that the project is included in the appropriate Council of Government's or Metropolitan Planning Organization's currently approved regional transportation plan, as reflected in lists referenced by the Commission's resolution.

The Bank has provided a certificate of its financial advisor reflecting sufficiency of revenues to support the Bank's existing indebtedness. In addition, the Bank has provided internal documentation concluding that its revenues have recovered to pre-pandemic levels; fund balances totaled \$721.2 million on June 30, 2023, including reserves and other funds subject to restriction; and the Bank has an estimated \$470 million in uncommitted capacity for additional projects prior to funding the project that is the subject of this request.

Accordingly, the Bank has demonstrated compliance with the legal provisions and met the conditions of the South Carolina Transportation Infrastructure Bank Act for financial assistance approved by the Bank Board for the project, and for the issuance of revenue bonds by the Bank to finance the costs of providing financial assistance to the project.

³ SC Code Section 11-43-315.

⁴ SC Code Section 11-43-340.

COMMITTEE ACTION:

1. Review and approve the financial assistance approved by the Bank on October 17, 2023, for the Pickens County project described herein.
2. Review and approve the issuance of up to \$44,716,000 in revenue bonds as needed by the Bank to provide financial assistance to the Pickens County project.

ATTACHMENTS:

1. Letter dated January 2, 2024, of John B. White, Jr., Esquire, Chairman, South Carolina Transportation Infrastructure Bank.
2. Selected supporting materials accompanying the Bank's request.
3. Resolution dated December 7, 2023, of the South Carolina Department of Transportation Commission.

BOARD OF DIRECTORS

John B. White, Jr., *Chairman*

Ernest Duncan, *Vice Chairman*

Tony K. Cox

J. Gary Simrill

David B. Shehan

Representative Chris Murphy

Senator C. Ross Turner, III

**South Carolina
Transportation Infrastructure Bank**



955 Park Street
Room 120 B
Columbia, SC 29201
P: (803) 737-2825
Fax: (803) 737-2014

January 2, 2024

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

RE: SC Transportation Infrastructure Bank Request

Dear Chairman Peeler:

On October 17, 2023, the South Carolina Transportation Infrastructure Bank (SCTIB or Bank) approved \$44,716,000 in financial assistance to the Pickens County SC 183 Widening Project (the project). Per the South Carolina Transportation Infrastructure Bank Act (S.C. Code Sections 11-43-110, et seq.), the Bank requests Joint Bond Review Committee (JBRC) grant its approval of the Bank's financial assistance and issuance of revenue bonds not to exceed \$44,716,000 for the project.

For your review, please find enclosed summary of the project, including the financial terms. This summary includes the financial assistance to be provided by the Bank, the local match contribution (including the source of funds for the local match), other sources of funds and the purpose and description for the project (Attachment A).

In 2019, the SCTIB established a financial assistance application process that detailed the criteria for the scoring and prioritization of potential applicants consistent with the applicable provisions of the SCTIB Act. Pickens County submitted an application for the widening of SC 183. Complying with this process and after thorough analysis of all the applications, the Bank Board did not take any action on the Pickens County application. However, the Bank Board instructed Bank staff to work with Pickens County to enhance the local match component of the project's application to attempt to increase the project's score.

Since the Bank considered the County's application in 2019, the County improved their application in two particular ways: the raising of the Greenville Pickens Area Transportation Study (GPATS) Public Benefit Score for the proposed project, and the Financial Plan (local match) from the County.

For the Public Benefit portion, GPATS amended its Long-Range Transportation Plan to reflect the enhanced priority of widening SC 183, and the segments of SC-183, Farris Bridge Road. The project's rank increased to an average of 78, which increased its Public Benefit Score to 39.

As to the local match requirement, Pickens County Council approved a resolution on March 6, 2023 that increased its local commitment to \$22.5 million. The \$22.5 million local match includes a specific \$10 million appropriation from the General Assembly's 2023-2024 Appropriations Act for the project and \$12.5 million from County GO bonds for the project. To demonstrate these two actions, the County provided the specific reference in the Appropriations Act and relevant information from the County's bond counsel related to the bond offering and closing on October 10, 2023.

Additionally, GPATS approved funding for the widening of SC 183 in Greenville County from the Pickens County border. The Bank is not funding any work in Greenville County. GPATS and the SCDOT support the project.

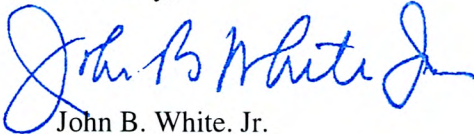
The Pickens County SC 183 Widening Project financial assistance application was approved for a grant up to \$44,716,000 by the Bank Board for financial assistance.

The SCDOT Commission approved the project at its meeting on December 7, 2023 (Attachment D)

Therefore, the Bank requests the JBRC grant its approval of the Bank's financial assistance and issuance of revenue bonds not to exceed \$44,716,000 for the project, pursuant to South Carolina Code Section 11-43-180(A).

Thank you for your consideration of this request. Should you have any questions, please contact Jerri Butler at (803) 737-1225.

Sincerely,

A handwritten signature in blue ink that reads "John B. White, Jr." with a stylized flourish at the end.

John B. White, Jr.
Chairman

Enclosures

cc: Board Members

ATTACHMENT A

ATTORNEY-CLIENT PRIVILEGED WORK-PRODUCT

SC-183 Widening

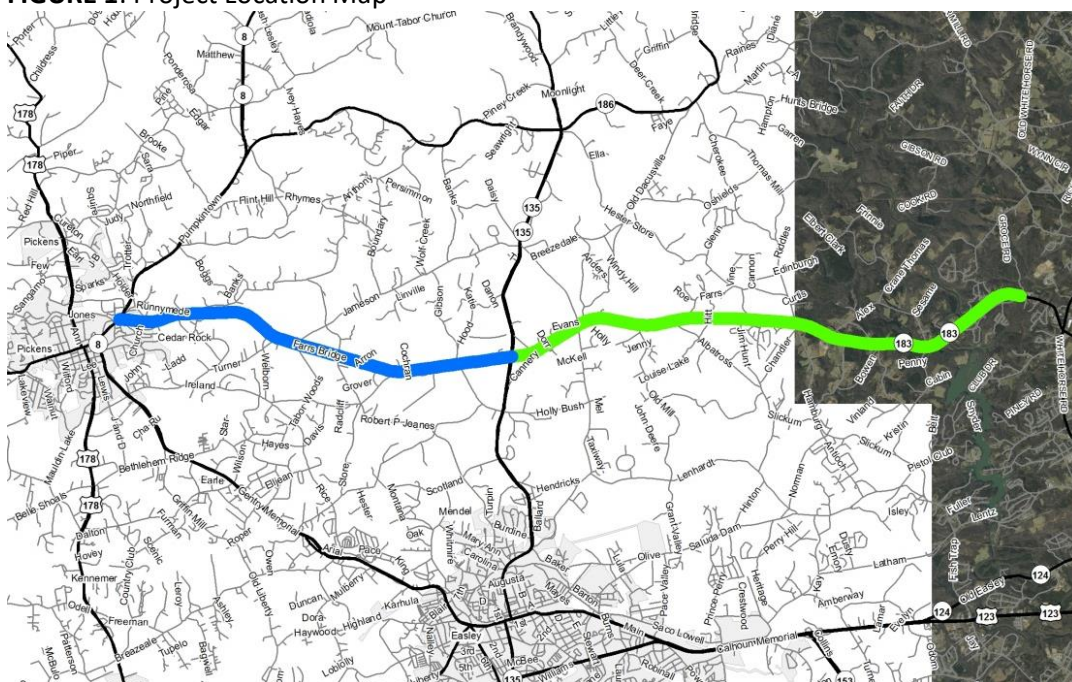
Pickens County

SC-183 is one of the most dangerous highways in South Carolina when normalized for traffic volumes and length. The main reason for widening this stretch is to reduce congestion in an effort to enhance the safety of commuters using the stretch. GPATS has already addressed three critical intersections to start making a dent, but a full widening is necessary to address all of the issues that present themselves, especially at peak hours. Due to the length of the corridor, a full widening was not a fundable option for GPATS. Implementing this project will help achieve safety targets statewide over the long run as the area continues to grow in time. This project will address green segment in the map below (See **Figure 1**), widening SC-183 from Old Farris Bridge in Greenville County to SC-135 in Pickens County

Project Type	Widening
Total Cost	\$71,200,000
SCTIB Request	\$44,716,000
Local Match	\$22,500,000*
Local Match as % of Total Cost	34%
Other Funds (County's Responsibility)	\$3,984,000
MPO/COG Score	78 Two Sections (Score 79 & 77 = 78 average)
Public Benefit Preliminary Score	39 (78/2 = 39)
Financial Plan Score	35
TOTAL SCORE	74

* The payment of the \$22.5 million local match includes \$10 million from the General Assembly's 2023-2024 Appropriations Act Part 1B Section 118 – X910 – Statewide Revenues (94) U120 – Department of Transportation (m) Pickens County – Highway 183 and \$12.5 million from County GO bonds for the Project.

FIGURE 1: Project Location Map



ATTACHMENT B

SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK

RESOLUTION ON

APPLICATIONS FOR FUNDING

WHEREAS, at its meeting on June 26, 2018, the Bank Board voted to recommence its acceptance and consideration of applications, and voted to adopt certain modifications to the Bank's Operating Guidelines recommended by the Evaluation Committee.

WHEREAS, at its meeting on August 7, 2019, the Bank Board voted to approve an amended Application to reflect certain recommendations of the Evaluation Committee.

WHEREAS, the Bank invited applications from project sponsors or owners to be submitted by September 1, 2019, and did receive such applications ("the 2019 Round").

WHEREAS, at its meeting on July 6, 2020, the Evaluation Committee reviewed the applications from the 2019 Round for funding and has made recommendations concerning those applications.

WHEREAS, at a meeting on July 7, 2020, the Bank Board reviewed and considered its available funding capacity, the project applications for funding, and the Evaluation Committee's recommendations, including the recommendation on certain projects, for the 2091 Round.

WHEREAS, at the meeting on July 7, 2020, the Bank Board in a first phase of the consideration of the 2019 Round of applications determined that certain projects were eligible and qualified for funding and resolved to provide funding to those projects subject to certain conditions specified in the Resolution approved by the Board or contained within the Bank's Overall Operating Guidelines, Procedures and Standard Conditions for Financial Assistance.

WHEREAS, the SCDOT Commission reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on July 16, 2020.

WHEREAS, the Joint Bond Review Committee of the General Assembly ("JBRC") reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on August 11, 2020.

WHEREAS, at the meeting on September 8, 2022, the Bank Board in a second phase of the consideration of the 2019 Round of applications determined that certain projects were eligible and qualified for funding and resolved to provide funding to those projects subject to certain conditions specified in the Resolution approved by the Board or contained within the Bank's Overall Operating Guidelines, Procedures and Standard Conditions for Financial Assistance.

WHEREAS, the SCDOT Commission reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on September 15, 2022.

WHEREAS, the Joint Bond Review Committee of the General Assembly ("JBRC") reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on October 18, 2022.

NOW, THEREFORE, the Board of the Bank hereby resolves that:

Section 1. The Bank will provide funding for the following project in the following amount, subject to the conditions specified in Section 3 below:

Applicant	Project	Financial Assistance
Pickens County	SC 183 Widening Project	\$ 44,716,000 (Grant)

Section 2. The approval of the foregoing funding amount is subject to the following conditions:

- a. the Bank, the project sponsor(s), and any other appropriate parties entering into an Intergovernmental Agreement, and any other instruments required by the Bank, in a form and with contents acceptable to the Bank, which (i) must include and be consistent with the Bank's Standard Conditions for Financial Assistance and any special conditions placed on the approval in any motion on the project adopted by the board at its meeting of October 17, 2023, which motions are incorporated herein, and (ii) be consistent with the Bank's Overall Operating Guidelines.;
- b. the Joint Bond Review Committee of the General Assembly, the South Carolina Department of Transportation Commission, and any other federal or state governmental entity granting any approvals necessary for the Bank to provide financial assistance for the project to be fully funded from all funding sources listed in the Intergovernmental Agreement and completed; and
- c. the foregoing funding approvals having no adverse impact on the Bank or its obligations to projects previously approved for financial assistance by the Bank.

Section 3. The Chairman and Vice Chairman are hereby authorized, upon the advice of legal counsel for the Bank, to sign any agreements or documents and undertake any other measures necessary to implement the foregoing actions, and the Chairman's or Vice Chairman's signature shall be conclusive evidence of the form and content of each such agreement or document signed by him.

Adopted October 17, 2023.

Ernest Duncan
Vice Chairman By Jerri Butler w/
permission by
Ernest Duncan

ATTEST:

Kevin E. Johnson, Jr.
Secretary

Appendix A: STANDARD CONDITIONS

- (1) The Bank, project sponsor, and SCDOT (if participating in the Project) must enter into an Intergovernmental Agreement (“IGA”) and any other instruments or agreements required by the Bank, all in a form and with contents and terms acceptable to the Bank, to implement the provision of financial assistance by the Bank and these conditions.
- (2) To implement financial assistance provided by the Bank, the Joint Bond Review Committee of the General Assembly, SCDOT and any other governmental authorities required by South Carolina law or regulation must provide its approval.
- (3) The Bank must determine that the provision of financial assistance by the Bank will not have any adverse impact on the Bank or its financial assistance obligations to projects previously approved by the Bank.
- (4) The Bank must receive all financial contributions, assistance, grants or matches for the Project from all sources and participants other than the Bank on such schedule as the Bank shall establish.
- (5) The Bank may require the project sponsor to pledge some or all of its financial contributions to the project to the payment of debt issued by the Bank, and the project sponsor shall enter into and execute all agreements, instruments, documents, provisions and terms deemed necessary by the Bank to meet this requirement.
- (6) Any funds committed to the project by the Bank remaining after completion of the project must be transferred to the Bank unless this condition is waived or modified by the Bank.
- (7) Any material change in scope of the Project must be approved by Bank, may require an amendment to the IGA, and may be subject to the JBRC or other government approvals.
- (8) At request of the Bank, any entities, agencies or firms providing financial contributions, grants or assistance to, or otherwise participating in, the project shall execute any other documents, agreements or instruments that are required by the Bank to evidence or establish their obligations to the Bank and/or the project. The documents, agreements or instruments must be in a form and with contents acceptable to the Bank.
- (9) The project sponsor warrants that it has full power and authority to execute, deliver and perform and to enter into and carry out the transactions contemplated by the IGA.
- (10) The project sponsor warrants that no further authorizations, consents or approvals of governmental bodies or agencies are required for the performance of the obligations in the IGA.
- (11) If requested by the Bank, the project sponsor shall provide a written opinion addressed to the Bank by legal counsel to the project sponsor in a form and with conclusions satisfactory to the Bank.

(12) The project sponsor shall defend, indemnify and hold the Bank harmless from and against any and all liabilities, claims, or actions arising out of or relating to the project.

(13) Upon default to the Bank, the project sponsors and other entities, agencies or firms providing financial contributions, grants or assistance to the project acknowledge the statutory authority of the State Treasurer to withhold funds allotted or appropriated by the State to them and to apply those funds to make or complete any committed/required payments to the Bank.

(14) The project sponsor warrants that no litigation, nor any proceeding before any governmental agency involving the project sponsor is pending, or to the knowledge of the project sponsor, threatened, in which any potentially adverse outcome would have a materially adverse impact on the ability of the project sponsor to meet its obligations under its financial assistance arrangement with the Bank.

(15) The Bank shall be reimbursed for costs that are discovered not to be eligible costs.

(16) These Standard Conditions incorporate by reference the conditions and requirements set forth in the Operating Guidelines, Procedures, and Standard Conditions adopted by the Bank Board on May 26, 2016, and revised on December 19, 2016 and May 3, 2019.

(17) These are Standard Conditions, and the Bank reserves the right to require additional conditions on a project-by-project basis.

ATTACHMENT C

A RESOLUTION

OF THE SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION COMMISSION APPROVING THE OCTOBER 17, 2023 DECISION BY THE SOUTH CAROLINA STATE TRANSPORTATION INFRASTRUCTURE BANK BOARD OF DIRECTORS TO PROVIDE OTHER FINANCIAL ASSISTANCE TO VARIOUS APPLICANTS.

WHEREAS, South Carolina Code Section 11-43-150(D) requires the Board of Directors of the South Carolina State Transportation Infrastructure Bank (STIB) to submit decisions to provide loans or other financial assistances to a qualified borrowers on a qualified project to the South Carolina Department of Transportation (SCDOT) Commission for its consideration; and

WHEREAS, South Carolina Code Section 11-43-150(D) further requires the SCDOT Commission to approve or reject the decisions of the STIB Board of Directors, or request additional information; and

WHEREAS, the STIB Board approved one resolution on October 17, 2023 approving other financial assistance in the amount of \$44,716,000 for the following projects and as noted in Attachment A; and

Project	Applicant	Financial Assistance
SC-183	Pickens County	\$44,716,000 (Grant)

WHEREAS, Act 114 of 2007 requires that the SCDOT Commission select projects considering objective and quantifiable factors such as financial viability, safety, economic development, traffic volumes and congestion, truck traffic, pavement condition, environmental impacts, transportation alternatives and consistency with local land use plans; and

WHEREAS, the SCDOT Commission utilizes the Council of Governments and Metropolitan Planning Organizations transportation planning processes to identify, rank and prioritize the regional transportation needs in accordance with the Act 114 requirements within their geographic regions; and

WHEREAS, the SCDOT Commission utilizes statewide ranking lists in accordance with Act 114 requirements for statewide strategic program categories such as Interstate Widening, Bridge Replacements and Safety Projects; and

WHEREAS, in accordance with SC Code of State Regulations 63-10(C)(2), the SCDOT Commission may deviate from the order in the ranked lists based on significant financial or engineering considerations, delayed permitting, force majeure, pending legal actions, federal law or regulation, or economic growth; and

WHEREAS, the SCDOT Commission finds that the SC-183 project is included in the appropriate Council of Government's or Metropolitan Planning Organization's currently approved regional transportation plans as shown in Attachment B; and

THEREFORE, BE IT RESOLVED that in meeting assembled this 7th day of December, 2023 the SCDOT Commission approves the October 17, 2023 decision of the STIB Board of Directors to select and fund the project described above and as noted in Attachment A; and

BE IT FURTHER RESOLVED THAT a true copy of this resolution be forwarded to the STIB Board and the Joint Bond Review Committee.



Tony K. Cox, SCDOT Commission Chairman
Seventh Congressional District



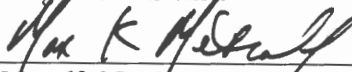
Pamela L. Christopher, SCDOT Commission Vice Chairman
Third Congressional District



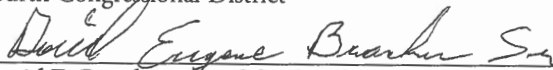
T. J. Johnson, SCDOT Commissioner
First Congressional District



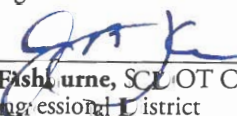
William B. Dukes, SCDOT Commissioner
Second Congressional District



Max K. Metcalf, SCDOT Commissioner
Fourth Congressional District



David E. Branham, Sr., SCDOT Commissioner
Fifth Congressional District



John B. Fishburne, SCDOT Commissioner
Sixth Congressional District



BOARD OF DIRECTORS

John B. White, Jr., *Chairman*

Ernest Duncan, *Vice Chairman*

Tony K. Cox

J. Gary Simrill

David B. Shehan

Representative Chris Murphy

Senator C. Ross Turner, III

**South Carolina
Transportation Infrastructure Bank**



955 Park Street
Room 120 B
Columbia, SC 29201
P: (803) 737-2825
Fax: (803) 737-2014

November 28, 2023

The Honorable Tony K, Cox, Chairman
South Carolina Department of Transportation
955 Park Street
Columbia, South Carolina 29201

RE: SCTIB Project Approval Requests

Dear Chairman Cox:

The South Carolina Transportation Infrastructure Bank (“SCTIB” or “Bank”) submits to the Department of Transportation Commission (“Commission”) for its consideration of the Bank’s decision to provide financial assistance to a project in Pickens County. The Bank makes its request based on the statutory language requiring the Bank to submit its decisions on financial assistance to the Commission prior to the Bank providing financial assistance to a qualified project. South Carolina Code Section 11-43-150 (D).

On October 17, 2023, the Bank Board unanimously approved financial assistance in the form of a grant to Pickens County for its SC 183 Widening Project, subject to certain conditions. The Bank approved this project subject to the Bank’s standard financial conditions and the parties entering into an Intergovernmental Agreement in a form and with terms and contents acceptable to the Bank including terms to ensure that the Bank’s financial assistance funds only the Pickens County portion of the overall project and that Pickens County will fund any shortfalls needed to complete the Pickens County portion of the project. Also, the Bank’s approval is subject to the project receiving at least \$10 million in funds from an appropriation from the General Assembly.

The Project’s total approximate cost is \$67.2 million and Pickens County’s local contribution match is \$22.5 million. The Bank’s Evaluation Committee scored the project based on the Bank’s established evaluation criteria and Operating Guidelines and recommended financial assistance in the form of a grant for the project. The Bank Board unanimously accepted the Evaluation Committee’s recommendations.

Applicant	Project	Financial Assistance
Pickens County	SC 183 Widening Project	\$ 44,716,000 (Grant)

At the Bank Board meeting, the SCTIB Board also voted to deem Orangeburg County's 2019 application as withdrawn based on the lack of responses from the County. The County may apply for financial assistance on these projects in a future round of applications.

Therefore, the Bank requests that the SCDOT Commission consider the following action:

Approve the Bank Board of Directors' decision to provide a grant to Pickens County for the project listed above.

Thank you for your consideration of this request. Should you have any questions, please contact Jerri Butler at (803) 737-1225.

Sincerely,

Ernest Duncan
By Jerri Butler w/ permission by Ernest Duncan
Ernest Duncan
Vice Chairman

cc: Bank Board

SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK

RESOLUTION ON

APPLICATIONS FOR FUNDING

WHEREAS, at its meeting on June 26, 2018, the Bank Board voted to recommence its acceptance and consideration of applications, and voted to adopt certain modifications to the Bank's Operating Guidelines recommended by the Evaluation Committee.

WHEREAS, at its meeting on August 7, 2019, the Bank Board voted to approve an amended Application to reflect certain recommendations of the Evaluation Committee.

WHEREAS, the Bank invited applications from project sponsors or owners to be submitted by September 1, 2019, and did receive such applications ("the 2019 Round").

WHEREAS, at its meeting on July 6, 2020, the Evaluation Committee reviewed the applications from the 2019 Round for funding and has made recommendations concerning those applications.

WHEREAS, at a meeting on July 7, 2020, the Bank Board reviewed and considered its available funding capacity, the project applications for funding, and the Evaluation Committee's recommendations, including the recommendation on certain projects, for the 2091 Round.

WHEREAS, at the meeting on July 7, 2020, the Bank Board in a first phase of the consideration of the 2019 Round of applications determined that certain projects were eligible and qualified for funding and resolved to provide funding to those projects subject to certain conditions specified in the Resolution approved by the Board or contained within the Bank's Overall Operating Guidelines, Procedures and Standard Conditions for Financial Assistance.

WHEREAS, the SCDOT Commission reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on July 16, 2020.

WHEREAS, the Joint Bond Review Committee of the General Assembly ("JBRC") reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on August 11, 2020.

WHEREAS, at the meeting on September 8, 2022, the Bank Board in a second phase of the consideration of the 2019 Round of applications determined that certain projects were eligible and qualified for funding and resolved to provide funding to those projects subject to certain conditions specified in the Resolution approved by the Board or contained within the Bank's Overall Operating Guidelines, Procedures and Standard Conditions for Financial Assistance.

WHEREAS, the SCDOT Commission reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on September 15, 2022.

WHEREAS, the Joint Bond Review Committee of the General Assembly ("JBRC") reviewed and approved the Financial Assistance to be provided to those projects by the Bank at its meeting on October 18, 2022.

NOW, THEREFORE, the Board of the Bank hereby resolves that:

Section 1. The Bank will provide funding for the following project in the following amount, subject to the conditions specified in Section 3 below:

Applicant	Project	Financial Assistance
Pickens County	SC 183 Widening Project	\$ 44,716,000 (Grant)

Section 2. The approval of the foregoing funding amount is subject to the following conditions:

- a. the Bank, the project sponsor(s), and any other appropriate parties entering into an Intergovernmental Agreement, and any other instruments required by the Bank, in a form and with contents acceptable to the Bank, which (i) must include and be consistent with the Bank's Standard Conditions for Financial Assistance and any special conditions placed on the approval in any motion on the project adopted by the board at its meeting of October 17, 2023, which motions are incorporated herein, and (ii) be consistent with the Bank's Overall Operating Guidelines.;
- b. the Joint Bond Review Committee of the General Assembly, the South Carolina Department of Transportation Commission, and any other federal or state governmental entity granting any approvals necessary for the Bank to provide financial assistance for the project to be fully funded from all funding sources listed in the Intergovernmental Agreement and completed; and
- c. the foregoing funding approvals having no adverse impact on the Bank or its obligations to projects previously approved for financial assistance by the Bank.

Section 3. The Chairman and Vice Chairman are hereby authorized, upon the advice of legal counsel for the Bank, to sign any agreements or documents and undertake any other measures necessary to implement the foregoing actions, and the Chairman's or Vice Chairman's signature shall be conclusive evidence of the form and content of each such agreement or document signed by him.

Adopted October 17, 2023.

Ernest Duncan
Vice Chairman By Jerri Butler w/
permission by
Ernest Duncan

ATTEST:

Kevin E. Johnson
Secretary

Appendix A: STANDARD CONDITIONS

- (1) The Bank, project sponsor, and SCDOT (if participating in the Project) must enter into an Intergovernmental Agreement (“IGA”) and any other instruments or agreements required by the Bank, all in a form and with contents and terms acceptable to the Bank, to implement the provision of financial assistance by the Bank and these conditions.
- (2) To implement financial assistance provided by the Bank, the Joint Bond Review Committee of the General Assembly, SCDOT and any other governmental authorities required by South Carolina law or regulation must provide its approval.
- (3) The Bank must determine that the provision of financial assistance by the Bank will not have any adverse impact on the Bank or its financial assistance obligations to projects previously approved by the Bank.
- (4) The Bank must receive all financial contributions, assistance, grants or matches for the Project from all sources and participants other than the Bank on such schedule as the Bank shall establish.
- (5) The Bank may require the project sponsor to pledge some or all of its financial contributions to the project to the payment of debt issued by the Bank, and the project sponsor shall enter into and execute all agreements, instruments, documents, provisions and terms deemed necessary by the Bank to meet this requirement.
- (6) Any funds committed to the project by the Bank remaining after completion of the project must be transferred to the Bank unless this condition is waived or modified by the Bank.
- (7) Any material change in scope of the Project must be approved by Bank, may require an amendment to the IGA, and may be subject to the JBRC or other government approvals.
- (8) At request of the Bank, any entities, agencies or firms providing financial contributions, grants or assistance to, or otherwise participating in, the project shall execute any other documents, agreements or instruments that are required by the Bank to evidence or establish their obligations to the Bank and/or the project. The documents, agreements or instruments must be in a form and with contents acceptable to the Bank.
- (9) The project sponsor warrants that it has full power and authority to execute, deliver and perform and to enter into and carry out the transactions contemplated by the IGA.
- (10) The project sponsor warrants that no further authorizations, consents or approvals of governmental bodies or agencies are required for the performance of the obligations in the IGA.
- (11) If requested by the Bank, the project sponsor shall provide a written opinion addressed to the Bank by legal counsel to the project sponsor in a form and with conclusions satisfactory to the Bank.

(12) The project sponsor shall defend, indemnify and hold the Bank harmless from and against any and all liabilities, claims, or actions arising out of or relating to the project.

(13) Upon default to the Bank, the project sponsors and other entities, agencies or firms providing financial contributions, grants or assistance to the project acknowledge the statutory authority of the State Treasurer to withhold funds allotted or appropriated by the State to them and to apply those funds to make or complete any committed/required payments to the Bank.

(14) The project sponsor warrants that no litigation, nor any proceeding before any governmental agency involving the project sponsor is pending, or to the knowledge of the project sponsor, threatened, in which any potentially adverse outcome would have a materially adverse impact on the ability of the project sponsor to meet its obligations under its financial assistance arrangement with the Bank.

(15) The Bank shall be reimbursed for costs that are discovered not to be eligible costs.

(16) These Standard Conditions incorporate by reference the conditions and requirements set forth in the Operating Guidelines, Procedures, and Standard Conditions adopted by the Bank Board on May 26, 2016, and revised on December 19, 2016 and May 3, 2019.

(17) These are Standard Conditions, and the Bank reserves the right to require additional conditions on a project-by-project basis.

AGENCY: South Carolina Aeronautics Commission

SUBJECT: Proposed Aircraft Acquisition

Proviso 118.19(B)(58) of the Fiscal Year 2023-24 Appropriations Act provides 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. The existing fleet consists of a 1990 King Air 350 and a 1983 King Air 90, each of which are operational but need replacement due to their increasing maintenance requirements and age of their instrumentation. These aircraft are used in the transport of state officials, agencies, executive branch personnel, and members of the General Assembly.

The Commission expects that a replacement for the 1990 King Air 350 by a 2017-era King Air 350i can be made at a cost of approximately \$6.5 million. The Commission further expects that this replacement aircraft will meet 98% of the state’s usage needs; and will support the competencies, training, and experience of the Commission’s current pilots and mechanics.

Following this purchase, the Commission plans to sell both existing aircraft in the fleet, with proceeds of the sale expected to range between \$3.5 to \$4.2 million, which will be applied with the balance of the appropriation to purchase a second aircraft, subject to further review and comment by the Committee.

The Commission has advised that limited availability within the active aircraft marketplace presents timing challenges for the acquisition of replacement aircraft, and as a result, the Commission requests authorization to submit offers; make deposits; conduct due diligence; and proceed with a purchase of the initial replacement aircraft; all in accordance with the plan as described herein. The Commission has committed to report its findings and selection to the Committee following acquisition of a suitable replacement aircraft.

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.

COMMITTEE ACTION:

Review and authorize the proposed initial aircraft acquisition in accordance with Section 1-11-405 of the South Carolina Code, and the plan described herein.

ATTACHMENTS:

1. Agenda Item Worksheet prepared by the South Carolina Aeronautics Commission.
2. Memorandum dated January 2, 2024, of Mr. Gary W. Siegfried, PE, Executive Director, South Carolina Aeronautics Commission.
3. King Air 350i brochure.

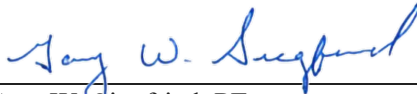
JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: **January 24, 2024**

Regular Agenda

1. Submitted By:

- (a) Agency: SC Aeronautics
- (b) Authorized Official Signature:



Gary W. Siegfried, PE
Executive Director, SC Aeronautics

2. Subject:

South Carolina Aeronautics – Aircraft Fleet Modernization

3. Summary Background Information:

The South Carolina Aeronautics Commission (Aeronautics) Aircraft fleet currently consists of two (2) Beechcraft King Airs. N1SC is a 1990 King Air 350 and N2SC is a 1983 King Air 90. These aircraft are used for the transportation of state agencies, members of the General Assembly and executive branch personnel.

While both aircraft are operational, the advancing age, increasing maintenance requirements and age of avionics (instrumentation) dictated that improvements in the state fleet was warranted. As part of the FY 24 budget, Aeronautics requested \$10 million dollars to purchase newer aircraft to modernize the fleet. Through FY 24 State Budget Proviso 118.19(B)(58), this request was granted.

In 2014, Aeronautics was asked to conduct a study on the cost and benefits of operating the state fleet. This study was updated in 2020. Both studies concluded that Agency costs were well below market rate for aircraft operations and that the fleet was beneficial in conducting state business. These studies also looked at historical aircraft use and concluded that small turboprop aircraft such as the King Air meets the needs of approximately 98% of the flights that the Agency makes.

In August 2023 Aeronautics formed a subcommittee to reexamine aircraft usage, verify that the information from the 2020 study was still correct and formulate a strategy for replacement of the fleet.

The subcommittee concluded that aircraft missions have not changed and that the type of aircraft we are currently operating fits the needs of our operations on a day-to-day basis.

Therefore, the subcommittee recommended that Aeronautics replace the 1990 King Air 350 with a newer King Air 350i. Market research indicates that a 2017 era aircraft can be purchased for approximately \$6.5 million.

Purchase of a King Air 350i, rather than switching to a different aircraft type offers numerous advantages, such as:

- Past studies show that this class aircraft meets 98% of our usage needs.
- Pilots are already trained and rated to fly this aircraft, meaning minimal downtime of the Aeronautics flight department.
- Aeronautics mechanics have been working on the King Air model for years, meaning very little (if any) additional training will be needed.

After the first aircraft has been purchased, the two existing aircraft will be sold and the proceeds of the sale, along with any money remaining from purchase of the first aircraft, will be used to purchase a

second aircraft. Aeronautics staff estimates that the sale of the two aircraft will bring \$3.5 to \$4.2 million. This will result in approximately \$7 million to purchase a second aircraft, type to be determined and made part of a future request to JBRC.

Aeronautics staff have been searching for suitable replacement candidates in the current aircraft marketplace. What has become apparent is that the aircraft market is extremely active, with aircraft frequently going under sales contract in under two weeks (often faster). The ability to act quickly once a suitable candidate has been identified is critical.

What is JBRC asked to do?

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.

The Aeronautics Commission requests authorization to submit offers; make deposits; conduct due diligence; and proceed with a purchase of the initial replacement aircraft; all in accordance with the plan as described herein. The Commission has committed to report its findings and selection to the Committee following acquisition of a suitable replacement aircraft.

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

The Department of Administration is aware of FY 24 Budget Proviso 118.19(B)(58) allocating \$10 million for fleet modernization and concurs with strategy described herein.

5. List of Supporting Documents:

- (a) Section 1-11-405 of the South Carolina Code of Laws
- (b) FY 24 Budget Proviso 118.19(B)(58)
- (c) King Air 350i marketing brochure



2553 Airport Boulevard
West Columbia, SC 29170
(803) 896-6262
www.scaeronautics.com

Henry D. McMaster
GOVERNOR

Gary W. Siegfried, PE
EXECUTIVE DIRECTOR

Aeronautics Commission

Delphin A. Gantt, Jr.
CHAIRMAN

Anne Esposito
DISTRICT 1

Vacant
DISTRICT 2

Skeets Cooper
DISTRICT 3

Lara Kaufmann
DISTRICT 4

Charles "Doug" Barnes
DISTRICT 5

Marco Cavazzoni
DISTRICT 6

Christopher Bethea
DISTRICT 7

Date: January 2, 2024

To: Joint Bond Review Committee

Re: FY 24 Budget Proviso 118.19(B)(58)
Modernization of the South Carolina Aeronautics Commission
Aircraft Fleet

The South Carolina Aeronautics Commission has four missions. Airport development, airport safety, aviation education and the operation of a flight department for official state business.

The South Carolina Aeronautics Commission Aircraft fleet currently consists of two (2) Beechcraft King Air turboprop airplanes. N1SC is a 1990 King Air 350 and N2SC is a 1983 King Air 90. These aircraft are used for the transportation of state agencies, members of the General Assembly and executive branch personnel.

While both aircraft are operational, the advancing age, increasing maintenance requirements and age of avionics (instrumentation) dictated that improvements in the state fleet was warranted. As part of the FY 24 budget, Aeronautics requested \$10 million dollars to purchase newer aircraft to modernize the fleet. Through FY 24 State Budget Proviso 118.19(B)(58), this request was granted.

In 2014, Aeronautics was asked to conduct a study on the cost and benefits of operating the state fleet. This study was updated in 2020. Both studies concluded that Agency costs were well below market rate for aircraft operations and that the fleet was beneficial in conducting state business. These studies also looked at historical aircraft use and concluded that small turboprop aircraft such as the King Air meets the needs of approximately 98% of the flights that the Agency makes.

In August 2023 the Aeronautics Commission formed a subcommittee to reexamine aircraft usage, verify that the information from the 2020 study was still correct and formulate a strategy for replacement of the fleet.

The subcommittee concluded that Agency missions have not changed and that the type of aircraft we are currently operating fits the needs of most Aeronautics operations on a day-to-day basis.

Therefore, the subcommittee recommended that Aeronautics replace the 1990 King Air 350 with a newer King Air 350i. Market research indicates that a 2017 era aircraft can be purchased for approximately \$6.5 million.

Purchase of a King Air 350i, rather than switching to a different aircraft offers numerous advantages, such as:

- Past studies show that this class aircraft meets 98% of our usage needs.
- Pilots are already trained and rated to fly this aircraft, meaning minimal downtime of the Aeronautics flight department.
- Aeronautics mechanics have been working on the King Air model for years, meaning very little (if any) additional training will be needed.

After the first replacement aircraft has been purchased, the two existing aircraft will be sold and the proceeds of the sale, along with any money remaining from purchase of the first aircraft, will be used to purchase a second aircraft. Aeronautics staff estimates that the sale of the two aircraft will bring \$3.5 to \$4.2 million. This will result in approximately \$7 million to purchase a second aircraft, type to be determined and made part of a future request to JBRC.

Aeronautics staff have been searching for suitable replacement candidates in the current aircraft marketplace. What has become apparent is that the aircraft market is extremely active, with aircraft frequently going under sales contract in under two weeks (often faster). The ability to act quickly once a suitable candidate has been identified is critical.

The Aeronautics Commission requests authorization to submit offers; make deposits; conduct due diligence; and proceed with a purchase of the initial replacement aircraft; all in accordance with the plan as described herein.

The Commission will report its findings and selection to the Committee following acquisition of a suitable replacement aircraft.

Please contact me if you have questions about this request.

Sincerely

SOUTH CAROLINA AERONAUTICS COMMISSION



Gary W. Siegfried, PE

Cc: Delphin Gantt, Chairman
Anne Esposito, District 1
Skeets Cooper, District 3
Lara Kaufmann, District 4
Doug Barnes, District 5
Marco Cavazzoni, District 6
Chris Bethea, District 7
file

Title 1 - Administration of the Government

CHAPTER 11

Department of Administration

ARTICLE 1

General Provisions

SECTION 1-11-405. Aircraft purchase, lease, or lease-purchase by state agency.

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.

HISTORY: 1995 Act No. 145, Part II, Section 44.

Code Commissioner's Note

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

Part 1B SECTION 118 - X910 - STATEWIDE REVENUE

2023-2024 Appropriation Act

SECTION 118 – X910 – STATEWIDE REVENUE

118.19. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue generated from the following sources:

(B) The appropriations in this provision are listed in priority order. Item (1) must be funded first and each remaining item must be fully funded before any funds are allocated to the next item. Provided, however, that any individual item may be partially funded in the order in which it appears to the extent that revenues are available.

(58) U300-Division of Aeronautics

(a) Aircraft Replacement \$ 10,000,000;

(b) Capital Investing for the Statewide Airport System \$ 20,000,000;

(c) Facility Maintenance \$ 300,000;



Beechcraft
TEXTRON AVIATION

KING AIR 350i



YOUR BUSINESS HEAVY LIFTER

The Beechcraft® King Air® 350i surpasses its predecessor's high-caliber performance with more payload capability and range, a quieter interior with standard Wi-Fi, and Pro Line Fusion™ avionics with full touch-screen simplicity. The King Air is the world's most popular business turboprop aircraft – a title never simply granted, but earned again and again with continuous enhancement over five decades. The King Air 350i. True to its legacy of innovation.



QUIET COMFORT AND PRODUCTIVITY

The spacious King Air 350i cabin, with standard seating for up to nine passengers, creates an environment with added head and shoulder room for comfort throughout. New acoustic technologies create the quietest turboprop experience available. Work and relax in double-club leather seats while staying connected in flight with high-speed Wi-Fi standard for maximum productivity.

A NEW CLASS OF AMENITIES

The King Air 350i cabin provides more capability and amenities than you'll find in lesser single-engine turboprops and in some aircraft costing millions more.

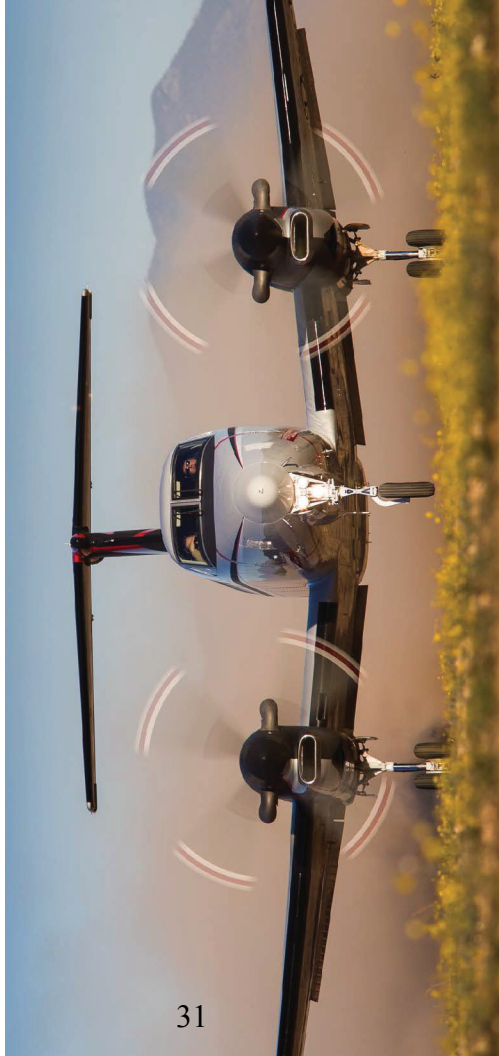


Managing comfort and productivity in flight is easy with a wide range of cabin features. Pull-out work tables, a built-in refreshment center, electronically dimmable windows, standard power outlets, a private aft lavatory and optional vanity cabinet and heated seats all contribute to getting the most out of your flights.



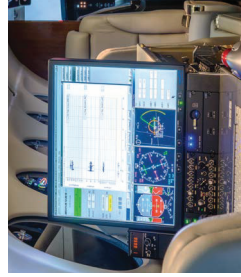
KING AIR 350 VERSATILITY

Versatility of the King Air 350 is unmatched. It has a pedigree of more than 7000 fielded King Air aircraft that are equally well suited for operating anywhere from the busiest, most highly controlled airports to unimproved dirt, gravel or grass. The King Air exceeds expectations in a traditional corporate transport role, a cargo role or, more typically, a combination of both.



THE CABIN CONFORMS TO THE MISSION

The large King Air 350 cabin can easily be configured to accommodate a variety of roles, from air ambulance humanitarian missions to carrying cargo to corporate transport. The chairs and cabinets are attached to floor-mounted seat tracks for easy reconfiguration. An optional large cargo door 49 inches wide by 52 inches high (124 cm x 132 cm) accommodates oversized loads.





CONFIDENCE OF SIMPLICITY

Pro Line Fusion™ is an intuitive touch-screen flight deck that simplifies how we aviate, navigate and communicate. Featuring standard synthetic vision and enhanced situational awareness, there is no need to fly through FMS menus. It's where the power of simplicity meets cutting-edge performance, durability and reliability.



ENHANCED FLIGHT PLANNING

Enjoy direct access to critical information such as waypoints, routing, weather and all flight planning tools. Pro Line Fusion allows for heads-up flying rather than searching through menus and pages of flight data.



QUICK TO CONFIGURE

Setup of flight displays is now simplified with the new Pro Line Fusion interface. Flight information is quickly organized with fingertip touches and swipes.



BRING IT ALL

Never compromise range or payload. The King Air 350i allows you to load up with fuel, the pilot, and carry seven passengers and their bags. With more than 5,000 pounds (2,267 kg) of useful load, there is no need to leave anyone or anything behind.

KING AIR 350i SPECIFICATIONS

PERFORMANCE

Takeoff Field Length (MTOW)	3,300 ft (1,006 m)
Max Range (Ferry, LRC)	1,806 nm (3,345 km)
Max Cruise Speed	312 kts (578 km/h)
Max Operating Altitude	35,000 ft (10,668 m)

POWERPLANT

Manufacturer	Pratt & Whitney Canada
Model	(2) PT6A-60A
Power Output Each	1,050 shp (783 kW)

WEIGHTS

Max Takeoff Weight	15,000 lb (6,804 kg)
Basic Operating Weight (1 pilot)	9,955 lb (4,516 kg)
Useful Load	5,145 lb (2,334 kg)

INTERIOR DIMENSIONS

Cabin Height	4 ft 9 in (1.45 m)
Cabin Width	4 ft 6 in (1.37 m)
Cabin Length	19 ft 6 in (5.94 m)
Baggage Capacity	550 lb (249 kg)
Wing Lockers	600 lb (272 kg)

MAXIMUM OCCUPANTS

	11
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*Performance is based on standard conditions with zero wind. Field performance assumes a level, hard-surface, dry runway. Range is based on a ferry mission at LRC with NBAA IFR reserves.

AGENCY: Department of Administration
Facilities Management and Real Property Services

SUBJECT: Proposed Lease
Aiken Technical College
Ground Lease at 2276 Jefferson Davis Highway, Graniteville

Aiken Technical College requests review of its proposal to lease through its Area Commission 6.45 acres of land on the College campus located at 2276 Jefferson Davis Highway, Graniteville, to the Aiken County Board of Education for construction of new facilities for the Aiken County Career and Technology Center. The Center will support potential increases in enrollment at the College in high-demand fields like healthcare, advanced manufacturing, computer science, and industrial technology.

The term of the proposed lease is 60 years, with 2 optional 5-year extensions. Other than a \$10 nominal consideration, no rent or other consideration will be charged for the lease.

The College has an option at the end of the lease term to purchase the facilities at no cost, or to demolish the facilities with costs of demolition split between the College and the School District. The School District has the option to purchase the land at appraised value in the event of any dissolution of the College. Any options to purchase the land, or to purchase or demolish the facilities, will be subject to required governmental approvals.

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 December 14, 2023, of Dr. Forest E. Mahan, PhD, President, Aiken Technical College.
3. Letter dated December 15, 2023, of Mr. Jose E. Lewis, Chair, Aiken County Commission for Technical and Comprehensive Education.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: January 24, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster

Ashlie Lancaster, Director

- 2. Subject:** Aiken Technical College Ground Lease at 2276 Jefferson Davis Highway, Graniteville SC to the Aiken County Board of Education
-

3. Summary Background Information:

Aiken Technical College (ATC) requests approval to enter into a ground lease via its Commission of \pm 6.45 acres of land on the ATC Campus at 2276 Jefferson Davis Highway, Graniteville SC 29829 to the Aiken County Board of Education (Ex Officio: Trustees of the Consolidated School District of Aiken County), (School District). The term of the proposed lease is sixty years (January 1, 2024-January 31, 2084) with two optional five-year extensions.

The School District desires to construct new facilities for the Aiken County Career and Technology Center (ACCTC) upon this land. ATC has determined that the ACCTC is in line with their mission and will provide an elite academic experience for qualified students, introduce students to a career and offer intensive study and certification which could result in increased enrollment at ATC, particularly in high-demand fields such as healthcare, advanced manufacturing, computer science and industrial technology. As such, other than \$10.00 consideration, there will be no Rent charged for this ground lease.

In the event of dissolution of ATC, the School District, at its option and subject to required governmental approvals, can purchase the land and rights of the Demised Premises at the then appraised value. At such time, ATC, or its successor in interest, shall have no further obligations under the lease. At the end of the lease term at the option of ATC, ATC and the School District will either split the cost to demolish the ACCTC facilities or ATC may purchase the facilities at no cost subject to required governmental approvals.

The Aiken County Commission for Technical and Comprehensive Education approved this ground lease on December 15, 2023. The State Board for Technical and Comprehensive Education approved this ground lease on December 15, 2023. Commission on Higher Education approval is not required as this is a lease-out.

- 4. What is the JBRC asked to do?** Approve the proposed sixty-year ground lease with two optional five-year extensions to the School District for \pm 6.45 acres.

5. What is recommendation of the submitting agency involved? Approve the proposed sixty-year ground lease with two optional five-year extensions to the School District for ±6.45 acres.

6. List of Supporting Documents:

- (a) Letter from Agency
- (b) Letter from Commission



December 14, 2023

Ms. Ashlie Lancaster
Director
Division of Facilities Management and Real Property Services
South Carolina Department of Administration
1200 Senate Street, Suite 640
Columbia, SC 29201

Dear Ms. Lancaster:

Aiken Technical College (ATC) requests approval by the Joint Bond Review Committee (JBRC) and the State Fiscal Accountability Authority (SFAA) at its upcoming meetings to consider a sixty (60) year lease with the Aiken County Public School District (ACPSD) for a plat of land located at 2276 Jefferson Davis Highway, Graniteville, South Carolina, 29829.

As leaders in workforce development, ATC and ACPSD wish to locate and construct the School District's new state-of-the-art, 90,000 square foot Career and Technology Center on the Aiken Technical College campus.

This project would allow for greater synergy in educating the citizens of Aiken County in the high-demand fields of healthcare, advanced manufacturing, computer science, and industrial technology, as having both secondary and post-secondary facilities on a single campus will better enhance dual enrollment opportunities for high school students and create a direct workforce pipeline from K-12 into higher education.

The proposed lease is a sixty-year term, beginning February 1, 2024, and expiring January 31, 2084. This lease has a \$10.00 fee. There is also a request for two optional five (5) year extensions if agreed to by both parties.

Thank you for your assistance in this process and your consideration of our request. Please let me know if you need any additional information.

Sincerely,

Forest E. Mahan, PhD
President
Aiken Technical College



AIKEN TECHNICAL COLLEGE

*Office of the Aiken County Commission for Technical and
Comprehensive Education*

December 15, 2023

Ms. Ashlie Lancaster, Director
Division of Facilities Management and Real Property Services
South Carolina Department of Administration
1200 Senate Street, Suite 640
Columbia, SC 29201

Dear Ms. Lancaster,

The Commission for Aiken Technical College (ATC) supports the decision to allow the lease of 6.45 acres within the property of 2276 Jefferson Davis Highway, Graniteville, SC 29829 to the Aiken County Public School District (ACPSD) for which to build their new Aiken County Career and Technology Center (ACCTC). The Commission is cognizant that the transaction will not create any financial burden on ATC but will, in fact, create a collaboration between the two institutions.

It is the intent of the college to allow ACPSD to utilize plat book#5 051_06, constituting 6.45 acres of land, along with sole use of parking lot #5 and shared use of lot #4 to build and operate their new educational facility.

The lease will not impact the daily activities on the ATC campus or cause/create any damage to the campus as a whole. It is with the best interest of Aiken Technical College in mind that we make this request.

Respectfully,

The Aiken County Commission for Technical and Comprehensive Education

—
Joe E. Lewis
Commission Chair

AGENCY: Department of Administration
Facilities Management and Real Property Services

SUBJECT: Proposed Lease
South Carolina Governor's School for Agriculture
Lease of Acreage at Tomb Road, McCormick

The South Carolina Governor's School for Agriculture at John de la Howe requests review of its proposal to lease approximately 0.23 acres of land located off of Tomb Road in McCormick to Cellco Partnership, dba Verizon Wireless, for the erection and maintenance of a tower, a structure to house equipment, supporting cables, fencing, and equipment incidental to the operations of a telecommunications tower on the site. The tower is being constructed to provide high speed internet and cellular service to the School at its request.

The initial term of the proposed ground lease is 5 years, with 4 optional renewal terms of 5 years each. The rental rate for the initial term is \$6,000 annually; thereafter, annual rent will escalate by 5% for each subsequent 5-year renewal term. In addition to the rent, Verizon will pay a co-location fee to the South Carolina Educational Television Commission at a rate of 15% for each additional entity utilizing the tower. No option to purchase the property is included in the lease.

COMMITTEE ACTION:

Review and make recommendation regarding the proposed lease.

ATTACHMENTS:

1. Department of Administration, Facilities Management and Property Services, Agenda Item Worksheet.
2. Undated letter of Mr. Scott Mims, Facilities Director, South Carolina Governor's School for Agriculture.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: January 24, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster
Ashlie Lancaster, Director

2. Subject: South Carolina Governor’s School for Agriculture at John de la Howe at Tomb Road, McCormick 29835 in McCormick County Lease-Out

3. Summary Background Information:

The South Carolina Governor’s School for Agriculture at John de la Howe (the “School”) is requesting approval to lease out 0.23± acres of land located off of Tomb Road in McCormick County to Cellco Partnership, d/b/a Verizon Wireless, its successor, or permitted assignee (“Verizon”) for the erection and maintenance of a telecommunications facility to include a tower along with communication structures to house equipment, supporting cables, fencing and equipment incidental to the operation of a telecommunications tower (collectively, the “Telecommunications Facility”) on the site. The Telecommunications Facility is being constructed at the request of the School to obtain cellular service that is currently lacking to the School’s 1,300-acre campus.

The requested ground lease (the “Lease”) term is five years beginning January 1, 2024 and rent shall begin on the first day of the month following the commencement of construction of the telecommunications tower or twelve (12) months following the date upon which both this Lease and the related Easement Agreement have been fully executed, with an automatic extension for four (4) optional renewal terms of five (5) years each unless Verizon notifies the School and South Carolina Educational Television (“ETV”), as a party to the Lease, that it does not wish to extend. The annual rent, determined to be the fair market value based on an appraisal conducted by a State certified General Real Estate Appraiser in the State of South Carolina, will be \$6,000.00 for each of the first five years of the term. After the first five (5) years, the annual rent will escalate by 5% and will continue to escalate by 5% every 5 years thereafter as reflected in the chart below.

Term Yr	Annual Rent (rounded)
1-5	\$6,000.00
6-10	\$6,300.00
11-15	\$6,615.00
16-20	\$6,946.00
21-25	\$7,293.00
TOTAL RENT OVER TERM	\$165,770.00

In addition to the rent, Verizon will pay a co-location fee to ETV at a rate of 15% for any entities in addition to Verizon or the State that use the Telecommunication's Facility.

In conjunction with this lease-out, the School is seeking approval from the State Fiscal Accountability Authority to grant an access and utility easement to Verizon in the two areas (consisting of 0.74± miles of roadway and 0.162± acres) for the purpose of ingress, egress, construction, installation, operation and maintenance of the Telecommunication's Facility, utilities, related equipment, appurtenances and services on the property. The term of the easement will be twenty-five (25) years to align with the lease-out.

- 4. What is the JBRC asked to do?** Approve the proposed five year ground lease and the automatic four five-year renewal terms from the South Carolina Governor's School for Agriculture at John de la Howe off of Tomb Road in McCormick to Cellco Partnership, d/b/a Verizon Wireless, its successor, or permitted assignee, for 0.23± acres of land.
-

- 5. What is recommendation of the submitting agency involved?** Approve the proposed five year ground lease and automatic four five-year renewal terms from the South Carolina Governor's School for Agriculture at John de la Howe off of Tomb Road in McCormick to Cellco Partnership, d/b/a Verizon Wireless, its successor, or permitted assignee, for 0.23± acres of land.
-

6. List of Supporting Documents:

- (a) Letter from SC Governor's School for Agriculture at John de la Howe
- (b) Letter from Counsel for Verizon Wireless



SC Governor's School for Agriculture

AT JOHN DE LA HOWE

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

RE: Lease-Out and Easement for Verizon Wireless Tower at the South Carolina Governor's School for Agriculture at John de la Howe.

Dear Ms. Lancaster,

The management team at the South Carolina Governor's School for Agriculture at John de la Howe ("School") formally requests that the State Fiscal Accountability Authority ("Authority") and Joint Bond Review Committee grant approval for a ground lease ("Lease-Out"), and that the Authority grant approval of an access and utility easement, both to Cellco Partnership d/b/a Verizon Wireless ("Verizon"), a public utility provider. The purpose of the Lease-Out will be to allow Verizon to have a structure (i.e. a wireless communications tower) on the School's campus. The purpose of the easement shall be for ingress, egress, installation, construction, repair and maintenance of the tower and tower equipment.

An appraisal was conducted to determine the appropriate rental rate for the Lease-Out, coming out to \$6,000 per year and escalating 5% every five years thereafter. The term of the Lease-Out is five years with four (4) optional renewal terms of five (5) years each, to commence January 1, 2024 and end on December 31, 2028 unless extended.

The term of the easement will be twenty-five (25) years to align with the Lease-Out. The easement will contain termination language that if the easement holder abandons the easement or terminates the related ground lease, it will terminate. Additionally, the easement will terminate upon breach of the easement terms by the easement holder or if the easement is no longer used for its intended purpose. The roadway portion of the easement may be relocated only if John de la Howe School relocates the access road in the future.

The wireless communications tower to be constructed by Verizon shall provide high speed internet services and reception to the School's 1,300-acre campus that are currently lacking. The current lack of necessary cellular service is a significant safety concern for parents, students and the School's administration that the School is aiming to address with this easement and the related ground lease for the tower's construction.

The location of the wireless communications tower will greatly benefit the School by improving communication ability around the property, and as such, the easement would be granted to Verizon at the appraised value.



SC Governor's School for Agriculture

AT JOHN DE LA HOWE

The proposed easement will not materially impair the utility of the School's property nor impact the operation of the institution or create any financial burden on the School's budget.

Thank you in advance for your consideration of this easement request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott Mims".

Scott Mims

JDLH Facilities Director

NICHOLAS C. STEINHAUS, SHAREHOLDER
Direct Dial: 803.251.8828
Direct Fax: 803.753.9750
E-Mail Address: nsteinhaus@bakerdonelson.com

September 18, 2023

VIA FED EX

**The South Carolina
Department of Administration**

Attn: Brittni Geny
1200 Senate Street
Columbia, South Carolina 29201

Re: Statement of Need for Easement – Cellco Partnership d/b/a Verizon Wireless

Dear Ms. Geny:

At the request of The South Carolina Department of Administration, we are providing this statement on behalf of our client, Verizon Wireless, regarding our client’s need for an easement on State of South Carolina owned property commonly known as the South Carolina Governor’s School for Agriculture at John de la Howe located at Tomb Road, McCormack 29835 in McCormick County, South Carolina (PIN 065-00-00-001) (the “Property”).

Verizon Wireless will be leasing a one hundred feet by one hundred feet (100’ x 100’) parcel (the “Leased Premises”) on the Property for the purpose of constructing and operating a wireless communication tower and associated improvements. The Leased Premises are located over four thousand feet (4,000’) from the nearest public right of way, SC Hwy 81. As a result, Verizon Wireless must secure rights of ingress and egress and the right to install utilities on the Property. Based on our discussions, Verizon Wireless was presented with two (2) options: (1) the State can grant a revocable license for ingress, egress, and utilities; or (2) the State can grant a stand-alone easement for ingress, egress, and utilities.

Verizon Wireless cannot own, operate, and maintain a communications facility unless it has the ability to access the facility and the ability to install all necessary utilities. If Verizon Wireless were to accept revocable license option offered by the State, then Verizon Wireless’ use of the facility could be interrupted or effectively terminated at any time if the State chooses to revoke the license. This is a material business and legal risk that Verizon Wireless cannot accept. If this communications facility suddenly goes “off air” as a result of a loss of utility service, this would impact Verizon Wireless’ customers that are being served by this tower location and it would impact the service of customers being served by the immediately surrounding tower locations.

Brittni Geny
September 18, 2023
Page 2

Verizon Wireless intends to sublease space on this tower to other wireless communication providers and the proposed lease with the State contains a provision whereby the State will receive a percentage of the revenue generated from those subleases. The risk presented by revocable access and utility rights would severely impact the marketability of the site for use by other wireless communication providers.

In addition to the foregoing, Verizon Wireless will be investing substantial capital to develop and construct the proposed communications facility. A loss of access and utility rights as a result of a revoked license would effectively terminate Verizon Wireless' use of the site. Wireless communication providers and tower companies will not risk the capital investment required to develop a communication facility if their access or utility rights can be terminated at any time.

Please contact me at your earliest convenience via email or telephone to confirm that you have received this letter and the enclosures and to discuss any questions you might have regarding the proposed easement.

Sincerely,

BAKER, DONELSON, BEARMAN,
CALDWELL & BERKOWITZ, PC



Nicholas C. Steinhaus, Shareholder

AGENCY: Department of Administration
Facilities Management and Real Property Services

SUBJECT: Proposed Lease
Winthrop University
Student Housing at 620 Rose Street, Rock Hill

Winthrop University requests review of an executed lease of 58 beds for student housing located at 620 Rose Street, Rock Hill, from Walk 2 Campus Holdings, LLC.¹ The lease was executed by the University erroneously as an emergency procurement on September 1, 2023, to address a housing deficit in the current academic year. Execution of the lease by the University was without statutory authority, as leases are not subject to the provisions of the South Carolina Consolidated Procurement Code and the emergency procedures provided for therein. The University has stated that its erroneous use of emergency procurement procedures was solely the result of a misunderstanding of their inapplicability to leases.

The lease provides for furnished rooms from August 19, 2023, to May 19, 2024, at a rate of \$857 per month per bed, for a total of \$447,484 over the term. Rent includes all utilities.

The University reports that all 58 beds were used during the fall semester, and expects that all beds will be utilized during the spring semester. The University further expects the housing deficit will continue, and is exploring the possibility of acquiring the rented facility. In addition, the University is working with the Department of Administration to solicit for beds for the 2024-25 academic year. Any proposed lease resulting from that solicitation will be presented to the Committee and the State Fiscal Accountability Authority for requisite review and approval.

The Department of Administration has proposed guidance for the state's higher education institutions in addressing continuing deficits in student housing. This guidance is included as information for the Committee in a subsequent agenda item.

COMMITTEE ACTION:

Receive the report of the executed lease and provide comment as appropriate.

ATTACHMENTS:

1. Department of Administration, Facilities Management and Property Services, Agenda Item Worksheet.
2. Letter dated January 8, 2024, of James J. Grigg, Associate Vice President for Facilities, Winthrop University.

¹ A Virginia limited liability company in good standing registered with the SC Secretary of State effective December 18, 2015. Corporation Service Company, West Columbia, SC is registered agent. Private Participant Disclosures were included with the submission.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: January 24, 2024

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster
Ashlie Lancaster, Director

2. Subject: Winthrop University Emergency Housing Lease

3. Summary and Background Information:

Winthrop University has entered into a lease agreement with Walk 2 Campus Holdings, LLC (W2C) to address its housing deficit in the current academic year. The lease was entered into on September 1, 2023, and is with an apartment community known as CampusWalk for up to fifty-eight (58) beds in furnished rooms from August 19, 2023, to May 19, 2024, at an average rate of \$857/month/bed for a potential total of \$447,484 over the term. The University charges the students that same rent as incurred by the University for each bed type. The rent includes all utilities. The University will also pay W2C for any tenant caused damages at the end of each semester after move-out and inspections and will charge the applicable students directly for the same.

The University reports that all 58 beds were used during the Fall semester, and they anticipate all 58 beds being utilized during the Spring semester.

The University conducted this acquisition pursuant to the Consolidated Procurement Code as an emergency procurement, as the University thought that was the proper mechanism to acquire these rooms at the time. The agreement, however, is governed by the laws applicable to leases entered into by State agencies (e.g., § 1-11-55 and 1-11-56) not the Consolidated Procurement Code (R. 19-445.2000E(5)), and therefore SFAA approval is necessary.

The University anticipates the shortage in sufficient student housing to continue and is exploring the possibility of acquiring CampusWalk apartments. In the meantime, the University has begun working with the Department of Administration to solicit for beds beginning in academic year 2024-25. Any resulting lease will be presented to the JBRC and SFAA for approval as applicable.

4. What is the JBRC asked to do? Approve Winthrop University's emergency student housing agreement.

5. What is recommendation of the submitting agency involved? Consider approval of Winthrop University's emergency student housing agreement.

6. List of Supporting Documents:

- Winthrop University Letter



January 8, 2024

Ms. Ashlie Lancaster
Director
Division of Facilities Management and Property Services
SC Department of Administration
1200 Senate Street, Suite 600
Columbia, SC 29201

Dear Ms. Lancaster,

Prior to the start of Fall 2023 semester, Winthrop University observed an increase in student matriculation and enrollment, creating a deficit in available housing for students. The University enacted measures to expand all available on campus space to absorb the students but still determined that the anticipated housing shortage warranted the necessity for emergency arrangements to accommodate students who had requested residential housing. Without on-campus housing, freshmen and sophomore students would be forced to seek their own housing arrangements and would lose University oversight that comes through having resident advisors readily available, access to dining facilities, and the residential area monitoring by the University's Police Department. As a result, the University entered into agreement with a nearby housing providers, Walk2Campus, who operates the CampusWalk apartments that are adjacent to the Winthrop campus. Since they had a limited number of beds available to address our anticipated housing deficit.

At the time the University entered into this agreement, we thought we were following the proper procedures for an emergency procurement. There was no intent by the University to avoid the required processes for the approval of leases by the Joint Bond Review Committee (JBRC) or the State Fiscal Accountability Authority (SFAA). Following guidance from the Department of Administration (Admin), the University is now requesting that this agreement be brought before SFAA for approval. The University is also working with the Admin to obtain a lease for student housing beginning in academic year 2024-25, which will be brought for approval by JBRC and SFAA once negotiated.

Feel free to contact me if you have questions, and please advise if you need further information.

Sincerely,

James J. Grigg
Associate Vice President for Facilities

349 Columbia Avenue
Rock Hill, SC 29733
803/323-2261

AGENCY: South Carolina Public Service Authority

SUBJECT: Lease Proposal
Berkeley County Emergency Service Training Center,
Moncks Corner

The South Carolina Public Service Authority requests approval to renew a gratis lease of 18.45 acres located at 474 Reid Hill Road in Moncks Corner to the Berkeley County Emergency Service Training Center pursuant to the Authority's gratis lease policy, which permits the grant of no-cost leases to organizations that advance public and corporate purposes in such areas as education; community and civic support; the arts, culture, and humanities; environmental responsibility; safety, health and human services; and economic development.

The Center is a 501(c)(3) organization that provides for training of public and private sector emergency personnel within Berkeley County and surrounding areas in responding to fires, accidents, and other emergencies. The lease serves a public purpose by providing safety, health, and human services for the community, and supports the Authority's commitment to improve the quality of life of state residents.

The Center has leased the property since 1996 and has constructed 3 buildings it occupies on the site. The Authority proposes renewal of the lease on a year-to-year basis in accordance with its gratis lease policy.

COMMITTEE ACTION:

Approve renewal of the lease of 18.45 acres to the Berkeley County Emergency Service Training Center, including automatic year-to-year renewals, all in accordance with the Authority's gratis lease policy.

ATTACHMENTS:

1. Letter dated January 24, 2024, of Mr. J. Martine Watson, P.E., Chief Commercial Officer, Santee Cooper.
2. Aerial map of the property.

January 24, 2024

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

Re: Gratis Lease Berkeley County Emergency Service Training Center, Inc.

Dear Chairman Peeler:

The South Carolina Public Service Authority (“Santee Cooper”) requests that the Joint Bond Review Committee (“JBRC”) approve a gratis lease (the “Gratis Lease”) to Berkeley County Emergency Service Training Center, Inc. (the “Gratis Lease”) at its meeting on January 24th, 2024.

Background

The Berkeley County Emergency Service Training Center, Inc. is requesting the renewal of a gratis lease on a year-to-year basis for the property located at 474 Reid Hill Rd. in Berkeley County. For many years, the Berkeley County Emergency Service Training Center, Inc. has leased the property in order to provide a secure and suitable location for training qualified personnel in both the public and private sectors of the County for the purpose of responding to fires, accidents and other emergency situations.

The Gratis Lease Policy

Santee Cooper’s Board-approved gratis lease policy permits Santee Cooper to grant a gratis lease to the following types of organizations if the lease advances both a public purpose and a corporate purpose:

- Education
- Community/Civic
- Arts, culture and humanities
- Environmental
- Safety, health and human services
- Economic development

Berkeley County Emergency Service Training Center, Inc., a 501(c)(3) organization whose mission is to provide a secure and viable location for the training of emergency personnel within Berkeley County and surrounding areas, is eligible to hold the Gratis Lease. The Gratis Lease serves the public purpose of providing safety, health and human services for the community. It also supports Santee Cooper’s fulfillment of its mission to improve the quality of life of state residents.

The Gratis Lease has been approved by Santee Cooper’s President and CEO, consistent with Santee Cooper’s policy for lease terms of one (1) year, and likewise further terms of one (1) year.

Santee Cooper respectfully requests that the JBRC approve the Gratis Lease. Should you have any questions or need any further documentation, please do not hesitate to contact me.

Sincerely,



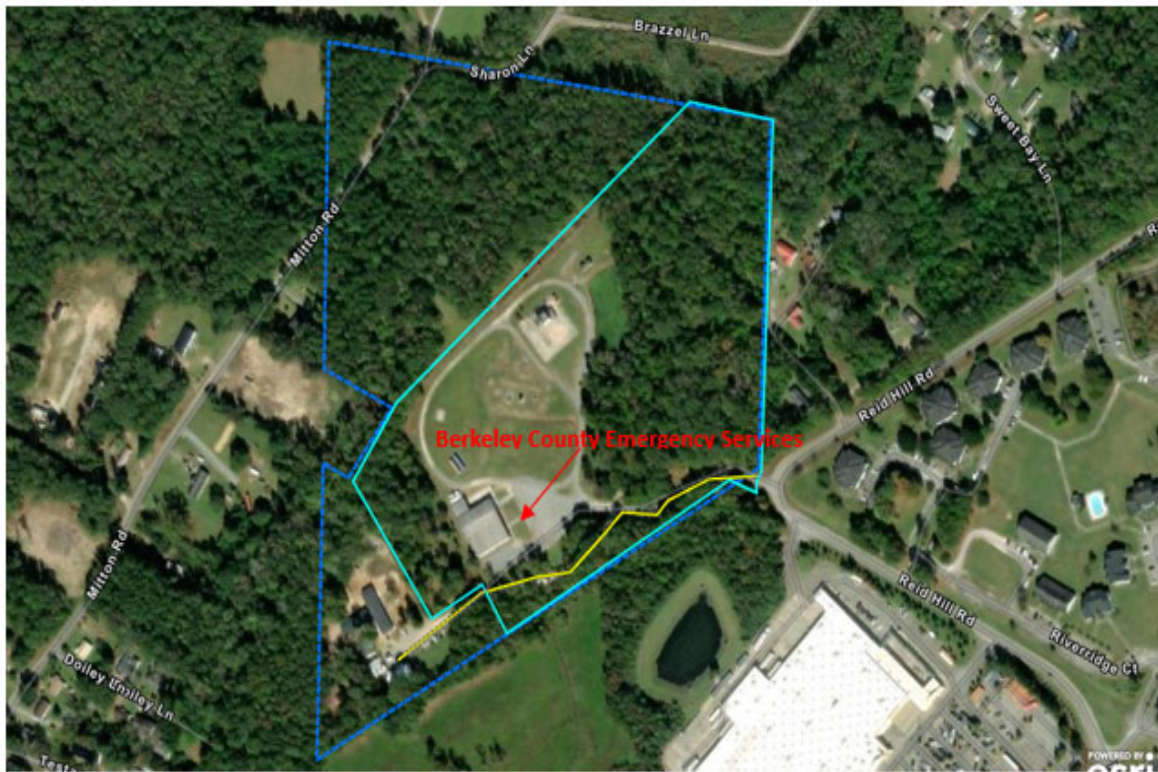
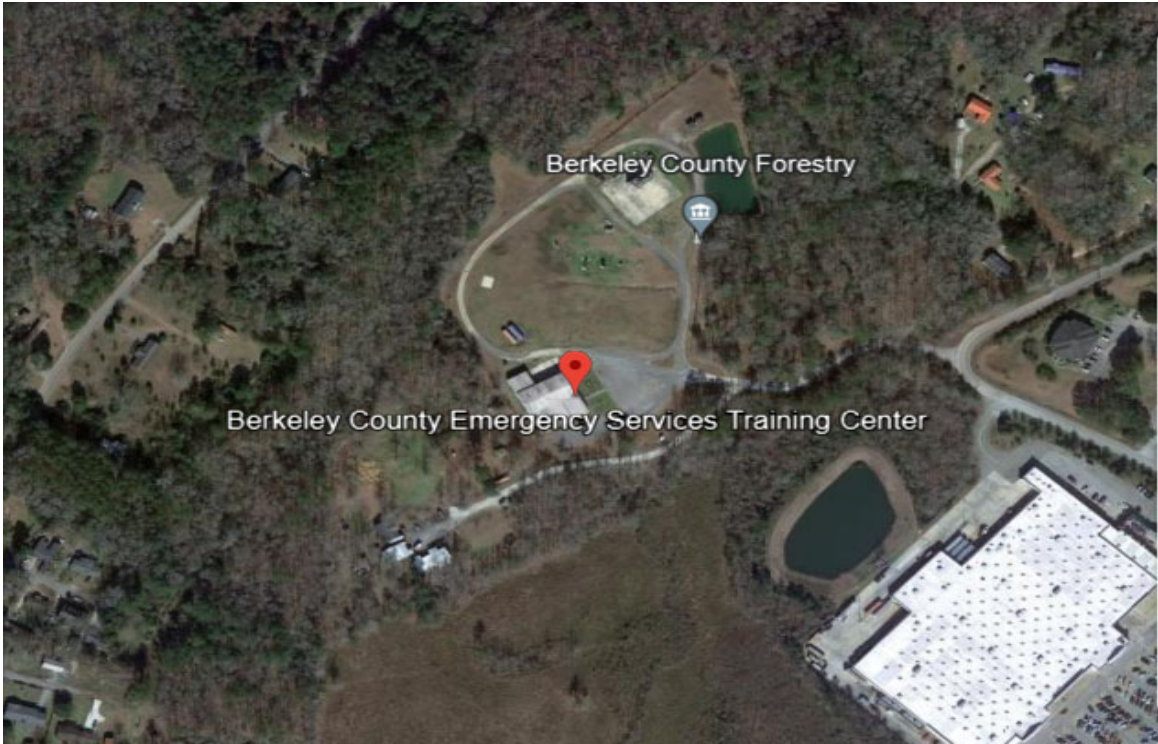
J. Martine Watson

JMW:cmb

Attachment

Attachment A – Aerial map of property location

Attachment A



AGENCY: University of South Carolina

SUBJECT: Brain Health Center

Proviso 33.32 (DHHS: Brain Health Initiative) of the Fiscal Year 2023-24 Appropriations Act authorizes the South Carolina Department of Health and Human Services to contract with the University of South Carolina to develop and implement a rural brain health network to among other things advance clinical care of dementia, promote translational research, and establish training and fellowship programs for health care providers.

In furtherance of this initiative, the Department of Health and Human Services has entered into a contract with the University of South Carolina dated November 1, 2023, which among other things provides for the Department to make a payment of up to but not exceeding \$30 million to the University for the comprehensive renovation and expansion of Medical Park Building 15 for establishment of the University of South Carolina Brain Health Center.

In fulfillment of its responsibilities under the contract, the University proposes establishment of a permanent improvement project to undertake renovations necessary to accommodate two magnetic resonance imaging machines, along with related infrastructure to meet the extraordinary electrical demand of the scanners, and new HVAC, fire sprinkler, and other structural requirements and equipment necessary for this specialized facility.

The Board of Trustees of the University approved the permanent improvement project at its meeting on August 18, 2023, and approved the contract with the Department of Health and Human Services for renovation of Medical Park Building 15 on December 19, 2023.

COMMITTEE ACTION:

Review and make recommendation for establishment of the proposed permanent improvement project supporting the University of South Carolina Brain Health Center.

ATTACHMENTS:

1. Permanent Improvement Project Request dated January 11, 2024.
2. Contract Between South Carolina Department of Health and Human Services and University of South Carolina for the Renovation and Expansion of Medical Park 15 Building for the University of South Carolina Brain Health Center, dated as of November 1, 2023.
3. Site Analysis: Bull Street District Master Plan.
4. Proviso 33.32 (DHHS: Brain Health Initiative) of the Fiscal Year 2023-24 Appropriations Act.

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

(For Department Use Only)
SUMMARY NUMBER
FORM NUMBER

PERMANENT IMPROVEMENT PROJECT REQUEST

1. AGENCY
 Code _____ Name _____
 Contact Person _____ Phone _____

2. PROJECT
 Project # _____ Name _____
 Facility # _____ Facility Name _____

County Code	_____
New/Revised Budget	_____

Project Type	_____
Facility Type	_____

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

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

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

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

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

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES
 Estimated Start Date: _____ Estimated Completion Date: _____
 Estimated Expenditures: Thru Current FY: \$ _____ After Current FY: \$ _____

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #	
------------------	--

1. _____ Land Purchase ---->
2. _____ Building Purchase ---->
3. _____ Professional Services Fees
4. _____ Equipment and/or Materials ---->
5. _____ Site Development
6. _____ New Construction ---->
7. _____ Renovations - Building Interior ---->
8. _____ Renovations - Utilities
9. _____ Roofing - Roof Age
10. _____ Renovations - Building Exterior
11. _____ Other Permanent Improvements
12. _____ Landscaping
13. _____ Builders Risk Insurance
14. _____ Other Capital Outlay
15. _____ Labor Costs
16. _____ Bond Issue Costs
17. _____ Other:
18. _____ Contingency

Land: _____ Acres
 Floor Space: _____ Gross Square Feet
 Information Technology \$ _____
 Floor Space: _____ Gross Square Feet
 Floor Space: _____ Gross Square Feet

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc..) present in the project and the financial impact they will have on the project. Type: _____	
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ _____

\$ _____ TOTAL PROJECT BUDGET

9. PROPOSED SOURCE OF FUNDING

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

10. SUBMITTED BY:

Derek S. Gruner
 Signature of Authorized Official and Title

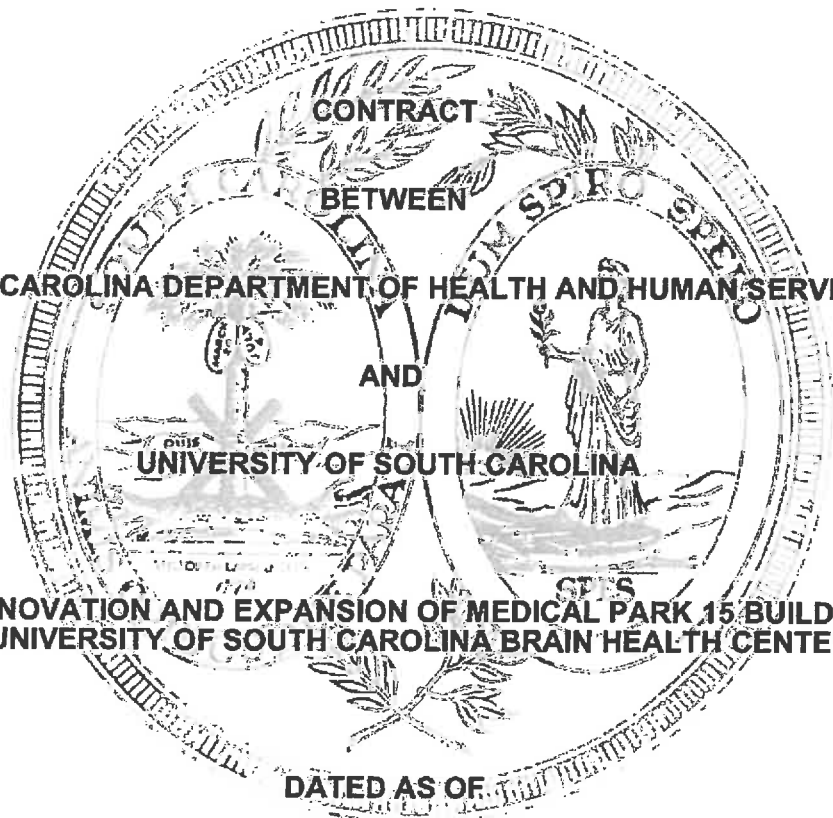
 Date

11. APPROVED BY:

(For Department Use Only)

 Authorized Signature and Title

 Date



CONTRACT

BETWEEN

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND

UNIVERSITY OF SOUTH CAROLINA

**FOR THE RENOVATION AND EXPANSION OF MEDICAL PARK 15 BUILDING FOR
THE UNIVERSITY OF SOUTH CAROLINA BRAIN HEALTH CENTER**

DATED AS OF

NOVEMBER 1, 2023

A2025000246A

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CONTRACT
BETWEEN
SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
AND
UNIVERSITY OF SOUTH CAROLINA

**FOR THE RENOVATION AND EXPANSION OF MEDICAL PARK15 BUILDING FOR
THE UNIVERSITY OF SOUTH CAROLINA BRAIN HEALTH CENTER**

This Contract is entered into as of the first day of November 2023, by and between the South Carolina Department of Health and Human Services, 1801 Main Street, Post Office Box 8206, Columbia, South Carolina, 29202-8206, hereinafter referred to as "SCDHHS," and the University of South Carolina, Osborne Administration Building, Suite 202, 915 Bull Street, Columbia, South Carolina 29208, hereinafter referred to as "Contractor."

RECITALS

WHEREAS, SCDHHS is the single state agency responsible for the administration in South Carolina of a program of Medical Assistance under Title XIX of the Social Security Act and makes all final decisions and determinations regarding the administration of the Medicaid program; and,

WHEREAS, Proviso 33.19 (Contract Authority) of the South Carolina 2023-2024 Appropriations Act allows SCDHHS to enter into contracts with community-based not-for-profit organizations for local projects that further the objectives of SCDHHS programs; and,

WHEREAS, Proviso 33.32 (Brain Health Initiative) of the South Carolina 2023-2024 Appropriations Act, provides in part, that SCDHHS is authorized, from funds appropriated, to contract with the Contractor to develop and implement a rural brain health network for the purpose of improving brain health, enhancing the quality of care, and increasing statewide access to dementia care; and,

WHEREAS, South Carolina's population is aging rapidly, at an accelerating rate, the University of South Carolina Brain Health Center will be dedicated to the comprehensive multidisciplinary care of individuals with neurological problems, cognitive complaints, and dementia; and

WHEREAS, SCDHHS provides Medicaid coverage to much of the aging population and individuals with neurological medical conditions, cognitive complaints and dementia; and

WHEREAS, Contractor ensures that the design, renovation and expansion of the Medical Park 15 Building, will ensure that the patient experience at the University of South Carolina Brain Health Center is accessible, patient-centered and will ensure the highest quality of outpatient appointments, state-of-the-art diagnostic tests and equipment, as well as outpatient treatment procedures; and

WHEREAS, the Contractor represents and warrants that it meets applicable standards to receive such funds and desires to perform the requirements outlined in this Contract; and

NOW THEREFORE, the parties to this Contract, in consideration of the mutual promises, covenants, and stipulations set forth herein, agree as follows:

ARTICLE I

CONTRACT PERIOD

This Contract shall take effect on November 1, 2023, and shall, unless sooner terminated in accordance with Article VI, continue in full force and effect through October 31, 2025.

ARTICLE II

DEFINITION OF TERMS AND ACRONYMS

As used in this Contract, the following terms shall have the following defined meanings:

Beneficiary: A person who has been determined eligible to receive services as provided for in the South Carolina State Plan for Medical Assistance.

CMS: Centers for Medicare and Medicaid Services

Federal Financial Participation (FFP): Any funds, either title or grant, from the Federal Government.

GAO: Government Accountability Office

HIPAA: Health Insurance Portability and Accountability Act of 1996, as amended, along with its attendant regulations.

Policies: The general principles by which SCDHHS is guided in its management of the South Carolina State Plan for Medical Assistance, as further defined by SCDHHS promulgations and by state and federal rules and regulations.

Program: The method of provision of Title XIX services to South Carolina Beneficiaries as provided for in the South Carolina State Plan for Medical Assistance and SCDHHS regulations.

Social Security Act: Title 42, United States Code, Chapter 7, as amended.

SCDHHS Appeal Regulations: Regulations promulgated in accordance with S.C. Code Ann. §44-6-90 (2018), S.C. Code Ann. Regs. 126-150 et seq. (2011) and S.C. Code Ann. §1-23-310 et seq. (2005).

South Carolina State Plan for Medical Assistance (State Plan): The comprehensive written commitment by SCDHHS, submitted under section 1902(a) of the Social Security Act, to administer or supervise the administration of the Medicaid Program in accordance with federal requirements.

Title XIX (Medicaid): Title 42, United States Code, Chapter 7, subchapter XIX, as amended. (42 U.S.C. § 1396 et seq.)

USDHHS: United States Department of Health and Human Services

ARTICLE III

CONTRACTOR RESPONSIBILITIES

For and in consideration of the promises herein made by SCDHHS, Contractor agrees to the following:

- A. The Contractor shall provide a comprehensive renovation of Medical Park 15 (MP15) and a modest expansion for the establishment of the University of South Carolina Brain Health Center (UBHC). The expansion shall accommodate the highly specialized facility needs associated with the scanners including concrete mat foundations, vibration isolation, shielding, and extraordinary overhead clearance. Appendix A of this Contract provides a detailed overview of the UBHC program and Scope of the Renovation/Expansion Work and the preliminary Project Schedule. The Parties recognize that this preliminary schedule is tentative and will change throughout although the Parties' goal is to complete the Renovation/Expansion Work by the end of calendar year 2025.
- B. The comprehensive renovation and expansion shall also include the following:
- The removal of much of the exterior masonry veneer and replacement of the exterior wall to upgrade and modernize the architectural presence of the facades and increase thermal performance of the building envelope. New glazing systems will support both objectives.
 - An estimated 5000 GSF expansion of the building at grade level to create rooms for up to three scanners. The expansion will provide a concrete mat foundation capable of supporting a scanner that weighs 25 tons or more. The expansion would be structurally isolated from the existing building so that vibrations do not telegraph to the scanners. The expansion would have shielding to isolate magnetic fields. The expansion is expected to be 1½-2 floors tall to provide sufficient overhead clearance in the scanner rooms.
 - Upgrade the entrance facing Harden Street Extension to improve the image of the building and make the lobby more accommodating to public access. This effort anticipates a minor two-story addition with significant areas of glazing. A monumental stair should be studied to connect Brain Health Institute program spaces that will occur on the first and second floors.
 - Demolish and remove all building finishes including the fire-rated ceiling assembly.
 - Replace and upgrade the entire electrical infrastructure to accommodate the significant power requirements of the scanners and the High-Performance

Computing Data Center. Augment equipment and convenience power distribution as required by the program and install new replacement LED lighting throughout the building.

- Upgrade the toilet rooms and modernize them to comply with contemporary ADA accessibility standards and occupant loads dictated by code.
 - Install a fire sprinkler system throughout the entire building and modify the utility vault as required for this service.
 - Replace and reconfigure the existing mechanical HVAC system as the program requires throughout the building.
 - Replace the 50-year-old elevator to comply with accessibility standards and modify the shaft if required.
 - Renovate and reconfigure the interior to functionally adapt to new departments and provide sufficient acoustical and security isolation.
 - Provide new floor, wall, and ceiling finishes throughout. Expect high quality materials in public areas to upgrade the appearance of the building interior.
- C. Contractor agrees to provide at least quarterly status reports to SCDHHS throughout the term of this Contract. The status reports must provide updates on the renovation and expansion progress and the use of funds expended under this Contract. Contractor agrees to provide any additional specific status reports upon the request of SCDHHS. Status reports shall be submitted at state_contracts@scdhhs.gov.
- D. The Contractor agrees to notify SCDHHS at state_contracts@scdhhs.gov within three calendar days of the date the Contractor becomes aware of, or should have become aware of, the Contractor's failure to make progress on the renovation and expansion project, thereby impacting the timely completion of the project by the end of calendar year 2025 as proposed in the preliminary schedule included in Appendix A of this Contract.

ARTICLE IV

PAYMENT AND RECOUPMENT

For and in consideration of the promises herein made by Contractor, SCDHHS agrees to the following:

- A. SCDHHS agrees to make payment at an amount up to and not to exceed Thirty Million Dollars (\$30,000,000). Payment will be made as follows:
1. Upon execution of this Contract and the submission of an invoice by the Contractor as described in Subsection B below, SCDHHS will make a payment in the amount of Five Million Dollars (\$5,000,000) to Contractor.

2. Upon SCDHHS receipt and approval of an invoice detailing the completion of any work listed in the Project Schedule in Appendix A of this Contract, scheduled to begin January 1, 2024, or later, SCDHHS will make payment accordingly.

B. Contractor shall invoice SCDHHS as outlined in Subsection A above by submitting the invoice to:

Accounting Operations/Accounts Payable
South Carolina Department of Health and Human Services
1801 Main Street
Post Office Box 8206
Columbia, South Carolina 29202-8206

Email invoices to invoices@scdhhs.gov

C. SCDHHS reserves the right to withhold or recoup funds provided under this Contract if, in the sole discretion of SCDHHS, the Contractor fails to make sufficient progress in the renovation and expansion project as outlined in the preliminary schedule included in Appendix A of this Contract, as may be amended from time to time. Accordingly, SCDHHS may recoup funds based upon the Contractor's failure to provide notification or status reports in accordance with Sections C and D of Article III.

ARTICLE V

RECORDS AND AUDITS

A. Accuracy of Data and Reports

Contractor shall certify that all statements, reports, and claims, financial and otherwise, are true, accurate, and complete. Contractor shall not submit for payment any claims, statements, or reports which it knows, or has reason to know, are not properly prepared or payable pursuant to federal and state law, applicable regulations, this contract, and SCDHHS policy.

1. Maintenance of Records

Contractor must maintain an accounting system with supporting fiscal records adequate to assure that claims for funds are in accordance with this Contract and all applicable laws, regulations, and policies. Contractor further agrees to retain all financial and programmatic records, supporting documents, statistical records and other records of Beneficiaries relating to the delivery of care or service under this contract, and as further required by SCDHHS, for a period of five (5) years after the later of the end of this Contract or the last payment made under this Contract (including any amendments and/or extensions to this contract). If any litigation, claim, or other actions involving the records have been initiated prior to the expiration of the five (5) year period, the records shall be retained until completion of the action and resolution of all issues which arise from it or until the end of the five (5) year period, whichever is later. This provision is applicable to any subcontractor and must be included in all subcontracts.

2. Inspection of Records

At any time during normal business hours and as often as SCDHHS, the State Auditor's Office, the State Attorney General's Office, GAO, and USDHHS, and/or any of the designees of the above may deem necessary during the Contract period (including any amendments and/or extensions to this contract) and for a period of five (5) years after the later of the end of this Contract or the last payment under this Contract, Contractor shall make all program and financial records and service delivery sites open to the representatives of SCDHHS, GAO, the State Auditor, the State Attorney General's Office, USDHHS, and/or any designees of the above. SCDHHS, the State Auditor's Office, the State Attorney General's Office, GAO, USDHHS, and/or their designee(s) shall have the right to audit, review, examine and make copies, excerpts or transcripts from all records, contact and conduct private interviews with the Contractor's recipients and employees, and do on-site reviews of all matters relating to service delivery as specified by this contract. If any litigation, claim, or other action involving the records has been initiated prior to the expiration of the five (5) year period, the records shall be retained until completion of the action and resolution of all issues which arise from it or until the end of the five (5) year period, whichever is later. This provision is applicable to any subcontractor and must be included in all subcontracts.

B. Audits

In the event an audit is performed, and the audit report contains audit exceptions or disallowances, it is agreed by the parties hereto that the following procedures shall be used in making the appropriate audit adjustment(s):

1. Notice of Exceptions and Disallowances

Upon completion of an audit, the Contractor shall be furnished a written notice containing the adjustment for each exception and a statement of the amount disallowed for each exception. SCDHHS, the State Auditor's Office, CMS or their designee shall make this determination. Such notice shall further state the total sum disallowed as a result of the audit and that payment is due to SCDHHS in the full amount of the sums disallowed. Notice will be sent to the Contractor by certified mail.

2. Disallowances - Appeals

In the event the Contractor disagrees with the audit exceptions and disallowances, it may seek administrative appeal of such matters in accordance with the SCDHHS appeals procedures. Judicial review of any final agency decision pursuant to this contract shall be in accordance with S.C. Code Ann. §1-23-380 (1976, as amended) and shall be the sole and exclusive remedy available to either party except as otherwise provided herein. Provided, however, any administrative appeal shall be commenced by written notice as required by the SCDHHS appeals procedures.

Thirty (30) days after mailing of the notice of disallowance, all audit disallowances shall become final unless an appeal in accordance with SCDHHS appeals procedures has been filed. Payment shall be due and should be made upon notice of disallowance regardless of the filing of an appeal. Should the amount of the disallowance be reduced for any reason, SCDHHS will reimburse the Contractor for any excess amount previously paid. Additionally, any issue which could have been raised in an appeal shall be final and not subject to challenge by the Contractor in any other administrative or judicial proceeding if no appeal is filed within thirty (30) calendar days of the notice of determination.

3. Disallowed Sums, Set-off

Any provision for appeal notwithstanding, the Contractor and SCDHHS agree that, should any audit(s) result in disallowance to the Contractor all funds due SCDHHS are payable upon notice to the Contractor of the disallowance. SCDHHS is authorized to recoup any and all funds owed to SCDHHS by means of withholding and/or offsetting such funds against any and all sums of money for which SCDHHS may be obligated to the Contractor under any previous contract and/or this or future contracts. In the event there is no previous contractual relationship between the Contractor and SCDHHS, the disallowance shall be due and payable immediately upon notice to the Contractor of the disallowance.

ARTICLE VI

TERMINATION OF CONTRACT

A. Termination for Lack of Funds

The parties hereto covenant and agree that their liabilities and responsibilities, one to another, shall be contingent upon the availability of federal, state, and local funds for the funding of services and that this Contract shall be terminated if such funding ceases to be available. SCDHHS shall have the sole responsibility for determining the lack of availability of such federal, state, and local funds.

B. Termination for Noncompliance with the Drug Free Workplace Acts

In accordance with S. C. Code Ann. §44-107-60 (2018), and 2 CFR Part 182 (2021, as amended), this Contract is subject to immediate termination, suspension of payment, or both if Contractor fails to comply with the terms of the State or Federal Drug Free Workplace Act.

C. Termination for Breach of Contract

This Contract may be canceled or terminated by either party at any time within the Contract period whenever it is determined by such party that the other party has materially breached or otherwise materially failed to comply with its obligations hereunder.

D. Termination for Loss of Licensure or Certification (if applicable)

In the event that Contractor loses its license to operate or practice from the South Carolina Department of Health and Environmental Control or the appropriate licensing agency, this Contract shall terminate as of the date of delicensure. Further, should Contractor lose its certification to participate in the Title XVIII and/or Title XIX program, as applicable or should Contractor cease to participate or cease to be eligible to participate in either the Title XIX program or the Disproportionate Share Hospital Program administered by SCDHHS, this Contract shall terminate as of the date of such decertification or termination of participation.

E. Notice of Termination

In the event of any termination of this Contract under this Article, the party terminating the Contract shall give notice of such termination in writing to the other party. Notice of termination shall be sent by certified mail, return receipt requested. If this Contract is terminated pursuant to Section C of this Article, termination shall be effective thirty (30) days after the date of receipt unless otherwise provided by law. If this Contract is terminated pursuant to Sections A and/or B of this Article, termination shall be effective upon receipt of such notice. If this Contract is terminated pursuant to Section D of this Article, terminations shall be effective upon the date set forth in the notice.

ARTICLE VII

APPEALS PROCEDURES

If any dispute shall arise under the terms of this Contract, the sole and exclusive remedy shall be the filing of a Notice of Appeal within thirty (30) days of receipt of written notice of SCDHHS' action or decision which forms the basis of the appeal. Administrative appeals shall be in accordance with SCDHHS' regulations at S.C. Code Ann. Regs. 126-150, et seq., (2011), and in accordance with the Administrative Procedures Act, S.C. Code Ann. §1-23-310, et seq., (2005). Judicial review of any final SCDHHS administrative decisions shall be in accordance with S.C. Code Ann. §1-23-380; (2005).

ARTICLE VIII

COVENANTS AND CONDITIONS

In addition to all other stipulations, covenants, and conditions contained herein, the parties to this Contract agree to the following covenants and conditions:

A. Applicable Laws and Regulations

Contractor agrees to comply with all applicable federal and state laws and regulations including constitutional provisions regarding due process and equal protection of the laws and including, but not limited to:

1. All applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. §7401, et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §1251, et seq.).
2. Title VI of the Civil Rights Act of 1964 as amended (42 U.S.C. §2000d et seq.) and regulations issued pursuant thereto, 45 CFR Part 80 (2021, as

amended), which provide that Contractor must take adequate steps to ensure that persons with limited English skills receive free of charge the language assistance necessary to afford them meaningful and equal access to the benefits and services provided under this contract.

3. Title VII of the Civil Rights Act of 1964 as amended (42 U.S.C. §2000e) in regard to employees or applicants for employment.
4. Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. §794), which prohibits discrimination on the basis of disability in programs and activities receiving or benefiting from federal financial assistance, and regulations issued pursuant thereto (45 CFR Part 84, 2014, as amended).
5. The Age Discrimination Act of 1975, as amended, (42 U.S.C. §6101 et seq.), which prohibits discrimination on the basis of age in programs or activities receiving or benefiting from federal financial assistance.
6. The Omnibus Budget Reconciliation Act of 1981, as amended Pub. L. No. 97-35, § 1908(a)(2), 95 Stat. 483, 542 (1981), which prohibits discrimination on the basis of sex and religion in programs and activities receiving or benefiting from federal financial assistance.
7. The Americans with Disabilities Act, (42 U.S.C. §12101 et seq.), and regulations issued pursuant thereto.
8. The Drug Free Workplace Acts, S.C. Code Ann. §§44-107-10 et seq. (2018), and the Federal Drug Free Workplace Act of 1988 as set forth in 2 CFR Part 182 (2021, as amended).
9. Section 6002 of the Solid Waste Disposal Act of 1965 as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6962).

B. Information on Persons Convicted of Crimes

Contractor agrees to furnish SCDHHS or to the USDHHS information related to any person convicted of a criminal offense under a program relating to Medicare (Title XVIII), Medicaid (Title XIX), the Social Services Block Grant program (Title XX) or the State Children's Health Insurance Program (Title XXI) as set forth in 42 CFR 455.106 (2021, as amended). Failure to comply with this requirement may lead to termination of this Contract.

C. Political Activity

None of the funds, materials, property, or services provided directly or indirectly under this Contract shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office, or otherwise in violation of the provisions of the "Hatch Act".

D. Restrictions on Lobbying

In accordance with 31 U.S.C. §1352, funds received through this Contract may not be expended to pay any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any of the

following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. This restriction is applicable to all subcontractors.

E. Debarment/Suspension/Exclusion

Contractor agrees to comply with all applicable provisions of 2 CRF Part 180 (2021, as amended) as supplemented by 2 CFR Part 376 (2021, as amended), pertaining to debarment and/or suspension and to require its subcontractors to comply with these same provisions to ensure that no party receiving funds from this Contract are listed on the government-wide exclusions in the System for Award Management (SAM).

F. Reporting of Fraudulent Activity

If at any time during the term of this Contract, Contractor becomes aware of or has reason to believe by whatever means that, under this or any other program administered by SCDHHS, a Beneficiary of or applicant for services, an employee of Contractor or SCDHHS, and/or subcontractor or its employees, has improperly or fraudulently applied for or received benefits, monies, or services pursuant to this or any other contract, such information shall be reported in confidence by Contractor directly to SCDHHS.

G. Integration

This Contract shall be construed to be the complete integration of all understandings between the parties hereto. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied herein in writing. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written amendment executed and approved pursuant to Section L of this Article.

H. Governing Law

It is mutually understood and agreed that this Contract shall be governed by the laws of the State of South Carolina both as to interpretation and performance.

I. Severability

Any provision of this Contract prohibited by the laws of the State of South Carolina shall be ineffective to the extent of such prohibition without invalidating the remaining provisions of this Contract.

J. Non-Waiver of Breach

The failure of SCDHHS at any time to require performance by Contractor of any provision of this Contract or the continued payment of Contractor by SCDHHS shall in no way affect the right of SCDHHS to enforce any provision of this Contract; nor shall the waiver by SCDHHS of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself.

K. Non-Waiver of Rights

SCDHHS and Contractor hereby agree that the execution of and any performance pursuant to this Contract does not constitute a waiver, each to the other, of any claims, rights, or obligations which shall or have arisen by virtue of any previous Contract between the parties. Any such claims, rights, or obligations are hereby preserved, protected, and reserved.

L. Amendment

No amendment or modification of this Contract shall be valid unless it shall be in writing and signed by both parties hereto.

M. Safety Precautions

SCDHHS assumes no responsibility with respect to accidents, illnesses, or claims arising out of any activity performed under this Contract. Contractor shall take necessary steps to insure or protect its Beneficiaries, itself, and its personnel. Contractor agrees to comply with all applicable local, state, and federal occupational and safety acts, rules, and regulations.

N. Titles

All titles used herein are for the purpose of clarification and shall not be construed to infer a contractual construction of language.

O. Counterparts

This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute the same instrument. The

parties agree that this Contract may be delivered by facsimile or electronic mail with a copied signature having the same force and effect of a wet ink signature.

P. Incorporation of Schedules/Appendices

All schedules/appendices referred to in this Contract are attached hereto, are expressly made a part hereof, and are incorporated as if fully set forth herein.

IN WITNESS WHEREOF, SCDHHS and Contractor, by their authorized agents, have executed this Contract as of November 1, 2023.

SOUTH CAROLINA DEPARTMENT OF
HEALTH AND HUMAN SERVICES

"SCDHHS"

BY: Robert M. Kerr
Robert M. Kerr
Director

UNIVERSITY OF
SOUTH CAROLINA

"CONTRACTOR"

BY: Cameron Howell
Cameron Howell
Board Secretary

DEC 20 2023

WITNESSES:

Cynthia Gates

WITNESSES:

Oliver Mann

Appendix A

DRAFT



August 1, 2023

Facilities Planning Design and Construction

Narrative for the Scope of Work to Renovate Medical Park 15 Building for the USC Brain Health Center

USC Brain Health Center Program Overview

The Brain Health Center is referred to as the "USC Brain Health Center" (UBHC). The UBHC will be dedicated to the comprehensive multidisciplinary care of individuals with neurological problems, cognitive complaints, and dementia. As such, the UBHC facilities layouts will ensure that the patient experience at USC is accessible, patient-centered and designed to ensure the highest quality of outpatient appointments, state-of-the-art diagnostic tests and equipment, as well as outpatient treatment procedures.

Additionally, the UBHC will be supported by the USC Rural Brain Health Network (URBHN). Initially, the network will offer brain health evaluation services with clinics planned in Beaufort, Orangeburg, Seneca, and Sumter, along with a fifth site TBD – these network clinics will reach into the rural areas of the state (predominantly funded by Medicare and Medicaid) and will be a significant source of referrals to the UBHC, providing critical clinical diagnosis and interventions to patients that would otherwise not have access.

The UBHC will be a USC facility located in what is currently referred to as the "Medical Park 15 Building" (MP15), proximate to the forthcoming USC Health Sciences Campus. The text below provides an overview of the space distribution and the planned elements of the UBHC. The specific number of rooms or the square footage of each area may change depending on architectural planning, but the overall content distribution will follow the principles described here.

USC Brain Health Center Clinical Impact

South Carolina's population is aging rapidly, at an accelerating rate. The new UBHC intends to fill a vast and growing need at a timely juncture because South Carolina:

- Is aging rapidly, with the share of people age 65+ projected to reach 1.1 million by 2030.
- Suffers from the ninth-highest stroke death rate in America.
- Lives with high rates of hypertension and cardiovascular disease, major risk factors for stroke, Alzheimer's disease, and vascular dementia.
- Has a large African American population, which historically suffers from significant health disparities.

The UBHC will make an immediate and concerted impact on the cognitive health of patients living across the state by ensuring individuals receive timely diagnosis and enhanced

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access to timely treatment and intervention that would otherwise not have happened or, at the very least, might have been significantly delayed.

The estimated national cost of care for Alzheimer's and related dementias is close to \$321B in 2022, of which Medicare comprises \$146B (45%) and Medicaid is \$60B (19%). This places the total lifetime cost of care for a patient with dementia at around \$412,936 in 2022 dollars. Although estimates vary by source, a 2018 report by the National Alzheimer's Association found that earlier diagnosis and treatment could lead to savings of \$64,000 per individual.

We estimate that initially the UBHC will be able to provide upwards of 3,000 clinical services per year (see figure below), with roughly 1,120 of those services provided to SC Medicare or SC Medicaid patients. This enhanced access to critical clinical services at the UBHC will help patients suffering from symptoms of cognitive decline get a faster diagnosis and more timely and enhanced treatment options, improving patient clinical outcomes and reducing the overall cost of care by minimizing the interlocking, chronic cognitive and physical health problems that limit their ability to function. The UBHC system will ensure that patients feel supported and have a clear understanding of their healthcare system so that navigation is seamless and integrated within USC.

UBHC Estimated Initial Patient Volumes					
Service	Cycle Time (min)	Initial Proj Volume	SC MCARE*	SC MCAID*	SC Combined**
7T MRI	60	634	108	105	236
3T MRI	60	634	108	105	236
PET-CT	45	871	148	144	324
EEG/EMG	60	634	108	105	236
Infusion	180	238	40	39	88
TOTAL		3,010	512	497	1,120

*SC Medicare and Medicaid population data (2021) pulled from Kaiser Family Foundation website
Payer volumes projected by dividing total service volume by payer mix:

SC Medicare	17.0%
SC Medicaid	16.5%
SC Combined	37.2% **includes dual eligible patients

**We anticipate Medicare/Medicaid volume will be higher than projected due to significant volume of rural health referrals from RBHM.

USC Brain Health Center Program Detail

At the UBHC, patients will be greeted at a large open space foyer, which will serve as the main reception and initial check-in and information interface. From the main lobby, patients will be given instructions and visually guided to the outpatient clinics, or to the diagnostic testing or treatment areas.

All multidisciplinary outpatient clinics will have an intake room to allow for patient care tech triage and room allocation. The clinics will also have a central patient care tech area for patient rooming and a dedicated outpatient nurse area for phone calls and messaging.

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responses. The multidisciplinary outpatient clinic spaces will be organized following similar themes, for example, cognitive problems and dementia, disorders of sleep, disorders of consciousness such as syncope and epilepsy, etc. As such, instead of being organized by medical discipline (e.g., neurology, neurosurgery), the 'organization by problem' will permit multiple different providers focused on the same theme to be in the same clinic space and therefore work in concert in a multidisciplinary fashion to comprehensively attend to each patient according to their needs. For example, a patient coming to the UBHC for dementia care may be able to have two different appointments in the same clinic area. One by the neurologist and one by the neuropsychologist.

Each themed clinic space will be served by its own sub-registration area and waiting areas. The patient rooms will be fitted to allow ample space for patients and their caregivers and family members to interact with the providers. The typical patient-care room will be fitted with chairs, a stretcher, and a desk for the provider, with sufficient space for the assessment of the neurological exam or for cognitive testing. All outpatient rooms will permit in-person or telemedicine care since they will be equipped with an integrated workstation connected with USC's IT healthcare system and electronic medical records. All workstations will be fitted with cameras for telemedicine encounters. Across UBHC, some patient rooms will be larger to allow for diagnostic and treatment procedures such as lumbar punctures, Botox injections, and peripheral nerve blocks.

Overall, the outpatient clinics will support the multidisciplinary care provided by neurologists, neurosurgeons, sleep medicine specialists, psychiatrists, neuropsychologists, radiologists, and possibly pharmacists as well.

The outpatient clinics will share patient-family-doctor conference rooms, which will also be used for small doctor conference areas and didactic activities for medical students, residents, and fellows.

In addition, the UBHC will host integrated radiology facilities equipped with state-of-the-art equipment to allow for the comprehensive imaging assessment of the nervous system. In addition to a PET-CT scan machine, the UBHC will be fitted with a widebore 3T MRI machine and a 7T MRI machine; both will be the first of their kind in South Carolina. The UBHC will have an integrated radiology reading suite, which will permit the on-site assessment of the neurodiagnostic procedures by neuroradiologists and trainees.

The UBHC will also include a neurodiagnostic neurophysiology section, which will be composed of rooms dedicated to outpatient video-EEG studies and EMG.

Finally, the patient experience at UBHC will be enhanced by dedicated treatment areas. In addition to the procedures described above (Botox injection and peripheral nerve blocks), which will be performed in the clinic spaces, a dedicated infusion suite will allow for IV infusion of novel immune-targeted therapies for Alzheimer's Disease, ALS, and autoimmune conditions such as Multiple Sclerosis.

To support the clinical activities at the UBHC, the building will host supporting staff, which will include financial aid services and social workers. The supporting staff will also include billing, coding, and revenue analysts, who will assist with compliance, prior authorization, and precertification.

The UBHC will also fulfill the education and academic missions of USC. As such, in addition to the small conference rooms in each clinic space, the UBHC will include a central

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conference area, which will accommodate approximately 30 people. This space will be used for lectures for medical students and residents, multidisciplinary patient care conferences and academic meetings. Finally, the UBHC will include academic office space for USC faculty and administrative staff.

The UBHC will also include space for neuroimaging research, which will be composed of offices and cubicle space for researchers. The building will be organized so that patient care and research participation workflows do not overlap and thus permit independent operations.

Finally, as new technologies for the diagnosis and care of dementia patients are discovered and become available, the UBHC space allocation may change to accommodate innovative care.

Future Growth and Clinical Service Expansion Potential

In addition to the comprehensive neurological and cognitive services described above, we envision a potential expansion of services to cover a wider array of health problems, such as maternal health and developmental disorders in children (e.g., autism, Down's syndrome, Fragile X syndrome). Our initial focus on Alzheimer's disease and other types of dementia will provide a strong baseline for our future clinical plans. We believe the UBHC will be uniquely positioned to be a patient-centered hub for all brain health issues for people across the state, providing unique, state-of-the-art treatment and linking rural providers and patients to resources and access to services that will ensure more timely diagnosis and treatment, while reducing the significant health disparities experienced by many communities and populations state-wide.

Site and Building Information

The MP15 Building, located on Harden Street Extension adjacent to the Prisma Health campus, is a four-story building constructed in 1975 and acquired by the University of South Carolina in 1988. The building is rectangular with a structural steel frame clad with brick masonry veneer containing 74,846 gross square feet. The lowest floor, a basement level, is partially subterranean. The building is currently occupied by departments within the USC School of Medicine and Prisma Health. Refer to Exhibits A and B for existing MP15 images and floor plans.

Facility Programming

The University intends to comprehensively renovate MP15 to accommodate the Brain Health Center. Programming is anticipated as follows:

- Main Patient Reception Foyer and Check-in
- Intake Rooms
- Central Patient Care Tech Area
- Outpatient Nurse Area
- Sub-registration and Waiting Areas
- Clinical Exam Patient Rooms equipped for Telemedicine Care
- Patient/Family Doctor Conference Rooms
- MRI Scanner Waiting Room

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- Infusion / CT Scanner Waiting Room
- Magnetom Terra, 7 Tesla Scanner Room (GE or Siemens to be determined)
- 3 Tesla Scanner Room
- Integrated Radiology Reading Suite
- Neurodiagnostic Neurophysiology Section
- Drug Infusion Suite with multiple bays and curtains for privacy
- EEG Room
- CT Scanner Room
- Nurses Station(s) with visual connectivity to Infusion Suite and CT Scanner Room
- Space for a fourth (future) scanner (subject to space limitations of expansion)
- Central Conference Area for Academic and Meeting Use
- Neuroimaging Research Offices and Workspaces
- Dry Lab Research Space
- Information Technology / Data Room
- Rear Entrance for Researchers at North Side of the Building
- Staff Space for Financial Aid and Social Work

Scope of Renovation/Expansion Work

The work will include a comprehensive renovation of MP15 and a modest expansion. The expansion will accommodate the highly specialized facility needs associated with the scanners including concrete mat foundations, vibration isolation, shielding, and extraordinary overhead clearance. The scope anticipates the following improvements:

- The removal of much of the exterior masonry veneer and replacement of the exterior wall to upgrade and modernize the architectural presence of the facades and increase thermal performance of the building envelope. New glazing systems will support both objectives.
- An estimated 5000 GSF expansion of the building at grade level to create rooms for up to three scanners. The expansion will provide a concrete mat foundation capable of supporting a scanner that weighs 25 tons or more. The expansion would be structurally isolated from the existing building so that vibrations do not telegraph to the scanners. The expansion would have shielding to isolate magnetic fields. The expansion is expected to be 1 ½-2 floors tall to provide sufficient overhead clearance in the scanner rooms.
- Upgrade the entrance facing Harden Street Extension to improve the image of the building and make the lobby more accommodating to public access. This effort anticipates a minor two-story addition with significant areas of glazing. A monumental stair should be studied to connect Brain Health Institute program spaces that will occur on the first and second floors.
- Demolish and remove all building finishes including the fire-rated ceiling assembly.
- Replace and upgrade the entire electrical infrastructure to accommodate the significant power requirements of the scanners and the High-Performance Computing Data Center. Augment equipment and convenience power distribution as required by the program and install new replacement LED lighting throughout the building.

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- Upgrade the toilet rooms and modernize them to comply with contemporary ADA accessibility standards and occupant loads dictated by code.
- Install a fire sprinkler system throughout the entire building and modify the utility vault as required for this service.
- Replace and reconfigure the existing mechanical HVAC system as the program requires throughout the building.
- Replace the 50-year-old elevator to comply with accessibility standards and modify the shaft if required.
- Renovate and reconfigure the interior to functionally adapt to new departments and provide sufficient acoustical and security isolation.
- Provide new floor, wall, and ceiling finishes throughout. Expect high quality materials in public areas to upgrade the appearance of the building interior.

Internal Conceptual Estimate of Cost
Refer to Exhibit C

Project Schedule*

OSE Approval of Alternative Delivery Method	August 3 - August 14, 2023
Architect Selection	August 15 - September 30, 2023
Construction Manager at Risk Selection	September 1 - October 15, 2023
Visit similar facilities at peer institutions	October - November 2023
Programming and Schematic Design	October 15 - December 31, 2023
Design Development	January 1 - March 31, 2024
Select MRI Scanners for HVAC and elect needs	January - March 2024
Construction Documents	April 1 - August 31, 2024
CM@R to order long-lead time items	June - November 2024
Final GMP Pricing	September 1 - September 30, 2024
Office of State Engineer Review of CDs	October 1 - October 31, 2024
Contract Execution and Notice To Proceed	November 1 - November 15, 2024
Construction to Substantial Completion	November 16 - October 31, 2025
Scanner / Equipment Move-in	November 1 - December 15, 2025
Occupancy	December 2025
Final Completion	December 2025

* schedule above is aggressive and subject to delays from manufacturing of electrical switchgear and other impacts.

End of Narrative

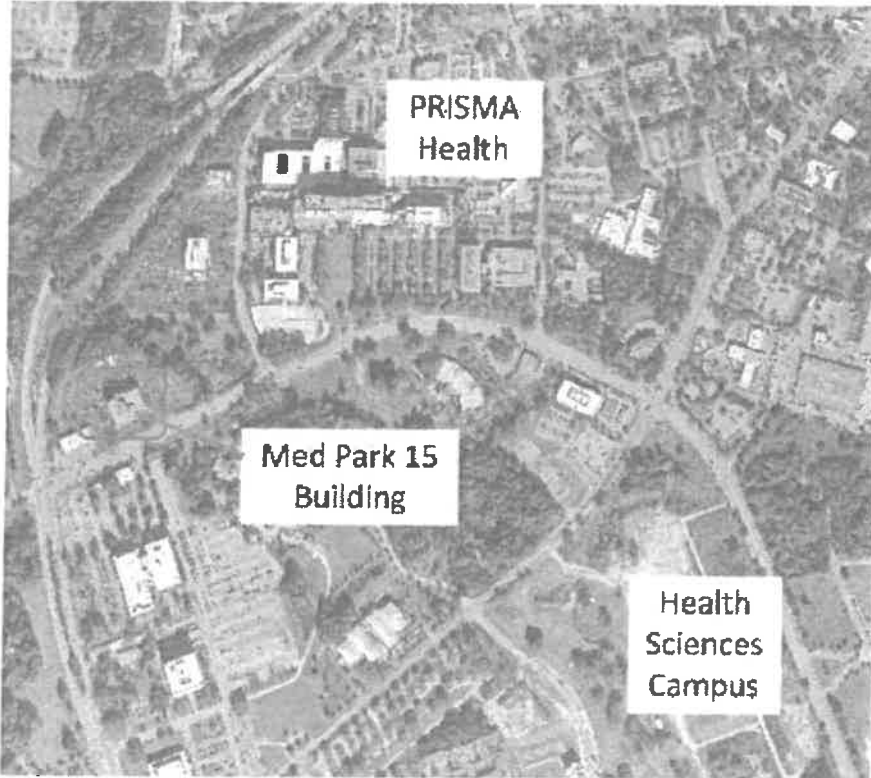
Exhibit A

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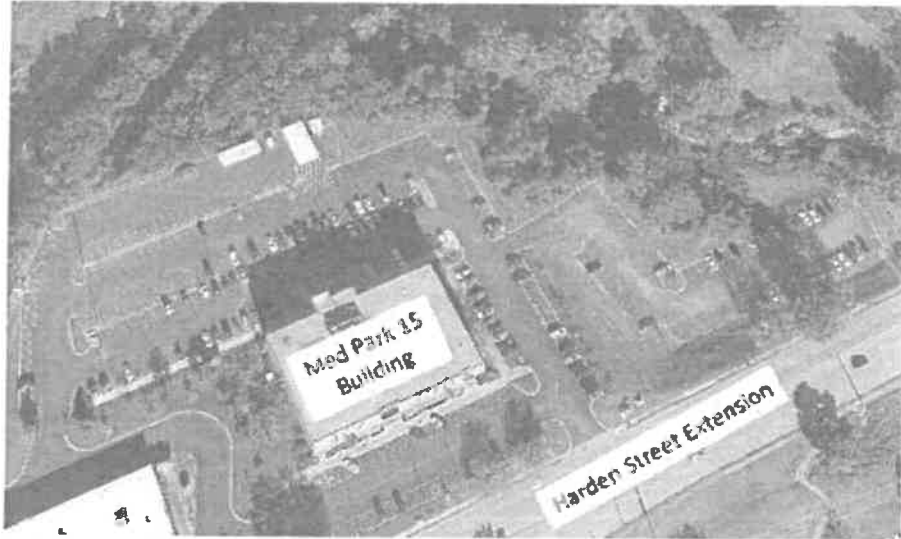
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Aerial image of the district

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Aerial image of Medical Park #15 site

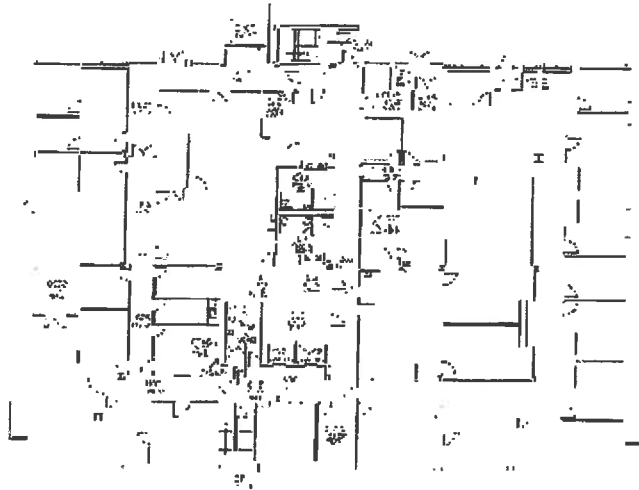


Image of Medical Park #15 from Harden Street Extension

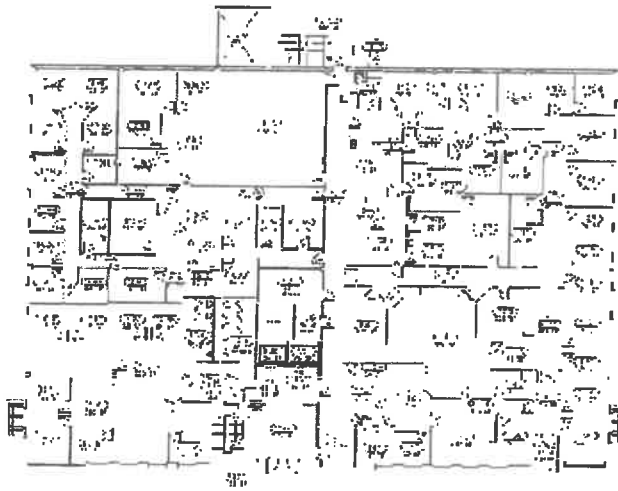
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Exhibit B



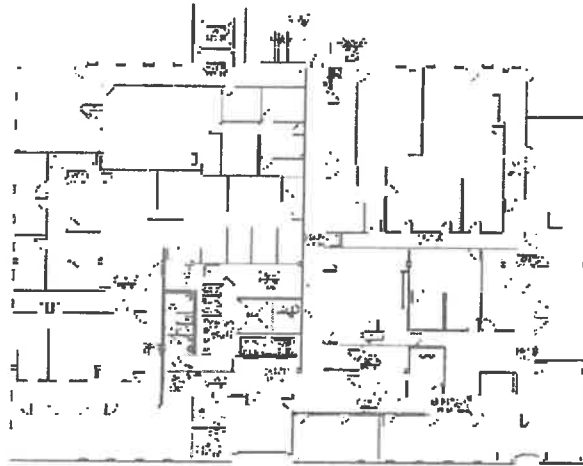
Existing Basement Level Plan



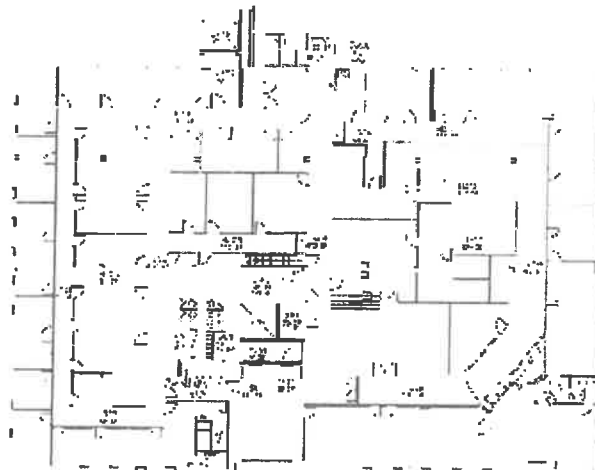
Existing First Floor Plan

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Existing Second Floor Plan



Existing Third Floor Plan

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Exhibit C

**Internal Conceptual Estimate of Cost
(To be completed 8/2)**

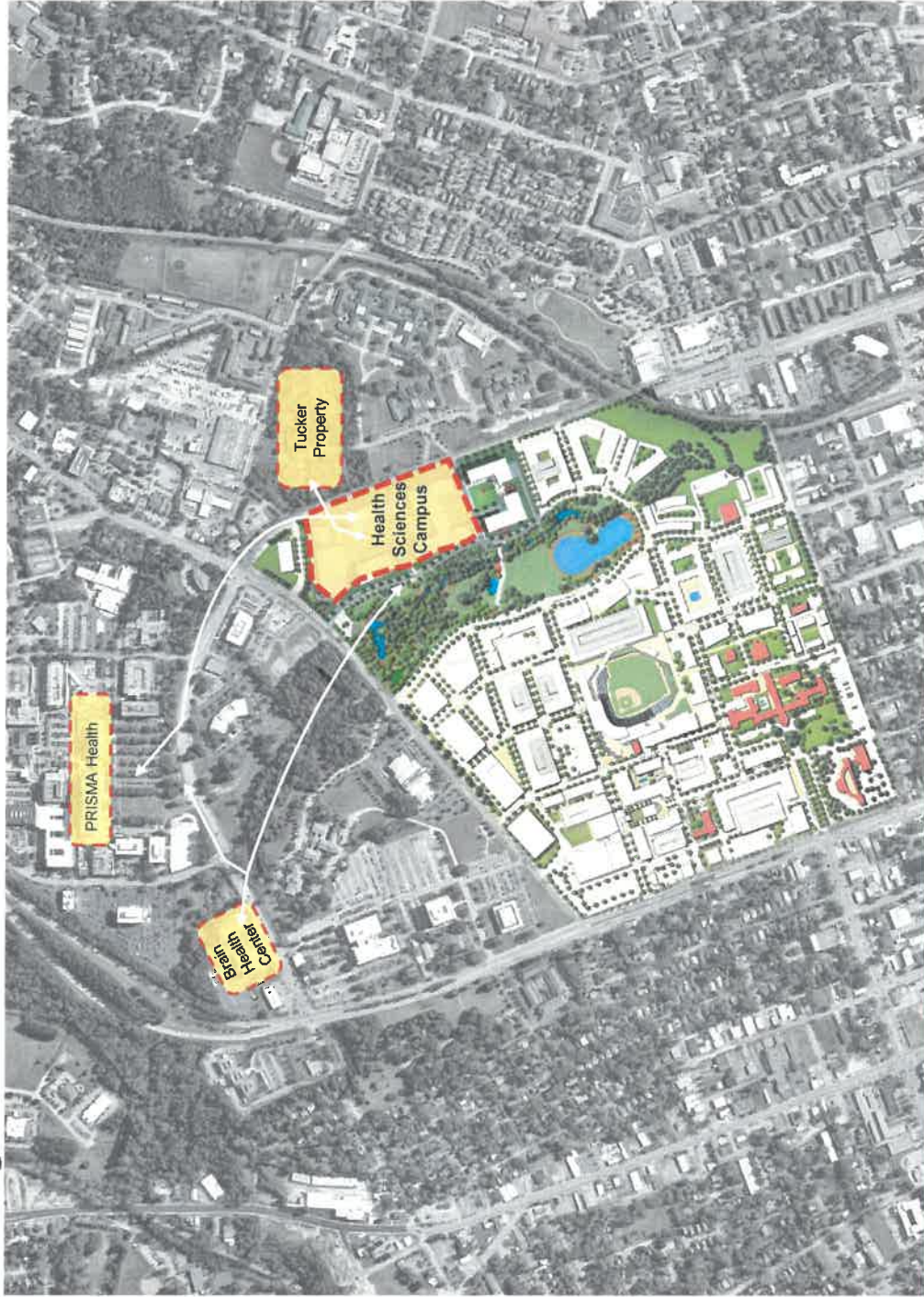
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Appendix A Page 12 of 12 Pages

Site Analysis: Bull Street District Master Plan



South Carolina General Assembly
125th Session, 2023-2024
H. 4300
General Appropriations Bill for Fiscal Year 2023-2024
Ratified Version

PART IB
OPERATION OF STATE GOVERNMENT

SECTION 33 - J020 - DEPARTMENT OF HEALTH AND HUMAN SERVICES

33.32. (DHHS: Brain Health Initiative) South Carolina has been identified as one of five states with the most significant gap between an available neurology workforce and the health needs of people with Alzheimer's and other dementias. From funds appropriated, the Department of Health and Human Services is authorized to contract with the University of South Carolina to develop and implement a rural brain health network for the purpose of improving brain health, enhancing the quality of care, and increasing statewide access to dementia care. This includes advancing the clinical care of dementia, promoting translational research, improving cardiovascular and brain health, expanding and improving the Alzheimer's Disease Registry provided for in Section 44-36-10, establishing training and fellowship programs for health care providers, and obtaining a better understanding of population risk factors. The University shall partner and collaborate with the Medical University of South Carolina (MUSC) and Clemson University to leverage existing programs to meet the unmet dementia care needs for citizens in rural areas throughout South Carolina including, but not limited to, providing informed clinical care, early detection, early diagnosis disclosure, caregiver support, healthy aging, and education of primary care providers. The University also shall utilize and disseminate the brain health resources through DHEC's "Take Brain Health to Heart" campaign as a tool for community education. The department annually shall evaluate this initiative, including all partnerships and agreements, to assess its effectiveness in achieving expected outcomes.

AGENCY: Department of Administration
Capital Budget Office

SUBJECT: Permanent Improvement Project Proposals

The Department of Administration has submitted 32 proposals for Permanent Improvement Projects on behalf of agencies, summarized as follows:

	Items	Existing Budget	Proposed Budget Change	Estimated Total Project Cost
Higher Education				
H12 - Clemson University	3	87,000,000	19,485,000	184,300,000
H15 - College of Charleston	2	372,725	14,184,775	16,800,000
H17 - Coastal Carolina University	1	-	20,000	2,020,000
H24 - South Carolina State University (PSA)	1	-	75,000	5,000,000
H24 - South Carolina State University PSA	1	-	3,548,000	3,548,000
H47 - Winthrop University	1	-	20,000	35,500,000
Higher Education Total	9	87,372,725	37,332,775	247,168,000
Agencies				
D50 - Department of Administration	4	311,567	1,280,833	5,756,528
E24 - Office of the Adjutant General	7	19,039,891	10,549,224	30,259,615
H65 - Governor's School for Science & Math	1	800	320,000	320,800
H73 - Vocational Rehabilitation Department	1	15,000	810,595	825,595
J12 - Department of Mental Health	6	329,540	28,997,121	30,853,805
N04 - Department of Corrections	1	12,500	867,500	880,000
P24 - Department of Natural Resources	2	368,965	580,000	948,965
P28 - Department of Parks, Recreation & Tourism	1	15,000	5,242,500	5,257,500
Agencies Total	23	20,093,263	48,647,773	75,102,808
Grand Total	32	107,465,988	85,980,548	322,270,808

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 4-2024 covering the period September 23, 2023, through November 13, 2023.

1. Project: Clemson University
 H12.9971: Williamson Road Parking Garage
- Request: Establish Phase I Pre-Design Budget to construct a new parking facility by the newly aligned Williamson Road to the East and Perimeter Road to the South.
- Included in CPIP: Yes – 2023 CPIP Priority 5 of 7 in FY24 (estimated at \$95,000,000)
- CHE Approval: Approved by CHE on 12/07/2023
- Supporting Details: Pages 1-10

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Parking Improvement				1,185,000	1,185,000
All Sources				<u>1,185,000</u>	<u>1,185,000</u>

Summary of Work: The project will construct a 432,000 square foot, six level, approximately 1,200 space parking facility. The parking structure will be constructed with either pre-cast or post-tensioned cast in place concrete. Construction of the parking facility will likely also include masking or fenestration, a pedestrian bridge providing direct access to the core campus, elevators, and parking access technology. The selected site offers convenience to visitors and commuters and sloping terrain minimizing visual impact of the structure and ensuring that no parking levels are below grade. The sloping terrain of this site and location near the existing road network allows for entry/egress from both Williamson Road and Perimeter Road and allows access on multiple levels of the structure that minimizes traffic congestion to, from, and within the structure.

Rationale: The University parking system is fully utilized as of 2023 with an anticipated enrollment growth rate of 2 percent annually, per the university. It is anticipated that future facility construction, including classrooms, laboratories, housing, and campus amenities will displace existing, centrally located parking supply, further pressuring parking supply. This facility will be located centrally near the new alumni center and will provide high-density parking for alumni, visitors, athletic functions, current students, and prospective students on campus tours.

Facility Characteristics: Located near the School of Architecture, the Engineering Precinct, and along a Tiger Transit shuttle route, the new parking structure will serve as a key campus parking facility. Once parked, students, employees, and visitors will have direct pedestrian, bicycle, and transit access to the rest of campus. The new garage will be 432,000 square feet, six floors and have approximately 1,200 spaces to serve students, faculty, staff, and visitors.

Financial Impact: This phase of the project will be funded from Parking Improvement Funds (uncommitted balance \$9.15 million at September 20, 2023). Revenue to this fund are part of the university Auxiliary Improvement Funds, which are for the university’s bond covenants for the purposes of constructing, maintaining, improving and enhancing the university’s auxiliary facilities. The project is expected to result in an increase of \$20,000 (year 1), \$125,000 (year 2), and \$196,240 (year 3), in annual operating expenditures. 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 academic years 2019-2020 to 2023-2024. \$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: \$79,000,000 (internal). Phase II will be funded by Revenue Bonds.

2. Project: Clemson University
 H12.9942: Lehotsky Hall Replacement
- Request: Increase Phase II Full Construction Budget to cover bid costs received to demolish and rebuild Lehotsky Hall.
- Included in CPIP: No – The project was not included in the 2023 CPIP because the decision to increase the project budget was not approved by their Board of Trustees until October.
- Phase I Approval: May 2019 (estimated at \$30,000,000) (SFAA)
- Phase I Increase, Revise Scope & Change Project Name Approval: Approval 2022 (estimated at \$50,000,000) (SFAA)
- Phase II & Change Source of Funds Approval: November 2022 (estimated at \$50,000,000) (SFAA)
- CHE Approval: Approved by CHE on 12/07/2023
- Supporting Details: Pages 11-28

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
State Institution Bonds		50,000,000	50,000,000		50,000,000
Other, Maintenance & Stewardship	700,000	(750,000)		18,300,000	18,300,000
All Sources	<u>700,000</u>	<u>49,250,000</u>	<u>50,000,000</u>	<u>18,300,000</u>	<u>68,300,000</u>

Summary of Work: The project will demolish and rebuild Lehotsky Hall. The new building will include classrooms, offices, laboratories and support spaces. There are two proposed roofing systems being planned for the new building as follows: 1) For non-occupied roof areas, the majority of the roof will be an elastomeric membrane roofing system. 2) For occupied roof areas, the roof system will be an elastomeric membrane roofing system under precast pavers. The roof will come with a minimum 20-year material and workmanship warranty. The facility will be sited adjacent to the Godley-Snell Research Center and across from the Life Sciences Building. Per the university, this location is ideal for the Department of Forestry and Environmental Conservation (FEC) as several FEC research faculty use the animal research facilities and equipment at Godley-Snell and the location provides FEC students with an “outdoor lab” for easy access to Hunnicutt Creek and numerous tree resources nearby. Further, the site allows for a spacious service yard to aid in the frequent movement of tree cuttings, soil samples and other large materials from the Experimental Forest without bringing these materials into the heart of campus.

Rationale: Unprecedented construction escalation and unforeseen site conditions have increased the project costs such that the approved budget cannot accommodate the programs currently contained in the building to be replaced. These programs are critical to the University's College of Agriculture, Forestry and Life Sciences and a variety of programs with statewide impact. The updated project budget reflects true costs based on hard bids from subcontractors to the CMR is based on 50% construction documents. This budget increase includes all aspects of the original scope for the replacement of the old facility while maintaining an appropriate owner-controlled contingency. In addition to the owner-controlled contingency this project has been designed to 90% of the construction budget. Lehotsky Hall is one of the most energy inefficient buildings on the Clemson campus, per the university. Its building systems are original to the facility, past their useful lives, and

do not meet current building code requirements. The fire sprinkler and plumbing systems serving the labs do not meet current codes to ensure occupant safety. Further, the existing building was found to have major environmental, structural, and seismic issues.

Facility Characteristics: Lehotsky Hall is 94,000 square feet and was constructed in 1978 (46 years old). The new building to be constructed will be approximately 85,000 square feet. The facility will house the Department of Forestry and Environmental Conservation, Clemson Online, the Office of Teaching Effectiveness/Innovation, Clemson Experimental Forest offices, 4-H Extension offices and governmental partner offices. The replacement facility will be used by approximately 570 students, 40 faculty, 60 staff members and 12 government partners.

Financial Impact: This increase will be funded by Maintenance & Stewardship Funds (uncommitted balance \$49.92 million at November 22, 2023). Revenue received in this fund are generated from tuition, matriculation, and other debt retirement and plant transfer revenues that are not formally obligated to fund debt service in the current period and that are responsibly transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use. The building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$1,925,134 over a 30-year period. The project is expected to result in an increase of \$552,500 (year 1), \$569,075 (year 2), and \$586,147 (year 3), in annual operating expenditures. 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 academic years 2019-2020 to 2023-2024. \$381 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: \$68,300,000 funded by State Institution Bonds and Maintenance & Stewardship Funds. Contract execution is expected in February 2024 and completion of construction in December 2025.

3. Project: Clemson University
 H12.9957: Women’s Sports Program Expansion (Gymnastics/Lacrosse)
- Request: Change Source of Funds to remove the Athletic Facilities Revenue Bonds as a source of funds to construct new facilities for women’s athletics programs, including gymnastics and lacrosse, adjacent to the existing women’s rowing facility
- Included in CPIP: No – Change Source of Funds requests are not required to be included in the CPIP.
 Phase I Approval: March 2022 (estimated at \$27,500,000) (SFAA)
 Phase II Approval: November 2022 (estimated at \$37,000,000) (SFAA)
 CHE Approval: Approved by CHE on 12/07/2023
 Supporting Details: Pages 29-30

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Revenue Bonds		10,000,000	10,000,000	(10,000,000)	
Other, Athletic Gifts & Donations	500,000	26,500,000	27,000,000	10,000,000	37,000,000
All Sources	<u>500,000</u>	<u>36,500,000</u>	<u>37,000,000</u>		<u>37,000,000</u>

Summary of Work: The project will construct a new approximately 21,000 square foot women’s gymnastics training facility. The gym training facility will include coaches’ offices, a locker room, a student-athlete lounge, and a sports medicine room. The roof to be installed on this new facility is a Vertical-Rib, Sealed Joint, Standing-Seam Metal Roof Panel System that will come with a 2-year installer’s warranty and a 20-year warranty that includes repair or replacement of the metal roof panel system. A 20-year finish warranty is also included. The project will also construct an approximately 9,000 square foot women’s lacrosse operations facility and an artificial turf field with stadium seating. The lacrosse operations facility will include coaches’ offices, a locker room, a student-athlete lounge, a film room, and a sports medicine room. The roof to be installed on this new facility for the Press Box roof and exposed support area is a Vertical-Rib, Sealed Joint, Standing-Seam Metal Roof Panel System that will come with a 2-year installer’s warranty and a 20-year warranty that includes repair or replacement of the metal roof panel system. A 20-year finish warranty is also included. The roof to be installed on this new facility for the non-exposed roofing system over support space beneath bleacher seating, will be a thermoplastic polyolefin (TPO) membrane roofing system that will come with a 1-year installer’s warranty and a 20-year warranty that includes repair or replacement of the TPO roof system. An approximately 10,000 square foot addition to the existing rowing center facilities will include amenities for women’s gymnastics, lacrosse, and rowing, including strength and conditioning, nutrition, and athlete wellness and recovery areas. Renovation to the exterior and interior of the rowing boathouse is included and will ensure all facilities on site are adequate for use by student-athletes and removal of the existing rowing storage building was deemed necessary to fulfill the space requirements of the project, per the university. The roof to be installed on this new facility is a Vertical-Rib, Sealed Joint, Standing-Seam Metal Roof Panel System that will come with a 2-year installer’s warranty and a 20-year warranty that includes repair or replacement of the metal roof panel system. A 20-year finish warranty is also included.

Rationale: Clemson regularly evaluates its current and future capital plans. In doing so, they determined that changing this project to fully cash funded, resulting in a higher debt

capacity for future projects, was the most desired approach. Women's gymnastics and women's lacrosse were announced as new sport additions in June 2021.

Facility Characteristics: The new approximately 21,000 square foot women's gymnastics training facility, new approximately 9,000 square foot women's lacrosse operations facility, an approximately 10,000 square foot addition to the existing rowing center facilities, and renovation to the exterior and interior of the rowing boathouse, will be utilized by women's gymnastics, women's lacrosse, and as a women's athlete recovery training center. These facilities will support 135 female student-athletes and provide new competition and training facilities for use by the new additional teams.

Financial Impact: This request will be funded from Athletic Gift & Donation Funds (uncommitted balance \$18 million at November 1, 2023). Revenue to the fund is received from individuals, corporations, and other entities that are to be expended for their restricted purposes. The project is expected to result in an increase of \$260,000 (year 1), \$267,800 (year 2), and \$275,834 (year 3), in annual operating expenses. The gymnastics building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$275,906 over a 30-year period. The lacrosse building will be constructed to meet Two Green Globes certification standards with anticipated energy savings of \$63,533 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 academic years 2019-2020 to 2023-2024. \$381 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: \$37,000,000 funded by Athletic Gifts & Donations. Construction completion is expected in January 2024.

4. **Project:** College of Charleston
 H15.9687: 176 Lockwood Exterior Repairs
- Request:** Establish Phase I Pre-Design Budget to make exterior repairs on the building.
- Included in CPIP:** No – At the time of the 2023 CPIP submission, the scope of work for this project did not meet the dollar threshold requirements to qualify this as a PIP.
- CHE Approval:** Approved by CHE on 12/07/2023
- Supporting Details:** Pages 31-42

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement Project				57,500	57,500
All Sources				<u>57,500</u>	<u>57,500</u>

Summary of Work: This project will replace all windows and doors, repair/modify synthetic stucco exterior finish, replace sealants and coatings, and replace the roof system. All roof material options will be evaluated during the Phase I process.

Rationale: Interiors remain in good condition, but moisture intrusion has damaged sheetrock and ceiling tiles. The synthetic stucco exterior finish system has significantly deteriorated. The windows have lost their insulating seals and deteriorated gaskets are allowing water to penetrate the building envelope. The metal steep roof system is rusting and chalking despite being recoated in 2017. Addressing these issues in an early stage will prevent further deterioration, per the college.

Facility Characteristics: The building is 25,383 gross square feet and was constructed in 1988 (36 years old). There have been no major exterior renovations since the original construction. The building houses the division of Business Affairs, and the Office of Budget and Payroll Services. The offices of the Controller and Procurement work remotely but maintain shared workstations and meeting rooms. This facility is also home to the Joseph P. Riley Jr. Center for Livable Communities. The Center is an interdisciplinary initiative of the College of Charleston whose mission is to leverage the intellectual resources of the College to support the economic and cultural vibrancy of the City of Charleston and other communities throughout South Carolina, the United States, and around the world. Approximately 20 undergraduate students, 10 graduate students, 4 faculty, and 30 staff utilize the building daily.

Financial Impact: The project will be funded from Capital Improvement Project Funds (uncommitted balance \$22 million on October 12, 2023). Revenues to this fund are generated from the Capital Improvement Fee that exceed current annual debt service related to bonds. The project is expected to result in a decrease of \$3,400 (year 1), \$3,502 (year 2), and \$3,607 (year 3), in annual operating expenditures. The Phase I amount is 2.50% of the estimated cost to complete the project and the additional funds will be used to cover overhead costs to solicit and retain a contracting partner earlier in the process than the usual Design-Build process. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has not increased for the academic years 2019-2020 to 2023-2024. \$622 of the \$906 is currently pledged for debt service. The balance of the fee, \$284 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$2,300,000 (internal) funded by Capital Improvement Project Funds.

5. Project: College of Charleston
 H15.9680: Buist Residence Hall 2024 Renovation
- Request: Establish Phase II Full Construction Budget and Revise Scope to complete work on the first floor to add additional beds in this project to complete interior renovations and exterior envelope maintenance on the Buist Rivers Residence Hall.
- Included in CPIP: Yes – 2023 CPIP Priority 3 of 10 in FY24 (estimated at \$14,909,020)
 Phase I Approval: January 2023 (estimated at \$14,909,020) (SFAA)
 CHE Approval: Approved by CHE Board on 12/07/2023
 Supporting Details: Pages 43-64

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Housing Revenue	372,725		372,725	14,127,275	14,500,000
All Sources	<u>372,725</u>		<u>372,725</u>	<u>14,127,275</u>	<u>14,500,000</u>

Summary of Work: The project will replace the plumbing and electrical infrastructure; replace the two-pipe HVAC and domestic hot water systems that are original to the building; replace lighting with LED fixtures; redesign the six community restrooms for increased privacy/security; and renovate the community lounge, laundry and kitchen spaces. All interior finishes, furniture and signage will also be replaced. Seven rooms (14 beds) will be added to the first floor by reconfiguring office space, common space and infilling an unused covered porch. These additional beds will bring the total beds in the building to 116. All improvements are within the building's original footprint. On the exterior, envelope maintenance (flashing repairs and recaulking) will be completed. The existing granular surfaced two ply granular surfaced (SBS) roof system will be replaced with a 2-ply modified bitumen roof system that will come with a minimum 20-year material and workmanship warranty.

Rationale: The copper pipes for HVAC are over 50 years old and are corroding, creating leaks through rooms below. Concealed HVAC pipe insulation is believed to contain asbestos. The last significant renovation was in 2007/2008 and included roof replacement, new windows, and resealing exterior stucco. Select HVAC and restroom upgrades, and a new fire sprinkler and alarm system were also included. In September 2022, a feasibility report found that the existing roof is in fair to good condition and noted deficiencies. It was recommended at that time that interim repairs such as replacing EPDM on walls, and repairs to elastomeric coating be made. Per the college, the roof is not in a state of disrepair but desires to replace the roof at this time while the building is offline and before it becomes a problem.

Facility Characteristics: Buist Rivers Residence Hall is 30,364 gross square feet and was constructed in 1967 (57 years old). The four-level building is a 102-bed traditional style residence hall and was the College's first dedicated all-female residential facility. The existing ground floor consists of common spaces. Each of the upper three floors contain 18 double-capacity student rooms, one community lounge and two community restrooms. In a typical academic year, the facility houses 102 undergraduate students among three identical floors. The residence hall also contains three administrative offices, a centralized laundry facility, a student lounge/assembly room, and a staff apartment.

Financial Impact: The project will be funded from Housing Revenue Funds (uncommitted balance \$19.27 million at December 13, 2023). Revenues to this fund are generated through the Student Housing Fee, paid per-semester by students who reside in on-campus housing. The fee varies based on amenities, condition, and age of the college's 13 residence halls and 24

historic student residences. The project is expected to result in a decrease of \$6,000 (year 1), \$6,180 (year 2), and \$6,365 (year 3), in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has not increased for the academic years 2019-2020 to 2023-2024. \$622 of the \$906 is currently pledged for debt service. The balance of the fee, \$284 per student, per semester, is used to fund ongoing capital projects and maintenance.

Full Project Estimate: \$14,500,000 funded by Housing Revenue Funds. Contract execution is expected in April 2024 and completion of construction in July 2025.

6. Project: Coastal Carolina University
 H17.9625: Land Acquisition for Future Health and Human Performance Building
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the purchase of a +/-8.41-acre parcel on the main campus owned by the Coastal Educational Foundation.
- Included in CPIP: No – The preferred location of the new Health and Human Performance building (included in the 2023 CPIP), was not determined until after the 2023 CPIP submission.
- CHE Approval: Approved by CHE on 12/07/2023
- Supporting Details: Pages 65-80

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Penny Sales Tax				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

Rationale: The acquisition is necessary to begin the planning process for the construction of a new academic building to house the CMC College of Health and Human Performance, as well as a detached parking structure to accommodate approximately 400 vehicles.

Characteristics: The property located on the university’s main campus and is the current location of the track and field facilities. The track will be demolished and relocated.

Financial Impact: The property is offered by the Coastal Educational Foundation for the proposed purchase price of \$2,000,000. The due diligence activities will be funded from Penny Sales Tax Funds (uncommitted balance \$40.80 million at October 12, 2023). Revenue to this fund is derived from legislation that guarantees that the university will receive 13.3% of the sales tax collections until 2039, and can be utilized for construction, renovation, land acquisition or to offset debt service payments. The project is expected to result in a decrease of \$23,674 (years 1 thru 3), in annual operating expenditures. If the property is acquired, an approximately 64,000 square foot academic building and detached parking structure will be constructed as part of a separate project for an estimated cost of \$53.1 million and will be funded by Penny Sales Tax funds. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$210 per student per semester (instate), and \$475 per student per semester (out of state) and has decreased from \$505 in the academic years 2019-2020 to 2023-2024.

Full Project Estimate: \$2,020,000 (internal) funded by Penny Sales Tax Funds.

7. Project: South Carolina State University (PSA)
 H24.9665: SC State PSA Research & Extension Center (Bamberg County)
- Request: Establish Phase I Pre-Design Budget to construct a new Research & Extension Center in Bamberg County.
- Included in CPIP: Yes – 2023 CPIP Priority 2 of 2 in FY24 (estimated at \$2,000,000)
- CHE Approval: N/A
- Supporting Details: Pages 81-90

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
All Sources				<u>75,000</u>	<u>75,000</u>

Summary of Work: The project will construct an approximately 20,000 square foot Olar Farm 1890 Research & Extension Center. This building will be a one-story traditional building with metal siding, simulating a farm facility. The facility will have 4 research labs, 10 offices, 3 multipurpose rooms that can open out to a large gathering space, 2 maker spaces, as well as 2 resident scientist suites. The building will be designed to meet Two Green Globes certification standards. All roofing material options will be evaluated during the Phase I process.

Rationale: The facility is needed to provide an 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 approximately 20,000 square foot Agricultural Processing & Research Station will be located at the Research & Demonstration Farm in Olar, South Carolina. 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 \$6.83 million at December 5, 2023). The project is expected to result in an increase of \$160,966 (years 1 thru 3), in annual operating expenditures.

Full Project Estimate: \$5,000,000 (internal) funded by USDA Evans Allen Grant Funds.

8. **Project:** South Carolina State University
 H24.9663: Supplemental Housing – Modular Lease
- Request:** Establish Phase II Full Construction Budget to lease modular units to serve as housing.
- Included in CPIP:** No – The project was not included in the 2023 CPIP submission because the need for the modular units was not confirmed at that time.
- CHE Approval:** Approved by CHE on 12/07/2023
- Supporting Details:** Pages 91-104

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Student Housing Improvement				3,548,000	3,548,000
All Sources				<u>3,548,000</u>	<u>3,548,000</u>

Summary of Work: This project will provide a single and/or two-story configured modular units with a capacity of 250 to 300 beds for auxiliary student housing. The university has stated that the units will meet all code requirements of the IBC and the state of South Carolina as it pertains to construction and life safety, and they have confirmed that the university will comply with the SC Consolidated Procurement Code.

Rationale: Per the university, due to recent influxes in student enrollment, the university has experienced over 15% increase in student enrollment and subsequent housing demands. The University is in critical need of modular student housing options to assist with the high demand for student residential living, while the institution engages in the renovation of the historic Sojourner Truth Hall and assesses the feasibility of constructing a new student housing complex.

Facility Characteristics: The total square footage of the modular units will be 68,000 square feet and will provide a living and learning environment to approximately 300 freshman students.

Financial Impact: The project will be funded from Student Housing Improvement Funds (uncommitted balance \$4.82 million at November 30, 2023). Revenues to this account are generated from standard room and board charges, which are determined and approved by the Board of Trustees and are used to cover costs of maintaining the facilities. The current amount per student, per semesters is \$3,100. The project is expected to result in an increase of \$156,000 (years 1 thru 3), in annual operating expenditures. No student fees or tuition will be increased because of the project.

Full Project Estimate: \$3,548,000 (internal) funded by Student Housing Improvement Funds. Contract execution is expected in Spring 2024 and the lease agreement ends in August 2027.

Other: Approval of this item is not approval of the proposal from Vesta Modular, which is included in the supporting documentation.

9. Project: Winthrop University
 H47.9615: Purchase Campus Walk Apartments
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the purchase of the three buildings and approximately 6.5 acres over 7 parcels in York County.
- Included in CPIP: No – The property was not available for purchase until after submission of the 2023 CPIP.
- CHE Approval: Approved by CHE on 12/07/2023
- Supporting Details: Pages 105-116

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Housing Revenue				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

- Rationale: In Fall 2023 the university had more students seeking housing on campus than available beds. 58-60 beds had to be rented from an off-campus apartment complex (Campus Walk). Additionally, other students were doubled and tripled in existing residence halls. Lastly, Winthrop plans to take another older 100 bed residence hall offline shortly.
- Characteristics: The apartments are on the boundary of campus, and adjacent to the Courtyard Apartments. There are 3 buildings totaling 495,720 square feet with 1, 2, 3 and 4 bed units, with 526 beds total. The buildings were constructed in 2003, 2006 & 2018. The property includes a pool plus parking lots, totaling approximately 6.5 acres.
- Financial Impact: The property is offered by Walk to Campus Holdings, LLC – Ownership entity W2C Six LLC, W2C Seven LLC and W2C, Eleven LLC for the proposed purchase price of \$21,500,000 to \$35,500,000. The due diligence activities will be funded from Housing Revenue Funds (uncommitted balance \$7.05 million at November 30, 2023). Revenue to this fund is derived from excess housing funds accumulated from multiple prior years. The project is not expected to result in any change in annual operating expenditures. If the property is acquired, it is unknown if the buildings will require renovation. This will be determined during the Phase I process. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$543 per student per semester, and has increased from \$523 for academic years 2019-2020 to 2023-2024.
- Full Project Estimate: \$21,500,000 to \$35,500,000 (internal). The Final Land Acquisition will likely be funded by bonds.
- Other: Winthrop is presently leasing 58 beds from Walk to Campus Holdings, LLC to address its housing deficit for the current academic year. This lease is included for review by the Committee as a separate agenda item.

10. Project: Department of Administration
 D50.6140: Dennis Building - Fan Coil Units and Water Line Replacements, Floors 4-7
- Request: Establish Phase I Pre-Design Budget to replace fan coil units on the 4th through 7th floors.
- Included in CPIP: Yes – 2023 CPIP Priority 5 of 38 in FY24 (estimated at \$1,075,021)
- CHE Approval: N/A
- Supporting Details: Pages 117-124

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Depreciation Reserve				45,000	45,000
All Sources				<u>45,000</u>	<u>45,000</u>

Summary of Work: The project will replace all obsolete fan coil units, relevant piping, electrical, controls, and insulation.

Rationale: The fan coil units have exceeded their life expectancy and parts for repairs and maintenance are difficult to source.

Facility Characteristics: The Dennis Building is approximately 247,543 square feet and was constructed in 1950 (74 years old). The fan coil units are 20+ years old. The Dennis Building is utilized by the Attorney General, Commission for the Blind, Department of Natural Resources, Department of Revenue and Fiscal Affairs, and Legislative Council. Approximately 750 staff plus various visitors utilize the building daily.

Financial Impact: The project will be funded from Other, Depreciation Reserve Funds (uncommitted balance \$8.02 million at October 24, 2023). 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: \$3,029,128 (internal) funded by Depreciation Reserve Funds.

11. Project: Department of Administration
 D50.6141: Dennis Building – Roof Replacement

Request: Establish Phase I Pre-Design Budget to replace the existing roof on the building.

Included in CPIP: Yes – 2023 CPIP Priority 25 of 38 in FY24 (estimated at \$1,200,000)

CHE Approval: N/A

Supporting Details: Pages 125-132

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State				20,000	20,000
All Sources				<u>20,000</u>	<u>20,000</u>

Summary of Work: The project will replace the roof on the building. During Phase I the building envelope consultant will determine whether it is more cost effective to extend the service life of the existing roof or replace it at this time. All roofing material options will be evaluated during the Phase I process.

Rationale: The manufacturer’s warranty expired in May 2020 and the roof appears to have reached the end of its useful service life, requiring replacement.

Facility Characteristics: The Dennis Building is approximately 247,573 gross square feet and was constructed in 1950 (74 years old). The roof was replaced in 2005 (19 years old). The 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.

Financial Impact: The project will be funded from Appropriated State Funds (uncommitted balance \$10.18 million at November 3, 2023). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$1,200,000 (internal) funded by Appropriated State Funds.

12. Project: Department of Administration
 D50.6127: SC Data Center - Redundant Cooling System for Computer Room

Request: Establish Phase II Full Construction Budget to provide a redundant cooling system to the computer room.

Included in CPIP: Yes – 2023 CPIP Priority 35 of 38 in FY24 (estimated at \$500,000)
 Phase I Approval: October 2023 (estimated at \$1,157,400) (SFAA)
 CHE Approval: N/A
 Supporting Details: Pages 133-142

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Division of Technology	17,361		17,361	1,140,039	1,157,400
All Sources	<u>17,361</u>		<u>17,361</u>	<u>1,140,039</u>	<u>1,157,400</u>

Summary of Work: The project will replace the existing redundant cooling system which will include 5 – 20-ton DX computer room AC Units, 1 – 7.5-ton DX computer room (B side UPS DC Coil) AC Unit, 6 condensers and associated pumps, piping, and insulation, as well as installation of instrumentation and controls, electrical work, site work, and minor general construction.

Rationale: The existing computer room air conditioning units are original to the building and have reached the end of their life expectancy. A redundant cooling system is needed to avert a shutdown of the computer room IT systems due to a loss of cooling by the existing system.

Facility Characteristics: The SC Data Center is approximately 76,021 square feet and was constructed in 1999 (25 years old). The building is utilized by approximately SC Division of Technology staff plus varying numbers of customers and visitors daily.

Financial Impact: The project will be funded from Other, Division of Technology Funds (uncommitted balance \$4.40 million at November 13, 2023). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$1,157,400 funded by Division of Technology Funds. Contract execution is expected in August 2024 and completion of construction in December 2025.

13. Project: Department of Administration
 D50.6112: Wade Hampton Building - Flooring Repair and Replacement (Annualized)
- Request: Increase Phase II Full Construction Budget to cover higher than anticipated bid costs to replace and update existing floors in portions of the Wade Hampton Building.
- Included in CPIP: No – The need for the increase was unknown at the time of the 2023 CPIP submission.
 Phase I Approval: December 2022 (estimated at \$364,000) (JBRC)
 Phase II Approval: March 2023 (estimated at \$294,206)
 CHE Approval: N/A
 Supporting Details: Pages 143-150

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State	7,900	286,306	294,206	75,794	370,000
All Sources	<u>7,900</u>	<u>286,306</u>	<u>294,206</u>	<u>75,794</u>	<u>370,000</u>

Summary of Work: The project will include installation of a moisture barrier to address high moisture levels in the basement, replacement of the existing floor coverings with vinyl flooring, and abatement of hazardous materials, as needed.

Rationale: The floors are in poor condition and are a trip hazard to staff and visitors.

Facility Characteristics: The Wade Hampton Building is approximately 121,141 square feet and was constructed in 1938 (86 years old). The flooring to be replaced is approximately 20 to 25 years old and covers approximately 16,320 square feet of the building. The building is utilized by approximately 275 staff and various annual visitors to the Department of Administration, SC Commission on Prosecution, Judicial Branch, SC Commission for the Blind, Governor's Office, SC State Treasurer's Office, SC Comptroller General Office, SC Adjutant General's Office, and SC Department of Agriculture, and the State Fiscal Accountability Authority.

Financial Impact: The project will be funded from Appropriated State (uncommitted balance \$10.18 million at November 3, 2023). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$370,000 funded by Appropriated State Funds. Construction completion is expected in February 2024.

14. Project: Office of the Adjutant General
 E24.9854: RC/FMS Parking Improvements (Annualized)

Request: Establish Phase I Pre-Design Budget to demo parking areas and reconstruct parking areas at the Fort Mill Readiness Center.

Included in CPIP: Yes – 2023 CPIP priority 8 of 15 FY25 (estimated at \$680,193)
 CHE Approval: N/A
 Support Details: Pages 151-158

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
All Sources				<u>10,500</u>	<u>10,500</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, Camden, Field Maintenance Shop 11, Clinton, Chester, Greer, Manning, Walterboro, Andrews, West Columbia, and Moncks Corner.

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.

Financial Impact: This phase of the project will be funded from Appropriated State, Operating Funds (uncommitted balance \$3.2 million at November 6, 2023). The project is expected to result in an increase of \$100 (years 1 and 2), and \$200 (year 3), in annual operating expenditures.

Full Project Estimate: \$681,000 (internal) funded by Appropriated State, Operating Funds. Additional stages of this annualized project may be funded with National Guard Bureau Funds, but this cannot be confirmed at this time. The total estimated cost to complete all armories has not yet been determined.

15. Project: Office of the Adjutant General
 E24.9850: Office of the Adjutant General Facility Upgrades
- Request: Establish Phase II Full Construction Budget for repairs/replacements at the facility.
- Included in CPIP: Yes – 2023 CPIP priority 19 of 19 FY24 (estimated at \$1,500,000)
 Phase I Approval: October 2023 (estimated at \$1,500,000) (SFAA)
 CHE Approval: N/A
 Support Details: Pages 159-228

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	10,575		10,575	689,070	699,645
Federal, National Guard Bureau	11,925		11,925	777,030	788,955
All Sources	<u>22,500</u>		<u>22,500</u>	<u>1,466,100</u>	<u>1,488,600</u>

- Summary of Work: The project will repair or replace interior finishes/flooring, individual workspace partition repair/replacement, doors and storefront systems, lighting, and site improvements.
- Rationale: The finishes are original to the facility and the facility is in poor condition and does not meet current Security & Force Protection standards.
- Facility Characteristics: The building is approximately 54,000 square feet and was constructed in 1987 (36 years old). The building is used by both State Civilian Employees, Federal Civilian Employees, Federal Technicians and National Guard Army and Air Employees. Approximately 130 individuals utilize this building daily.
- Financial Impact: The project will be funded from Appropriated State, Operating (uncommitted balance \$3.2 million at November 6, 2023), and Federal, National Guard Bureau Funds (uncommitted balance \$10 million at November 6, 2023) Revenue to the National Guard Bureau Fund is received from the Construction and Facilities Management Office’s Master Cooperative Agreement funds. The project is not expected to result in any change in annual operating expenditures.
- Full Project Estimate: \$1,488,600 funded by Appropriated State, Operating, and National Guard Bureau Funds. Contract execution is expected in March 2024 and completion of construction in December 2024.

16. Project: Office of the Adjutant General
 E24.9785: Multi-Purpose Machine Gun Range
- Request: Increase Phase II Full Construction Budget to construct a multi-purpose machine gun range.
- Included in CPIP: No – The funding was not available for this increase at the time of the 2023 CPIP submission.
- Phase I Approval: October 2013 (estimated at \$6,196,120) (B&CB)
- Phase I Increase Approval: August 2016 (estimated at \$6,196,120) (SFAA)
- Phase II Approval: March 2021 (estimated at \$6,519,000) (SFAA)
- CHE Approval: N/A
- Supporting Details: Pages 229-240

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, National Guard Bureau	92,942	6,426,058	6,519,000	3,007,000	9,526,000
All Sources	<u>92,942</u>	<u>6,426,058</u>	<u>6,519,000</u>	<u>3,007,000</u>	<u>9,526,000</u>

Summary of Work: The new facilities to be constructed will consist of 6 firing points with automated target system. The supporting facilities include the range control tower, operations/storage building, covered mess, ammo breakdown building, covered bleachers, classroom, and utilities.

Rationale: There are currently no machine gun firing ranges in the state of South Carolina available to the SC Army National Guard for Qualification.

Facility Characteristics: The supporting facilities to be constructed will include a 289 square foot range control tower, 800 square foot operations/storage building, 800 square foot covered mess, 185 square foot ammo breakdown building, 726 square foot covered bleachers, and an 800 square foot classroom. Approximately 150 soldiers will utilize the range at a time, and it will be utilized by approximately 5,400 soldiers each year.

Financial Impact: The project will be funded from Federal, National Guard Bureau Funds (uncommitted balance \$10 million at November 6, 2023). Revenue to this 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 \$10,000 (year 1), \$12,500 (year 2), and \$15,000 (year 3) in annual operating expenditures.

Full Project Estimate: \$9,526,000 funded by National Guard Bureau Funds. Contract execution is expected in March 2024 and completion of construction in December 2025.

17. Project: Office of the Adjutant General
 E24.9811: Training Sites TT Enlisted Barracks Replacement

Request: Increase the Phase II Full Construction Budget and Revise Scope for this annualized project to cover the construction cost for one barrack (#4721) at the Clarks Hill Training Site and two barracks (#3501) and (#3934) at the McCrady Training Site.

Included in CPIP: Yes – 2023 CPIP Priority 4 of 19 in FY24 (estimated at \$3,600,000)

Phase I Approval: May 2018 (estimated at \$1,404,000) (SFAA)

Phase II Approval: March 2019 (estimated at \$1,414,416) (SFAA)

Phase II Increase Approval: June 2020 (estimated at \$2,077,624) (SFAA)

Phase II Increase Approval: January 2022 (estimated at \$2,500,732) (SFAA)

Phase II Increase Approval: August 2022 (estimated at \$3,900,732) (SFAA)

Phase II Increase Approval: December 2022 (estimated at \$4,170,732) (SFAA)

Phase II Increase Approval: August 2023 (estimated at \$6,978,732) (SFAA)

CHE Approval: N/A

Supporting Details: Pages 241-248

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, National Guard Bureau	88,000	6,890,732	6,978,732	4,622,999	11,601,731
All Sources	<u>88,000</u>	<u>6,890,732</u>	<u>6,978,732</u>	<u>4,622,999</u>	<u>11,601,731</u>

Summary of Work: This annualized project was established to demolish existing WWII Era barracks and construct replacement Transient Training Enlisted, (TT ENL) Barracks at two Army National Guard Training Sites; McCrady Training Center (MTC) and Clarks Hill Training Site (CHTS). Originally, the Clarks Hill Training Site included five (5) new 16-man barracks, and the McCrady Training site included five (5) new 32-man barracks. This scope revision request will remove one (1) 16-man barrack from the Clarks Hill Training Site and one (1) 32-man barrack from the McCrady Training Center. The project will now complete four (4) 16-man barracks at the Clarks Hill Training Site and four (4) 32-man barracks at the McCrady Training site. Each barracks building will be of permanent construction with a finished interior, including mechanical, electrical, and plumbing, (MEP) systems, a latrine with showers, urinals, toilets, sinks and washer/dryer connections. A slopped roof system is proposed for the barracks design, as the attic area will be utilized to house the air handler and duct work associated with HVAC system. A standing seam metal roof system will be installed as it follows the design standard of the SC Army National Guard utilized in the construction of new barracks. This project has been submitted to the Office of State Engineer for review, and they have approved the design selection of the standing seam metal roof. The roof will come with a minimum 20-year material and workmanship warranty. Installation of utilities and the extensions of utilities to the nearest service lines are also included. The McCrady Training Center barrack (#3511) has been completed and barrack (#3510) is currently being constructed. The Clarks Hill barracks (#4522) and (#4541) have been completed and barrack (#4542) is currently being constructed.

- Rationale:** The barracks to be replaced are no longer sufficient for the housing of soldiers; the structures are not insulated properly; the roofs are cost prohibitive to repair; no latrine; single pane windows; and old/energy inefficient light fixtures. Due to their age and condition, the existing barracks no longer support the SCARNG's mission and need to be replaced to current codes and standards.
- Facility Characteristics:** Each of the four (4) new 32-man barracks buildings at McCrady Training Center will be approximately 4,700 square feet. Each of the four (4) new 16-man barracks buildings at Clarks Hill Training Site will be approximately 2,100 square feet. Approximately 300 Army National Guard soldiers use these facilities.
- Financial Impact:** The project will be funded from Federal, National Guard Bureau Funds (uncommitted balance \$10 million at November 6, 2023). Revenue to this 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 \$7,000 (years 1 thru 3) in annual operating expenditures.
- Full Project Estimate:** \$11,601,731 funded by National Guard Bureau Funds. Construction completion for McCrady Training Site (#3510) is anticipated in April 2024. Construction completion for Clarks Hill Training Site (#4542) is anticipated in July 2024. Contract execution is expected in March 2024 and completion of construction in December 2025 for McCrady Training Center barracks (#3501) and (#3934) and Clarks Hill Training Site barrack (#4721).

18. Project: Office of the Adjutant General
 E24.9812: Statewide Readiness Center Female Latrines
- Request: Increase the Phase II Full Construction Budget for the design of Eastover, Varnville, Manning and Georgetown.
- Included in CPIP: Yes – 2023 CPIP Priority 3 of 19 in FY24
 (this portion estimated at \$980,000 & estimated at \$5,677,200 for all 14 facilities)
- Phase I Approval: August 2018 (estimated at \$2,233,435 for all 12 facilities) (SFAA)
 Phase II Approval: April 2019 (estimated at \$2,450,000 for all 12 facilities) (SFAA)
 Phase II Increase Approval: February 2020 (estimated at \$2,650,000 for all 12 facilities) (SFAA)
 Phase II Increase Approval: December 2020 (estimated at \$2,650,000 for all 12 facilities) (SFAA)
 Phase II Increase Approval: March 2021 (estimated at \$3,850,000 for all 12 facilities) (SFAA)
 Phase II Increase Approval: October 2021 (estimated at \$2,650,000 for all 12 facilities) (SFAA)
 Phase II Increase Approval: January 2022 (estimated at \$2,172,349 for all 12 facilities) (SFAA)
 Phase II Increase Approval: May 2022 (estimated at \$3,645,200 for all 12 facilities) (SFAA)
 Phase II Increase Approval: October 2022 (estimated at \$5,677,200 for all 14 facilities) (SFAA)
 Phase II Increase Approval: March 2023 (estimated at \$5,677,200 for all 14 facilities) (SFAA)
 CHE Approval: N/A
 Supporting Details: Pages 249-256

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	12,500	1,057,561	1,070,061	154,000	1,224,061
Federal, National Guard Bureau	37,500	2,734,073	2,771,543		2,771,573
All Sources	<u>50,000</u>	<u>3,791,634</u>	<u>3,841,634</u>	<u>154,000</u>	<u>3,995,634</u>

Summary of Work: The project was established to renovate and expand existing female latrines in various readiness centers across the state. The initial group of readiness centers included Batesburg, North Charleston, Conway, Dillon, Edgefield, Marion, Mt. Pleasant, Mullins, Rock Hill, Saluda, Seneca, Walterboro. Subsequently, Newberry, Kingstree, West Columbia, Wellford, Hartsville, and Abbeville were added. This request will remove Conway, Dillon, Mt. Pleasant, Mullins, and Seneca, and will add Eastover, Varnville, Manning and Georgetown. The North Charleston, Edgefield, Rock Hill, Saluda, Walterboro, Newberry, Kingstree, and West Columbia, facilities have been completed. Design is complete for Batesburg, Wellford, Abbeville and Hartsville, and are currently being renovated but not yet completed. This request is for the design of Eastover, Marion, Varnville, Manning and Georgetown. The scope of work includes renovating existing female latrine and constructing additional authorized space to include new utilities and fixtures, along with any required mechanical, electrical and plumbing work.

- Rationale:** Due to the rising number of female soldier's adequate latrine space is needed. Per NG Pam 415-12, the assigned unit(s) are authorized 2,000 square feet of latrine space. This project will allow the female soldiers to have the required number of facilities (toilets, showers, changing areas) they need to conduct training.
- Facility Characteristics:** Each female latrine is 72 square feet to 339 square feet and was constructed from 1958 to 1989 (35 years to 66 years old).
- Financial Impact:** This increase will be funded with Appropriated State, Operating Funds (uncommitted balance \$3.2 million at November 6, 2023). The project is expected to result in an increase of \$3,000 (years 1 thru 3), in annual operating expenditures.
- Full Project Estimate:** \$3,995,634 for this phase of the project with an estimated cost of \$5,677,200 (for all facilities), funded by Appropriated State and National Guard Bureau Funds. Construction completion for Batesburg, Wellford, Abbeville, and Hartsville is expected in April 2024.

19. Project: Office of the Adjutant General
 E24.9826: Statewide Readiness Center Stand-By Emergency Generators
- Request: Increase Phase II Full Construction Budget and Revise Scope to install stand-by generators with automatic transfer switches.
- Included in CPIP: Yes – 2023 CPIP Priority 5 of 19 in FY24 (estimated at \$2,580,000)
- Phase I Approval: October 2020 (estimated at \$443,840) (JBRC)
- Phase II Approval: May 2021 (estimated at \$376,844) (JBRC)
- Phase II Increase Approval: April 2022 (estimated at \$457,600) (JBRC)
- Phase II Increase Approval: August 2022 (estimated at \$624,150) (JBRC)
- Phase II Increase Approval: December 2022 (estimated at \$857,566) (JBRC)
- CHE Approval: N/A
- Supporting Details: Pages 257-266

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	1,664	212,727	214,392	816,270	1,030,662
Federal, National Guard Bureau	4,994	638,181	643,175	272,090	915,265
All Sources	<u>6,658</u>	<u>850,908</u>	<u>857,566</u>	<u>1,088,360</u>	<u>1,945,926</u>

Summary of Work: The project was established to construct and install stand-by generators with automatic transfer switches at the Georgetown, Marion, Mullins, Orangeburg, Walterboro, and Dillion Readiness Centers. Subsequently, North Charleston and Beaufort were added along with the installation only of Anderson. This request will complete construction of Marion, Beaufort, Varnville RC and designs for Varnville FMS, Manning FMS, McCrady Training Center Fire Station and McCrady Training Center Water Treatment System. The work at each readiness center includes the generator, concrete pad, etc.

Rationale: Additional locations have been added to the project due to our Federal Installation Energy and Water Plan. The plan focuses on sustainability and backup power in an emergency; therefore, the priority has shifted to coastal areas. Additionally, the McCrady Training Center Fire and Water Treatment plants were identified as critical areas that need to be addressed immediately. The fire station would not currently be able to respond without power and no drinking water would be supplied to the Training Center. The construction of the stand-by generators ensure continuous operations for the assigned units in the event commercial power is interrupted due to attacks on the power grid or during natural disasters. This project will contribute to energy security for the SC Army National Guard.

Facility Characteristics: The readiness centers support soldiers, firefighters, and staff of the SC Army National Guard.

Financial Impact: The project will be funded from Appropriated State Funds (uncommitted balance \$3.2 million at November 6, 2023) and Federal National Guard Bureau Funds (uncommitted balance \$5 million at November 6, 2023). 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 \$500 (years 1 thru 3) in annual operating expenditures.

Full Project Estimate: \$1,945,926 funded by Appropriated State and National Guard Bureau Funds. The total estimated cost to complete all readiness centers currently included in this annualized project is \$2,580,000. Contract execution for Marion, Beaufort, and Varnville RC is expected in March 2024 with construction completion in March 2025.

20. Project: Office of the Adjutant General
 E24.9839: Wellford Readiness Center: Military Vehicle Expansion and New POV Parking
- Request: Increase Phase II Full Construction Budget to include storm water control structures in the project to convert existing Privately Owned Vehicle parking to Military Vehicle Parking.
- Included in CPIP: Yes – 2023 CPIP Priority 8 of 19 in FY24 (estimated at \$915,928)
- Phase I Approval: August 2022 (estimated at \$782,845) (JBRC)
- Phase II Approval: October 2023 (estimated at \$820,459) (JBRC)
- CHE Approval: N/A
- Supporting Details: Pages 267-276

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, Operating	2,936	202,179	205,115	87,615	292,730
Federal, National Guard Bureau	8,809	606,535	615,344	112,650	727,994
All Sources	<u>11,745</u>	<u>808,714</u>	<u>820,459</u>	<u>200,265</u>	<u>1,020,724</u>

Summary of Work: The project will convert existing privately owned vehicle parking to military vehicle parking, to include new fencing and gates. Two new asphalt paved parking areas will be constructed (approximately 100 spaces), to make up for the lost parking. The project will also include construction/installation of storm water control systems to include catch basins, storm water piping and a detention basin.

Rationale: The initial cost estimate did not include storm water control structures. The 174th EN CO/WY1EAA lacks adequate Armory Unit Organizational Parking, which is equipment owned and maintained by the SC Army National Guard, and Non-Organizational Parking, which are vehicles owned and operated by soldiers of the SC Army National Guard or visitor/general public to the Armory. In an effort to resolve this problem, the SCARNG CFMO analyzed various options and determined that constructing a new Non-Organizational Parking Lot and converting the existing Non-Organizational Parking Lot into Armory Unit Organizational Parking was the best option. It was determined that constructing new Armory Unit Organizational Parking as a capital improvement to the existing Armory Unit Organizational Parking would be cost prohibitive. The terrain in this area is steep which would require extensive fill and Readiness Center’s septic tank drain field is located in this area. The extensive fill and relocation of the drain field would increase the project scope threefold. Based the CFMO for SC’s calculations, the assigned unit (174 EN CO/WY1EAA) is authorized 3749 SY of non-org parking surfaced. (119 PAX x 35 SY x .90% = 3749 SY). Constructing the 3700 SY of Non-Organizational Parking Lot will meet the needs of the assigned unit.

Facility Characteristics: The Wellford Readiness Center and associated parking were constructed in 1978 (45 years old). The facility houses 174 Engineer Company staff. There are 119 soldiers assigned to the facility.

Financial Impact: The project will be funded from Appropriated State, Operating (uncommitted balance \$3.2 million at November 6, 2023) and Federal, National Guard Bureau Funds (uncommitted balance \$10 million on November 6, 2023) and 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 \$100 (year 1), and \$200 (year 2), and \$300 (year 3), in annual operating expenses.

Full Project Estimate: \$1,020,724 funded by Appropriated State, Operating and National Guard Bureau Funds. Contract execution is expected in February 2024 and completion of construction in September 2024.

21. Project: Governor’s School for Science and Math
 H65.9522: Cooling Tower Replacement

Request: Establish Phase II Full Construction Budget to replace a cooling tower.

Included in CPIP: Yes – 2023 CPIP Priority 2 of 4 in FY24 (estimated at \$292,440)
 Phase I Approval: May 2021 (estimated at \$292,440) (JBRC)
 CHE Approval: N/A
 Supporting Details: Pages 277-288

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Operating Revenue	800		800	320,000	320,800
All Sources	<u>800</u>		<u>800</u>	<u>320,000</u>	<u>320,800</u>

Summary of Work: The project will remove the existing single celled cooling tower and replace with a new two cell tower. The new cooling tower will include two independent circuits that can be isolated in case of failure in one cell or for routine maintenance. Piping will be modified at the tower to split to two cells. Isolation valves will be provided at the towers. Controls will be modified to allow two cell operating and variable air flow operation. New electrical connections to the two fan motors are included from the existing electrical service.

Rationale: The cooling tower is an integral component of the institution’s HVAC system, supplying the air conditioning for the entire building, including the residence hall rooms occupied year-round by students. The current setup features a single-cell tower estimated to be running at half capacity due to the age of the unit, which is in a general state of disrepair and beyond its serviceable life.

Facility Characteristics: The existing cooling tower was installed in 2003 (21 years old). It serves academic and office space on campus which includes 428 staff and students.

Financial Impact: The project will be funded from Other, Operating Revenue Funds (uncommitted balance \$3.75 million at November 30, 2023). Revenue received is derived from student fees, summer camp fees, and payments from their foundation. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$320,800 funded by Operating Revenue Funds. Contract execution is expected in March 2024 and completion of construction in December 2024.

22. Project: Vocational Rehabilitation Department
 H73.9624: Anderson 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 – 2023 CPIP Priority 1 of 3 in FY24 (estimated at \$671,829)

CHE Approval: N/A

Supporting Details: Pages 289-296

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY17 Capital Reserve (45)				130,000	130,000
Federal, Vocational Rehabilitation Services Grant	15,000		15,000	680,595	695,595
All Sources	<u>15,000</u>		<u>15,000</u>	<u>810,595</u>	<u>825,595</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 level of deterioration of the existing paved areas. Exterior lighting will also be added to the parking areas.

Rationale: The existing paved areas have deteriorated and need repair and resurfacing. The addition of lighting will increase safety and security.

Facility Characteristics: The Vocational Rehabilitation Center was constructed in 1987 (37 years old). The facility and parking lot are utilized by 30 staff and 45 to 60 consumers.

Financial Impact: This phase of the project will be funded from FY17 Capital Reserve (uncommitted balance \$130K at November 30, 2023), and Federal, Vocational Rehabilitation Services Grant Funds (uncommitted balance \$61.74 million at November 30, 2023). 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: \$825,595 funded by Capital Reserve and Vocational Rehabilitation Services Grant Funds. Contract execution is expected in March 2024 and completion of construction in June 2024.

23. Project: Department of Mental Health
 J12.9860: Greenville MHC Roof Replacement

Request: Establish Phase I Pre-Design Budget to replace the roof.

Included in CPIP: Yes – 2023 CPIP Priority 23 of 33 in FY24 (estimated at \$1,800,000)

CHE Approval: N/A

Supporting Details: Pages 297-306

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance				23,256	23,256
All Sources				<u>23,256</u>	<u>23,256</u>

Summary of Work: The project will replace the roof and thermal insulation. All roofing material options will be evaluated during the Phase I process.

Rationale: On December 25, 2022, the Greenville Community Mental Health Center experienced significant water damage due to a fire sprinkler pipe freezing and causing the pipe to burst. This occurred in the interior attic space. As a result, the R-30 10” batt insulation is falling from the underside of the roof rafters. Terracon Consultants conducted a building envelope study and discovered that the baffles and insulation system has fallen in multiple locations throughout the building attic causing thermal breaches. Because of the impact to the interior spaces related to removal and replacement of the baffles and insulation, a more economical option is to replace the roof and provide the thermal layer above the roof deck instead of in the attic spaces. Adding the thermal layer above the roof deck will allow the roof deficiencies to be corrected at the same time.

Facility Characteristics: The Greenville Mental Health Center is 42,495 square feet and was constructed in 2003 (20 years old). The roof and thermal insulation are original to the building. The building is utilized by 165 staff who see 3,100 patients a month.

Financial Impact: The project will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$22.15 million at October 16, 2023). 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 \$1,000 (year 1), and \$5,000 (years 2 thru 3), in annual operating expenditures.

Full Project Estimate: \$1,550,400 (internal) funded by Capital Improvement & Maintenance Funds.

24. Project: Department of Mental Health
 J12.9830: CFSH Psychiatric Residential Treatment Facility Building Construction

Request: Establish Phase II Full Construction Budget to construct a new Psychiatric Residential Treatment Facility on the Crafts Farrow State Hospital Campus

Included in CPIP: Yes – 2023 CPIP Priority 3 of 33 in FY24 (estimated at \$19,275,000)
 Phase I Approval: August 2022 (estimated at \$19,275,000) (SFAA)
 CHE Approval: N/A
 Supporting Details: Pages 307-328

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	289,125		289,125	1,180,578	1,469,703
Other, DJJ FY23 Appropriated State, Proviso 118.19 (B) (58) (a)				20,000,000	20,000,000
Other, HHS FY23 Appropriated State, Proviso 118.19 (B) (33) (d)				1,469,702	1,469,702
All Sources	<u>289,125</u>		<u>289,125</u>	<u>22,650,280</u>	<u>22,939,405</u>

Summary of Work: The project will construct an approximately 25,165 square foot 24 bed facility. The building shall include up to 24 bedrooms with attached bathrooms, communal living space, classrooms, food prep and dining, treatment rooms, inside and outside activity areas, laundry, staff office space, lobby, security, storage and mechanical and electrical space. The roof to be installed on the building will be a low slope 60 mil TPO membrane system and will come with a minimum 20-year material and workmanship warranty.

Rationale: The new building will be primarily designed to safely and securely house juveniles committed to DJJ who have been determined to have a mental illness requiring transfer to the Department of Mental Health for treatment, and whose needs require a period of treatment in a psychiatric residential treatment facility, but whose needs cannot be met in an available private facility.

Facility Characteristics: The new facility will be approximately 25,165 square feet and located on the Crafts Farrow State Hospital Campus. The facility will house up to 24 mental health patients and 150 staff.

Financial Impact: This phase of the project will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$22.15 million at October 16, 2023), Other, DJJ FY23 Appropriated State (nonrecurring) (uncommitted balance \$20 million at October 16, 2023), and HHS FY23 Appropriated State (nonrecurring) Funds (uncommitted balance \$5 million at October 16, 2023). Revenue to the Capital Improvement & Maintenance 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 an increase of \$3,908,789 (year 2), and \$8,272,157 (year 3), in annual operating expenditures.

Full Project Estimate: \$22,939,405 funded by Capital Improvement & Maintenance, DJJ Appropriated State (nonrecurring), and HHS Appropriated State Funds. (nonrecurring) Funds. Contract execution is expected in September 2024 and completion of construction in September 2025.

25. Project: Department of Mental Health
 J12.9833: Bryan/Hall Psychiatric Hospital Fire Alarm Replacement

Request: Establish Phase II Full Construction Budget to replace the existing fire alarm system in Bryan/Hall Psychiatric Hospital in Columbia.

Included in CPIP: Yes – 2023 CPIP Priority 4 of 33 in FY24 (estimated at \$801,000)
 Phase I Approval: December 2022 (estimated at \$801,000) (JBRC)
 CHE Approval: N/A
 Supporting Details: Pages 329-348

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	12,015		12,015	593,985	606,000
All Sources	<u>12,015</u>		<u>12,015</u>	<u>593,985</u>	<u>606,000</u>

Summary of Work: The project will replace the existing Simplex fire alarm system. Lightning protections and a cellular dialer will be installed as well.

Rationale: The fire alarm panels, and sensors have outlived their useful life and Simplex stopped supporting the panels in 2017.

Facility Characteristics: The Bryan/Hall Psychiatric Hospital is 209,679 square feet and was constructed in 1977 (47 years old). The fire alarm system is original to the building. The facility provides inpatient psychiatric care for 200+ adults and adolescents and has 525 full time staff.

Financial Impact: The project will be funded from Capital Improvement & Maintenance Funds (uncommitted balance \$22.15 million at October 16, 2023). 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 not expected to result any change in annual operating expenditures.

Full Project Estimate: \$606,000 funded by Capital Improvement & Maintenance Funds. Contract execution is expected in May 2024 and completion of construction in October 2024.

26. Project: Department of Mental Health
 J12.9848: Lancaster MHC Building Improvements

Request: Establish Phase II Full Construction Budget to make improvements to the Lancaster Mental Health Center.

Included in CPIP: Yes – 2023 CPIP Priority 10 of 33 in FY24 (estimated at \$450,000)
 Phase I Approval: June 2023 (estimated at \$450,000) (JBRC)
 CHE Approval: N/A
 Supporting Details: Pages 349-360

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	1,060,250	1,067,000
All Sources	<u>6,750</u>		<u>6,750</u>	<u>1,060,250</u>	<u>1,067,000</u>

Summary of Work: The project will replace the fire sprinkler system, replace the fire alarm system, renovate four (4) single use restrooms, renovate lobby front desk area, replace light fixtures with LED, mechanical duct work, new wall finishes, flooring, windows, casework/counter tops, lay in acoustical ceiling, etc.

Rationale: Repairing and replacing the fire sprinkler system, fire alarm, plumbing fixtures, electrical fixtures, and interior finishes will reduce maintenance costs and reduce energy costs, per the agency.

Facility Characteristics: The Lancaster Mental Health Clinic is 6,123 square feet and was constructed in 1997 (27 years old). The fire sprinkler, fire alarm, & interior finishes are original to the building. The center provides emergency services, case management, outpatient counseling and psychiatric treatment for children, adolescents, adults, and families in Lancaster County and surrounding areas. The facility sees an average of 297 patients a day and has 13 staff.

Financial Impact: The project will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$22.15 million at October 16, 2023). 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 \$1,500 (year 1), and \$2,000 (years 2 thru 3), in annual operating expenditures.

Full Project Estimate: \$1,067,000 funded by Capital Improvement & Maintenance Funds. Contract execution is expected in July 2024 and completion of construction in December 2024. The estimated cost to complete the project has increased from the Phase I and the 2023 CPIP submission because the internal project estimate was calculated by averaging the total cost of similar projects completed within the agency in the past 5 years. This internal estimate omitted material inflation and its correlation to construction labor increases.

27. Project: Department of Mental Health
 J12.9857: Piedmont MHC Fire Alarm Replacement

Request: Establish Phase II Full Construction Budget to replace the fire alarm system.

Included in CPIP: No – The need to replace the system was unknown at the time of the 2023 CPIP submission.

Phase I Approval: September 2023 (estimated at \$110,000) (JBRC Staff)

CHE Approval: N/A

Supporting Details: Pages 361-376

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	1,650		1,650	269,350	271,000
All Sources	<u>1,650</u>		<u>1,650</u>	<u>269,350</u>	<u>271,000</u>

Summary of Work: The project will replace the existing fire alarm control panel and field devices to include pull stations, smoke detectors, and horn and strobes.

Rationale: Parts are no longer available for the existing fire alarm control panel and the existing field devices are not compatible with new fire alarm control panels. The project will improve overall fire safety at the facility.

Facility Characteristics: The Piedmont Community Mental Health Center is 21,084 square feet and was constructed in 1999 (25 years old). The existing fire alarm system is original to the facility. The facility has 75 staff and sees 1,550 patients a month.

Financial Impact: The project will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$22.15 million at October 16, 2023). 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 \$1,000 (years 2 thru 3), in annual operating expenditures.

Full Project Estimate: \$271,000 funded by Capital Improvement & Maintenance Funds. Contract execution is expected in March 2024 and completion of construction in August 2024.

28. Project: Department of Mental Health
 J12.9852: Anderson MHC Building Purchase

Request: Establish Final Land Acquisition to purchase of 3.05+/- acres and a building in Anderson.

Included in CPIP: No – The building was not available for purchase during the 2022 CPIP submission process.

Phase I Approval: August 2023 (estimated at \$4,520,000) (SFAA)

CHE Approval: N/A

Supporting Details: Pages 377-416

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement & Maintenance	20,000		20,000	4,400,000	4,420,000
All Sources	<u>20,000</u>		<u>20,000</u>	<u>4,400,000</u>	<u>4,420,000</u>

Rationale: Acquisition of this property will allow the agency to discontinue leasing the current Anderson Mental Health Center (MHC) buildings from Anderson County. The existing MHC buildings require new HVAC, roof, foundation repairs, parking lot replacement/expansion, fire alarm replacement, and general updates. The estimated cost to make these improvements is \$3 million+.

Characteristics: The building and property is located at 1 Linwa Boulevard and is a 28,000 square foot 2-story brick building located on 3.05 acres and was constructed in 2002 (18 years old). The building was renovated in 2012, has 136 paved parking spaces, and has easy access to North Highway 81. The clinic will have 80 staff and see 3,500 patients annually.

Financial Impact: The property is offered by New Spring Church, Inc., for \$4,300,000. An additional \$100K has been added to cover closing costs. The acquisition will be funded from Other, Capital Improvement & Maintenance Funds (uncommitted balance \$22.15 million at October 16, 2023). Revenue to this fund is derived from tuition, matriculation, and other debt retirement and plant transfer revenues that are not formally obligated to fund debt service in the current period and that are responsibly transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use. The project is expected to result in a decrease of \$5,000 (year 1), and \$10,000 (years 2 thru 3), in annual operating expenditures. If acquired, approximately \$750K in updates and repairs will be needed to correct any building system deficiencies, and to modify the building to suit the needs of the clinic. An appraisal was completed in October 2023 and valued the property at \$4,400,000. A Phase I Environmental Site Assessment was completed in October 2023 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 October 2023 and found some immediate and short-term deficiencies. The estimated cost to correct these items is \$436K. Letters of support are not required because the property is owned by a nonprofit entity.

Full Project Estimate: \$4,420,000 funded by Capital Improvement & Maintenance Funds.

29. Project: Department of Corrections
 N04.9799: Manning CI - Asbestos Removal

Request: Establish Phase II Full Construction Budget to abate asbestos from the ceilings.

Included in CPIP: Yes – 2023 CPIP Priority 1 of 14 in FY24 (estimated at \$800,000)
 Phase I Approval: October 2023 (estimated at \$880,000) (JBRC)
 CHE Approval: N/A
 Supporting Details: Pages 417-426

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY23 Carryforward	12,500		12,500		12,500
Other, Operating Revenue				867,500	867,500
All Sources	<u>12,500</u>		<u>12,500</u>	<u>867,500</u>	<u>880,000</u>

Summary of Work: The project will abate asbestos from the ceilings of Manning Administration, Training, Cafeteria and Living Quarters. Approximately 66,000 square feet is being repaired in this project. The renovations will utilize outside contractors to abate and monitor air quality during the project.

Rationale: The existing ceiling is in poor condition allowing sections of the ceiling to release the asbestos coating. This is a major health and safety issue.

Facility Characteristics: The area in the building impacted by the project is approximately 66,000 square feet. The building was constructed in 1963 (61 years old). Manning Correctional houses approximately 500 inmates and has an average of 80 staff members.

Financial Impact: This phase of the project will be funded from Other, Operating Revenue Funds (uncommitted balance \$11.95 million at December 6, 2023). Revenue to this fund is generated from ViaPath tablet revenues. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$880,000 funded by FY23 Carryforward and Operating Revenue Funds. Contract execution is expected in March 2024 and completion of construction in December 2024.

30. Project: Department of Natural Resources
 P24.9960: Charleston-Murphy Island Dike Repair

Request: Change Source of Funds to remove Appropriated State (nonrecurring) Funds and add FEMA Funds for the repair of dikes on Murphy Island.

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

Phase I Approval: December 2017 (estimated at \$348,000) (JBRC)

Phase II Approval: January 2017 (estimated at \$348,965) (JBRC)

CHE Approval: N/A

Supporting Details: Pages 427-432

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY17 Proviso 118.16 (B)(38)(g)	5,220	343,745	348,965	(281,000)	67,965
Federal, FEMA Public Assistance Program				210,750	210,750
Other, FY22 Proviso 117.54 (FEMA Flexibility)				70,250	70,250
All Sources	<u>5,220</u>	<u>343,745</u>	<u>348,965</u>		<u>348,965</u>

Summary of Work: The project was established to repair dikes on the island. To repair the dikes, barges, tugs, pusher boats and earth moving equipment were mobilized. Transportation for workers to and from the site was arranged and provisions were made for fueling and on island transportation for work crews. An on-site borrow area was excavated to obtain adequate fill material to make repairs to the existing exterior dike. Installation of two wooden rice trunks were necessary to better manage water levels for future weather events.

Rationale: Inclusion of FEMA grant and State match funds will release Nonrecurring State Funds designated for Upper Coastal Waterfowl Repair and Maintenance projects. The original funding source allowed the critical repairs to Murphy Island dikes before damage intensified. The dikes, on the western side of the island, received damage in October 2017 during Hurricane Matthew. Department staff assigned to the property typically perform as needed repairs to dikes. However, in this instance the extensive damage to the dikes on the island exceeds the resources the Department could mobilize to make repairs in a timely manner.

Facility Characteristics: The dikes that need repair are on the western side of Murphy Island. Murphy Island is part of the Santee Coastal Reserve WMA.

Financial Impact: This request will be funded from Federal, FEMA Public Assistance Grant (uncommitted balance \$211K at October 30, 2023), and Other, FY22 Proviso 117.54 FEMA Flexibility Funds (uncommitted balance \$70K at October 30, 2023). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$348,965 funded by FY17 Appropriated State (nonrecurring), FEMA Public Assistance Grant and FY22 Proviso 117.54 FEMA Flexibility Funds. This project has been completed.

31. Project: Department of Natural Resources
 P24.6066: Jasper - Tillman HP Land Acquisition (Allcare Tract)

Request: Establish Final Land Acquisition to purchase 116+/- acres of land in Jasper County.

Included in CPIP: Yes – 2023 CPIP Priority 6 of 47 in FY24 (estimated at \$625,000)
 Phase I Approval: March 2023 (estimated at \$625,000) (JBRC)
 CHE Approval: N/A
 Supporting Details: Pages 433-458

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Heritage Land Trust	20,000		20,000	531,000	551,000
Other, City of Savannah GA				19,000	19,000
Other, The Nature Conservancy				30,000	30,000
All Sources	<u>20,000</u>		<u>20,000</u>	<u>580,000</u>	<u>600,000</u>

Rationale: Acquisition of the property will protect an important inholding in the middle of the preserve in which properties adjoining it on three sides are protected by conservation easement. If it is acquired, the property will be managed as part of the Tillman Heritage Preserve/Wildlife Management Area. It will be open for outdoor recreational activities.

Characteristics: The property is located on the east and west sides of SC Highway 119 approximately six miles west of Tillman. The property is characterized by xeric sand ridges, mixed pine/hardwood uplands and bottomland hardwoods. The area includes big and small game species, and 13 priority plant species and five priority animal species, including the state endangered Gopher Tortoise.

Financial Impact: The property is offered by Open Space Institute of New York, NY for \$580,000. The acquisition will be funded from Other, Heritage Land Trust (uncommitted balance \$36.51 million at October 31, 2023), Other, City of Savannah GA (uncommitted balance \$19K at November 8, 2023), and The Nature Conservancy (uncommitted balance \$30K at November 8, 2023). Revenue to the Heritage Land Trust 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 received from the City of Savannah GA is part of a bi-state effort to invest in forests today to help ensure clean, affordable water for future generations. Revenue received from The Nature Conservancy is to protect land and for conservation purposes. The project is expected to result in an increase of \$1,000 (year 1), and \$250 (years 2 thru 3), in annual operating expenses. An appraisal was completed in July 2023 and valued the property at \$580,000. A Phase I Environmental Site Assessment was completed in September 2023 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: \$600,000 (internal) funded by Heritage Land Trust Funds. Final Land Acquisition will be funded by \$556K in Heritage Land Trust, \$19K in The Nature Conservancy donations, and \$30K in City of Savannah, GA donations. The Heritage Land Trust Advisory Board approval to utilize the additional \$531,000 in Heritage Land Trust Funds for this acquisition has been received.

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 Parks, Recreation & Tourism
 P28.9830: Property Acquisition – Black River Weyerhaeuser

Request: Establish Final Land Acquisition to purchase 1,800+/- acres in Georgetown County.

Included in CPIP: Yes – 2023 CPIP Priority 24 of 29 in FY24 (estimated at \$5,775,000)
 Phase I Approval: August 2023 (estimated at \$5,775,000) (SFAA)
 CHE Approval: N/A
 Supporting Details: Pages 459-541

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Federal, CELP Grant				4,497,500	4,497,500
Other, Park Revenue	15,000		15,000	45,000	60,000
Other, SC Office of Resilience				700,000	700,000
All Sources	<u>15,000</u>		<u>15,000</u>	<u>5,242,500</u>	<u>5,257,500</u>

Rationale: Acquisition of the property will offer residents and visitors a wilderness-quality experience along a coastal-plain river. Additionally, SCPRT’s presence in the region will help spur visitation and tourism in an economically depressed part of the state, per the agency. This tract is located near the town of Andrews is an important tract to connect and provide access to residents.

Characteristics: The property provides natural habitat associated with the Black River, including bottomland hardwood forest, fringe mixed hardwood forest, and loblolly pine forest. The Black River provides significant habitat for waterfowl, resident and migratory songbirds and wading birds and currently does, or could one day support, federally threatened and endangered species, including Red-cockaded Woodpeckers, Wood Storks, and Shortnose and Atlantic Sturgeon, all of which would benefit from the riverine protection proposed.

Financial Impact: In November 2023 Open Space Institute purchased the property from Weyerhaeuser Company for \$6,412,827. The agency will purchase the property from Open Space Institute for \$5,100,000. The acquisition will be funded from Federal, Coastal and Estuarine Land Conservation Program (uncommitted balance \$4.5 million at September 14, 2023), Other, Park Revenue (uncommitted balance \$45K at October 24, 2023), and Other, SC Office of Resilience Funds (uncommitted balance \$700K at October 24, 2023). Revenue received from the CELP Grant comes from a Coastal Zone Management Habitat Protection and Restoration Infrastructure Investment and Jobs Act Competition grant proposal. 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. An appraisal was completed in May 2023 and valued the property at \$7,250,000. A Phase I Environmental Site Assessment was completed in July 2023 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 have been received from Georgetown County and Georgetown County School District.

Full Project Estimate: \$5,257,500 funded by a CELP Federal Grant, Park Revenue, and Office of Resilience 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.

AGENCY: Department of Administration
Capital Budget Office

SUBJECT: Proposed Extensions of Phase I Pre-Design for Permanent
Improvement Projects

Committee policy adopted August 8, 2013, provides that

All Phase II Full Design and Construction permanent improvement project requests should be submitted for approval by JBRC within two years of approval of the Phase I Pre-Design. For projects that are not submitted for Phase II Full Design and Construction Budget within two years, a request for extension must be submitted for JBRC consideration. The request for extension must fully explain the reason(s) Phase II has been delayed. If a request for extension is granted by JBRC and the project is not submitted and approved for Phase II within two years of approval of the extension, the project must be closed or a further request for extension must be submitted for JBRC consideration.

Fourteen requests for extension of Phase I Pre-Design have been submitted for the Committee's consideration. Further details are included on the attached summary and accompanying letters from agencies making the requests.

COMMITTEE ACTION:

Review and provide comment on requests for extension of Phase I Pre-Design for permanent improvement projects as submitted.

ATTACHMENTS:

1. Summary of Requests for Extension of Phase I Pre-Design.
2. Letters from Agencies Requesting Extension of Phase I Pre-Design.

**Requests for Extension of Phase I (A&E Design)
For Review at January 24, 2024 JBRC Meeting**

Item Number	Agency Number	Agency	Project Number	Project Name	Date Established	Approved Budget	Reasons for Delay	Total Project Estimate	Expected Date to Establish Construction	Notes
1	E24	Office of the Adjutant General	9833	FMS 1 - Military Parking with concrete	10/5/2021	\$ 5,640	This project has been delayed due to a lack of funding in the Federal Modernization Fund. The National Guard Bureau has provided design funds but not construction funds.	\$ 375,793	July 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 9 of 19 in FY24.
2	H18	Francis Marion University	9586	Deferred Maintenance - McNair and Leatherman Roofs	10/12/2021	\$ 6,000	This project has been delayed due to the time that it has taken to determine the most appropriate route forward; whether to increase the budget and replace the roofs to ensure a longer duration of warranty and decrease future leaks, or to proceed with limited budget and scope.	\$ 400,000	January 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 4 of 7 in FY24.
3	H18	Francis Marion University	9590	Medical Education Facility	1/19/2022	\$ 60,000	The Office of State Engineer approved a request for an alternative delivery method for this project in June 2023. The university is currently negotiating the contract with the Architect/Engineer. The university and A&E will work through the programming needs with faculty and staff from USC, MUSC, and FMU before advertising for the Construction Manager-at-Risk.	\$ 21,000,000	September 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 2 of 7 in FY24.
4	H24	South Carolina State University	9758	Crawford Zimmerman	8/2/2021	\$ 50,000	The work in this project includes the roof, HVAC, and interior renovations to two areas in the building. The Office of State Engineer had already provided project numbers and approvals prior to this appropriation being received, and the work was ongoing. When the Capital Reserve Funds were appropriated, the Phase I request was submitted and approval received. During the CFO transition, the Phase II submission fell through the cracks.	\$ 1,406,000	February 2024	Project not included in the 2023 CPIP.
5	H27	University of South Carolina - Columbia	6139	Health Sciences Campus - Medical Education and Research Facilities	7/6/2021	\$ 4,200,000	Due to the buildings size and programmatic complexity, the Design-Build-Operate-Maintain procurement process took more than one year. Once a development team was selected, the duration needed for programming, schematic design, and establishment of a guaranteed maximum price required approximately one year.	\$ 300,000,000	March 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 1 of 16 in FY24.
6	H47	Winthrop University	9588	Phelps Hall - Auxiliary Building Infrastructure & Building Envelope Upgrade	5/20/2021	\$ 26,250	The project has been delayed do Phase II funding not being resolved for institutional funds or auxiliary borrowing.	\$ 1,750,000	June 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 4 of 2 in FY24.

**Requests for Extension of Phase I (A&E Design)
For Review at January 24, 2024 JBRC Meeting**

Item Number	Agency Number	Agency	Project Number	Project Name	Date Established	Approved Budget	Reasons for Delay	Total Project Estimate	Expected Date to Establish Construction	Notes
7	H47	Winthrop University	9589	Lee Wicker Hall - Auxiliary Building Mechanical System Replacement & Upgrades	5/20/2021	\$ 82,500	The project has been delayed do Phase II funding not being resolved for institutional funds or auxiliary borrowing. Additionally, timing has not been resolved for when the residence hall will be empty for a year and where the displaced students will be housing. The timing and additional housing also impacts the overall project cost.	\$ 5,500,000	June 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 6 of 9 in FY25.
8	H59	York Technical College	6171	Renovate H Building	7/6/2021	\$ 49,063	The project has been delayed due to the pausing of many master plan activities during the COVID pandemic, as well as staffing shortages. To ensure that executive leadership was involved with the development of this renovation, the decision was made to wait until all executive positions were filled before fully engaging the architect for Phase I schematic design services. An architect was hired this year and Phase I design is approximately 50% complete.	\$ 3,270,818	April 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 1 of 8 in FY24.
9	H65	Governor's School for Science & Mathematics	9522	Cooling Tower Replacement	5/17/2021	\$ 800	The project has been delayed due to the departure of the former Vice President of Finance and Operations who was providing oversight for this project, and retired in June 2023. This vacancy has since been filled, and preceding with this project is an immediate priority for the institution.	\$ 292,440	May 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 2 of 4 in FY24.
10	H67	South Carolina Educational Television	9517	Various Buildings - Guaranteed Energy, Water, and Wastewater Conservation Services	12/31/2018	\$ 192,899	The project has been delayed due to COVID, as well as Agency Director changes. As of August 2023, the new Agency Director began discussions on this project, and has committed to making a decision in the coming weeks regarding the status of the project.	\$ 13,200,000	Summer 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 2 of 15 in FY24.
11	H67	South Carolina Educational Television	9523	St. George Microwave Tower	10/5/2021	\$ 33,900	The project has been delayed due to Agency Director changes. As of August 2023, the new Agency Director began discussions on this project, and has committed to making a decision in the coming weeks regarding the status of the project.	\$ 1,750,000	Summer 2025	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 14 of 15 in FY24.

**Requests for Extension of Phase I (A&E Design)
For Review at January 24, 2024 JBRC Meeting**

Item Number	Agency Number	Agency	Project Number	Project Name	Date Established	Approved Budget	Reasons for Delay	Total Project Estimate	Expected Date to Establish Construction	Notes
12	J12	Department of Mental Health	9780	State Veterans' Nursing Home Construction - Horry County	10/15/2019	\$ 1,234,500	Although state matching funds were approved in the 2021 legislative session, and the project was placed on the Federal VA's Construction Grants Priority One List released 4/19/2022 as project #31, the project is now ranked #71 on the FY23 priority one list. The intent to award the state grant funds has not yet been determined by the VA.	\$ 90,900,000	Unknown	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 1 of 50 in FY25.
13	J12	Department of Mental Health	9808	Crafts-Farrow Campus Electrical Distribution System	12/21/2021	\$ 18,000	This project is Stage 2 of a 3-Stage project. The agency has been having trouble getting the easement agreed upon for Stage 1 project J12-9800. Because J12-9800 has not started, it stalled Stage 2, project J12-9808. State Real Property is assisting the agency with Dominion Energy to get this easement agreed to on project J12-9800. Once project J12-9800 is completed, this project can start.	\$ 1,200,000	December 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 1 of 33 in FY24.
14	J12	Department of Mental Health	9809	Harris Anti-Ligature Bathroom Renovations	12/21/2021	\$ 34,650	The project has been delayed due to bids coming in over budget, as well as the agency using \$ 1.5 million of the funding for this project on project J12-9766. The agency did not start this project at the same time as project J12-9766 is because the facility could only displace one Ward at a time to allow work to take place. Having 2 contractors on one site would cause confusion, safety, and security risks for the patients and staff.	\$ 3,600,000	May 2024	Extension requested by the agency. Project is included in the 2023 CPIP with a CPIP Priority 2 of 33 in FY24.

The State of South Carolina
Military Department



OFFICE OF THE ADJUTANT GENERAL
1 NATIONAL GUARD ROAD
COLUMBIA, S.C. 29201-4752

November 17, 2023

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

The [Agency] is hereby submitting a request for the approval of an extension for the following project(s):

Agency Number: E240

Project Number: 9833

Project Name: FMS 1- Military Parking with concrete

Currently Approved Budget: \$5640

Date Project Established: 10/5/2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed: Lack of funding in the Federal Modernization fund. National Guard Bureau has provided design funds but not construction funds at this point.

Justification for Extending Project Additional Two Years: We will execute this project when the federal portion is provided.

Expected Date Construction Budget Establishment Request is Anticipated: 07/01/2024

Thank you for your consideration in this regard.

Sincerely,

Amanda Welch
Program Manager I
Office of the Adjutant General



FRANCIS MARION UNIVERSITY

Facilities Management

November 10, 2023

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

Francis Marion University is hereby submitting a request for the approval of an extension for the following project:

Agency Number: H18

Project Number: 9586

Project Name: Deferred Maintenance – McNair and Leatherman Roofs

Currently Approved Budget: \$6,000

Date Project Established: October 12, 2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed: The primary reasons for delay of Phase II being established is the time it has taken to determine the most appropriate route forward, whether to increase the budget and replace the roofs to ensure a longer duration of warranty and decrease future leaks. The alternative being to establish Phase II with the limited budget (\$400,000) and scope.

Justification for Extending Project Additional Two Years: Extension would enable Francis Marion University to determine the best approach both for the State and for Francis Marion University to move forward and complete this project in the timeliest manner possible.

Projected timeline:

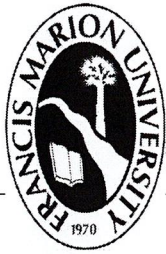
- Submit Phase II A-1 - January 2024
- Finalize design – April 2024
- Begin construction – May 2024
- Construction complete and Closeout project – August 2024

Expected Date Construction Budget Establishment Request is Anticipated: January 2024

Thank you for your consideration in this regard.

Sincerely,

Ralph Davis
Vice President for Construction and Facilities



FRANCIS MARION UNIVERSITY

Construction and Facilities

November 10, 2023

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

Francis Marion University is hereby submitting a request for the approval of an extension for the following project:

Agency Number: H18
Project Number: 9590
Project Name: Medical Education Facility
Currently Approved Budget: \$60,000
Date Project Established: January 19, 2022

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed: The Office of State Engineer approved the University's request for an alternative delivery method for this project in June 2023. The University is currently negotiating the contract with the Architect/Engineer for the Medical Education Facility with the approved budget. The University and A/E will work through the programming needs with faculty and staff from USC, MUSC, and FMU before advertising for the Construction Manager-at-Risk.

Justification for Extending Project Additional Two Years: This project has taken more time than expected as the University has to decide if it is more beneficial to the state to renovate or construct a new structure for the Medical Education Facility.

Projected timeline:

- Programming Completion: February 2024
- Renovation or Construction of Facility: January 2025 – March 2026

Expected Date Construction Budget Establishment Request is Anticipated: September 2024

Thank you for your consideration in this regard.

Sincerely,

Ralph Davis

P.O. Box 100547, Florence, SC 29502-0547 * (843) 661-1100 * FAX (843)-661-1565

An Affirmative Action / Equal Opportunity Institution



Office of the Vice President of Finance and Administration

January 3, 2024

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

SC State University is hereby submitting a request for the approval of an extension for the following project:

Agency Number: H24
Project Number: 9758
Project Name: Crawford Zimmerman
Currently Approved Budget: \$50,000
Date Project Established: 8/2/21

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed: The projects in Crawford Zimmerman included roof, HVAC and interior renovations to two areas in the building. The Office of State Engineer had already provided project numbers and approvals prior to funding coming down, and work was ongoing. The requested amount (special appropriation) was under the PIP threshold. We did the work for phase I approval and received it. Then during the CFO transition the phase II effort fell through the cracks. None of the 3 projects were at the PIP level or at the combined level.

Justification for Extending Project Additional Two Years: We are requesting an extension to allow the needed time to get the appropriate information put into the A-1 phase II documents.

Expected Date Construction Budget Establishment Request is Anticipated: 2/1/24.

Thank you for your consideration in this regard.

Sincerely,
Ken Davis
AVP Facilities Management



Facilities Planning Design and Construction

October 18, 2023

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

The University of South Carolina is hereby submitting a request for the approval of an extension for the following project:

Agency Number: H270

Project Number: 6139

Project Name: Health Sciences Campus- Medical Education and Research Facilities

Currently Approved Budget: \$4,200,000

Date Project Established: July 6, 2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed:

After Phase I was authorized in July of 2021, a lengthy procurement process was initiated to select a Design-Build-Operate-Maintain (DBOM) development team. This process involves an RFQ solicitation, a shortlist selection, subsequent issuance of a detailed RFP, followed by interviews, ranking, and the designation of two DBOM teams with whom to competitively negotiate to ultimately determine the most qualified team. Due in part to the building's size and programmatic complexity, this procurement process required more than a year. The proposed building is extraordinarily large and programmatically complex. Once a development team was selected, the duration needed for programming, schematic design, and establishment of a guaranteed maximum price required approximately a year.

Justification for Extending Project Additional Two Years:

The university is confident that the project will proceed once a GMP is established in December of 2023. Our original schedule intended to submit the project to the Executive Budget Office for the January 2024 JBRC/SFAA meetings; however, ongoing cost evaluation has adjusted the schedule to be slightly delayed with an expectation that Phase II approval will be requested for the March 2024 JBRC/SFAA agendas.

Expected Date Construction Budget Establishment Request is Anticipated: March 2024.

Thank you for your consideration in this regard.

Sincerely,

A handwritten signature in black ink, appearing to read "Derek Gruner". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Derek Gruner, Registered Architect, LEED AP
University Architect and Associate Vice President of Facilities Planning, Design and Construction
University of South Carolina

Cc: Craig Parks
Daniel Rabon



November 10, 2023

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

Winthrop University is hereby submitting a request for the approval of an extension for the following projects:

Agency Number: H47
Project Number: 9588
Project Name: Phelps Hall-Auxiliary/Bldg Envelop Infra
Currently Approved Budget: \$26,250
Date Project Established: May 20, 2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed:
Delayed to resolve phase 2 project funding whether that is institutional funds or auxiliary borrowing.

Justification for Extending Project Additional Two Years:
The building is a residence hall and the roof is at end of life and the project is a priority to accomplish once final funding is resolved.

Expected Date Construction Budget Establishment Request is Anticipated:
By end of June 2024.

Agency Number: H47
Project Number: 9589
Project Name: Lee Hall-Aux Bldg Mechanical Replc/Upgra
Currently Approved Budget: \$82,500
Date Project Established: May 20, 2021

349 Columbia Avenue
Rock Hill, SC 29733
803/323-2261

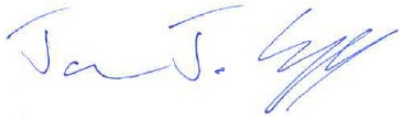
Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed:
Delayed to resolve phase 2 project funding whether that is institutional funds or auxiliary borrowing. Also to resolve timings the residence hall will be empty for a year and where will those displaced students be housed. The timing and additional housing impacts the overall project cost.

Justification for Extending Project Additional Two Years:
The building is a residence hall and the mechanical system renovation is needed and the project is a priority to accomplish once final funding is resolved.

Expected Date Construction Budget Establishment Request is Anticipated:
By end of June 2024.

Thank you for your consideration in this regard.

Sincerely,

A handwritten signature in blue ink, appearing to read "James J. Grigg". The signature is fluid and cursive, with the first name "James" and last name "Grigg" clearly visible.

James J. Grigg
Associate Vice President for Facilities

November 17, 2023

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

York Technical College is hereby submitting a request for the approval of an extension for the following project(s):

Agency Number: H59
Project Number: H59-6171-CL
Project Name: York – Renovate H Bldg.
Currently Approved Budget: \$49,063
Date Project Established: 7/6/2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed:

York Technical College paused many of its master plan activities during the COVID pandemic. Our leadership experienced 4 retirements during that time and Dr. Stacey Moore became our new President in July 2021 which is when we established this project. As with most agencies, it took us over a year to recruit new leaders to fill the vacant positions on our executive staff. It was not until this past year (2022-2023) that we fully filled those vacancies. To ensure that our entire leadership was involved with the development of this renovation, we felt it was prudent to wait until all the executive positions were filled before fully engaging an architect for Phase I schematic design services. We successfully hired an architect this year and we are about 50% complete with Phase I design services. We fully expect to be prepared to submit for Phase II approval sometime in Spring 2024.

Justification for Extending Project Additional Two Years:

York Technical College wishes to be under construction sometime in the Fall of 2024 if Phase I approval goes as planned. Our leadership is fully engaged with our architects at this time and we have great confidence that this project will move forward in 2024 for Phase II.

Expected Date Construction Budget Establishment Request is Anticipated:

April 30, 2024

Jennifer LoPresti
Page 2
November 17, 2023

Thank you for your consideration in this regard.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert L. Brown". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert L. Brown
Assistant Vice President, Facilities Management



October 19, 2023

Jennifer LoPresti
Capital Budgeting Manager, Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

The South Carolina Governor's School for Science and Mathematics is hereby submitting a request for the approval of an extension for the following project(s):

Agency Number: H650

Project Number: 9522

Project Name: Cooling Tower Replacement

Currently Approved Budget: \$800.00

Date Project Established: 05/17/2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed:

The former Vice President of Finance and Operations for the Governor's School for Science and Mathematics retired on June 30, 2023, and was providing oversight for this project. The vacancy for this position has since been filled, and proceeding with this project is an immediate priority for the institution.

Justification for Extending Project Additional Two Years: Replacement of the institution's cooling tower is imperative. The Governor's School for Science and Mathematics offers residential academic programming continually throughout the year, and the building is always operational. The cooling tower is a central component of the facility's HVAC system and is in a general state of disrepair. The institution is actively working towards Phase II as of the date of this request.

Expected Date Construction Budget Establishment Request is Anticipated: 05/01/2024

Thank you for your consideration in this regard.

Sincerely,

Elizabeth Oswald-Sease
Vice President of Finance and Operations





November 13, 2023

South Carolina ETV • South Carolina Public Radio
1041 George Rogers Boulevard, Columbia, SC 29201

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer,

Please accept this letter as request from the South Carolina Educational Television Commission (H670) to extend the following projects based on the details provided herein:

Project Number	9517	9523
Project Name	Various Bldgs-Conservation Services	St. George Microwave Tower Move
Currently Approved Budget	\$192,899.00	\$33,870.00
Date Project Established	12/31/2018	10/05/2021
Reason Phase II Construction Has Not Been Established or Has Been Delayed	Delayed due to COVID and then because of Agency Director changes. Our new agency director (August 2023) is in discussions about this project, and has committed to making a decision in the coming weeks regarding the status of this project.	Delayed due to Agency Director changes. Our new agency director (August 2023) is in discussions about this project, and has committed to making a decision in the coming weeks regarding the status of this project.
Justification for Extending Project Additional Two Years	Project 9517 is a large project to replace HVAC units and LED lights around the state to reduce energy consumption for the agency. New HVAC units are still back logged due to the COVID-19 pandemic. Some new units are taking up to a year to be delivered. We would like to request an extension for this project.	Project 9523 we would like to be extended so we can give the new agency director enough time to evaluate all options before making a decision with the project.



Project Number	9517	9523
Expected Date Construction Budget Establishment Request is Anticipated	If the new agency director decides to move forward with this project, the anticipated construction date would be summer 2024.	If the new agency director decides to move forward with this project, the anticipated construction date would be summer 2025.

Thank you for your consideration of these project extension requests. Please contact us if you have any questions or need additional information.

Sincerely,

Adrienne Fairwell, APR
President and CEO



State of South Carolina
Department of Mental Health

MENTAL HEALTH COMMISSION:

Elliott E. Levy, MD, Chair
Carl E. Jones, Ph.D., Vice Chair
L. Gregory Pearce, Jr.
Bobby H. Mann, Jr.
Crystal A. Smith Maxwell, MD

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

Robert Bank, MD
Acting State Director

10/27/2023

Jennifer LoPresti
Capital Budgeting Manager
Capital Budget Office
Department of Administration
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Jennifer:

The Department of Mental Health is hereby submitting a request for the approval of an extension for the following project(s):

Agency Number: J12

Project Number: 9780

Project Name: State Veterans Nursing Home Construction Horry

Currently Approved Budget: \$1,234,500.00

Date Project Established: 10/15/2019

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed: Although State Matching funds were approved in the 2021 legislative session, and the project was placed on the Federal VA's Construction Grants Priority One List released 04/19/2022 as project #31, the project is now ranked as #71 on the FY 2023 priority one list. The intent to award the State grant funds has not yet been determined by the VA.

Justification for Extending Project Additional Two Years: The department is continuing work with the contracted A&E firm in developing the civil requirements needed by County Administrators Office to meet USACOE wetlands mitigation of the property selected for the

construction project. Further work must be done to complete the mitigation standards, and begin the Environmental Assessment needed to meet VA MOA terms.

Expected Date Construction Budget Establishment Request is Anticipated: The anticipated grant award date is still unknown, however the state must keep the project active in order to meet the final grant requirements set by the VA. Anticipate bringing the project to JBRC for phase II approval once the project is selected by the VA to receive grant funds, similar to the States previous VA grant awards.

Agency Number: J12

Project Number: 9808

Project Name: Crafts-Farrow Electrical Distribution

Currently Approved Budget: \$18,000.00

Date Project Established: 12/21/2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed: This project is Phase II of a 3-Phase project. We have been having trouble getting the easement agreed upon for Phase I of this project J12-9800. Because Phase I, J12-9800, has not started, it stalled this project J12-9808. State Real Property is assisting us with Dominion Energy to get this easement agreed to on the related project J12-9800. Once the project J12-9800 is completed, this project can start.

Justification for Extending Project Additional Two Years: The switch and grid that serves the CFSH campus is over 50 years old and needs to be replaced. Currently, the switch is a single point of failure for the McLendon building, CFSH campus, Bryan/Hall, and Morris Village. All 4 facilities will lose power if the switch fails until a replacement switch is installed. This project is Phase II of the overall project. It will remove both Bryan/Hall and Morris Village from the switch and provide direct primary power to the two campuses from Dominion. Dominion will take over and maintain the primary power for each campus.

Expected Date Construction Budget Establishment Request is Anticipated: If Dominion and Real Property Services can agree or we get an exemption for the 50-year easement period, we should be able to Establish Phase II by the end of 2024.

Agency Number: J12

Project Number: 9809

Project Name: Harris Anti-Ligature Bathroom Renovation

Currently Approved Budget: \$34,650.00

Date Project Established: 12/21/2021

Reason Phase II Construction Budget Has Not Been Established or Has Been Delayed: Originally, J12-9766 Harris Anti-Ligature Bathroom Renovations was to have a budget of \$640k, but when bid, it was significantly over budget. A Capital Budget request was granted for Anti-Ligature at Harris for \$2,140,000. Some of the funds (\$1.5M) meant for this project were moved to J12-9766 at the recommendation of the EBO. It was also recommended not to close

this project. The reason for not starting this project at the same time as the J12-9766 Harris Anti-Ligature Bathroom Renovations was that the facility could only displace one Ward at a time to allow work to take place. Also, having 2 contractors on one site would cause confusion, safety, and security risks for the patients and staff.

Justification for Extending Project Additional Two Years: Once J12-9766 is complete, this project will enter Phase II approval and should start in late 2024. Granting this extension will ensure that the facility will remain licensed and provide a safe and secure environment so the patients will get the treatment needed.

Expected Date Construction Budget Establishment Request is Anticipated: Once J12-9766 is completed this December 2023 a revised budget and A1 Phase II will be submitted for the May JBRC and SFAA meetings for this project.

Thank you for your consideration in this regard.

Sincerely,



Pete Creighton
Director of Physical Plant Services

AGENCY: South Carolina Commission on Higher Education

SUBJECT: Comprehensive Plan for Research Partnership and
Workforce Development Pursuant to Proviso 11.24
(CHE: Battelle Alliance at Savannah River National Lab)

Proviso 118.19 (SR: Nonrecurring Revenue) of the Fiscal Year 2023-24 Appropriations Act designates \$40 million to the Battelle Alliance at Savannah River National Lab. Proviso 11.24 (CHE: Battelle Alliance at Savannah River National Lab) of the Act further allocates 20% of the funding to South Carolina State University; 40% of the funding to the University of South Carolina; and 40% of the funding to Clemson University; all of which funds must be expended collaboratively to conduct research partnerships and develop workforce training programs designed to fill engineering, science, research, and management positions. The Universities must provide the Battelle Alliance with accredited academic personnel, intellectual capital, and resources necessary to build research capabilities and programs supporting the Alliance.

Proviso 11.24 further provides that prior to expenditure of these funds, the Universities must collaborate and submit to the Commission on Higher Education a comprehensive plan and timeline for utilization of the funds to further the mission and support of the Lab. The Plan is subject to further review and comment by the Joint Bond Review Committee and approval of the State Fiscal Accountability Authority following approval by the Commission's Board.

By memorandum dated December 21, 2023, the Commission has advised that the Board approved the Plan on December 7, 2023, and has submitted the Plan for review by the Committee in accordance with the requirements of Proviso 11.24.

The Plan as submitted includes development programs for pre-college, undergraduate, graduate, and postdoctoral students; professional development of Lab employees; equipment and infrastructure improvements in support of new and existing faculty that are part of the collaboration; and management activities to recruit students and enhance awareness of careers in the national laboratory system and defense community. The Plan further includes a timeline for expenditure of funds and other provisions responsive to the requirements of Proviso 11.24.

COMMITTEE ACTION:

Review and comment on the Plan in accordance with Proviso 11.24 of the Fiscal Year 2023-24 Appropriations Act.

ATTACHMENTS:

1. Memorandum dated December 21, 2023, of Mr. Georges Tippens, Deputy Director and General Counsel, South Carolina Commission on Higher Education.
2. Plan entitled "Research Partnerships and Workforce Training Programs in Support of the Battelle Savannah River Alliance – Savannah River National Laboratory."
3. Provisos 118.19 (SR: Nonrecurring Revenue) and 11.24 (CHE: Battelle Alliance at Savannah River National Lab) of the Fiscal Year 2023-24 Appropriations Act.

R. Wes Hayes, Jr.
Chairman

Rusty L. Monhollon, Ph.D.
President & Executive Director



TO: Mr. Rick Harmon
Research Director, Joint Bond Review Committee

Mr. Grant Gillespie
Executive Director, State Fiscal Accountability Authority

FROM: Mr. Georges Tippens, Deputy Director and General Counsel
S.C. Commission on Higher Education

SUBJECT: Approval of Battelle Alliance at Savannah River National Lab Plan

DATE: December 21, 2023

Proviso 11.24 of the fiscal year 2023-24 Appropriations Act requires Clemson University, University of South Carolina-Columbia, and South Carolina State University to collaborate and submit a comprehensive plan and timeline to the Commission on Higher Education on how they plan on using \$40.0 million of appropriated funds to further the mission of and support the Savannah River National Lab.

Per the proviso language, the Commission on Higher Education must approve the plan and then submit it to the Joint Bond Review Committee for its review and comment and to the State Fiscal Accountability Authority for its approval prior to disbursing any funds to the three institutions.

At its December 7, 2023 meeting, the Commission on Higher Education approved the submitted plan.

Attached, please find the plan submitted by the three institutions as approved by the Commission on Higher Education.

Encl: "Leading the way—Research Partnerships and Workforce Training Programs"



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**In support of the Battelle Savannah River Alliance
Savannah River National Laboratory**

Leading the way—Research Partnerships and Workforce Training Programs

Submitted Jointly by

Michael Amiridis *Alexander Conyers*

Dr. Michael Amiridis
President,
University of South Carolina

Alex Conyers
President,
South Carolina State University

James P. Clements

Dr. James Clements
President,
Clemson University

Executive Summary

The research partnership and workforce development programs in support of the Battelle Savannah River Alliance, LLC (BSRA) and the Savannah River National Laboratory (SRNL) will be conducted by Clemson University, South Carolina State University, and the University of South Carolina System (Columbia and Aiken campuses). These institutions will use the \$40 million authorized by the South Carolina legislature with the support of Governor Henry McMaster to support WFD initiatives. BSRA, LLC operates the SRNL along with its five subcontractor universities (Clemson, Ga Tech, University of Georgia, South Carolina State University, and the University of South Carolina System). BSRA, which is wholly owned by Battelle Memorial Institute, was awarded the SRNL management contract on December 22, 2020.

SRNL must attract, motivate, and train a diverse world-class workforce to execute BSRA's Vision. The South Carolina universities will support a workforce development initiative that will provide SRNL with a pipeline for new talent acquisition as well as supporting the existing employee base. The universities will employ strategies that include outreach to SC residents and the other SC institutions of higher education, including the technical college system.

In fulfillment of the BSRA proposal and Governor McMaster's commitment, the SC universities plan a workforce development program that includes the following elements:

- Precollege Student Program, developing the future workforce with programs for students and teachers (USC Aiken and SC State)
- Undergraduate Student Program, to support research internships and scholarships for STEM and relevant disciplines (Clemson, SC State, USC Columbia, and USC Aiken)
- Graduate Student Program, to enhance the domestic research workforce seeking Masters and Doctoral Degrees (Clemson and USC Columbia)
- Postdoctoral Scientist Program, to recruit potential permanent staff to the Lab (Clemson and USC Columbia)
- Professional Development of SRNL Employees, to provide cutting-edge skills and knowledge (Clemson, SC State, USC Columbia, and USC Aiken)
- Equipment and Lab Infrastructure Improvements, in support of new and existing faculty that are collaborating with SRNL. (Clemson, SC State, USC Columbia, and USC Aiken)
- Program Management Activities that will assist with recruiting domestic students and enhance awareness of careers in the Department of Energy national laboratory system and in the national defense community. (Clemson, SC State, USC Columbia, and USC Aiken)

The South Carolina universities have had and will continue to have substantial collaborations with SRNL and BSRA, LLC. The universities and the SRNL have annual collaborative meetings and student poster sessions each year. Students and graduates from the universities apply for and fill summer internships and postdoctoral positions at SRNL. University personnel are members of the BSRA, LLC Board of Directors. The University of South Carolina Aiken hosts the SRNL operated Advanced Manufacturing Collaborative, a public-industry research facility, which is scheduled to open in 2024.

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Background on SRNL

The Savannah River National Laboratory (SRNL, or the Lab), one of seventeen national labs in the U. S. Department of Energy (DOE), became an independent, federally funded research and development center (FFRDC) in 2021, with the award of the Management and Operations (M&O) contract to Battelle Savannah River Alliance LLC (BSRA). BSRA is a subsidiary of Battelle Memorial Institute, which manages eight other DOE National Labs. Prior to 2021, SRNL was managed by Savannah River Nuclear Solutions LLC, an industrial contractor, and was but one component of the overall site operations.

The University of South Carolina System (USC Columbia & USC Aiken), Clemson University (CU) and South Carolina State University (SCSU) were active participants with Battelle in crafting their M&O proposal to DOE. The universities were assigned a specific role in workforce development (WFD) for the Lab. A brief timeline of activities from proposal writing to award is given below:

- **January 2020-July 2020:** BSRA capture team enlists five universities (USC system, Clemson, SC State, UGA, and Georgia Tech) whose role in the M&O proposal is “Workforce Development.”
- **August 2020:** Governor McMaster provided a letter of commitment to seek \$100M in state funding in support of the three SC universities and their efforts in workforce development².
- **Dec. 22, 2020:** BSRA LLC was selected as M&O Contractor. Each university is a subcontractor to BSRA and holds a voting membership on the BSRA Board of Directors.
- **June 2023:** With the support of Gov. McMaster and university leaders, the SC legislature authorized \$40M for the three SC universities^{1,2}.

SRNL has a unique role within the Department of Energy’s national laboratory family for two specific reasons:

- First, SRNL is the nation’s leading research and development center for the DOE Office of Environmental Management (EM) and Office of Legacy Management (LM). Second, SRNL serves a critical role for the National Nuclear Security Administration (NNSA) in both weapons and nonproliferation programs. SRNL provides effective solutions for these national programs.

DOE expects SRNL to grow and modernize to ensure it meets the future mission needs for the Department. SRNL has three top-level mission areas: 1) Environmental Management and Legacy

¹ South Carolina Budget [FY 2023-2024 South Carolina Budget - South Carolina Legislature Online \(scstatehouse.gov\)](https://www.scstatehouse.gov/budget)11.24. (CHE: Battelle Alliance at Savannah River National Lab) Of the funds appropriated for the Battelle Alliance, twenty percent shall be allocated to South Carolina State University, forty percent to the University of South Carolina, and forty percent to Clemson University. The funds must be expended collaboratively to conduct research partnerships and develop workforce training programs designed to fill engineering, science, research, and management positions. The three universities shall provide the Battelle Alliance with accredited academic personnel, intellectual capital, and resources necessary to build out research capabilities and programs. Prior to the allocation or expenditure of any funds, the three universities shall collaborate and submit to the Commission on Higher Education a comprehensive plan and timeline for how the funds will be utilized to further the mission and support of the Savannah River National Lab. The plan also must be reviewed by Battelle for alignment with laboratory missions and university goals. This collaborative plan must be submitted to the Commission on Higher Education and approved by its Board of Commissioners. After approval of the plan, the commission shall submit the plan to the Joint Bond Review Committee for review and comment and to the State Fiscal Accountability Authority for approval before any funds can be allocated or expended. If the plan is not approved by June 30, 2024 by the Commission on Higher Education, Joint Bond Review Committee, and State Fiscal Accountability Authority, all funds must then be remitted back to the general fund of the state. Funds allocated for this purpose shall not be transferred or utilized for any other purpose.

² The University of South Carolina System was included in the original BSRA SRNL proposal to DOE so both the USC Columbia and USC Aiken’s campuses and resources could be used for the SRNL workforce development effort.

Management; 2) National Security; and 3) Science and Energy Security. As a multi-program applied science national laboratory, SRNL's focus is delivering high quality scientific and technology solutions. SRNL utilizes science, technology, engineering, and math (STEM) expertise in the chemical, biological and physical sciences, and engineering, as well as high performance computing, to discover new materials, improve system performance, develop advanced manufacturing solutions, augment inspection approaches, enhance energy systems, and drive new control strategies for critical assets. In addition to its STEM workforce needs, SRNL and BSRA are creating the modern support infrastructure of functional organizations that will enable growth in innovative programs and technical areas.

Specifically concerning workforce development, SRNL must attract, motivate, and train a diverse, world-class domestic workforce to execute BSRA's Vision. **Therefore, the SC universities will use the \$40M appropriation (which is the first installment in the governor's pledge of \$100M) to support a WFD initiative that will provide SRNL with a pipeline for new talent acquisition by recruiting and educating the state's residents while also bringing in additional talent as needed from around the region.** This WFD initiative will also further the careers of the existing employee base at SRNL. The SC universities have world-class programs and facilities to educate the workforce in all the STEM fields that support the Lab. In addition, the SC universities each have programs in business, finance, accounting, communication, social science, and other non-STEM areas that will support the infrastructure of the Lab. The universities also have formal programs for outreach to the technical college system; these include several articulation agreements in various degree programs, and infrastructure such as the Center for Workforce Development at Clemson and Palmetto College at USC Columbia. Recognizing that a strong enduring national laboratory requires a talented, diverse workforce, the inclusion of Historically Black Colleges and Universities (HBCUs) and an intense focus on minority-serving institutions is purposefully infused into BSRA's vision by including an HBCU (SC State) as a principal partner.

The Universities and Their Current Relationship with SRNL

The University of South Carolina System

SRNL and the USC system have conducted a host of joint research projects funded by the laboratory and DOE. Research projects span the breath of USC Columbia's College of Engineering and Computing and College of Arts and Sciences as well as USC Aiken's campus. Projects covers subjects such as advanced catalysis for upcycling plastic waste, molten salt technology for advanced nuclear reactor designs, new crystalline materials for immobilizing nuclear waste, machine learning for designing and evaluating advanced energy materials, and advanced sensors for monitoring nuclear storage sites and for nuclear non-proliferation. USC Columbia is home to the McNair Center, the Horizon energy and materials building, the Artificial Intelligence Institute, the DOE Energy Frontiers Research Center for Hierarchical Waste Forms, and facilities including the Electron Microscopy Center and the X-Ray Photoelectron Spectroscopy Center, all of which have supported SRNL collaborations. USC Columbia currently has two jointly appointed faculty with SRNL. USC Aiken is the site of the DOE-sponsored Advanced Manufacturing Collaborative (AMC), which is a \$60 million facility scheduled to open by the first quarter of 2025. The AMC, which will be operated by SRNL, will have unique capabilities, and will bring together SRNL with academia and industry for collaboration.

Impact of State Funds The USC System will broaden their current programs in pre-college, undergraduate, and graduate education, as well as through recruitment of post-doctoral scholars and new faculty who will collaborate and raise significant funding for WFD and research.

USC Columbia's goals are to strengthen the partnership by focusing on recruitment of domestic undergraduate and graduate students, thus serving SRNL's requirement of a domestic workforce serving their missions in national security and resilience. This will be done by coordinating recruitment efforts across the relevant science, technology, engineering, and mathematics (STEM) disciplines, by offering financial aid in the form of research internships in the summer and academic semesters, and by providing nationally competitive stipends for graduate students and post-doctoral research.

The USC system will also increase the number of faculty working in fields that support SRNL's three broad mission areas. USC's fields of interest include chemical and nuclear process chemistry and engineering, cyber-physical security, energy generation and storage, and data science in support of basic chemistry and materials discovery, advanced manufacturing, and national security. New faculty will train the workforce by teaching and by mentoring students in their research projects. Faculty will also collaborate with SRNL and with BSRA partners to win large, funded projects from DOE and other federal agencies. Funds will be spent to equip and update laboratories in support of existing and new faculty hires.

USC Aiken's most impactful SRNL workforce development contributions will be in the areas of cybersecurity, computer science, and engineering. The state funds will ensure USC Aiken acquires excellent faculty to train students in these high demand fields as the enrollment and maturity of the programs continue to grow over the next several years. Specifically, the funds will ensure USC Aiken can support SRNL WFD in computer science, cybersecurity, and engineering. Several programs such as mechanical engineering, process engineering, data science, and cybersecurity are growing at rate of more than 10% year over year to help meet the demand of the region. The funds will continue the growth in these programs and allow USC Aiken to teach the expanded cybersecurity, computing sciences, and engineering curriculum and provide robust high impact learning opportunities such as internships, cooperatives, and capstone projects. USC Aiken has been designated a Center of Academic Excellence-Cyber Defender program by the National Security Agency and requires additional faculty in cybersecurity and engineering to provide for the technical workforce development demands for the SRNL/AMC, and technical workforce in the region. USC Aiken has a high rate of students attending from the region and remaining in the community upon graduation. This is a key element for these high demand fields. The programs align very well with the DOE's and regional industry strategic workforce development goals and applied research outcomes for cyber, computing sciences, manufacturing, and engineering workforce outcomes. USC Aiken engages tens of thousands of K-12 students each year in STEM activities. These activities are provided to K-12 students and teachers through the Ruth Patrick Science Center and the academic departments (e.g., GenCyber Camps, Science Week, etc.). USC Aiken's science and engineering curriculum is based on providing high impact undergraduate experiences including industry led capstones, undergraduate research, and internships with strong workforce ready outcomes. USC Aiken collaborates with more than forty regional companies, SRNL, SRMC, on SRNS on capstone projects and internship opportunities for undergraduate students.

South Carolina State University

South Carolina State University (SCSU) is a historically Black, public, 1890 land-grant senior comprehensive institution, located in Orangeburg, South Carolina. SCSU is committed to providing affordable and accessible, quality baccalaureate programs; programs of particular interest to SRNL include business, applied professional science, mathematics, natural sciences, engineering, engineering technology, and education. SCSU has operated its Environmental Field Station with SRNL since 1995. In collaboration with SRNL, the field station offers a variety of Environmental Science courses and provides

opportunities for students to participate in research projects. In addition, SCSU has conducted a number of joint research projects funded by the laboratory and DOE in areas such as: 1) Natural Attenuation Progress, Plume Movement, and Source Reduction for volatile organic compound (VOC) plumes; 2) Data Acquisition and Temporal Data Mining (TDM) System Health Physics commissioning (ISD) Sensor Network Test Bed; 3) Analyze of Fission Products from Nuclear Processes and Technology; 4) Detection of *Sphingomonas* Strains for use in Polycyclic Aromatic Hydrocarbon Degradation; 5) Radiochemistry/Health Physics/Nuclear Engineering; and 6) Enhancement of Environmental Remediation Monitoring and Student Training. Also, SCSU currently has one jointly appointed faculty with SRNL.

Impact of State Funds The SCSU College of Science, Technology, Engineering, Mathematics, and Transportation (CSTEM-T) is organized into the Department of Engineering, Department of Engineering Technology, Department of Computer Science and Mathematics, and the Department of Biological and Physical Sciences. Through these administrative units, the college provides the educational setting, the laboratories, the programs, and the faculty to assist students in developing the professional and technical competencies required to function effectively in their career fields. CSTEM-T is committed to strengthening its biological and physical sciences, mathematics and computer science, and engineering departments that are directly relevant to the SRNL mission. The SRNL funding will support tenure-track faculty hires in specific areas of interest including environmental engineering and sciences (biology; chemistry and radiochemistry), health physics, nuclear engineering, and cyber security and networking. SCSU will also support significant scholarships, fellowships, and SRNL internships for its undergraduate students. Further, the state funding will support: 1) two Centers of Excellence (Center for Energy and Environmental Solutions and the Center for Nuclear Criticality and Radiochemistry); 2) the placement of faculty (jointly appointed at SRNL) in mission-relevant areas; 3) the establishment of two pre-college institutes (Summer Bridge Program and Summer Science Institute); and 4) lab enhancements, namely equipment and modifications to conduct cutting-edge research and provide a high-quality educational experience to STEM students.

Clemson University

Clemson University has collaborated closely with SRNL for more than four decades on a wide range of initiatives. Clemson's Center for Nuclear Environmental Engineering Sciences and Radioactive Management (NEESRWM) has worked with SRNL scientists on environmental health physics, radioactive waste processing, environmental risk assessment, the nuclear fuel cycle, radiation detection and measurement, environmental radiochemistry, environmental remediation, nuclear forensics, and radioecology. Clemson's Dominion Energy Innovation Center is a \$100 million world-class facility that houses (i) eGRID (Electrical Grid Research Innovation and Development), a 15-megawatt hardware-in-the-loop grid simulator; and (ii) the world's most-advanced wind-turbine drivetrain testing facility capable of full-scale highly accelerated mechanical and electrical testing of advanced drivetrain systems for wind turbines. The Dominion Center supports education, research, and economic development to speed new electrical technologies to market. Clemson and SRNL scientists have collaborated on grid modernization and cyber physical security-related projects. SRNL scientists have frequently utilized Clemson's Electron Microscopy Facility, which has more than \$20 million in state-of-art, high-resolution transmission electron microscopes, scanning electron microscopes, a combined Focused Ion Beam (FIB)/SEM microscope, and scanning X-ray photoelectron spectroscopy microprobe for a wide range of specimens. Other key Clemson units have ongoing relationships with SRNL, including the Center for

Advanced Manufacturing (CAM), the Clemson Vehicle Assembly Center, the Center for Workforce Development (CUCWD), the Clemson Nanomaterials Institute and the Advanced Materials Innovation Complex (AMIC) facility under construction in Clemson.

Impact of State Funds: Clemson will develop several workforce development programs, including undergraduate scholarships, graduate fellowships, and postdoctoral scholar support programs for domestic students, particularly South Carolina students. These efforts will cover STEM disciplines aligning with the principal focus areas of SRNL and will link the work at SRNL to students' fields of study.

Clemson will hire interdisciplinary faculty and research scientists with established research and educational reputations to support the mission of SRNL in the areas of advanced materials and manufacturing, energy generation, storage and distribution, artificial intelligence, cyber-physical security, and nuclear environmental management and security. State funds will be critical for providing competitive start-up packages and research infrastructure, as well as stipends, to highly sought talent. These faculty will train the next generation of workers to meet the SRNL's needs, as well as to collaborate with SRNL scientists to attract competitive research funding from federal agencies and industries. As indicated in the BSRA proposal to DOE, Clemson will also make a cluster hire of research scientists and engineers in power electronics and power systems research for the eGRID facility at the Dominion Energy Center to support the national security mission area of SRNL. This will provide critical mass and expertise unavailable elsewhere nationally and will advance technologies from lower to higher TRL levels.

Funds will also be instrumental in updating world-class laboratory equipment aligned with SRNL mission areas, providing students and researchers access to the latest fabrication and characterization equipment in support of environmental management, advanced manufacturing, national security, and science and energy applications.

This endeavor will build upon decades of collaborative research between Clemson and SRNL. Current formal relationships are through BSRA joint faculty appointments (under a comparable model to the current SRNL/Clemson Joint Appointee Professor Brian Powell), and large research initiatives such as the Mesoscale Transport and Flux Facility (MTaFF). We expect these funds to enable much deeper and broader collaborations with SRNL and other BSRA partners.

Ongoing Collaborative Activities

In the 2+ years since BSRA assumed management of the Lab, the South Carolina universities have been active participants in many collaborative initiatives with the Lab. The three universities will use state funds to continue supporting the collaborative activities as listed below.

- BSRA LLC Board of Directors. The Board holds three in-person meetings per year, at locations alternating between the site, one of the member universities, and so far, one meeting in Washington DC. Each university provides one Board member. Board meetings typically include the Director and two Deputy Directors of SRNL, as well as selected Associate Lab Directors and the Director of Innovation and University Engagement. After each meeting, the Board prepares a report and makes detailed recommendations to the Laboratory Director.
- Mission Committee of the BSRA LLC Board. The Mission Committee meets virtually three times per year, in advance of the full Board meetings. Professors Tanju Karanfil (CU), Elbert Malone (SCSU), and Michael Matthews (USC System) are the Mission Committee representatives for

their respective institutions. The Mission Committee reviews mission programs including new initiatives and new funding, current and planned facilities and testbeds, and progress toward hiring and this university-Lab collaboration in workforce development. This meeting typically involves the SRNL Chief Human Resource Office and the Director of Innovation and University Engagement. The Mission Committee in turn reports to the full BSRA LLC Board.

- Annual Collaboration Exchange meetings. SRNL organizes a major meeting each summer, focusing on selected research priorities of the Lab. The universities will continue to support faculty, post-doctoral researchers, and students to participate in the meeting. The meeting results in one-on-one interactions with Lab researchers, leading to development of funded programs.
- Student poster sessions. The Lab hosts two poster sessions each year. This allows Lab personnel to interact with SC university students at the undergraduate, graduate, and post-doctoral level, with a primary goal of introducing university students to careers in the Lab.
- Summer intern program. The Lab hosts qualified undergraduate and graduate students for summer research internships, where they are supervised and mentored by Lab personnel. The SC university partners, along with the Lab-relevant faculty, promote these opportunities to our students. SRNL has established a formal presence in the career placement centers of each university; this is another avenue by which internship and permanent job openings are advertised.
- Post-doctoral Scientist program. The Lab has a robust program to recruit domestic post-doctoral scientists and engineers to two-year positions at the Lab. University Joint Appointees collaborate with SRNL staff to prepare funding proposals for these positions, and the university collaborator then participates in mentoring of the postdoc and in publishing scientific results. One goal is to turn these into permanent Lab staff positions. Another desired outcome would be for the postdoc to accept a faculty position at a SC university, thus maintaining strong intellectual and collaborative relationships over the long term.

New Workforce Development Activities Supported by State Funding

As originally proposed to DOE, BSRA's mission is empowered by a multi-tiered WFD initiative comprising 1) precollege student workforce pipeline program; 2) undergraduate education; 3) recruitment and education of domestic graduate students; 4) recruitment of domestic post-doctoral students; and 5) joint research and professional development with SRNL staff. Currently, staff who work within the Lab must be able to obtain security clearance, thus the emphasis on domestic students and especially a focus on SC students. The University of South Carolina System, SC State University, and Clemson University will use state funding to support the various tiers of the WFD initiative along with programmatic operations necessary to provide coordination. Specific activities to be funded are described in the Common Program Elements below; these elements correspond to the Budget Breakdown (Table 1) that follows. Each institution will internally fund efforts in the various tiers in keeping with their institutional missions and focus areas.

Common Program Elements

- 1 - Precollege Student Workforce Pipeline Programs (USC Aiken and SC State) – Expansion of the Ruth Patrick Science Center program at USC Aiken will focus on increasing the cybersecurity workforce. USC Aiken will also expand its engineering workforce with academic labs that will be

in the Advanced Manufacturing Collaborative building on campus. The programs will align with SRNL strategic goals to increase the domestic workforce in cybersecurity, advanced manufacturing, and engineering workforce development.

SCSU will establish a Summer Bridge Program and a Summer Science Institute to serve pre-college students and teachers, especially those that are historically under-represented in STEM fields. The Summer Bridge Program will be a 5-week program for high school students who have been accepted into a STEM program at SCSU. The Summer Science Institute will allow the participants, who are high school science teachers, a chance to work with SCSU faculty and undergraduate and graduate students, perform research, and visit SRNL facilities. In addition, the participants will have the opportunity to hear discussion on research topics by professors from other universities (Clemson and University of South Carolina System) and SRNL. Each participant will develop classroom science materials and take several resources back to the classroom, which is an excellent way for educators to increase their SRNL/science knowledge and gain valuable hands-on experience that will invigorate excitement in the classroom and raise their comfort level in teaching a science curriculum.

- 2 - Undergraduate Student Programs (All SC institutions) – The universities will offer a combination of scholarships and summer research programs to selected students, particularly South Carolina students, who will work with SRNL-relevant faculty. Also, undergraduate students will be recruited into undergraduate research programs in SRNL mission relevant areas, and the universities will promote the recruitment activities of the Lab. SRNL can offer, on a case-by-case basis internships that provide work experience in addition to academic education.
- 3 - Graduate Student Programs (Clemson and USC Columbia) – Domestic graduate students will be recruited by the universities and will be mentored by junior and senior faculty working with SRNL in mission relevant areas. A full stipend and tuition for a predetermined period, at a level that is roughly equivalent to a National Science Foundation (NSF) graduate fellowship, may be offered. Alternatively, for graduate students with existing support a stipend supplement or a grant for tuition may be offered. SRNL can offer, on a case-by-case basis, short-term internships that provide research and work experiences that complement their academic training.
- 4 - Postdoctoral Scientist Programs (Clemson and USC Columbia) – Postdoctoral candidates are recruited by the university for typically two-year appointments. STEM post-docs will be chosen to work with university faculty in SRNL mission-relevant areas. Postdoctoral scientists will work on projects at SRNL and/or at the university. SRNL staff will be engaged as formal or informal mentors to these postdoctoral staff.
- 5 - Joint Research and Professional Development with SRNL Employees (All SC Institutions) – A key component of this joint plan is for the universities to (a) add new Lab mission-relevant faculty, (b) to recruit visiting scientists to conduct joint research (c) support current faculty for training at other facilities to bring new skills to South Carolina. These activities will connect world-class skills and expertise of the BSRA academic partners with new program activities in each SRNL mission area (e.g., environmental management, national security, energy, science). For new STEM faculty hires, a portion of the startup expenses (i.e., lab equipment and renovations and some salary stipends) will be funded using the allocated state budget according to university policies. These faculty will be recruited with the goal of increasing collaborative DOE research funding within the state of South Carolina. Visiting scholars will spend time jointly between the

universities and the Lab. This is a strategic tactic for recruiting leading researchers into South Carolina universities and to SRNL. Faculty from BSRA universities may be supported while developing new skills at other research facilities to bring these competencies back to South Carolina. These faculty and scholars will also support selected technological education programs (e.g., short courses and/or credentials) to be offered to SRNL staff for professional development. The educational effort at SRNL will be greatly enhanced by completion of the \$20M Joint Workforce Development facility, funded in 2022 by the state legislature and currently in planning in downtown Aiken, SC. In general, these educational programs will be in STEM fields such as actinide science, cyber security, nuclear and radiation safety, data science, virtual reality, advanced manufacturing, environmental analysis, or additional subjects such as business and project management.

- 6 - Equipment and Lab Infrastructure (All SC Institutions) – SRNL’s plans for WFD call for significantly enhanced collaborative research and education with its university partners. The SRNL mission areas (Environmental and Legacy Management, National Security, and Science and Energy Security) require cutting-edge equipment and laboratories at the universities, as well as in the Lab. Equipment and infrastructure will support recruitment of faculty and students, collaborative research with Lab personnel, and competitiveness in seeking federal funding. Each university plans investments in areas including cyber physical security, nuclear science and engineering, chemistry and materials science, grid infrastructure, and data science.
- 7 - Program Management and Seed Programs (All SC Institutions) – To ensure collaborative execution of this WFD plan, each institution will fund personnel to assist with program management. The university program managers will coordinate recruitment, marketing, collaborative travel, and messaging. A critical need for the Lab is to recruit and retain domestic staff to work at the Lab. The typical undergraduate or graduate STEM student has no awareness of the types of careers and work available in a national laboratory setting. So, in addition to the Program Elements described above, USC System, CU, and SC State will develop and support an annual “National Laboratory Career Day” to be held annually on a rotating basis on one of our campuses. The overall program will invite National Lab employees to meet face to face with STEM students; this event will allow for question-and-answer as well as formal presentations. The desired goal of the Career Day is to create awareness and interest in careers, thus helping create and fill the pipeline for the future workforce. The universities also intend to use Program Management funds in the form of seed grants for highly meritorious activities that have high potential to lead to increased funding from DOE.

Budget Breakdown and Spend Plan

Table 1 shows the anticipated total expenditures under each program element described above. The planned period of expenditures is based on three years (36 months) from the time of awarding of the funds. We have assumed a start date of 1 July 2025, the beginning of a fiscal year. We expect faculty hiring and equipment/lab infrastructure to take place largely in the first two years. Student recruitment, scholarship programs, post-doctoral appointments, and other aspects may take place over a longer period and will take longer to ramp up, because of the time required for recruitment and because of the need to offer multi-year financial aid packages to students. The budget lines in Table 1 are estimated based upon internal university planning. Funding may be reallocated from different programs as the overall program fully matures and lessons learned are incorporated by each university and the Lab.

Table 1. Budget breakdown by school and program element. Spending plan for FY25 through FY27 by school and program element.

Program Element	USC System	Clemson	SC State
Precollege Student Workforce Pipeline Programs	\$0.29M	\$0.00	\$0.71M
Undergraduate Student Programs (Scholarships; GI Bill; summer research)	\$0.82M	\$0.60M	\$2.40M
Graduate Student Programs	\$2.99M	\$1.05M	\$0.00
Postdoctoral & Research Scientist Program	\$1.20M	\$2.13M	\$0.00
Professional Development of SRNL Employees (New Faculty Appointments, Visiting Scholars, Sabbatical, Education)	\$7.72M	\$9.00M	\$2.82M
Equipment and Lab modifications	\$2.02M	\$2.30M	\$1.59M
Program Mgmt./Seed Program	\$0.96M	\$0.92M	\$0.48M
Total	\$16,000,000	\$16,000,000	\$8,000,000

Clemson	Total Budget (All Years)	FY2025 (12 mos)	FY2026 (12 mos)	FY2027 (12 mos)
Undergraduate Student Programs (Scholarships; GI Bill; summer research)	\$600,000	\$150,000	\$300,000	\$150,000
Graduate Student Programs	\$1,050,000	\$245,000	\$525,000	\$280,000
Postdoctoral & Research Scientist Program	\$2,130,000	\$675,000	\$1,065,000	\$390,500
Professional Development of SRNL Employees (New Faculty Appointments, Visiting Scholars, Sabbatical, Education)	\$9,000,000	\$3,150,000	\$3,150,000	\$2,700,000
Equipment & Lab modifications	\$2,300,000	\$1,800,000	\$500,000	
Program Mgmt./Seed Program	\$920,000	\$306,667	\$306,667	\$306,667
Clemson Totals	\$16,000,000	\$6,326,667	\$5,846,667	\$3,827,167
University of South Carolina System	Total Budget (All Years)	FY2025 (12 mos)	FY2026 (12 mos)	FY2027 (12 mos)
Precollege Student Workforce Pipeline Programs	\$290,000	\$48,000	\$125,000	\$117,000
Undergraduate Student Programs (Scholarships; GI Bill; summer research)	\$820,000	\$120,000	\$400,000	\$300,000
Graduate Student Programs	\$2,990,000	\$450,000	\$1,270,000	\$1,270,000
Postdoctoral & Research Scientist Program	\$1,200,000	\$200,000	\$500,000	\$500,000
Professional Development of SRNL Employees (New Faculty Appointments, Visiting Scholars, Sabbatical)	\$7,720,000	\$2,500,000	\$3,720,000	\$1,500,000
Equipment & Lab modifications	\$2,020,000	\$525,000	\$1,195,000	\$300,000
Program Mgmt./Seed Program	\$960,000	\$320,000	\$320,000	\$320,000
USC System Totals	\$16,000,000	\$4,163,000	\$7,530,000	\$4,307,000

South Carolina State University	Total Budget (All Years)	FY2025 (12 mos)	FY2026 (12 mos)	FY2027 (12 mos)
Precollege Student Workforce Pipeline Programs	\$710,000		\$355,000	\$355,000
Undergraduate Student Programs (Scholarships; GI Bill; summer research)	\$2,400,000	\$240,000	\$1,080,000	\$1,080,000
Professional Development of SRNL Employees (New Faculty Appointments, Visiting Scholars, Sabbatical)	\$2,820,000	\$1,380,000	\$1,200,000	\$240,000
Equipment & Lab modifications	\$1,590,000	\$530,000	\$795,000	\$265,000
Program Management /Seed Program	\$480,000	\$160,000	\$160,000	\$160,000
SCSU Totals	\$8,000,000	\$2,310,000	\$3,590,000	\$2,100,000
SC Schools Yearly Totals	\$40,000,000	\$13,970,000	\$14,770,000	\$8,593,830

Program Metrics and Accountability

Table 2 below proposes the metrics that will be tracked and reported annually to the state as required by the Commission on Higher Education. All metrics proposed are unique headcounts, for example, number of pre-college students attending events, number of students receiving scholarships or research and internship support. Please note also that the three universities also report to the BSRA LLC Mission Committee and to the Board of Directors concerning workforce development activities. As described above, these BSRA meetings occur three times each year, and thus are an additional mechanism that will help ensure collaboration and accountability among the partners.

Table 2. Programmatic Metrics.

Metric	Explanation	Clemson	SCSU	USC Columbia	USC Aiken
1 - Precollege Program, Total No. of Students Attending	STEM-oriented programs for pre-college students and teachers will be developed and delivered.		50		10,000
2 - Undergraduate Scholarship and Research Programs	Undergraduate students may receive academic scholarships, or funding for research stipends and expenses, or support for internships.	40	46	60	30
3 - Graduate Students	Domestic graduate students, who may receive full cost of education, stipend enhancements, or tuition relief.	30		48	
4 - Postdoctoral Scientists	Post-doctoral scientists will work on jointly funded programs with SRNL scientists.	5		8	
5 - Joint Appointees, new hires, Visiting Scholars, Sabbatical	New tenure-track faculty and permanent technical staff will be recruited: Faculty from BSRA universities or visiting from other institutions for the purposes of new skills development or recruitment, respectively.	12	11	12	3

Program Schedule

The program is assumed to start at the beginning of FY 2025 (1 July 2024) and end on June 30 2027 (3 years total). The universities will review the progress of the program annually with the Commission for Higher Education. This will be done jointly either in person or via the internet.

Table 3. Program Schedule.

	FY 2024 (6 MOS)	FY 2025 (12 MOS)	FY 2026 (12 MOS)	FY 2027 (6 MOS)
Clemson				
Undergraduate Student Programs Scholarships; GI Bill; summer research	[Bar]			
Graduate Student Program	[Bar]			
Postdoctoral and Research Scientist Program	[Bar]			
Professional Development of SRNL Employees (New Faculty Appointment, Visiting Scholars, Sabbatical, Credentialing)	[Bar]			
Equipment and Lab modifications	[Bar]			
Program Management/Seed Program	[Bar]			
	▲	▲	▲	▲
University of South Carolina/USCA				
Precollege Student Workforce Pipeline Programs	[Bar]			
Undergraduate Student Programs Scholarship; GI Bill; summer research	[Bar]			
Graduate Student Program	[Bar]			
Postdoctoral and Research Scientist Program	[Bar]			
Professional Development of SRNL Employees (New Faculty Appointment, Visiting Scholars, Sabbatical, Credentialing)	[Bar]			
Equipment and Lab modifications	[Bar]			
Program Management/Seed Program	[Bar]			
	▲	▲	▲	▲
South Carolina State University				
Precollege Student Workforce Pipeline Programs	[Bar]			
Undergraduate Student Programs Scholarships; GI Bill; summer research	[Bar]			
Professional Development of SRNL Employees (New Faculty Appointment, Visiting Scholars, Sabbatical, Credentialing)	[Bar]			
Equipment and Lab modifications	[Bar]			
Program Management/Seed Program	[Bar]			
	▲	▲	▲	▲

▲ Annual Review by SC CHE



October 24, 2023

SRNL-L0000-2023-00032

RSM#: 10667

Rusty Monhollon, PhD
President and Executive Director
South Carolina Commission on Higher Education
1122 Lady Street, Suite 400
Columbia, South Carolina 29201

Dear Dr. Monhollon:

SRNL/BSRA LETTER OF SUPPORT – COLLABORATIVE WORKFORCE DEVELOPMENT PLAN

On behalf of the Savannah River National Laboratory (SRNL) and the Battelle Savannah River Alliance LLC (BSRA), it is my pleasure to endorse the collaborative workforce development plan prepared by Clemson University, South Carolina State University, and the University of South Carolina. As you know, the South Carolina State Legislature appropriated \$40M in this fiscal year to support the three universities in their collective effort to educate and train the future workforce of the Lab and enable workforce development for South Carolina. This plan supports Governor McMaster's 2020 commitment to provide up to \$100M to the three universities in support of workforce development.

As explained in the plan, SRNL will meet its national mission by growing its technical (STEM) workforce as well as its professional business and operations staff. We have worked closely with the universities from 2020 until now to articulate a tiered workforce strategy that encompasses pre-college outreach, through Bachelor's degrees and continuing to doctoral and post-doctoral education and recruitment. The plan also considers the continuing professional education of our full-time employees.

Clemson, SC State, and the University of South Carolina have been engaged in strategic activities of the Lab since BSRA assumed management and operations in 2021. Each university contributes to the Board of Directors of BSRA and its Mission subcommittee. The Board expects to be updated by the Universities at its trimester Board meetings on the progress, metrics, and impact of this investment for SC workforce and for SRNL. We are excited about this partnership and its future, and we wish to express our gratitude to the General Assembly and Governor McMaster for their generous support of the Lab and our distinguished SC universities.

Sincerely,

Vahid Majidi
Director, Savannah River National Laboratory

cc: P.A. Polk, 773-A
S. Marra, 773-A
S. Clark, 773-A
J. Campbell, 773-A

South Carolina General Assembly
125th Session, 2023-2024

H. 4300
General Appropriations Bill for Fiscal Year 2023-2024
Ratified Version

PART IB

OPERATION OF STATE GOVERNMENT

118.19. (SR: Nonrecurring Revenue) (A) The source of revenue appropriated in subsection (B) is nonrecurring revenue [].

(B) The appropriations in this provision are listed in priority order. Item (1) must be funded first and each remaining item must be fully funded before any funds are allocated to the next item. Provided, however, that any individual item may be partially funded in the order in which it appears to the extent that revenues are available.

The State Treasurer shall disburse the following appropriations by September 30, 2023, for the purposes stated:

[]

- (8) H030-Commission on Higher Education
 - (a) Battelle Alliance at Savannah River National Lab \$ 40,000,000;

[]

South Carolina General Assembly
125th Session, 2023-2024

H. 4300
General Appropriations Bill for Fiscal Year 2023-2024
Ratified Version

PART IB

OPERATION OF STATE GOVERNMENT

SECTION 11 - H030 - COMMISSION ON HIGHER EDUCATION

11.24. (CHE: Battelle Alliance at Savannah River National Lab) Of the funds appropriated for the Battelle Alliance, twenty percent shall be allocated to South Carolina State University, forty percent to the University of South Carolina, and forty percent to Clemson University. The funds must be expended collaboratively to conduct research partnerships and develop workforce training programs designed to fill engineering, science, research, and management positions. The three universities shall provide the Battelle Alliance with accredited academic personnel, intellectual capital, and resources necessary to build out research capabilities and programs.

Prior to the allocation or expenditure of any funds, the three universities shall collaborate and submit to the Commission on Higher Education a comprehensive plan and timeline for how the funds will be utilized to further the mission and support of the Savannah River National Lab. The plan also must be reviewed by Battelle for alignment with laboratory missions and university goals. This collaborative plan must be submitted to the Commission on Higher Education and approved by its Board of Commissioners. After approval of the plan, the commission shall submit the plan to the Joint Bond Review Committee for review and comment and to the State Fiscal Accountability Authority for approval before any funds can be allocated or expended. If the plan is not approved by June 30, 2024 by the Commission on Higher Education, Joint Bond Review Committee, and State Fiscal Accountability Authority, all funds must then be remitted back to the general fund of the state. Funds allocated for this purpose shall not be transferred or utilized for any other purpose.

AGENCY: South Carolina Department of Administration
South Carolina State Fiscal Accountability Authority

SUBJECT: Short Term Leasing of Student Housing by
Higher Education Institutions

The South Carolina Department of Administration Division of Property Services and the South Carolina State Fiscal Accountability Authority Division of Procurement Services propose to issue a joint statement providing guidance to all institutions of higher education clarifying among other things that the emergency procedures of the South Carolina Consolidated Procurement Code are not applicable to leases subject to review and approval by the Committee and the State Fiscal Accountability Authority pursuant to Title 1, Chapter 11 of the South Carolina Code of Laws. A copy of the proposed joint statement is included with this item.

The necessity for this guidance follows at least 2 instances of erroneous reliance on emergency procedures that resulted in execution of leases prior to statutorily required review by the Committee and approval of the Authority.

COMMITTEE ACTION:

Receive as information and provide comment as appropriate.

ATTACHMENTS:

1. Department of Administration, Facilities Management and Property Services, Agenda Item Worksheet.
2. Joint Statement of Department of Administration, Facilities Management and Property Services, and State Fiscal Accountability Authority, Division of Procurement Services.
3. Sections 1-11-55 and 1-11-56 of the South Carolina Code of Laws.
4. Section 19-447.1000 of the South Carolina Code of Regulations.

**JOINT BOND REVIEW COMMITTEE
AGENDA ITEM WORKSHEET**


Meeting Scheduled for: January 24, 2024

Regular Agenda

1. Submitted by:

(a) Agency: Department of Administration (Admin)

(b) Authorized Official Signature:



Ashlie Lancaster, Director, FMPS

(c) Agency: State Fiscal Accountability Authority

(d) Authorized Official Signature:



John White, Chief Procurement Officer
& State Engineer

2. Subject: Short-Term Leasing of Student Housing by Higher Education

3. Summary and Background Information:

Over the last year, Admin and SFAA have been made aware of two institutions entering short-term leases of student housing using the emergency procurement procedures appearing in the Consolidated Procurement Code. As a result of these errors, these institutions have not been obtaining the statutorily required lease approvals until after the leases have been executed. To prevent further misunderstanding, both Admin's Division of Facilities Management and Property Services and the SFAA's Division of Procurement Services intend to issue a joint statement to all institutions of higher education informing them of the Consolidated Procurement Code's inapplicability to these leases and the necessity of acquiring the approvals required by Title 1, Chapter 11 of the South Carolina Code of Laws. A copy of the statement is attached.

4. What is the JBRC asked to do? Receive as information the statement to institutions of higher education regarding the applicable statutory approval for short-term leases of student housing.

5. What is recommendation of the Division of Facilities Management and Property Services and the Division of Procurement Services? Receive as information the statement to institutions of higher education regarding the applicable statutory approval for short-term leases of student housing.

6. List of Supporting Documents:

(a) SC Code of Laws Sections 1-11-55 and 1-11-56

(b) SC Code of Regulations Section 19-447.1000

(c) Joint Statement of Admin's Division of Facilities Management and Property Services and SFAA's Division of Procurement Services

(c)

To: Chief Financial Officers, Housing Directors, and Facilities Directors at Institutions of Higher Education

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

John St. C. White, Chief Procurement Officer & State Engineer
Division of Procurement Services, State Fiscal Accountability Authority

Subject: **Short-Term Leasing of Student Housing**

Date: _____

Over the last year, the Department of Administration (Admin) and the State Fiscal Accountability Authority (SFAA) have been made aware of two institutions entering short-term leases of student housing using the emergency procurement procedures appearing in the Consolidated Procurement Code. As a result of these errors, these institutions did not obtain the statutorily required lease approvals until after the leases were executed. To prevent further misunderstanding, both Admin's Division of Facilities Management and Property Services and the SFAA's Division of Procurement Services are issuing this joint statement to all institutions of higher education informing them of the Consolidated Procurement Code's inapplicability to these leases and the necessity of acquiring the approvals required by Title 1, Chapter 11 of the South Carolina Code of Laws.

Applicability of the Leasing Laws

In most circumstances, the State's general leasing laws will apply to an agreement to acquire the right to use another party's real property for the short-term housing of students, whether the rights are conveyed by a rental or lease agreement or by a license. These laws appear in Sections 1-11-55, 1-11-56, and 1-11-65, as well as Regulation 19-447.1000. While staff-level approval may be available, these laws generally call for review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority prior to entering the lease. In all circumstances, institutions must consult with Admin's Division of Facilities Management and Property Services (FMPS).

Agencies are encouraged to plan for their space needs well in advance to ensure sufficient time to competitively solicit for available properties and to obtain all necessary approvals prior to executing a lease. Any time an agency has a space need, it should immediately notify FMPS in writing of what those needs are and what actions the agency intends to take to meet those needs. FMPS will advise the agency of the best way to proceed based on the circumstances. Admin will also notify the Joint Bond Review Committee and State Fiscal Accountability Authority if the proposed lease would require approvals by those bodies.

Applicability of the Consolidated Procurement Code to Short Term Student Housing

In most circumstances, the Consolidated Procurement Code will not apply to an acquisition of the right to use another party's real property for the short-term housing of students, whether the rights are conveyed by a rental or lease agreement or by a license. For example, the Procurement Code does not apply to an acquisition of a leasehold estate, even though it includes complementary subordinate supplies, services, information technology, or construction (e.g., building security, janitorial services, utilities). The Procurement Code will usually apply to a lease agreement that involves a substantial acquisition of supplies, services, information technology, or construction, but we would not expect such acquisitions in a typical lease of short-term student housing. For additional context, agencies may wish to review Procurement Regulation 19-445.2000E(4). When services other than those illustrated here are involved, institutions are encouraged to contact the Division of Procurement Services for guidance.

(a)

SC CODE OF LAWS

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

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

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

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

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

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

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted

"department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

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

(A) The Division of General Services of the Department of Administration, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department's regulations, upon General Assembly approval, shall include procedures for:

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:

(a) a nonappropriation for the renting agency;

(b) a dissolution of the agency; and

(c) the availability of public space in substitution for private space being leased by the agency;

(4) rejecting an agency's request for additional space or space at a specific location, or both;

(5) directing agencies to be located in public space, when available, before private space can be leased;

(6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and

(7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

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

Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C).

(b)

SC CODE OF REGULATIONS

19-447.1000. Leasing of Real Property.

A. LEASE OF NON STATE-OWNED REAL PROPERTY

No governmental body shall contract for the lease, rental, or use of non state-owned real property without approval of the Office of General Services, except as specified in subsection C. Requests shall be directed to the Office of General Services. The Office of General Services shall negotiate or approve the terms of all leases of non state-owned real property unless the governmental body has been exempted.

1. GENERAL REGULATIONS

(a) The Office of General Services shall be accountable for the procurement of leased real property for governmental bodies in accordance with the regulations promulgated by the Board.

(b) All leases shall require the written approval of the Office of General Services, except when such lease is exempt from approval by the Budget and Control Board.

(c) Before approving any lease, Office of General Services shall:

(1) assure that all appropriate approvals have been obtained.

(2) verify that adequate funds exist for the lease payments;

(3) verify that lease payments represent no more than fair market rental;

(4) verify that upfitting costs represent no more than current market costs;

(5) verify that a multi-year financial plan has been submitted by the requesting agency for review by the Budget and Control Board's budget office.

(d) All requests for leased real property by governmental bodies and agencies shall be submitted to the Office of General Services on a "Request for Space Form" provided by General Services.

(1) This form shall include, but not be limited to:

(a) The purpose for which the space will be used.

(b) Any special requirements or needs with written justification (computer rooms, etc.).

(c) Parking requirements and justification.

(d) The general location or area desired.

(e) A multi-year financial plan for review by the Board's budget office.

(2) The amount of office space desired shall be computed and justified using the standards specified in Code Section 1-11-55.

(3) Other types of space (warehouse, laboratory, etc.) shall require a written letter of justification from the requesting agency or governmental body and shall include documentation of market standards for use of this type space. The Office of General Services shall be accountable for investigating the existing space or any other information given in the justification.

(4) The "Request for Space Form" or any other document requesting space or justifying the need for space shall be certified by the Director of the requesting agency or governmental body.

(e) An agency or governmental body desiring to renew an existing lease is responsible for notifying the Office of General Services in writing of its intention to do so at least 60 days before the renewal deadline as stated in the lease. Upon approval by appropriate boards and the Office of General Services, the governmental body or agency shall notify the Lessor that it has elected to exercise its right of renewal pursuant to the lease. The Office of General Services may send each a renewal request form and a reminder notice well in advance of these deadlines.

(f) Under no circumstances will the requesting governmental body or state agency contact or negotiate lease terms with any real estate agency, broker, builder, owner, or representative in reference to space needs without the prior written consent of the Office of General Services.

(g) The Office of General Services will begin investigation of available rental space within ten (10) working days after receiving the "Request for Space Form".

(h) When processing requests for space, the Office of General Services will first determine whether appropriate state-owned or state-leased space is available before exploring commercial space alternatives. If such space is available, the Office of General Services will direct the requesting agency or governmental body to occupy said space. If state-owned or state-leased space is unavailable or inappropriate, the Office of General Services shall begin a solicitation process to secure proposals for commercial space from as many qualified developers and/or brokers as is practicable.

(i) Rental rates will be determined by the Office of General Services for all leases by use of standard acceptable market rent analysis methods.

2. TYPES OF LEASE TRANSACTIONS

All state leases will be categorized as one of the following five types:

(a) Exempt Leases. Those leases exempted in accordance with subsection C or otherwise exempted by the Budget and Control Board.

(b) Standard Lease. All leases which commit less than \$1 million in a five year period and which do not involve equity accrual.

(c) Major Leases. Any lease which commits \$1 million or more in a five year period but which is otherwise standard in all respects.

(d) Lease/Purchases. All lease transactions which include clauses providing for equity accrual.

(e) Other Leases. All leases which are not encompassed by the first four categories. At its discretion, the Office of General Services may place any proposed lease transaction in this category if it involves complex issues or methodologies which warrant special handling.

3. EXEMPT LEASES

All exempt leases will be administered in accordance with regulations and procedures outlined in subsection C or Budget and Control Board directives.

4. STANDARD LEASES

(a) The Office of General Services will be responsible for managing all aspects of soliciting lease proposals from commercial entities. In all solicitations, the Office of General Services is required to assure that equitable competition occurs in the broadest market practicable.

(b) The Office of General Services will review all proposals from prospective Lessors with the agency or governmental body. The Office of General Services will recommend the proposal which offers the most cost effective terms and conditions to the agency or governmental body after satisfying subjective criteria such as parking, location requirements, special needs, etc. If the agency accepts the recommendation, General Services will make the selection and begin negotiations to finalize the lease transaction.

(c) If the agency or governmental body cannot accept the Office of General Services' recommendation, the dispute shall be referred to the Budget and Control Board, which will make the final determination.

(d) Evaluation criteria shall include total cost (including rental payments, upfitting costs, escalations, additional rents, operating, and all other costs) and location. Other subjective criteria such as parking and other special needs may be included. Total cost shall be given the highest weight of any single factor.

(e) Before making a recommendation, the Office of General Services shall verify that:

- (1) all prior approvals have been obtained;
- (2) adequate funds exist for the lease payments;
- (3) lease payments are no more than fair market rental; and
- (4) upfitting costs are no more than reasonable market costs.

(f) The Office of General Services may reject the agency's request for additional space and/or space at a specific location.

5. MAJOR LEASES

(a) All regulations and procedures for standard leases will apply to all major leases.

(b) All major leases must be reviewed by the Joint Bond Review Committee and approved by the Budget and Control Board before a final lease becomes effective.

6. LEASE/PURCHASES

All regulations and procedures for major leases will apply to lease/purchase transactions.

7. OTHER LEASES

(a) At its discretion, the Office of General Services may place any proposed lease transaction in this category if it involves complex issues or methodologies which warrant special handling.

(b) The Office of General Services shall determine which of the above regulations are applicable to any special lease situation and may adopt additional procedures to meet special needs on a case by case basis.

8. STANDARD LEASE DOCUMENTS

(a) The Office of General Services will be responsible for drafting and updating the state standard lease document.

(b) The state standard lease document will be used in all lease negotiations unless a substitute document is approved in advance by the Office of General Services.

(c) The state lease document will incorporate cancellation provisions including a right to cancel in the event of a (a) non-appropriation of funds for the renting agency, (b) dissolution of the agency and (c) the availability of public space in substitution for private space being leased by the agency.

B. LEASE OF STATE-OWNED REAL PROPERTY

No governmental body shall contract with any commercial entity or other governmental body for the lease, rental, or use of state-owned real property whether it be titled in the name of the State of South Carolina or any governmental body, without approval of the Office of General Services, except as specified in subsection C. Requests shall be directed to the Office of General Services. The Office of General Services shall negotiate or approve the terms of all leases of state-owned real property unless the governmental body has been exempted.

C. EXEMPTIONS

The Budget and Control Board may exempt governmental bodies from leasing state-owned and non state-owned real property through the leasing procedure herein required provided, however, that annual reports be filed with the Office of General Services, prior to July 1 of each year. Annual reports shall contain copies of all existing leases of state-owned and non state-owned real property. The Budget and Control Board may limit or withdraw any exemptions provided for in this Regulation.

AGENCY: South Carolina Department of Veterans' Affairs

SUBJECT: Transfer of Responsibility for State Veterans Homes

Responsive to expressions of interest by the Committee at its meeting on October 10, 2023, the South Carolina Department of Veterans' Affairs has provided a comprehensive report entitled "Transition of Veteran Homes Status Report" dated December 15, 2023, which includes the transfer sequence and locations of existing State Veterans Homes; the status and capital improvement plans of Stone Pavilion; a transition roadmap and milestone summary; and budgetary implications of the transition plan. The report also includes summaries of each existing and proposed State Veterans Home, including facility capacity, census, and other details. Finally, the report includes materials contributed by the Boston Consulting Group, which has been engaged by the state for among other things development of independent analysis, findings, and recommendations applicable to the transition.

The Department of Veterans' Affairs states that the report has the concurrence of the South Carolina Department of Mental Health and the South Carolina Department of Administration.¹ Representatives from the Department of Veterans Affairs and the Department of Mental Health will be available to receive comments and respond to questions.

COMMITTEE ACTION:

Receive as information and comment as appropriate.

ATTACHMENTS:

1. Letter dated December 15, 2024, of Major General (Ret.) Todd B. McCaffrey, Secretary, South Carolina Department of Veterans' Affairs.
2. Transition of Veteran Homes Status Report dated December 15, 2023.
3. Summaries of existing and proposed State Veterans Homes.
4. Letter dated October 10, 2023, of Committee staff.

¹ Act 60 of 2023 provides for among other things the transfer to the Department of Veterans' Affairs the authority to establish and operate state veterans homes; and requires the Department of Administration to perform certain functions and make recommendations as to the appropriate structure and operation of state agencies restructured pursuant to the Act.



State of South Carolina
Department of Veterans' Affairs
1800 St. Julian Place, Suite 305, Columbia, South Carolina 29204
Phone: (803) 734-0200 • Fax (803) 734-4014

December 15, 2023

F. Richard Harmon, Jr.
Director of Research
Capital Improvements Joint Bond Review Committee

Dear Mr. Harmon,

Please find attached a written report, with two enclosures, in response to your request of October 10, 2023, for "a comprehensive but concise update to the Committee on the principal components and status of the transition plan, integrating as appropriate the findings and recommendations of the third-party engagement currently underway, and any capital, operating, and other cost and budgetary implications of the plan."

This report and its enclosures have the concurrence of Dr. Robert L. Bank, Acting State Director of the Department of Mental Health, and have been reviewed and concurred with by Ms. Marcia Adams, Executive Director of the Department of Administration.

We are glad to meet with you or members of your staff in advance of the next Committee meeting to discuss these documents or to provide any additional information you may need.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd B. McCaffrey".

Todd B. McCaffrey
Major General (Ret), U.S. Army
South Carolina Secretary of Veterans' Affairs

**Transition of Veteran Homes Status Report
December 15, 2023**

At its October 10th, 2023, meeting the Joint Bond Review Committee requested a comprehensive update on the principal components and status of the transition plan for Veteran Homes from the Department of Mental Health to the Department of Veterans’ Affairs.

The South Carolina Department of Veterans’ Affairs has been working closely with the Department of Administration, their external consultant Boston Consulting Group (BCG), and the Department of Mental Health to develop an effective and efficient transfer plan that ensures the care, safety, and dignity of Veterans residing in the state’s Veteran Homes. This team conducted a holistic, detailed, and objective review of the current state of South Carolina’s Veteran Homes and offered several recommendations on how to appropriately structure, resource, and enable the South Carolina Department of Veterans’ Affairs to ensure appropriate care and support to Veteran residents. Several of BCG’s detailed charts are appended to this report as a reference. After collaboration and review, South Carolina Department of Veterans’ Affairs, Department of Administration, and Department of Mental Health accepted many of the consultant’s recommendations and developed detailed personnel, budgetary, and facility transfer plans aimed to ensure continued quality care for Veteran residents in these facilities.

Transfer Sequence and Locations. On July 1st, 2024, South Carolina Department of Veterans’ Affairs will assume oversight of South Carolina’s five contractor-operated Veteran Homes. These homes, capacity, and current census are summarized in Table 1. Additional details are provided in Enclosure 2.

Home	Location	Maximum Capacity	Current Census (as of 14 December, 2023)
Veterans Victory House	Walterboro	220 ¹	190 (26 beds currently unavailable) ¹
Campbell Veterans Home	Anderson	220	204
Veteran Village	Florence	104	101
Palmetto Patriots Home	Gaffney	104	102
Patriots Village	Sumter	104	Under construction; anticipated resident occupancy in Fall, 2024

Table 1. Current Contractor-Operated Homes

Stone Pavilion Status and Projected Capital Improvements. On July 1st, 2025, the Department of Veterans’ Affairs will assume oversight responsibility for Stone Pavilion in Columbia. Stone Pavilion is the only state’s Veteran Home currently operated by state employees. It will remain under Department of Mental Health control until the statutory 2025 transition date. The Department of Veterans’ Affairs is working closely with both Department of Mental Health and Department of Administration on coordinating transfer details for this facility.

It is the Department of Veterans’ Affairs plan for Stone Pavilion to transition to a third-party contractor-operated facility, as is the case for all other state Veteran Homes. The Department of Mental Health will transfer state employees working at Stone Pavilion to its other facilities. Both departments are keenly aware of the importance of seamless transition of resident care as well as communication of such to residents and their families. The Department of Veterans’ Affairs, in coordination with

¹ In 2021 Federal surveyors found the location of a nursing station interfered with staff line of sight/supervision of residents resulting in a finding of Immediate Jeopardy (IJ) for Veterans’ Victory House. As a result, VVH is temporarily operating at a reduced 194 bed capacity. Efforts are ongoing to return this facility to maximum capacity.

Department of Administration and the Department of Mental Health, will be closely involved in the development of a solicitation for an operating contract for Stone Pavilion by a private sector vendor. As the Department of Mental Health outlined to the JRBC on October 10th, 2023, the Lexington Veteran Home, a 129-bed facility, will replace the capacity at Stone Pavilion. However, until the Lexington Home is complete and accepts residents (projected no earlier than 2030-31), Stone Pavilion will continue to provide an important 90-bed capacity for South Carolina Veterans.

Stone Pavilion is the oldest facility in the state’s Veteran Home enterprise, built in 1971 (52 years old). There are immediate capital improvements necessary for Stone Pavilion to continue to serve the current population and accept additional residents. While there are several capital projects in process, more are needed. The Department of Mental Health estimates the costs for these capital improvements are in the range of \$11 million to \$13 million. The Department is using existing resources to the fullest extent possible for these projects and has included six (6) capital projects totaling \$8.25 million in its Agency FY25 Budget Request, as summarized in Table 2.

Department of Mental Health Stone Pavilion FY 24-25 Capital Request			
Description	Total Project Cost	Current Project Expenditure	FY 24-25 Request
Piping Replacement	\$5M	-	\$5M
Project #9810- Whole Building Generators	\$4.3M	\$3M	\$1M
Hot Water Sys Mods	\$1M	-	\$1M
HVAC Replacement Mods	\$750k	-	\$750k
Security Fencing	\$250k	-	\$250k
Flooring Replacement	\$250k	-	\$250k
Grand Total	\$11.55M	\$3.3M	\$8.25M

Table 2. Stone Pavilion Capital Requests

When the Lexington Veterans Home is operational, the state will have the opportunity to repurpose Stone Pavilion from its current role as a state Veteran Home. When that time approaches, the Department of Administration and the Department Veterans’ Affairs will provide recommendations on potential future uses for this state-owned facility.

Contract Operated Homes Transfer Analysis and Plan. Boston Consulting Group’s key recommendations, which received the concurrence of the Department of Administration, South Carolina Department of Veterans’ Affairs, and Department of Mental Health, resulted in the development of four themes and multiple milestones undergirding the transition plan and accompanying budget implications, as summarized below. Additional details are contained in Enclosure 1.

1. Establish the structure and processes to improve current contractual oversight to ensure increased state and vendor accountability and improved levels of care for Veteran Home residents.²
2. Expanding facilities support to address deferred maintenance and capital projects, improve clarity in divisions of responsibility between vendors and the state, and address patient quality and safety deficiencies.

² While all South Carolina Veteran Homes meet DHEC, US Department of Veteran Affairs, and Centers for Medicare and Medicaid Services (CMS) operating standards, they rank in the bottom 10% when comparatively assessed against 37 other states using CMS scoring. (Florence and Gaffney homes yet to be rated since their 2022 opening and are not included in this comparative assessment.)

3. Tailor and streamline processes to improve the efficiency and cost-effectiveness of Veteran Homes across the enterprise.
4. Increase internal accountability measures and metrics to better track success and challenges aimed to improve overall comparative quality assessments of South Carolina's Veteran Homes.

The South Carolina Department of Veterans' Affairs FY 24-25 budget submission reflects these themes and includes the necessary development of new critical departmental capabilities to manage the Veteran Home enterprise (4 new FTEs); projected transfer of existing Department of Mental Health employees and vacancies (23 FTEs) to South Carolina Department of Veterans' Affairs; transfer of existing appropriated and carryover funds linked to Veteran Homes from Department of Mental Health to South Carolina Department of Veterans' Affairs (\$170.9M); and the South Carolina Department of Veterans' Affairs FY 24-25 budget request specific to Veteran Home requirements (\$85.7M). The total enterprise cost for South Carolina's contract-operated Veteran Homes for FY 24-25 (inclusive of recurring and non-recurring costs) is approximately \$256.6M.

Budget Implications. To date, South Carolina's Veteran Homes have operated within a larger health care enterprise operated by Department of Mental Health and are not contained within a discrete unit in the organization. The overall scope of Department of Mental Health clinical care oversight has allowed for economies of scale that have integrated Veteran Home management within this broader enterprise. Department of Administration working with Boston Consulting Group conducted a detailed financial review of Department of Mental Health records to identify funds for transfer to South Carolina Department of Veterans' Affairs as well as identify necessary funding to support the South Carolina Department of Veterans' Affairs FY 24-25 budget request.

Based on this analysis, the South Carolina Department of Veterans' Affairs budget request includes a limited level of 'new' funding to generate capabilities that do not currently exist within the department and will not be transferred from the Department of Mental Health, and to fund program improvements to address the absence of health care expertise within the department. Even so, a large majority of the funding request reflects inherent costs that would have been incurred regardless of the implications of S-399. Of the South Carolina Department of Veterans' Affairs total \$85.7M request tied to Veteran Homes, only approximately 2% (\$1.9M) is 'new' funding while approximately 98% (\$83.8M) reflects costs that would have been incurred regardless of agency oversight.

Table 3 reflects the South Carolina Department of Veterans' Affairs budget request submitted to the Executive Budget Office for analysis and incorporation into the Governor's budget submission to the General Assembly.

South Carolina Department of Veterans' Affairs FY 24-25 Contactor-Operated Veteran Home Budget Request Summary					
Description	New FTE	Recurring	Non-Recurring	Total	Notes/Comments
Critical Capability Development ('New' costs)	4	\$866.3k	\$87.2k	\$953.5k	1. Funds critical new hires: <ul style="list-style-type: none"> • Director of Veteran Homes • Deputy Director for Medical Services • Resource Manager/Chief Financial Officer • Deputy Director for Facilities Management 2. Funds start-up costs for new hires and 23 projected Department of Mental Health transferred FTEs
Program Improvements ('New' Costs)	0	\$954.2k		\$954.2k	1. Program oversight improvements based on Boston Consulting Group / Department of Administration analysis 2. Increased costs for expanded Shared Services with Department of Administration
Capital Improvements and State Matching Funds for Lexington Home	0		\$49.1M	\$49.1M	1. Capital Improvements for Campbell (Anderson) and Veterans' Victory House (Walterboro) homes: \$8.5M 2. Lexington State Matching Funds: \$40.6M
Inherent Contract Operating Costs	0	\$34.8M		\$34.8M	1. Sumter Home Contract and Revenue Expenditure Authorization: \$19.3M 2. Contract Operating expense for existing contractor operated homes: \$15.5M
Total FY 24-25 Veteran Home Budget Request		\$36.6.2M	\$49.1M	\$85.7M	

Table 3. Budget Request Summary for Veteran Homes

Transition Roadmap and Milestone Summary. South Carolina Department of Veterans' Affairs, Department of Mental Health, and Department of Administration continue to meet through regular workgroups to refine and implement detailed transfer milestones associated with the transfer of the state's contract-operated homes to South Carolina Department of Veterans' Affairs on July 1st, 2024. These groups also continue to analyze details and develop associated transfer plans for Stone Pavilion to South Carolina Department of Veterans' Affairs on July 1st, 2025. Major milestones currently in coordination are summarized below and detailed in Enclosure 1; the timeline for execution is in development.

- Transfer of existing service contracts
- Outsourcing of specific functions (to include potential bridging solutions that may include temporary memorandums of agreement between Department of Veterans' Affairs and Department of Mental Health)
 - Billing
 - Cost reporting
 - Auditing
 - Quality Control Review Board (medical expertise)
- Securing of necessary funds through the state budget process
- Expansion of facilities or relocation of Department of Veterans' Affairs
- Transfer of FTEs and personnel from Department of Mental Health to Department of Veterans' Affairs
- Hiring of key positions to facilitate planning and preparation
 - Director of Veteran Homes
 - Deputy Director for Facility Management

Transition of Veteran Homes Status Report
December 15, 2023

- Chief Financial Officer / Director of Resource Management
- Integration of new team members to the Department of Veterans' Affairs
- Solicitation for future construction projects
- Documentation of new policies and procedures within the Department of Veterans' Affairs
- Change management and internal communication within both departments
- External communication to Veteran residents, families, and vendors
- Expansion of Shared Services

Conclusion. The transfer of Veteran Homes from the Department of Mental Health to the Department of Veterans' Affairs has proven to be a complex and demanding undertaking requiring collaborative and detailed coordination across multiple state agencies. Despite the challenges, however, this process offers an opportunity for the state to improve the overall quality of its Veteran homes.

Through the combined efforts of the Department of Administration, Department of Mental Health, and Department of Veterans' Affairs – aided by the robust and detailed analysis provided by the Boston Consulting Group – we now have both a realistic understanding of the challenges ahead and a detailed but flexible plan to overcome them. With the continued cooperation of all involved, the quality of care provided to our Veterans in state Veteran Homes will continue and is postured to improve over time.

Enclosures

1. Selected Boston Consulting Group analysis and summary charts
2. State Veteran Home Status Cards



Veterans' Victory House

2461 Sidneys Road, Walterboro

Transfers to Department of Veterans Affairs on July 1st, 2024

	<u>Facility Maximum</u>	<u>Staffing Maximum</u>	<u>Current Residence</u>	<u>Occupancy Rate</u>
Census	220	220	190	86.4%
Temporary Census	194	194	190	97.9%

Note: Maximum capacity has been temporarily reduced by 26 beds since Federal surveyors in 2021 found that a nursing station interfered with the staff's line of sight to residents, resulting in a finding of Immediate Jeopardy (IJ). Efforts are ongoing to return to maximum capacity.

Operated by: HMR Veteran Services, Inc.

Current Service Contract Ends: 2026

Last inspection: Aug 24th, 2023

Facility Constructed: 2006

Age: 17 years

Pending Maintenance Issues:

- Immediate
 - Replace fire alarm system
 - Emplace emergency light fixtures
 - Emplace illuminated exit signs
 - Emplace carbon monoxide detectors
 - Mold testing and remediation
- Short-term
 - Repair climate control system
 - Repair water system
- Anticipated Total Cost: \$2,123,546



Campbell Veterans Nursing Home

4605 Belton Highway, Anderson

Transfers to Department of Veterans Affairs on July 1st, 2024

Facility Maximum

220

Staffing Maximum

220

Current Residence

204

Occupancy Rate

92.7%

Census

Operated by: HMR Veteran Services, Inc.

Current Service Contract Ends: 2025

18

Last inspection: Jun 16th, 2023

Facility Constructed: 1990

Age: 33 years

Pending Maintenance Issues:

- Immediate
 - Replacement fire alarm system
 - Emergency light fixtures
 - Illuminated exit signs
 - Carbon monoxide detectors
- Short-term
 - Windows and doors
 - Replace asphalt
- Anticipated Total Cost: \$5,541,190



Veteran Village

1200 East National Cemetery Road, Florence

Transfers to Department of Veterans Affairs on July 1st, 2024

Facility Maximum

104

Staffing Maximum

104

Current Residence

101

Occupancy Rate

97.1%

Census

Operated by: HMR Veteran Services, Inc.

Current Service Contract Ends: 2025

18

Last inspection: Aug 24th, 2023

Facility Constructed: 2021

Age: 2 years

Pending Maintenance Issues: None



Palmetto Patriots Home

120 Hampshire Drive, Gaffney

Transfers to Department of Veterans Affairs on July 1st, 2024

	<u>Facility Maximum</u>	<u>Staffing Maximum</u>	<u>Current Residence</u>	<u>Occupancy Rate</u>
Census	104	104	102	98.1%

Operated by: HMR Veteran Services, Inc.

Current Service Contract Ends: 2026

18

Last inspection: Apr 14th, 2023

Facility Constructed: 2021

Age: 2 years

Pending Maintenance Issues: None



Stone Veteran Pavilion

2200 Harden Street, Columbia

Transfers to Department of Veterans Affairs on July 1st, 2025

<u>Facility Maximum</u>	<u>Staffing Maximum</u>	<u>Current Residence</u>	<u>Occupancy Rate</u>
-------------------------	-------------------------	--------------------------	-----------------------

Census	90	57	63.3%
--------	----	----	-------

Operated by: Department of Mental Health
The Department of Mental Health will transition this facility to a contracted service provider prior to July 1st, 2025.

Last inspection: Mar 17th, 2023

Facility Constructed: 1971

Age: 52 years

Pending Maintenance Issues:

- Due to its age, this facility requires significant capital investment to remain a functional facility
- Key projects include:
 - Replacement of piping
 - Replacement of building generators
 - Repairs to hot water system
 - Repairs to HVAC system
 - New security fencing
 - Replacement of floors
- Anticipated Total Cost: \$8,250,000



Patriot's Village

Sumter

Transfers to Department of Veterans Affairs on July 1st, 2024

Facility Maximum Staffing Maximum Current Residence Occupancy Rate

Census 104

-

-

-%

Approved by JBCR	Approved by USDVA as Priority 2	State Matching Funds Appropriated	Approved by USDVA as Priority 1	Approved by USDVA for Construction	Construction Initiated	Operating Vendor Selected	Construction Complete	Open for Occupancy

Construction Progress: 75% complete

Anticipated Construction Complete Date: August, 2024

Anticipated Occupancy Date: Fall, 2024



To Be Named

Horry

Transfers to Department of Veterans Affairs on July 1st, 2024

Facility Maximum Staffing Maximum Current Residence Occupancy Rate
Census 104 - - -%

Approved by JBCR	Approved by USDVA as Priority 2	State Matching Funds Appropriated	Approved by USDVA as Priority 1	Approved by USDVA for Construction	Construction Initiated	Operating Vendor Selected	Construction Complete	Open for Occupancy

Construction Progress: Not Started
Anticipated Construction Start Date: 2028



To Be Named

Orangeburg

Transfers to Department of Veterans Affairs on July 1st, 2024

Facility Maximum Staffing Maximum Current Residence Occupancy Rate

Census 104

-

-%

Approved by JBCR	Approved by USDVA as Priority 2	State Matching Funds Appropriated	Approved by USDVA as Priority 1	Approved by USDVA for Construction	Construction Initiated	Operating Vendor Selected	Construction Complete	Open for Occupancy

Construction Progress: Not Started
 Anticipated Construction Start Date: 2030



To Be Named

Lexington

Transfers to Department of Veterans Affairs on July 1st, 2024

Facility Maximum Staffing Maximum Current Residence Occupancy Rate

Census 129

-

-

-%

Approved by JBCR	Approved by USDVA as Priority 2	State Matching Funds Appropriated	Approved by USDVA as Priority 1	Approved by USDVA for Construction	Construction Initiated	Operating Vendor Selected	Construction Complete	Open for Occupancy

Construction Progress: Not Started

Anticipated Construction Start Date: Unknown

Note: This facility, when complete, will replace Stone Veteran Pavilion.



South Carolina Veteran Nursing Homes Transfer Plan

Final analysis and report

NOVEMBER 2023



Recommendation | Developed 6 key recommendations based on opportunity areas to achieve effective NH management model at DVA



Recommendation

Op Model Decisions	Recommendation
1	Maintain contracted execution model to provide continuity of care for patients (including scaling model to Stone)
2	Leverage outsourcing for non-core competencies (e.g., billing, HR) to drive efficiency and ability to focus on building critical competencies
3	Drive oversight capability by realigning and expanding roles, responsibilities, & capabilities; as well as codifying clear incentives / penalties and vendor reporting
4	Invest in prioritized capital and construction projects to address pressing facility needs to ensure resident safety and care
5	Redesign key processes to be more streamlined and increase policy specificity (e.g., eliminating legacy practices, simplifying processes) to ensure high-quality, consistent care
6	Define clear expectations of internal roles / responsibilities, with specific metrics to track success

Based on industry best practices and medium-term feasibility

Based on 4 key themes from opportunity evaluation

Most recommendations have budget request implications; details to follow

Budget | Three categories of budget request to ensure smooth transfer and ensure DVA capabilities required to address key recommendations

Categories of DVA Budget Request for Contracted Nursing Homes



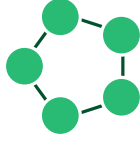
Inherent Costs to Maintain Operations

Est. costs occurring regardless of DMH to DVA transfer to provide continuity of care and minimize disruptions to day-to-day operations



Capability Improvement

Est. costs to improve quality of Nursing Home programs in targeted functional areas



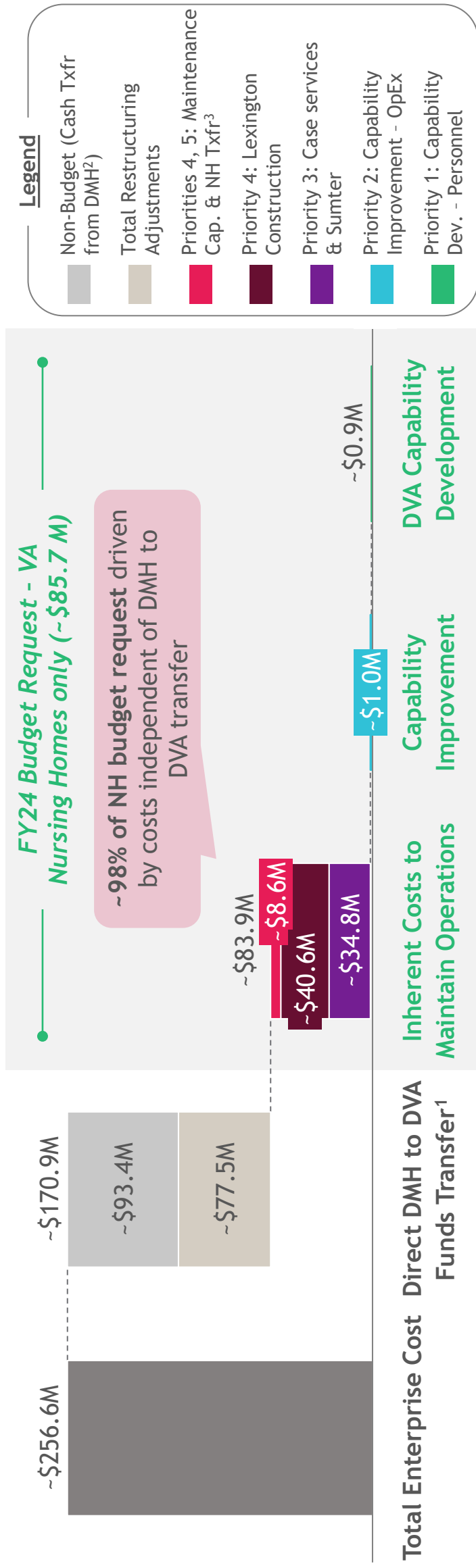
DVA Capability Development

Est. costs for spend to build critical in-house DVA capabilities to manage nursing homes

Budget request built based on key recommendations and operating model changes to support continued and improved quality of care for SC veterans

Budget | Total FY24 budget ask for nursing homes can be broken down into three categories, with majority driven by costs agnostic of DMH to DVA transfer

Cost Summary for Contracted Veterans Nursing Homes



Total required costs projected to support contracted NHs in FY24 and transferrable to DVA¹



1. Sum of DMH restructuring adjustments and est. new capital / deferred maintenance account cash / funding transfer, as of Oct. 2023; subject to change over time. 2. Accounts for new capital / deferred maintenance accounts funding transfer, FY24 CPIP costs. 3. ~\$8.5M within Priority 4 for maintenance improvement and ~\$0.1M in Priority 5 for transfer costs (e.g., office / IT set-up) Source: Finalized FY24-25 DVA Budget Request, per Admin, DMH financial accounts

Summary | Roadmap incorporates six components with major milestones categorized in three ways

..... All milestones to be managed within program management office (PMO)



Roadmap components

- Major milestones
- Key activities
- Interdependencies
- Timeline
- Responsible parties
- Key risks & mitigation



13 milestones across three categories

Category	Milestone
Operations	1 Contract transfer
	2 Outsource plan-Billing & 3 rd party auditors
	3 Outsource plan-QCRB
	4 Funds securing
People	13 Admin MOU set up Newly added - verification needed
	5 Space / location change
	6 Personnel transfer
	7 New position hiring
Process	8 Employee onboarding & training
	9 RFP for future construction
	10 Documentation for new policies
	11 Change Management & Internal Communication
	12 External Communication

Plan Ahead | Based on evaluation and budget request, have developed in-depth path forward to prepare for and execute on transition

Preparation for Transition

Ongoing Support

July 1, 2024

Today

Continue roadmap execution and socialize transition plan in preparation for "Day 1"

- PMO to track progress of each milestone & activity across working teams; identify areas requiring additional support
- Onboard as positions are hired; collaborate with DMH on developing transition materials & plans
- Develop external communication plans

Finalize GA budget / DMH funding and continue roadmap execution

- Identified and assembled working teams against each milestone & activity
- Identified risks / interdependencies, with contingency and mitigation plans in place

Implement transition and provide ongoing support

- Train employees on best practices and DVA culture
- Collaborate with DMH leaders on day-to-day execution support
- Track successes and risk areas
- Continuously assess and react to patient impact of transition; respond to any concerns

Disclaimer

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The background of the page is a dark, blurred image of a lit sparkler, with bright orange and yellow sparks falling against a black night sky. A large, semi-transparent green rectangle is overlaid on the lower portion of the image, serving as a background for the company logo and website information.

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Joint Bond Review Committee**

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October 10, 2023

Dr. Robert L. Bank, M.D.
Acting State Director
South Carolina Department of Mental Health
2414 Bull Street
Columbia, South Carolina 29201

Major General (Ret.) Todd B. McCaffrey
Secretary of Veterans' Affairs
South Carolina Department of Veterans Affairs
1800 St. Julian Place
Suite 305
Columbia, SC 29204

Re: South Carolina Veterans Homes

Dear Dr. Bank and General McCaffrey:

At its meeting today, the Joint Bond Review Committee received as information an update on the future plans for maintaining the Stone Pavilion state veterans home facility at C.M. Tucker Nursing Care Center in Columbia, and the potential impact on federal funding priority of the Lexington Home as a replacement in part of capacity presently served by Stone. Please accept our gratitude for your responsiveness in addressing these concerns of the Committee.

The Committee also expressed an interest in the plan for and progress toward the transfer of responsibility of state veterans homes from the Department of Mental Health to the Department of Veterans' Affairs, which for Stone must be effected by July 1, 2025, and for all other homes must be effected by July 1, 2024.

Responsive to this interest, please plan to provide a comprehensive but concise update to the Committee on the principal components and status of the transition plan, integrating as appropriate the findings and recommendations of the third-party engagement currently underway, and any capital, operating, and other cost and budgetary implications of the plan. The update also should include estimates of the capital costs attending Stone's continued use and operation over the intermediate term.

**Capital Improvements
Joint Bond Review Committee**

Dr. Robert L. Bank, M.D.
Major General (Ret.) Todd B. McCaffrey
October 10, 2023
Page 2

Please ensure that the Department of Administration is given an opportunity to review, provide input, and ultimately concur with the plan prior to its submission to the Committee.

The next meetings of the Committee are tentatively scheduled for December 5, 2023, and January 24, 2024, but the submission will need to be made sufficiently in advance to provide for development of the item and an opportunity to resolve questions or concerns. Please let us know the earliest but most practical date by which you will be able to make an informative submission.

We look forward to hearing from you.

Very truly yours,



F. Richard Harmon, Jr.
Director of Research

c: Ms. Marcia S. Adams, Executive Director, South Carolina Department of Administration
Mr. Mike Shealy, Interim Director, Executive Budget Office
Mr. Mark W. Binkley, South Carolina Department of Mental Health
Mr. Quentin Hawkins, Senate Finance Committee
Mr. Daniel Boan, House Ways and Means Committee
Ms. Olivia Burns, Senate Finance Committee

AGENCY: Joint Bond Review Committee

SUBJECT: Future Meeting

The State Fiscal Accountability Authority is scheduled to meet on Tuesday, March 26, 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						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.