

# STATE BUDGET AND CONTROL BOARD

Meeting of Wednesday, June 27, 2012 -- 9:00 A. M.

Room 252, Edgar A. Brown Building

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## AGENDA INDEX

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Item	Agency	Subject
<b>A.</b>	<b>ADOPTION OF PROPOSED AGENDA</b>	
<b>B.</b>	<b>MINUTES OF PREVIOUS MEETING</b>	
<b>C.</b>	<b>BLUE AGENDA</b>	
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3.	Division of General Services	Real Property Conveyance
4.	Executive Director	Revenue Bonds
5.	Department of Corrections	Appeal of a State Employee Grievance Committee Decision
<b>D.</b>	<b>REGULAR SESSION</b>	
1.	Division of State Budget	Permanent Improvement Projects
2.	Division of State Budget	University of South Carolina Research University Infrastructure Project
3.	Division of General Services	State Board for Technical and Comprehensive Education Lease at 111 Executive Center Drive in Columbia
4.	Budget and Control Board	Future Meeting
<b>E.</b>	<b>EXECUTIVE SESSSION (Subject to Motion and Approval)</b>	
1.	State Treasurer's Office	SCRS Investment Commission (Custody and Confidentiality Matters)

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AGENCY: Division of State Budget

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SUBJECT: Permanent Improvement Projects

Budget and Control Board approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

**Establish Project for A&E Design**

- (a) Summary 8-2012: JBRC Item 1. Clemson University  
Project: 9901, Memorial Stadium West End Zone Component III Construction  
Funding Source: \$225,000 Other, Private Athletics funds which are private gifts received from individuals, corporations and other entities that are to be expended for their restricted purpose.  
Request: Establish project and budget for \$225,000 (Other, Private funds) to begin design work to construct the third and final phase of updates to the west end zone of Clemson's Memorial Stadium. The final phase will include the addition of the One Clemson Museum and a build out of the entrance to the WestZone Complex, known as the Oculus. The two components will total approximately 6,000 square feet and consist of the construction of a four-level structure and the expansion of the adjacent existing plaza. The One Clemson Museum will include a lobby, interactive exhibits and displays, a rooftop terrace for special events, a theater for seating 75-100, and gallery space to showcase the university's athletic, academic and military heritage in one location. The facility addition will complete the overall buildout of the WestZone Complex and the overall vision for improvements to the football facility.
- (b) Summary 8-2012: JBRC Item 2. Clemson University  
Project: 9902, Kingsmore Stadium Addition  
Funding Source: \$161,250 Other, Private Athletics funds which are private gifts received from individuals, corporations and other entities that are to be expended for their restricted purpose.  
Request: Establish project and budget for \$161,250 (Other, Private funds) to begin design work to construct an approximately 20,000 square foot addition to Doug Kingsmore Baseball Stadium at Clemson. The work will include demolishing existing player facilities and constructing new player amenities behind the first base stands. The new facility will include locker rooms, team areas, meeting space, a gallery and lobby, a player's lounge, coaches' offices, a laundry room and related spaces. The existing baseball player facility is small and outdated. The new facility is needed to provide modern player facilities that are comparable to those in the ACC and at other institutions with whom Clemson must compete. The facility will allow Clemson to meet today's needs to be competitive and will also serve in future recruitment.

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SUBJECT: Permanent Improvement Projects

- (c) Summary 8-2012: JBRC Item 3. Clemson University  
Project: 9903, Watt Innovation Center Construction  
Funding Source: \$243,000 Other, Private Gift funds which are private gifts received from individuals, corporations and other entities that are to be expended for their restricted purpose.  
Request: Establish project and budget for \$243,000 (Other, Private funds) to begin design work to construct a cutting-edge teaching and research facility at Clemson. The Watt Innovation Center will be approximately 40,000 square feet and will include classrooms, labs, learning studios and collaboration areas for science, technology and engineering that yield collaboration, cross discipline communication, teaching and research that lead to innovation. It will provide additional academic space for the College of Engineering and Science and the College of Business and Behavioral Sciences. The facility is needed to meet key goals outlined in the University's 2020 Road Map relating to student leadership, teaching and research and to diminish the current deficit of instructional space.
- (d) Summary 8-2012: JBRC Item 4. College of Charleston  
Project: 9650, Simons Center for the Arts Renovation/Expansion  
Funding Source: \$315,000 Other, College Fee funds which are derived from a portion of the student bill not specifically earmarked or dedicated for debt service, auxiliary enterprises, or student clubs or activities.  
Request: Establish project and budget for \$315,000 (Other, College Fee funds) to begin design work to renovate and expand the Simons Center for the Arts at the College of Charleston. The work will include renovating the existing 102,325 square foot center and constructing an approximately 25,096 square foot addition. The new construction will provide a state-of-the-art black box theater and lobby areas to connect performance venues within the facility. The renovation will include expanding storage and studio space for the costume shop, renovating the Emmett Robinson Theater and support spaces for performance areas, upgrading studios, labs, and offices, and replacing the mechanical, electrical and plumbing systems. The facility was constructed in 1979 and has had no major renovations since that time. The renovation and expansion are needed to provide updated infrastructure, meet current codes, and provide space for current and future needs.
- (e) Summary 8-2012: JBRC Item 5. University of South Carolina  
Project: 6096, Outdoor Football Practice Fields Construction  
Funding Source: \$45,000 Athletic Operating funds which are generated from athletic revenues which consist of ticket sales, SEC Conference Distributions, Gamecock Club contributions, seat premiums, and corporate sponsorships.

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SUBJECT: Permanent Improvement Projects

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Request: Establish project and budget for \$45,000 (Athletic Operating funds) to begin design work to develop two outdoor football practice fields for USC. The fields will be located on the former Farmer's Market site and the work will include grading and irrigating the site, constructing drainage, and installing turf, lighting, film towers, and goal posts. Existing practice fields are located on leased property and the university has decided to develop permanent fields on its own property rather than to invest in improvements to leased property.

(f) Summary 8-2012: JBRC Item 6. Department of Mental Health

Project: 9724, Bryan/Morris Village Energy Plant Chiller Replacements

Funding Source: \$15,000 Other, Operating Revenue funds which are Medicaid fee-for-service earned revenue funds resulting from DMH contracts with DHHS to provide Medicaid services.

Request: Establish project and budget for \$15,000 (Other, Operating Revenue funds) to begin design work to replace the two chillers at the energy plant serving Mental Health's Bryan Hospital and Morris Village. The work will include replacing a 1,100 ton chiller, a 700 ton chiller and the associated pumps, piping and controls. The large chiller is more than 37 years old, the smaller chiller is 24 years old, and both have exceeded their life expectancy. The smaller chiller cannot meet the cooling demand in the summer months and a recent inspection of the large chiller found problems with the rotor. Replacements are needed to ensure Bryan Hospital and Morris Village have adequate cooling.

#### **Increase for A&E Design**

(g) Summary 8-2012: JBRC Item 8. Governor's Office - OEPP

Project: 9522, M.J. Dolly Cooper Veterans Cemetery Areas I and J Expansion

Funding Source: \$250,524 Other, Increased Enforcement Collections funds which were part of an appropriation under Proviso 73.17 in the FY 05-06 Appropriations Act.

Request: Increase budget to \$250,524 (add \$220,524 Other, Increased Enforcement Collection funds) to provide funds for full design for the expansion of the Dolly Cooper Veterans Cemetery in Anderson. The project was established in May 2011, increased for additional pre-design fees in January 2012, and pre-design is complete. In order for the Department of Veterans Affairs to apply for a federal grant to expand the cemetery, the agency must provide proof that the State has legislative authority to support the project and the resources necessary to initially fund the architectural and engineering portion of the project. This request is to demonstrate that those conditions are being met so that the department can apply for the federal funds for construction. The work

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will include constructing approximately 1,675 double-depth in-ground crypts in Areas I and J, providing up to 3,350 additional burial spaces, constructing an in-ground irrigation system for Areas H, I and J, and modifying storm drainage flows at columbarium walls in four areas. The existing supply of in-ground crypts will be exhausted during 2012.

### **Establish Construction Budget**

- (h) Summary 8-2012: JBRC Item 9. Clemson University  
Project: 9890, Barnett Hall HVAC and Windows Renovation  
Funding Source: \$4,000,000 Other, Housing Improvement funds which result from bond covenant-required transfers from Housing Operations to allow for the maintenance and replacement of capital assets funded by bond issues.  
Request: Increase budget to \$4,000,000 (add \$3,985,000 Other, Housing Improvement funds) to make certain renovations to Barnett Hall dormitory at Clemson. The project was established in June 2010 for pre-design work which is now complete. The renovation will include replacing the two-pipe HVAC system with a four-pipe system, replacing single pane windows with thermal pane windows, abating asbestos as needed to renovate the HVAC system, and replacing existing built-in furniture. Barnett Hall was built in 1964 and has not had an HVAC or window renovation since. The two-pipe HVAC system is inadequate to maintain necessary temperature and humidity levels for occupants and the windows are not energy efficient. Energy savings and conservation measures will include the installation of an energy efficient HVAC system and thermal, insulated pane windows. The agency reports the total projected cost of this project is \$4 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is January 2013 and for completion of construction is August 2013.
- (i) Summary 8-2012: JBRC Item 10. College of Charleston  
Project: 9640, School of Science and Mathematics Completion  
Funding Source: \$11,000,000 Other, Institutional Capital Project Funds which are revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds that have been issued.  
Request: Increase budget to \$11,000,000 (add \$10,820,000 Other, Institutional Capital Project Funds) to complete unfinished shell space remaining in the School of Science and Math at the College of Charleston. The project was established in December 2009 for pre-design work which is now complete. The 127,576 square foot building was completed in 2009 with approximately 19,000 square feet of shell space remaining. The completion will include upfitting and completing 11 offices on the first floor and upfitting and completing classrooms, labs, offices and support spaces on the second floor to accommodate geology

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functions currently located in the Rita Hollings Science Center. The work will include extending piping, installing ceilings, walls and floors, and constructing laboratory casework. Energy savings and conservation measures will include the installation of energy recovery wheels, low flow plumbing fixtures, low velocity fume hoods, and chilled beam technology. The agency reports the total projected cost of this project is \$11 million and additional annual operating costs of \$64,500 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is October 2012 and for completion of construction is December 2013. (See Attachment 1 for additional annual operating costs.)

- (j) Summary 8-2012: JBRC Item 11. University of South Carolina  
Project: 6085, Women's Quadrangle Renovations  
Funding Source: \$27,200,000 Housing Revenue Bonds, which are bonds issued by the institution which are supported by the revenues of the related activity, in this case supported by housing fees.  
Request: Increase budget to \$27,200,000 (add \$26,792,000 Revenue Bond funds) to renovate dorms on the Women's Quadrangle at USC to create a living and learning center. The project was established in March 2011 for pre-design work which is now complete. The renovations to the Sims, McClintock, and Wade Hampton dorms will include reconfiguring interior spaces, constructing small connecting additions to improve the flow and add 50 additional beds, creating common gathering areas and laundry facilities, installing new elevators, replacing the mechanical, electrical, plumbing and fire protection systems, and renovating the central courtyard into more functional space. The renovations are the next major upgrade priority for University Housing and are needed to keep the facilities in desirable condition and to replace building systems due to their age and condition. The facility will be renovated to LEED Silver Certification and will include sustainable sites, water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality measures. The LEED cost benefit analysis shows a positive cost benefit of \$1,088,912 over 30 years. The agency reports the total projected cost of this project is \$27.2 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is March 2013 and for completion of construction is July 2014.

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SUBJECT: Permanent Improvement Projects

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- (k) Summary 8-2012: JBRC Item 12. USC – Upstate  
Project: 9541, Administration Building Repairs and Renovation  
Funding Source: \$4,000,000 which includes \$3,800,000 Institution Bonds which are bonds issued by the University and backed by a Bond Debt Service Fee, and \$200,000 Other, Institutional Capital Project Funds which are excess debt service funds generated from the portion of tuition and fees designated for Bond and Renovation Reserve.  
Request: Increase budget to \$4,000,000 (add \$3,940,000 - \$3,800,000 Institution Bonds and \$140,000 Other, Institutional Capital Project Funds) to renovate building systems in the Administration Building at USC - Upstate. The project was established in March 2011 for pre-design work which is now complete. The work will include replacing the HVAC, plumbing, lighting and fire alarm systems, replacing ceilings and attic insulation, and upgrading interior finishes in public restrooms. The work is needed to correct major deficiencies with the building systems in the 44 year-old building and to meet code requirements. Portable cooling and supplemental mechanical units have been installed to enable building operations. The electrical systems are undersized, plumbing systems are outdated, and the fire alarm system does not meet code requirements. The work will significantly reduce the deferred maintenance in this building. Energy savings and conservation measures will include the installation of energy efficient HVAC and lighting, sprayed foam insulation, a building control system, light occupancy sensors, and low flow plumbing fixtures. The agency reports the total projected cost of this project is \$4 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is February 2013 and for completion of construction is December 2013.
- (l) Summary 8-2012: JBRC Item 13. Educational Television Commission  
Project: 9514, Telecommunications Center Renovation  
Funding Source: \$6,919,987 which includes \$5,275,000 Other, Sale Proceeds funds which were derived from the sale of ETV's Key Road property to the University of South Carolina and allowed to be used for this renovation by Proviso 80A.33 in the 2011-12 Appropriations Act and \$1,644,987 Other, ETV Operating Revenue and Donation funds approved for prior phases of renovations already completed.  
Request: Increase budget to \$6,919,987 (add \$5,275,000 Other, Sale Proceeds funds) to renovate the Telecommunications Center for ETV. The project was established in November 2000 for multi-phase renovations to the center to consolidate all Columbia staff in this building and pre-design for this phase is now complete. This phase will include renovating 21,294 square feet of unfinished and finished space, doing some HVAC, electrical and structural work, replacing the facility's roof, and constructing a 6,430 square foot addition. The renovation and addition

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will provide new office and storage space for staff and assets currently housed in the Administration Building, which is being sold to USC. Energy savings and conservation measures will include the installation of energy efficient lighting and heat pumps, occupancy sensors, multi-level switching, and concrete block walls and an exterior insulation finish system on the addition. The agency reports the total projected cost of this renovation is \$5,275,000 and of the multi-phase project is \$6,919,987 and annual operating cost savings ranging from \$100,000 to \$200,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is November 2012 and for completion of construction is December 2013. (See Attachment 2 for annual operating cost savings.)

- (m) Summary 8-2012: JBRC Item 14. Department of Corrections  
Project: 9702, Kirkland Correctional Institution Chiller Replacement  
Funding Source: \$1,030,000 Capital Improvement Bonds funds which were authorized in 1997 and allowed to be used for major renovations and repairs by Proviso 51.14 of the 2011-12 Appropriations Act.  
Request: Increase budget to \$1,030,000 (add \$1,017,500 Capital Improvement Bond funds) to replace the chiller system at Kirkland Correctional Institution. The project was established in November 2011 for pre-design work which is now complete. The work will include replacing the chiller, cooling tower, pumps and piping serving the Administration Building, kitchen, infirmary, reception and evaluation building, education building and special needs dorm. The HVAC system is 21 years old, is not energy efficient, and does not provide the capacity for the infirmary to meet DHEC requirements. Parts for repairs are obsolete, so repairs are expensive. Energy savings and conservation measures will include the installation of an energy efficient chiller and building control systems. The agency reports the total projected cost of this project is \$1,030,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is January 2013 and for completion of construction is October 2013.
- (n) Summary 8-2012: JBRC Item 15. Clemson PSA  
Project: 9545, Farm Animal Research Center Construction/Renovation  
Funding Source: \$3,600,000 Appropriated State funds which were supplemental appropriations provided by Proviso 73.12 of the 2007-08 Appropriations Act for Clemson PSA.

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SUBJECT: Permanent Improvement Projects

Request: Increase budget to \$3,600,000 (add \$2,680,000 Appropriated State funds) to do the next phase of renovations at the Clemson Farm Animal Research Center. The project was established in December 2009 for pre-design work and increased in December 2010 to begin renovations to small animal facilities. This phase will include renovating the milking parlor, the calving barn corral sheds, and the Douthit House and constructing a new dairy freestall barn and Jones Road corral. It will also include installing a new irrigation system, improving the waterer system, replacing fencing, and repairing the existing dairy. The existing animal facilities are more than 30 years old and require costly maintenance to ensure continued accreditation by the American Association of Laboratory Animal Care and continued compliance with state and federal biosecurity regulations and DHEC waste management regulations. Energy savings and conservation measures will include the installation of energy efficient equipment and renovations to minimize energy use during operations. The agency reports the total projected cost of this project is \$3,600,000 and additional annual operating costs ranging from \$20,800 to \$22,067 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is January 2013 and for completion of construction is January 2016. (See Attachment 3 for additional annual operating costs.)

- (o) Summary 8-2012: JBRC Item 16. Department of Parks, Recreation and Tourism  
Project: 9722, Hamilton Branch State Park Roads and Parking Improvements  
Funding Source: \$2,537,000 which includes \$2,500,000 Federal funds from the Federal Highway Administration's Public Lands Highways Discretionary Program and \$37,500, Other, Park Revenue derived from the operation of state parks.  
Request: Increase budget to \$2,537,500 (add \$2,500,000 Federal funds) to make road and parking improvements at PRT's Hamilton Branch State Park in McCormick County. The project was established in March 2012 for pre-design work which is now complete. The work will include repairing and resurfacing 9.8 miles of roadways and parking areas and paving campsites. The roads are 40 years old and have had only minimal repairs. They have potholes and vehicles must maneuver outside their lanes of traffic to avoid bad areas which presents a safety hazard to pedestrians and bicyclists. Most parking areas and campsites are not currently paved. Energy savings and conservation measures will include milling up and reusing base material augmented with concrete and stone, resulting in savings on hauling and mining base material. The agency reports the total projected cost of this project is \$2,537,500 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is October 2012 and for completion of construction is July 2013.

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SUBJECT: Permanent Improvement Projects

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- (p) Summary 8-2012: JBRC Item 17. Department of Transportation  
Project: 9720, Greenville District 3 Office Building Elevator Upgrade  
Funding Source: \$301,000 Other, State Highway Funds which is derived from 10.34 cents per gallon of the gasoline user fee which must be turned over to the Department of Transportation for the purposes of that department, of which \$1 million has been allocated for FY 12-13 to permanent improvement project expenditures.  
Request: Increase budget to \$301,000 (add \$295,600 Other, State Highway Funds) to upgrade the elevators in DOT's District 3 Office Building in Greenville. The project was established in August 2011 for pre-design work which is now complete. The work will include replacing the elevator controls, installing new drive units, door operators and light fixtures, and modifying the hoistway and machine room. The elevator equipment is 51 years old, original to the building, and does not meet current codes. Repair parts are becoming increasingly difficult to find to keep the elevators operational. Energy savings and conservation measures will include the installation of LED cab lighting fixtures and energy-saving electrical equipment. The agency reports the total projected cost of this project is \$301,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is September 2012 and for completion of construction is June 2013.

### **Increase Budget**

- (q) Summary 8-2012: JBRC Item 18. Clemson University  
Project: 9892, Highway 93 Pedestrian Safety Improvements  
Funding Source: \$4,452,000 which includes \$1,763,200 Other, Institutional Capital Project Funds which are excess debt service funds held by the State Treasurer's office and required to be expended for permanent improvement projects, \$1,688,800 Other, Athletic Private funds which are private gifts received by IPTAY, and \$1,000,000 Other, Federal/State Grant funds which originate from the Federal Highway Administration and the Pickens County Transportation Committee.  
Request: Increase budget to \$4,452,000 (add \$700,000 Other, Institutional Capital Project Funds) to provide sufficient funds to complete Highway 93 pedestrian safety improvements at Clemson. The project was established for pre-design in December 2010 and increased to establish the construction budget in December 2011. Construction bids were received in March 2012 and exceeded the approved budget. Additional funds are needed to include pedestrian connections to adjacent areas, to provide for increased costs to meet federal wage and other requirements, and to provide a contingency to rebid the project. The improvements, which include constructing retaining walls, landings, walkways, and a pedestrian bridge, are needed because of the dangers present

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SUBJECT: Permanent Improvement Projects

for pedestrians walking along Highway 93 due to narrow sidewalks and vehicular lanes. Energy savings and conservation measures will include the installation of energy efficient site lighting. The agency reports the total projected cost of this project is \$4,452,000 and additional annual operating costs of \$20,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is December 2012 and for completion of construction is August 2013. (See Attachment 4 for additional annual operating costs.)

**Establish Project for Preliminary Studies**

- (r) Summary 8-2012: JBRC Item 19. University of South Carolina  
Project: 6097, Williams Street Acquisition  
Funding Source: \$25,000 Athletic Operating funds which are generated from athletic revenues which consist of ticket sales, SEC Conference Distributions, Gamecock Club contributions, seat premiums, and corporate sponsorships.  
Request: Establish project and budget for \$25,000 (Athletic Operating funds) to procure the investigative studies required to adequately evaluate property prior to purchase. USC is considering the purchase of approximately one acre of land adjacent to Carolina Stadium. The property is located between the baseball stadium parking lot and Catawba Street. This acquisition will consolidate ownership of property in the block where Carolina Stadium is located, providing control for future development.
- (s) Summary 8-2012: JBRC Item 20. State Board for Technical and Comprehensive Education  
Project: 6054, Central Carolina - Broad Street Land/Building Acquisition  
Funding Source: \$25,000 Other, College Capital Project funds which includes revenue from one service area county and a portion of tuition and is designated for capital projects, bond payments, and annual equipment purchases.  
Request: Establish project and budget for \$25,000 (Other, College Capital Project Funds) to procure the investigative studies required to adequately evaluate property prior to purchase. Central Carolina Tech is considering the purchase of 8.67 acres of land with a 103,686 square foot facility and 415 parking spaces on Broad Street in Sumter. The property will be used to provide training related to Continental Tire and to accommodate existing and additional industrial training programs for current and future industries. The college's existing industrial training facility is at capacity with no room to expand.

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**BOARD ACTION REQUESTED:**

Approve permanent improvement project establishment requests and budget revisions. All items have been reviewed favorably by the Joint Bond Review Committee.

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**ATTACHMENTS:** Attachments

ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS  
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY Code H15 Name College of Charleston

2. PROJECT Project # 9640 Name School of Science & Mathematics Completion

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

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2013-14	\$	\$	\$ 64,500.00	\$ 64,500.00
2) 2014-15	\$	\$	\$ 64,500.00	\$ 64,500.00
3) 2015-16	\$	\$	\$ 64,500.00	\$ 64,500.00

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

College Fees

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Custodial Services</u>	<u>\$26,500.00</u>
2. <u>Utilities</u>	<u>38,000.00</u>
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$64,500.00</u>

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

9. Submitted By: Stephens C. Osborne                      5/21/12  
Signature of Authorized Official and Title                      Date

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

1. AGENCY  
Code H67 Name Educational Television Commission

2. PROJECT  
Project # 9514 Name Telecommunications Center Renovation

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

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2012-13	\$0	\$0	\$100,000	\$100,000
2) 2013-14	\$0	\$0	\$125,000	\$125,000
3) 2014-15	\$0	\$0	\$200,000	\$200,000

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

Savings related to this project are derived from the vacating of ETV's Administration building and consolidating its operations into the Telecommunications Center. ETV currently does not receive any general funds. ETV receives state support through agency transfers (Proviso 89.121) and EBS lease revenue (Proviso 89.104). Agency transfers and EBS lease revenue are treated as "other" funds.

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utility savings (savings from Admin building closure)</u>	<u>\$260,000</u>
2. <u>Maint. savings (savings from Admin building closure)</u>	<u>\$35,000</u>
3. <u>Lease cost (Admin bldg space until renovation finished)</u>	<u>\$(75,000)</u>
4. <u>Utility cost (Increase for new conditioned space in TCC)</u>	<u>\$(120,000)</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$100,000</u>

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

9. Submitted By: *Ronald D. [Signature]*, CFO April 5, 2012  
Signature of Authorized Official and Title Date

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

1. AGENCY CODE: P20 NAME: Clemson University
2. PROJECT #: 9545 NAME: Farm Animal Research Center Construction/Renovation
3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS       SAVINGS       NO CHANGE

4. 

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2012-13	\$20,800.00			\$20,800.00
2) 2013-14	\$21,424.00			\$21,424.00
3) 2014-15	\$22,067.00			\$22,067.00

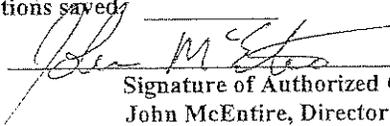
5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.)

6. Will the additional costs be absorbed into your existing budget?     Yes     No  
If no, how will the additional funds be provided?

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities</u>	<u>\$9,420.00</u>
2. <u>Maintenance</u>	<u>\$11,380.00</u>
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
<b>TOTAL</b>	<b><u>\$20,800.00</u></b>

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

9. Submitted By:       5/2/12  
Signature of Authorized Official and Title      Date  
John McEntire, Director Capital Projects



## Permanent Improvement Project Information for June 27, 2012 B&CB Meeting

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CIP	Total Projected Project Cost
H12-9901	Clemson University - Memorial Stadium West End Zone Component III Construction	\$225,000 for pre-design	6/19/12	\$225,000	6/19/12	2012 CIP Year 1	To Be Determined
H12-9902	Clemson University - Kingsmore Stadium Addition	\$161,250 for pre-design	6/19/12	\$161,250	6/19/12	2012 CIP Year 1	To Be Determined
H12-9903	Clemson University - Watt Innovation Center Construction	\$243,000 for pre-design	6/19/12	\$243,000	6/19/12	2012 CIP Year 1	To Be Determined
H15-9650	College of Charleston - Simons Center for the Arts Renovation/ Expansion	\$315,000 for pre-design	6/19/12	\$315,000	6/19/12	2012 CIP Year 1	To Be Determined
H27-6096	University of South Carolina - Outdoor Football Practice Fields Construction	\$45,000 for pre-design	6/19/12	\$45,000	6/19/12	2012 CIP Year 1	To Be Determined
J12-9724	Department of Mental Health - Bryan/Morris Village Energy Plant Chiller Replacements	\$15,000 for pre-design	6/19/12	\$15,000	6/19/12	No	To Be Determined
D17-9522	Governor's Office-OEPP - M.J. Dolly Cooper Veterans Cemetery Areas I and J Expansion	\$18,825 for pre-design	5/2/11	\$30,000	1/31/12	No	To Be Determined
H12-9890	Clemson University - Barnett Hall HVAC and Windows Renovation	\$15,000 for pre-design	6/30/10	\$15,000	6/30/10	2012 CIP Year 1	\$4,000,000
H15-9640	College of Charleston - School of Science and Mathematics Completion	\$180,000 for pre-design	12/15/09	\$180,000	12/15/09	2012 CIP Year 1	\$11,000,000
H27-6085	University of South Carolina - Women's Quadrangle Renovations	\$408,000 for pre-design	3/22/11	\$408,000	3/22/11	2012 CIP Year 1	\$27,200,000
H34-9541	USC - Upstate - Administration Building Repairs and Renovation	\$60,000 for pre-design	3/22/11	\$60,000	3/22/11	2012 CIP Year 1	\$4,000,000
H67-9514	Educational Television Commission - Telecommunications Center Renovation	\$209,000 <sup>1</sup>	11/3/00	\$609,000 <sup>1</sup>	5/15/07	No	\$6,919,987
N04-9702	Department of Corrections - Kirkland Correctional Institution Chiller Replacement	\$12,500 for pre-design	11/3/11	\$12,500	11/3/11	No	\$1,030,000

<sup>1</sup> Project has already included three phases of work which are complete.

## Permanent Improvement Project Information for June 27, 2012 B&CB Meeting

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CIP	Total Projected Project Cost
P20-9545	Clemson PSA - Farm Animal Research Center Construction/ Renovation	\$30,000 for pre-design	12/15/09	\$920,000	12/14/10	2008 CIP Year 1	\$3,600,000
P28-9722	Department of Parks, Recreation and Tourism - Hamilton Branch State Park Roads and Parking Improvements	\$37,500 for pre-design	3/6/12	\$37,500	3/6/12	2009 CIP Year 2	\$2,537,500
U12-9720	Department of Transportation - Greenville District 3 Office Building Elevator Upgrade	\$5,400 for pre-design	8/9/11	\$5,400	8/9/11	No	\$301,000
H12-9892	Clemson University - Highway 93 Pedestrian Safety Improvements	\$50,000 for pre-design	12/14/10	\$50,000	12/14/10	No	\$4,452,000
H27-6097	University of South Carolina - Williams Street Acquisition	\$25,000 for preliminary studies	6/19/12	\$25,000	6/19/12	2012 CIP Year 1	To Be Determined
H59-6054	Central Carolina Tech - Broad Street Land/Building Acquisition	\$25,000 for preliminary studies	6/19/12	\$25,000	6/19/12	No	To Be Determined

**Attachment 6**  
**Additional Information on Funding Sources for**  
**Higher Education Permanent Improvement Projects**

**Item (a) – Clemson University Memorial Stadium West End Zone Component III Construction**

The source of funds for A&E pre-design is \$225,000 Other, Private Athletics funds. Private Athletics funds are amounts received from individuals, corporations and other entities that are to be expended for their restricted purpose. The Athletics Department has provided a commitment letter guaranteeing that \$225,000 is available for the design phase of an oculus and museum as part of the West End Zone.

The proposed source of funds for construction is Other, Private Athletics funds. These are defined above. The Athletics Department will provide a commitment letter guaranteeing the funds are available for the construction costs of the oculus and museum. Approximately \$2.5 million has been received in cash for the project and another \$4.6 million in pledges have been received. The pre-design will enhance fundraising efforts.

The University reports that no increase in any student fee or tuition will be required for pre-design or construction of this facility.

**Item (b) – Clemson University Kingsmore Stadium Addition**

The source of funds for A&E pre-design is \$161,250 Other, Private Athletics funds. Private Athletics funds are amounts received from individuals, corporations and other entities that are to be expended for their restricted purpose. The Athletics Department has provided a commitment letter guaranteeing that \$161,250 is available for the design phase of the players facility at Doug Kingsmore Stadium.

The proposed source of funds for construction is Other, Private Athletics funds. These are defined above. The Athletics Department will provide a commitment letter guaranteeing the funds are available for the construction of the players facility addition to Doug Kingsmore Stadium. Approximately \$700,000 has been received in cash for the project and another \$1.3 million in pledges have been received. The pre-design will enhance fundraising efforts.

The University reports that no increase in any student fee or tuition will be required for pre-design or construction of this facility.

**Item (c) – Clemson University Watt Innovation Center Construction**

The source of funds for A&E pre-design is \$243,000 Other, Private Gift funds. Private gifts are amounts received from individuals, corporations and other entities that are to be expended for their restricted purpose. The current uncommitted balance of Private Gift funds restricted for this project is \$1,050,000.

The proposed source of funds for construction is State Institution Bonds (\$11.2 million) and Other, Private Gift funds (\$5 million). State Institution Bonds are general obligation debt of the State backed by a pledge of University tuition and fees. Private gifts are defined above. The current uncommitted balance of Private Gift funds restricted for this project is \$1,050,000. There is no uncommitted balance of State Institution Bond funds. State Institution Bonds are pending Board Resolution, anticipated in October 2012, and eventual issuance.

The University reports that no increase in any student fee or tuition will be required for pre-design or construction of this facility.

#### **Item (d) – College of Charleston Simons Center for the Arts Renovation/Expansion**

The source of funds for A&E pre-design is \$315,000 Other, College Fee funds. College Fee funds are that portion of the student bill not specifically earmarked/dedicated for debt service, auxiliary enterprises, or student clubs and activities. It is generated through charges for course credit as well as ancillary charges for labs, transcripts and other miscellaneous items. Code Section 59-130-30 authorizes the College's Board of Trustees to charge fees for students attending the institution. The College has had this fee in place since it became a public institution in 1970. The AY2011-12 per semester fee is \$3,456. The current uncommitted balance of College Fee funds is \$5,355,698.

The proposed source of funds for construction is Academic and Administrative Facilities Revenue Bonds. These bonds are authorized by Code Section 59-130, Article 5, which was passed by the General Assembly in 2002. The debt is serviced by a portion of the capital improvement fee. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. The College has had this fee in place since it became a public institution in 1970. The AY2011-12 per semester fee is \$677. Because the bonds for this project have not yet been issued, there is no uncommitted balance of this fund source.

The College reports that no increase in any student fee or tuition will be required for pre-design or renovation/expansion of this facility.

#### **Item (e) – University of South Carolina Outdoor Football Practice Fields Construction**

The source of funds for A&E pre-design is \$45,000 Athletic Operating funds. Athletic Operating funds are generated from Athletic revenues which consist of ticket sales, SEC Conference Distributions, Gamecock Club contributions, seat premiums, and corporate sponsorships. Athletic funds are auxiliary funds of the University and are self-supporting. Athletics currently has unrestricted net assets of \$14.65 million as of June 30, 2011. The proposed source of funds for construction is Athletic Operating funds, which are defined and have the balance noted above.

The University reports that no increase in any student fee or tuition will be required for pre-design or construction of these facilities.

#### **Item (h) – Clemson University Barnett Hall HVAC and Windows Renovation**

The source of funds for construction is \$4 million Other, Housing Improvement funds. Housing Improvement funds result from bond covenant-required transfers from Housing Operations to allow for the maintenance and replacement of capital assets by bond issues. The current uncommitted balance of Housing Improvement funds is \$4,721,703.

The University reports that no increase in any student fee or tuition will be required for pre-design or renovation of this facility.

#### **Item (i) – College of Charleston School of Science and Mathematics Completion**

The source of funds for construction is \$11 million Other, Institutional Capital Project Funds. Institutional Capital Project Funds are defined as those revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds issued under SC Code Section 59-130, Article 5. This fee is that portion of the student bill earmarked for debt service and renewal of the

physical infrastructure. The College has had this fee in place since it became a public institution in 1970. The AY2011-12 per semester fee is \$677.

The College reports that no increase in any student fee or tuition will be required for pre-design or completion of this facility.

#### **Item (j) – University of South Carolina Women’s Quadrangle Renovations**

The source of funds for construction is \$27.2 million Revenue Bonds. Revenue bonds are bonds issued by the institution which are supported by revenues from the related activity, in this case housing fees. There is no current existing bond balance. The University has determined the bonding capacity is sufficient to cover the anticipated cost of this project. It is anticipated that the bond resolution will be brought to the Budget and Control Board for approval in Spring 2013. There is no student fee used to fund this debt service. Housing revenue is used to fund debt service.

The University reports that no increase in any student fee or tuition will be required for pre-design or renovation of these facilities.

#### **Item (k) – USC – Upstate Administration Building Repairs and Renovation**

The source of funds for construction, totaling \$4 million, are Institution Bonds in the amount of \$3.8 million and Other, Institutional Capital Project Funds in the amount of \$200,000.

1) Institution Bonds are issued by the University of South Carolina pursuant to Article X of the South Carolina Constitution, Title 59, Chapter 107 of the SC Code of Laws, and as amended by Act 240 of 1977, Act 107 of 1979, Act 120 of 1991 and Act 40 of 1999. The bond debt service fee is \$285 per fulltime student per semester and \$24 per part-time student semester credit hour. There is no uncommitted balance of funds from this source. Each year, any funds that are collected and not used for debt service are transferred to the Institutional Capital Project funds account for the following year. It is anticipated that the bond resolution will be brought to the Budget and Control Board for approval in Spring 2013. The \$3.8 million in State Institution Bonds is within the current bonding capacity of the University.

2) Institutional Capital Project Funds are generated from the portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements. The current uncommitted balance of these funds is \$160,000. There is a \$40,000 commitment for Phase I planning for this project.

The University reports that no increase in any student fee or tuition will be required for pre-design or renovation of this facility.

#### **Item (n) – Clemson PSA Farm Animal Research Center Construction/Renovation**

The source of funds for construction is \$3.6 million Appropriated State funds. The appropriation was from supplemental state appropriations per proviso 73.12 of the 2007-2008 Appropriations Act. Supplemental State Appropriations are funds designated by the State for a specific purpose and are required to be expended for that purpose. The current uncommitted balance of these funds is \$3,400,024, including the funds already committed and approved for the first phase of renovations.

The University reports that no increase in any student fee or tuition will be required for pre-design or renovation of this facility.

**Item (q) – Clemson University Highway 93 Pedestrian Safety Improvements**

The sources of funds for construction, totaling \$4,452,000, are Other, Institutional Capital Project Funds in the amount of \$1,763,200, Other, Athletic Private funds in the amount of \$1,688,800 and Other, Federal/State Grants in the amount of \$1,000,000. The increase requested for this project is \$700,000 and is funded with Other, Institutional Capital Project Funds. Institutional Capital Project Funds are excess debt service funds held by the State Treasurer's Office and required to be expended for permanent improvement projects. The uncommitted balance of these funds is \$34,686,516.

The University reports that no increase in any student fee or tuition will be required for pre-design or renovation of these facilities.

**Item (r) – University of South Carolina Williams Street Acquisition**

The source of funds for preliminary land studies is \$25,000 Athletic Operating funds. Athletic Operating funds are generated from Athletic revenues which consist of ticket sales, SEC Conference Distributions, Gamecock Club contributions, seat premiums, and corporate sponsorships. Athletic funds are auxiliary funds of the University and are self-supporting. Athletics currently has unrestricted net assets of \$14.65 million as of June 30, 2011. The proposed source of funds for acquisition is Athletic Operating funds which are defined above.

The University reports that no increase in any student fee or tuition will be required for preliminary land studies or acquisition of this property.

**Item (s) – Central Carolina Tech Broad Street Land/Building Acquisition**

The source of funds for preliminary land studies is \$25,000 Other, College Capital Project funds. College Capital Project funds include revenue from one service area county (Lee County) and a portion of tuition and is designated for capital projects, bond payments, and annual equipment purchases. The current uncommitted balance of these funds is \$885,920. The proposed source of funds for acquisition is State Capital Reserve Funds appropriated to the State Board for Technical and Comprehensive Education for the CATT/ReadySC program for FY 2012-13, a portion of which is allocated to each technical college.

The College reports that no increase in any student fee or tuition will be required for preliminary land studies or acquisition of this property.

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AGENCY: Division of State Budget

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SUBJECT: University of South Carolina Research University Infrastructure Project

The South Carolina SmartState Review Board has certified the University of South Carolina for \$13,333,334 in general obligation debt to be issued under the South Carolina Research University Infrastructure Act (RUIA) for Innovista Phase II. The Act requires the Review Board to certify to the Joint Bond Review Committee and the Budget and Control Board that at least 50% of the cost of each research infrastructure project is being provided by private, federal, municipal, county or other local government sources.

The USC research infrastructure project consists of the following aspects that were certified by the Review Board:

- 1) The RUIA projects consists of the upfit of 47,024 square feet on the ground and fourth floors of the Horizon Building to provide laboratory space, support areas and offices to house research for the two nuclear science SmartState Centers of Economic Excellence, as well as the Hydrogen Economy SmartState Center of Economic Excellence, the Renewable Fuel Cells SmartState Center of Economic Excellence, and the USC Aerospace Program, in the amount of \$13.4 million of which \$13,333,334 will be funded with general obligation debt to be issued.
- 2) The total cost of the Research Infrastructure Project is approximately \$26,840,386.
- 3) The completed schedule and projected construction period during which the proceeds of the requested general obligation will be executed is from February 2012 to June 2014.
- 4) The RUIA project, for which \$13,333,334 in general obligation debt is requested to be issued, was approved by the SmartState Review Board on February 27, 2012.
- 5) At least 50% of the cost of the USC RUIA Project is matched by private, federal, municipal, county or other local government sources. This match totaling \$13,440,386 conforms to RUIA Cost Share Accounting Policy.
- 6) The provisions of Code Section 11-51-70 have been met, the source and validity of the match have been verified, and the USC RUIA Project complies with the provisions of Title 11, Chapter 51 of the Code, subject to confirmation of financing to be provided by the State Treasurer's Office.
- 7) The Review Board has determined that the USC RUIA Project conforms to the purposes and goals of the Research University Infrastructure Act. The Review Board has approved the USC RUIA Project in accordance with the Act and the Board's implementation guidelines.

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AGENCY: Division of State Budget

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SUBJECT: University of South Carolina Research University Infrastructure Project

The project was approved by the Joint Bond Review Committee at its meeting on June 6, 2012. The Board is asked to approve the following: 1) approve the USC Innovista Phase II Research University Infrastructure Project and 2) approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

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BOARD ACTION REQUESTED:

Approve the USC Innovista Phase II Research University Infrastructure Project and approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

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ATTACHMENTS:

Agenda item worksheet; SmartState Review Board Letter dated February 27, 2012; Certification and Statement of the SmartState Review Board; Match Summary Sheet with Match Exhibits; Pro Forma Schedules on Research University Infrastructure Bonds; Additional Annual Operating Costs

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

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Meeting Scheduled for: June 27, 2012

Regular Agenda

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**1. Submitted By:**

- (a) Agency: State Budget Division
- (b) Authorized Official Signature:



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Les Boles, Director

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**2. Subject: University of South Carolina Research University Infrastructure Project**

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**3. Summary Background Information:**

The South Carolina SmartState Review Board has certified the University of South Carolina for \$13,333,334 in general obligation debt to be issued under the South Carolina Research University Infrastructure Act (RUIA) for Innovista Phase II. The Act requires the Review Board to certify to the Joint Bond Review Committee and the Budget and Control Board that at least 50% of the cost of each research infrastructure project is being provided by private, federal, municipal, county or other local government sources.

The USC research infrastructure project consists of the following aspects that were certified by the Review Board:

- 1) The RUIA projects consists of the upfit of 47,024 square feet on the ground and fourth floors of the Horizon Building to provide laboratory space, support areas and offices to house research for the two nuclear science SmartState Centers of Economic Excellence, as well as the Hydrogen Economy SmartState Center of Economic Excellence, the Renewable Fuel Cells SmartState Center of Economic Excellence, and the USC Aerospace Program, in the amount of \$13.4 million of which \$13,333,334 will be funded with general obligation debt to be issued.
- 2) The total cost of the Research Infrastructure Project is approximately \$26,840,386.
- 3) The completed schedule and projected construction period during which the proceeds of the requested general obligation will be executed is from February 2012 to June 2014.
- 4) The RUIA project, for which \$13,333,334 in general obligation debt is requested to be issued, was approved by the SmartState Review Board on February 27, 2012.
- 5) At least 50% of the cost of the USC RUIA Project is matched by private, federal, municipal, county or other local government sources. This match totaling \$13,440,386 conforms to RUIA Cost Share Accounting Policy.
- 6) The provisions of Code Section 11-51-70 have been met, the source and validity of the match have been verified, and the USC RUIA Project complies with the provisions of Title 11, Chapter 51 of the Code, subject to confirmation of financing to be provided by the State Treasurer's Office.
- 7) The Review Board has determined that the USC RUIA Project conforms to the purposes and goals of the Research University Infrastructure Act. The Review Board has approved the USC RUIA Project in accordance with the Act and the Board's implementation guidelines.

The project was approved by the Joint Bond Review Committee at its meeting on June 6, 2012. The Board is asked to approve the following: 1) approve the USC Innovista Phase II Research University Infrastructure Project and 2) approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

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**4. What is Board asked to do?**

Approve the USC Innovista Phase II Research University Infrastructure Project and approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

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**5. What is the recommendation of the State Budget Division?**

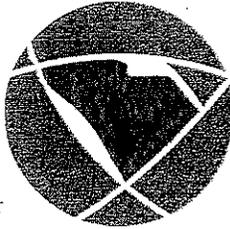
Approve the USC Innovista Phase II Research University Infrastructure Project and approve an increase to USC's permanent improvement project H27-6081, Horizon I Ground and Fourth Floors Upfit, of \$13,295,000 from the general obligation debt to be issued.

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**6. List of Supporting Documents:**

1. SmartState Review Board Letter dated February 27, 2012
2. Certification and Statement of the SmartState Review Board
3. Match Summary Sheet with Match Exhibits
4. Pro Forma Schedules on Research University Infrastructure Bonds
5. Additional Annual Operating Costs

Regan Voit, Chair  
Melvin Williams, Vice Chair  
Keith Munson, Secretary



# SmartState™

SC Centers of Economic Excellence

RECEIVED

MAR 01 2012

Budget & Control Board  
OFFICE OF STATE & COUNTY

The Honorable Nikki R. Haley  
Chairperson, S.C. Budget and Control Board  
612 Wade Hampton Building, Box 12444  
Columbia, SC 29211

February 27, 2012

RE: Certification of Research University Infrastructure Act (RUIA) Project  
for University of South Carolina: Innovista Phase II

Dear Governor Haley:

On behalf of the SmartState Review Board (Review Board), I am pleased to transmit to you certification of \$13,333,333 in general obligation debt to be issued under the South Carolina Research University Infrastructure Act for the Innovista Phase II project on the University of South Carolina-Columbia campus.

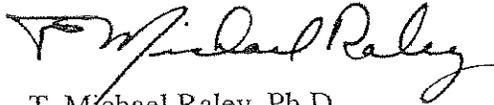
The Act requires that the Review Board “certify to the state board that at least fifty percent of the cost of each research infrastructure project is being provided by private, federal, municipal, county, or other local government sources.” The Act further stipulates that “[t]his portion of the cost, in the discretion of the [Board], may be in the form of cash; cash equivalent; buildings including sale-lease back; gifts in kind including, but not limited to, land, roads, water, and sewer, and maintenance of infrastructure; facilities and administration costs; equipment; or furnishings.”

University of South Carolina submitted supporting information to Commission on Higher Education staff on February 12, 2012, and presented this information to the Review Board on February 27, 2012. With the stipulation that all of the universities use the services and talents of South Carolinians to the maximum extent possible in conducting such infrastructure projects, the Review Board voted to certify the request from University of South Carolina on February 27, 2012.

Please find enclosed a Certification that summarizes the information required from the Review Board pursuant to the South Carolina Research University Infrastructure Act. This information has also been presented to the Joint Bond Review Committee. If the Budget & Control Board or Joint Bond Review Committee requires additional supporting information, the Review Board welcomes the opportunity to provide additional information supporting this certification.

The Review Board believes that this project represents an exciting opportunity for University of South Carolina and the State. Please do not hesitate to contact me should you have any questions or if I can provide any additional assistance in this matter.

Sincerely,

A handwritten signature in cursive script that reads "T. Michael Raley". The signature is written in black ink and is positioned above the printed name.

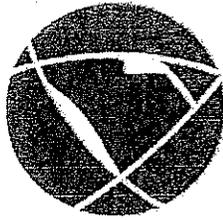
T. Michael Raley, Ph.D.

CHE Director of Academic Affairs & Licensing

cc: Ms. Carol Routh, S.C. Budget & Control Board  
Mr. George Dorn, Joint Bond Review Committee  
Mr. Rick Harmon, State Treasurer's Office

Enclosure: USC Innovista Phase II Certification

Regan Voit, Chair  
Melvin Williams, Vice Chair  
Keith Munson, Secretary



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SC Centers of Economic Excellence

## CERTIFICATION AND STATEMENT OF THE SMARTSTATE REVIEW BOARD

This Certification and Statement is made by the SmartState Review Board to the South Carolina Joint Bond Review Committee and the South Carolina State Budget & Control Board in accordance with Sections 11-51-70 and 11-51-80 of the Code of Laws of South Carolina (1976), as amended (the "Code"). This Certification and Statement concerns the proposed Research University Infrastructure Act (RUIA) Project, as defined in S.C. Code Section 11-51-30(4), to be developed on and near the University of South Carolina (USC) campus in Columbia, South Carolina.

The RUIA Project consists of the following original building components:

- **47,024 square footage up-fit of Ground and Fourth Floors of Horizon Building** (known formerly as Beta Research Facility), located at the corner of Assembly Street and Blossom Street on the USC Columbia campus. The entire facility is occupied by faculty drawn from the following USC colleges and departments: the College of Arts and Sciences' Department of Chemistry and the College of Engineering and Computing's Departments of Chemical Engineering and Mechanical Engineering. Significant programmatic space is dedicated to a number of SmartState Program research centers and SmartState Endowed Chairs. The impacted floors (Ground and Fourth Floors) will provide laboratory space, support areas and offices to house research for the two nuclear science SmartState Centers of Economic Excellence, as well as the Hydrogen Economy SmartState of Economic Excellence, the Renewable Fuel Cells SmartState Center of Economic Excellence, and the USC Aerospace Program. **Cost: \$13,400,000.** [See Exhibits A, B & E.]

**TOTAL COMPONENT COST: \$13,400,000**

The SmartState Review Board hereby certifies and states to the Joint Bond Review Committee and the Budget and Control Board the following:

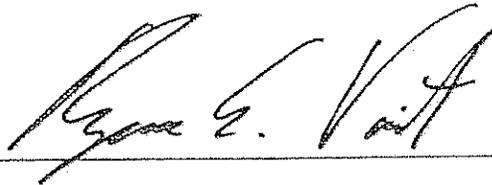
- (1) The total cost of the Research Infrastructure Project is approximately \$26,840,386.
- (2) The completed schedule (projected construction period) during which the proceeds of the requested general obligation will be executed is as follows:  

February 2012 to June 2014
- (3) The USC RUIA Project, for which \$13,333,334 in general obligation debt is requested to be issued, is described in the February 17, 2012, letter and project summary [Exhibit A] from USC. The USC RUIA Project was presented and approved by the SmartState Review Board on February 27, 2012.

SMARTSTATE REVIEW BOARD CERTIFICATION AND STATEMENT

- (4) Pursuant to S.C. 11-51-70, at least 50 percent of the cost of the USC RUIA Project is matched by private, federal, municipal, county or other local government sources. This match, totaling \$13,440,386, conforms to the S.C. Research University Infrastructure Act Cost Share Accounting Policy. [See Exhibit E for match details.]
- (5) Therefore, the provisions of S.C. 11-51-70 of the Code have been met, the source and validity of the match have been verified, and the USC RUIA Project, as described in the Revised USC Proposal, complies with the provisions of Title 11, Chapter 51 of the Code, subject to confirmation of financing to be provided to the State Treasurer's Office.
- (6) The Board has determined that the USC RUIA Project conforms to the purposes and goals of the South Carolina Research University Infrastructure Act. The Board has approved the USC RUIA Project in accordance with the Act and the Board's implementation guidelines.

This Certificate and Statement is made this 27th day of February, 2012, by the Board:



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Regan Voit  
Chair, SmartState Review Board

**Research University Infrastructure Act**  
**University of South Carolina Phase II Project Certification**  
**Match Summary Sheet**

**I. Project Components:**

1. Horizon Building Up-fit.....\$13,400,000  
 [Non-match funding source is \$13,333,333 in RUIA bonds  
 and \$66,666 from grant indirect costs.]

**II. Matching Components:**

1. IBM Computer Software and Equipment Gift.....\$12,782,682<sup>1</sup>  
 [See Exhibits C-1 & C-2.]
2. Department of the Air Force Grant.....\$657,704  
 [See Exhibit D.]

TOTAL MATCH.....\$13,440,386

**TOTAL PROJECT COST.....\$26,840,386**

Pursuant to S.C. 11-51-70, at least 50 percent of the cost of each RUIA Project must be matched by private, federal, municipal, county, or other local government sources. Based on the total project cost of \$26,840,386, the match for the USC RUIA Project must be at least \$13,420,193.

USC has obtained \$20,193 in overmatch of non-state funds (as permitted by the Research University Infrastructure Act Cost Share Accounting Policy, Item III).

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<sup>1</sup> USC claimed as a non-state match \$38 million of the Years I and II IBM gift (\$50,782,682 total) in its January 2012 Phase I RUIA Project Recertification. Here USC claims the remainder total of the Year II IBM gift.

IBM CORPORATION  
1000 BROADWAY  
ARMONK, NY 10504  
TEL: 914 419 4600  
WWW.IBM.COM

*International Business Machines Corporation*

January 10, 2012

Ms. Michelle D. Dodenhoff  
Vice President Development and Alumni Affairs  
University of South Carolina  
101 Osborne Administration Building  
Columbia, SC 29208

Dear Ms. Dodenhoff:

It gives me great pleasure to offer the University of South Carolina software and a System z9 mainframe to help enhance the excellent mainframe curriculum currently offered by the College of Hospitality, Retail and Sports management. It is exciting that this software will also be used to support ITology, which IBM wholeheartedly supports. This software is for use by the University of South Carolina for both teaching and non-commercial research. It may not be used for any institutional administrative application.

The total values (Education Allowance of 15%) of the mainframe, software and subscription support services for Fiscal Years 2011 and 2012 are \$32,201,101, and \$18,581,581, respectively, for a combined two-year gift of \$50,782,682.

The College Hospitality, Retail and Sports Management is free to use as many products from each of our software brands, Rational, Data Management, Tivoli, Lotus and WebSphere, as required by your curriculum. All faculty teaching or doing research requiring these technologies and students enrolled in appropriate classes are granted full access to all software listed on the Academic Initiative web site [www.ibm.com/university/academicinitiative](http://www.ibm.com/university/academicinitiative).

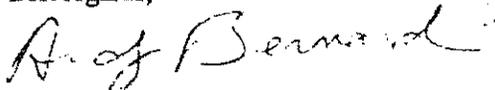
We are also committed to ITology's mission to develop a highly qualified information technology workforce in open standards and open source software offerings that will be well prepared to meet the needs of the technology industry today and in the future.

IBM makes this hardware and software available to you for the foreseeable future through the academic Initiative for your use in instruction and non-commercial research.

IBM recognizes your many contributions to the future leaders in Business and Industry and is proud to be associated with your continued success.

While IBM is pleased to support ITology and USC, we will not comment publically on the value of this software and hardware.

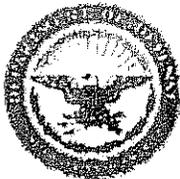
Best regards,



Andy Bernardin  
Client Director  
IBM

1441 Main Street - Suite 850  
Columbia, SC 29201

FIVE YEAR SUMMARY OF GIFT						
	COST	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>Total Value Over Five Years</b>						
z9 Machine Mainframe	\$300,000	\$300,000				
Software (One Time Charge)	\$13,319,520	\$13,319,520				
Monthly Software Cost	\$1,362,975	\$16,355,700	\$16,355,700	\$16,355,700	\$16,355,700	\$16,355,700
Software Subscription Bundle and Support / Year	\$2,225,881	\$2,225,881	\$2,225,881	\$2,225,881	\$2,225,881	\$2,225,881
Hardware Maintenance and Support / Year	na	na	na	na	na	na
<b>Total</b>		\$32,201,101	\$18,581,581	\$18,581,581	\$18,581,581	\$18,581,581
<b>Five Year Total</b>	\$106,527,425					
Value of Software Previously Shown as Pledge	<del>\$20,383,000</del>					
<b>TOTAL</b>	\$86,144,425					
<b>This software can only be licensed on a monthly basis.</b>						



DEPARTMENT OF THE AIR FORCE  
AIR FORCE OFFICE OF SCIENTIFIC RESEARCH (AFOSR)  
875 North Randolph Street, Arlington, VA 22203-1768

15540-10-20783

Air Force Office of Scientific Research  
ATTN: Mary Moore - PKC  
875 North Randolph Street  
Suite 325, Room 3112  
Arlington, Virginia 22203-1768

26 May 2010

University of South Carolina  
Office of Sponsored Research  
Administration Bldg  
Columbia, SC 29208-0001

Dear Ms Nicole Cavin

1. Two copies of the grant document FA9550-10-1-0246, DEF are forwarded for your retention. The extra copy of the document should be forwarded to the Principal Investigator.
2. Any questions may be directed to the PK Contracting Officer monitoring this grant. Our FAX number is (703) 696-9733.

*Mary A. Moore*  
Mary A. Moore  
Policy and Support Division  
Directorate of Contracts

Attachment  
FA9550-10-1-0246, DEF

The Basic Research Manager of the Air Force Research Laboratory

## Grant/Cooperative Agreement Award

1. AWARD NO. <b>FA9550-10-1-0246</b>		2. EFFECTIVE DATE <b>01 JUN 2010</b>		3. PURCHASE REQUEST NO. <b>See Block 16</b>		4. CFDA NO. <b>12.800</b>		PAGE OF <b>1 2</b>			
5. ISSUED BY AFOSR/PKR2 CODE FA9560 <b>USAF, AFRL DUNS 143574726 AF OFFICE OF SCIENTIFIC RESEARCH 875 N. RANDOLPH ST. ROOM 3112 ARLINGTON VA 22203 MATTHEW L. CIFA (703) 898-6228 matthew.cifa@afosr.af.mil</b>				6. AWARDED TO CAGE CODE D95A5 <b>SOUTH CAROLINA RESEARCH FOUNDATION 901 SUMTER ST STE 511 COLUMBIA SC 29208-0001 (803) 777-5587</b>				7. AUTHORITY <b>10 U.S.C. 2358</b>			
8. PERIOD OF PERFORMANCE <b>01-Jun-10 to 31-May-11</b>											
9. SCOPE / AGREEMENT TERMS <p>"(DURIP 10) - 3D Visualization of Material State Changes using X-ray Computed Tomography (XCT) for Prognosis of Heterogeneous" dated 15 Sep 2008 (<a href="http://www.nsf.gov/bfa/dias/policy/rtrc/terms.pdf">http://www.nsf.gov/bfa/dias/policy/rtrc/terms.pdf</a>); and the AFOSR Agency Specific Requirements, 1 July 2008 (<a href="http://www.nsf.gov/pubs/policydocs/rtrc/afosr_708.pdf">http://www.nsf.gov/pubs/policydocs/rtrc/afosr_708.pdf</a>), are hereby incorporated by reference.</p> <p>(continued on Page 2)</p>											
10. RECIPIENT PRINCIPAL INVESTIGATOR <b>DR KENNETH REIFSNIDER</b>					11. OTHER SPONSOR(ING) AGENCY(IES) <b>N/A</b>						
12. ADMINISTRATIVE OFFICE CODE N66020 <b>OFC OF NAVAL RSCH (ONRRO) ATLANTA ATLANTA REGIONAL OFFICE 100 ALABAMA ST., SW, SUITE 4R15 ATLANTA GA 30303-3104 ONR_ATLANTA@ONR.NAVY.MIL</b>			13. PAYING OFFICE CODE F67100 <b>DFAS LI (800) 756-4571 OPT2 OPT3 27 ARKANSAS RD LIMESTONE ME 04751-6216</b>			14. STAFF JUDGE ADVOCATE OFFICE <b>AFOSR/JA (703) 698-9705 875 NORTH RANDOLPH STREET SUITE 325, ROOM 3112 ARLINGTON, VA. 22203</b>					
15. GOVT PROGRAM MANAGER (Name, Org, Tel, Email) <b>Dr. David Stargel, AFOSR/NA, (703) 696-6961, david.stargel@afosr.af.mil</b>											
16. ALLOCATED FUNDING The following funds with associated Accounting Classification reference number(s) (ACRN) are allotted to this agreement:											
<b>ACRN FUND CITATION(s)</b>								<b>AMOUNT</b>			
SEE CONTINUATION											
SPECIAL INSTRUCTIONS: <b>PAYMENT WILL BE MADE BY ELECTRONIC FUNDS TRANSFER.</b>											
PAYING OFFICE INSTRUCTIONS: PAYMENT SCHEDULE (if applicable): <b>\$657,704 on or after 1 Jun 2010</b>											
17. TOTAL FUNDS OBLIGATED		Government Share		Recipient Share		Total		18. INVOICE INSTRUCTION			
		<b>\$657,704.00</b>		<b>\$0.00</b>		<b>\$657,704.00</b>		<b>Invoices N/A. Scheduled payments.</b>			
19. AMOUNT OF AWARD		Government Share		Recipient Share		Total					
		<b>\$657,704.00</b>		<b>\$0.00</b>		<b>\$657,704.00</b>					
20. OPTIONS		Government Share		Recipient Share		Total		21. PERIOD			
<del>FOR THE RECIPIENT</del>					FOR THE UNITED STATES OF AMERICA						
27. SIGNATURE					23. SIGNATURE						
<del>Signature</del>					<i>Joyce A. Burch</i>						
24. NAME AND TITLE			25. DATE SIGNED		29. NAME AND TITLE			27. DATE SIGNED			
<del>Name and Title</del>					<b>JOYCE A. BURCH</b>			<b>26 May 10</b>			
GRANTS OFFICER											

CONTINUATION

ACRN	FUND CITATION	ALLOCATED FUNDING	AMOUNT
AA	57 03600 290 47B1 615094 6TROPE 58800 61103F 667100 F67100		\$657,704.00
	PR/MIPR: F1ATA00116B011	\$657,704.00	
	JON: 5094NAPM		
	Descriptive Data:		
	CSN: J0N105		
	FSR: 029667 PSR: 180870 DSR: 512513		

**Block 9 - Scope/Agreement Terms (continued):**

Awardee signature is not required on this agreement; however, the recipient agrees to the conditions specified in this award unless notice of disagreement is furnished to the awarding officer within 15 days after the signature date. In case of disagreement, the recipient shall not incur any costs until the disagreement is resolved.

**Indirect Cost Limitation for Basic Research Awards:**

This grant is funded with basic research appropriations, 6.1 funding and, as such, is subject to limits on F&A and indirect costs as included in the current Appropriation Act. This limit is applicable to awards made on or after 14 Nov 2007. Unless this grant is modified to reflect otherwise, funds obligated under this grant may not be used for payment of F&A or indirect costs in excess of 35% of the total amount of funds obligated on or after 14 Nov 2007.

"Total costs", "F&A costs" and "Indirect costs", for purposes of this clause are defined in 2 CFR 220 (OMB Circular A-21) for Educational Institutions.

**Reporting Requirements:**

The following reports shall be submitted and will become due on the dates as shown below.

BASIC AWARD		
TYPE OF REPORT	DUE DATE	SUBMIT TO
Final Performance Report	31 AUG 2011	Pgm Mgr** & technicalreports@afosr.af.mil
Final Federal Financial Report (SF425), Including Line Item 11 (SF425)	31 AUG 2011	Grant Admin Office & pkcontracting@afosr.af.mil
	* See below	Grant Admin Office

\* For payments made by advances or a predetermined payment schedule, the recipient shall submit the Federal Financial Report (SF 425). The following reporting period end dates shall be used for reports, 31 Mar, 30 Jun, 30 Sep and 31 Dec each year the award is active. Report will be submitted 30 days after the end of each reporting period.

\*\* See Block 15 on page 1 of the basic grant award for e-mail address of Program Manager. AFOSR prefers Performance Reports be submitted electronically, however, if the awardee does not have access to electronic means, send paper copies of Performance Reports to the appropriate Program Manager and office symbol listed in Block 15 of page 1 of the basic grant award at the following address 875 N Randolph Street Room 3112, Arlington VA 22203-1954

The formats for the Performance Reports may be viewed at  
<http://www.wpafb.af.mil/shared/media/document/AFD-070913-096.pdf>

**Award Budgeted Line Item Detail**

Print

**AWARD DETAILS**

Account Number 15540-FQ02  
 Principal Investigator Dr. Kenneth L. Reifsnider  
 Award Title DoD FY 2010 Defense University Research Instrumentation Proposal-(DURIP 10) - 3D Visualization of Material State Changes using X-ray Computed Tomography (XCT) for Prognosis of Heterogeneous

**BUDGETED LINE ITEMS**

Report Date	Report Type	USC Ind %	SCRF Ind %	Facilities Fund %	Tot Ind %	Off-Campus IDC Rate?	Code	Class	USC Cost	Sponsor Cost	Total Cost	Ineligible For Indirect
05/28/2010	New Funds	0.0	0.0	0.0	0.0	No	56000	CAPITALIZED PROPERTY AND EQUIPMENT	\$0	\$657,704	\$657,704	X
<b>Total Direct Costs</b>									\$0	\$657,704	\$657,704	
<b>Indirect Costs</b>												
									USC	\$0	\$0	\$0
									Award Subtotal	\$0	\$657,704	\$657,704
									SCRF		\$0	\$0
									Facilities Fund		\$0	\$0
<b>Total Award</b>									\$0	\$657,704	\$657,704	

*BA06-0400  
 FY10 6/1/10*

**NOTES**

05/28/10KM: Per attached Award.

Close Window

**Close Form**

**RESEARCH & RELATED BUDGET - SECTION C, D, & E, BUDGET PERIOD 1**

\* ORGANIZATIONAL DUNS:

\* Budget Type:  Project  Subaward/Consortium

Enter name of Organization:

\* Start Date:  \* End Date:  Budget Period 1

**C. Equipment Description**

List items and dollar amount for each item exceeding \$5,000

	Equipment Item	* Funds Requested (\$)
1.	Micro XCT High-Resolution 3D X-ray Tomography Microscope System	657,704.00
2.	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>
5.	<input type="text"/>	<input type="text"/>
6.	<input type="text"/>	<input type="text"/>
7.	<input type="text"/>	<input type="text"/>
8.	<input type="text"/>	<input type="text"/>
9.	<input type="text"/>	<input type="text"/>
10.	<input type="text"/>	<input type="text"/>
11.	Total funds requested for all equipment listed in the attached file	
	Total Equipment	657,704.00

Additional Equipment:

**D. Travel**

	Funds Requested (\$)
1. Domestic Travel Costs ( Incl. Canada, Mexico and U.S. Possessions)	<input type="text"/>
2. Foreign Travel Costs	<input type="text"/>
<b>Total Travel Cost</b>	<input type="text"/>

**E. Participant/Trainee Support Costs**

	Funds Requested (\$)
1. Tuition/Fees/Health Insurance	<input type="text"/>
2. Stipends	<input type="text"/>
3. Travel	<input type="text"/>
4. Subsistence	<input type="text"/>
5. Other <input type="text"/>	<input type="text"/>
<input type="text"/> Number of Participants/Trainees	<input type="text"/>
<b>Total Participant/Trainee Support Costs</b>	<input type="text"/>

RESEARCH & RELATED Budget (C-E) (Funds Requested)

*PRO FORMA* SCHEDULE SHOWING PRINCIPAL AND INTEREST REQUIREMENTS ON  
 \$13,335,000 STATE GENERAL OBLIGATION RESEARCH UNIVERSITY INFRASTRUCTURE BONDS  
 AT AN AVERAGE ANNUAL INTEREST RATE OF  
 TWO AND ONE HUNDREDTHS PERCENT (2.01%)

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
June 30, 2013	\$ 790,000.00	\$ 216,682.32	\$ 1,006,682.32
June 30, 2014	825,000.00	213,630.30	1,038,630.30
June 30, 2015	830,000.00	209,323.80	1,039,323.80
June 30, 2016	835,000.00	203,865.16	1,038,865.16
June 30, 2017	840,000.00	197,240.84	1,037,240.84
June 30, 2018	850,000.00	189,437.24	1,039,437.24
June 30, 2019	860,000.00	179,283.98	1,039,283.98
June 30, 2020	875,000.00	166,727.98	1,041,727.98
June 30, 2021	885,000.00	152,062.98	1,037,062.98
June 30, 2022	905,000.00	135,318.78	1,040,318.78
June 30, 2023	925,000.00	116,241.38	1,041,241.38
June 30, 2024	945,000.00	95,850.68	1,040,850.68
June 30, 2025	965,000.00	74,108.12	1,039,108.12
June 30, 2026	990,000.00	50,975.14	1,040,975.14
June 30, 2027	1,015,000.00	26,288.50	1,041,288.50
 Total	 <u>\$ 13,335,000.00</u>	 <u>\$ 2,227,037.20</u>	 <u>\$ 15,562,037.20</u>

SCHEDULE SHOWING PRINCIPAL AND INTEREST REQUIREMENTS FOR ALL SERIES OF  
STATE GENERAL OBLIGATION RESEARCH UNIVERSITY INFRASTRUCTURE BONDS  
ISSUED PURSUANT TO THE PROVISIONS OF TITLE 11, CHAPTER 51,  
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Fiscal Year Ending	Principal	Interest	Debt Service
June 30, 2012	\$ 13,860,000.00	\$ 6,959,925.00	\$ 20,819,925.00
June 30, 2013	14,305,000.00	6,318,818.75	20,623,818.75
June 30, 2014	14,790,000.00	5,662,093.75	20,452,093.75
June 30, 2015	15,335,000.00	4,965,862.50	20,300,862.50
June 30, 2016	15,935,000.00	4,227,356.25	20,162,356.25
June 30, 2017	15,485,000.00	3,489,212.50	18,974,212.50
June 30, 2018	16,105,000.00	2,788,375.00	18,893,375.00
June 30, 2019	16,785,000.00	2,130,000.00	18,915,000.00
June 30, 2020	17,520,000.00	1,490,000.00	19,010,000.00
June 30, 2021	16,010,000.00	891,950.00	16,901,950.00
June 30, 2022	3,875,000.00	537,000.00	4,412,000.00
June 30, 2023	4,025,000.00	379,000.00	4,404,000.00
June 30, 2024	4,185,000.00	214,800.00	4,399,800.00
June 30, 2025	4,370,000.00	65,550.00	4,435,550.00
Total	<u>\$ 172,585,000.00</u>	<u>\$ 40,119,943.75</u>	<u>\$ 212,704,943.75</u>

SCHEDULE SHOWING PRINCIPAL AND INTEREST REQUIREMENTS FOR ALL SERIES OF  
 STATE GENERAL OBLIGATION BONDS ISSUED PURSUANT TO THE PROVISIONS OF  
 TITLE 11, CHAPTER 51, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED,  
 INCLUDING THE PROPOSED NOT EXCEEDING \$13,335,000 PRINCIPAL AMOUNT  
 STATE GENERAL OBLIGATION RESEARCH UNIVERSITY INFRASTRUCTURE BONDS  
 AT AN AVERAGE ANNUAL INTEREST RATE OF  
 TWO AND ONE HUNDREDTHS PERCENT (2.01%)

Fiscal Year Ending	Principal	Interest	Debt Service
June 30, 2012	\$ 13,860,000.00	\$ 6,959,925.00	\$ 20,819,925.00
June 30, 2013	15,095,000.00	6,536,467.99	21,631,467.99
June 30, 2014	15,620,000.00	5,876,690.95	21,496,690.95
June 30, 2015	16,170,000.00	5,176,127.10	21,346,127.10
June 30, 2016	16,775,000.00	4,432,129.33	21,207,129.33
June 30, 2017	16,330,000.00	3,687,321.58	20,017,321.58
June 30, 2018	16,960,000.00	2,978,634.04	19,938,634.04
June 30, 2019	17,650,000.00	2,310,046.06	19,960,046.06
June 30, 2020	18,395,000.00	1,657,417.06	20,052,417.06
June 30, 2021	16,900,000.00	1,044,702.06	17,944,702.06
June 30, 2022	4,785,000.00	672,913.26	5,457,913.26
June 30, 2023	4,950,000.00	495,730.46	5,445,730.46
June 30, 2024	5,135,000.00	311,139.76	5,446,139.76
June 30, 2025	5,340,000.00	140,032.16	5,480,032.16
June 30, 2026	995,000.00	51,229.32	1,046,229.32
June 30, 2027	1,020,000.00	26,418.00	1,046,418.00
<b>Total</b>	<b>\$ 185,980,000.00</b>	<b>\$ 42,356,924.13</b>	<b>\$ 228,336,924.13</b>

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

1. AGENCY  
Code H27 Name USC Columbia

2. PROJECT  
Project # 6081 Name Horizon I Ground and Fourth Floors Upfit

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

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2013/14 (partial year)	\$190,309.50	\$	\$	\$190,309.50
2) 2014/15	\$380,619.00	\$	\$	\$380,619.00
3) 2015/16	\$380,619.00	\$	\$	\$380,619.00

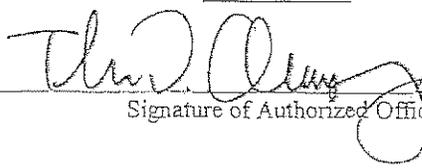
5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Custodial</u>	<u>43,307.00</u>
2. <u>Maintenance</u>	<u>43,307.00</u>
3. <u>Waste Management</u>	<u>1,202.50</u>
4. <u>Utilities</u>	<u>102,493.00</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>190,309.50</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 3

9. Submitted By:  Associate VP, Facilities                      2/14/12  
Signature of Authorized Official and Title                      Date

---

AGENCY: Division of General Services

---

SUBJECT: State Board for Technical and Comprehensive Education Lease at 111 Executive Center Drive in Columbia

The South Carolina State Board for Technical and Comprehensive Education (Board) requests approval to lease from GPT Properties Trust, a Maryland real estate investment trust (Landlord), 23,831 square feet, comprising a portion of the 1st floor at its current location at the Enoree Building in Synergy Business Park located at 111 Executive Center Drive in Columbia.

Presently, the Board leases 28,697 square feet at the Enoree Building at an annual cost of \$387,409.50 (\$13.50 per square foot) under a lease expiring June 30, 2012. Additionally, the lease is subject to annual increases in operating expenses, which amount was approximately \$10,617.50 last year. The total annual cost of the Board's current lease, including operating expense escalations, is \$398,027.00 (\$13.87 per square foot). Under the new lease, the space will be reduced by 4,866 square feet, which is being realized due to the Board's efforts to consolidate space.

The new lease was negotiated after vacant state space options were considered, state agencies were contacted to verify no adequate state space was available, and a commercial lease solicitation was issued. The proposed lease is the most cost efficient of the ten commercial lease proposals received. The lease term will be ten years commencing July 1, 2012 and ending June 30, 2022, with one optional renewal term of five years. The optional renewal term will be subject to staff review and approval by the Division of General Services. Rent will be \$19,362.69 per month or \$232,352.28 per year (\$9.75 per square foot rounded) for the first year of the lease; thereafter, rent increases two percent (2%) a year through the remainder of the term to \$11.65 per square foot (rounded) in the last year of the term. Rent for the first year of the optional five year renewal term will be \$11.89 per square foot (rounded) and will continue to increase two percent (2%) a year to \$12.86 per square foot rounded in the last year of the renewal term. All operating costs are included with rent and the Board is not responsible for any increases of such expenses.

Landlord will provide adequate surface parking adjacent to the building for all employees and visitors at no cost. As a leasing incentive Landlord will provide a tenant improvement allowance of \$48,000. The proposed lease will save the Board an estimated \$1,436,082 over the initial ten year term compared with its current lease, assuming rent and operating expense escalations for a lease extension would remain the same as the last year of the current lease with no increases. The proposed lease further avoids moving, network wiring and other costs associated with relocating to a new location.

The rent over the initial term and optional renewal term of the lease is as follows:

AGENCY: Division of General Services

SUBJECT: State Board for Technical and Comprehensive Education Lease at 111  
Executive Center Drive in Columbia

Initial Term Rates

Year	Period	Rate/SF (Rounded)	Annual Rent
1	7-1-12 to 6-30-13	\$ 9.75	\$ 232,352.28
2	7-1-13 to 6-30-14	\$ 9.95	\$ 236,999.28
3	7-1-14 to 6-30-15	\$ 10.14	\$ 241,739.28
4	7-1-15 to 6-30-16	\$ 10.35	\$ 246,574.08
5	7-1-16 to 6-30-17	\$ 10.55	\$ 251,505.60
6	7-1-17 to 6-30-18	\$ 10.76	\$ 256,535.64
7	7-1-18 to 6-30-19	\$ 10.98	\$ 261,666.36
8	7-1-19 to 6-30-20	\$ 11.20	\$ 266,899.68
9	7-1-20 to 6-30-21	\$ 11.42	\$ 272,237.64
10	7-1-21 to 6-30-22	\$ 11.65	\$ 277,682.40
<b>Total for 10 years</b>			<b>\$ 2,544,192.24</b>
<b>Average for 10 years</b>			<b>\$ 10.68</b>

Renewal Term Rates

Year	Period	Rate/SF (Rounded)	Annual Rent
11	7-1-22 to 6-30-23	\$ 11.89	\$ 283,236.12
12	7-1-23 to 6-30-24	\$ 12.12	\$ 288,900.84
13	7-1-24 to 6-30-25	\$ 12.37	\$ 294,678.84
14	7-1-25 to 6-30-26	\$ 12.61	\$ 300,572.40
15	7-1-26 to 6-30-27	\$ 12.86	\$ 306,583.80
<b>Total for 15 years</b>			<b>\$ 4,018,164.24</b>
<b>Average for 15 years</b>			<b>\$ 11.24</b>

Market reports indicate that the average asking lease rate in the St. Andrews area of Columbia for similar office buildings is \$14.28 per square foot annually. Comparables of similar state agency office space leased in the St. Andrews area of Columbia are as follows:

---

AGENCY: Division of General Services

---

SUBJECT: State Board for Technical and Comprehensive Education Lease at 111 Executive Center Drive in Columbia

<b>Lease Date</b>	<b>Agency/Location</b>	<b>Rate/SF</b> <i>(All comparables are subject to operating cost escalations.)</i>
9/08	Public Service Commission, 101 Executive Center Drive	\$14.69
7/07	State Accident Fund, 800 Dutch Square Blvd.	\$13.10
11/09	Housing Authority, 300 Outlet Pointe Boulevard	\$11.19 <i>(Does not include electricity)</i>

The Board has adequate funds for the lease according to a Budget Approval Form dated May 24, 2012, which also includes a multi-year plan. Lease payments will be made from state appropriations. The space allocation of the new lease is 356 square feet for each of the 67 employees to be housed at the Enoree Building. This includes all office space for employees as well as conference rooms, reception areas, copy/fax areas, storage/file rooms, work areas, break rooms/kitchenette areas, computer server room and common areas.

No option to purchase the property is included in the lease. The Enoree Building was constructed in 1982. An environmental assessment dated April 21, 2006 recommends no further assessment is necessary. The lease was approved by Mandy M. Kibler, Vice President for Finance for the South Carolina State Board for Technical and Comprehensive Education and by David M. Lepore, Senior Vice President for GPT Properties Trust. The lease was approved by the Joint Bond Review Committee at its meeting on June 6, 2012.

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BOARD ACTION REQUESTED:

Approve the proposed ten year lease and optional renewal term of five years subject to the review and approval by the Division of General Services for the State Board for Technical and Comprehensive Education at 111 Executive Center Drive in Columbia.

---

ATTACHMENTS:

Agenda item worksheet; Letter from the State Board for Technical and Comprehensive Education dated May 24, 2012; SC Code of Laws Sections 1-11-55 and 1-11-56

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

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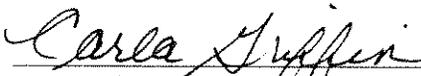
Meeting Scheduled for: June 27, 2012

Regular Agenda

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**1. Submitted by:**

- (a) Agency: Division of General Services
- (b) Authorized Official Signature:

  
Carla Griffin, Deputy Director

---

- 2. Subject:** State Board for Technical and Comprehensive Education Lease at 111 Executive Center Drive in Columbia
- 

**3. Summary Background Information:**

The South Carolina State Board for Technical and Comprehensive Education (Board) requests approval to lease from GPT Properties Trust, a Maryland real estate investment trust (Landlord), 23,831 square feet, comprising a portion of the 1st floor at its current location at the Enoree Building in Synergy Business Park located at 111 Executive Center Drive in Columbia.

Presently, the Board leases 28,697 square feet at the Enoree Building at an annual cost of \$387,409.50 (\$13.50 per square foot) under a lease expiring June 30, 2012. Additionally, the lease is subject to annual increases in operating expenses, which amount was approximately \$10,617.50 last year. The total annual cost of the Board's current lease, including operating expense escalations, is \$398,027.00 (\$13.87 per square foot). Under the new lease, the space will be reduced by 4,866 square feet, which is being realized due to the Board's efforts to consolidate space.

The new lease was negotiated after vacant state space options were considered, state agencies were contacted to verify no adequate state space was available, and a commercial lease solicitation was issued. The proposed lease is the most cost efficient of the ten commercial lease proposals received. The lease term will be ten years commencing July 1, 2012 and ending June 30, 2022, with one optional renewal term of five years. The optional renewal term will be subject to staff review and approval by the Division of General Services. Rent will be \$19,362.69 per month or \$232,352.28 per year (\$9.75 per square foot rounded) for the first year of the lease; thereafter, rent increases two percent (2%) a year through the remainder of the term to \$11.65 per square foot (rounded) in the last year of the term. Rent for the first year of the optional five year renewal term will be \$11.89 per square foot (rounded) and will continue to increase two percent (2%) a year to \$12.86 per square foot rounded in the last year of the renewal term. All operating costs are included with rent and the Board is not responsible for any increases of such expenses.

Landlord will provide adequate surface parking adjacent to the building for all employees and visitors at no cost. As a leasing incentive Landlord will provide a tenant improvement allowance of \$48,000. The proposed lease will save the Board an estimated \$1,436,082 over the initial ten year term compared with its current lease, assuming rent and operating expense escalations for a lease extension would remain the same as the last year of the current lease with no increases. The proposed lease further avoids moving, network wiring and other costs associated with relocating to a new location.

The rent over the initial term and optional renewal term of the lease is as follows:

Initial Term Rates

Year	Period	Rate/SF (Rounded)	Annual Rent
1	7-1-12 to 6-30-13	\$ 9.75	\$ 232,352.28
2	7-1-13 to 6-30-14	\$ 9.95	\$ 236,999.28
3	7-1-14 to 6-30-15	\$ 10.14	\$ 241,739.28
4	7-1-15 to 6-30-16	\$ 10.35	\$ 246,574.08
5	7-1-16 to 6-30-17	\$ 10.55	\$ 251,505.60
6	7-1-17 to 6-30-18	\$ 10.76	\$ 256,535.64
7	7-1-18 to 6-30-19	\$ 10.98	\$ 261,666.36
8	7-1-19 to 6-30-20	\$ 11.20	\$ 266,899.68
9	7-1-20 to 6-30-21	\$ 11.42	\$ 272,237.64
10	7-1-21 to 6-30-22	\$ 11.65	\$ 277,682.40
<b>Total for 10 years</b>			<b>\$ 2,544,192.24</b>
<b>Average for 10 years</b>		<b>\$ 10.68</b>	<b>\$ 254,419.22</b>

Renewal Term Rates

Year	Period	Rate/SF (Rounded)	Annual Rent
11	7-1-22 to 6-30-23	\$ 11.89	\$ 283,236.12
12	7-1-23 to 6-30-24	\$ 12.12	\$ 288,900.84
13	7-1-24 to 6-30-25	\$ 12.37	\$ 294,678.84
14	7-1-25 to 6-30-26	\$ 12.61	\$ 300,572.40
15	7-1-26 to 6-30-27	\$ 12.86	\$ 306,583.80
<b>Total for 15 years</b>			<b>\$ 4,018,164.24</b>
<b>Average for 15 years</b>		<b>\$ 11.24</b>	<b>\$ 267,877.62</b>

Market reports indicate that the average asking lease rate in the St. Andrews area of Columbia for similar office buildings is \$14.28 per square foot annually. Comparables of similar state agency office space leased in the St. Andrews area of Columbia are as follows:

Lease Date	Agency/Location	Rate/SF <i>(All comparables are subject to operating cost escalations.)</i>
9/08	Public Service Commission, 101 Executive Center Drive	\$14.69
7/07	State Accident Fund, 800 Dutch Square Blvd.	\$13.10
11/09	Housing Authority, 300 Outlet Pointe Boulevard	\$11.19 <i>(Does not include electricity)</i>

The Board has adequate funds for the lease according to a Budget Approval Form dated May 24, 2012, which also includes a multi-year plan. Lease payments will be made from state appropriations. The space allocation of the new lease is 356 square feet for each of the 67 employees to be housed at the Enoree Building. This includes all office space for employees as well as conference rooms, reception areas, copy/fax areas, storage/file rooms, work areas, break rooms/kitchenette areas, computer server room and common areas.

No option to purchase the property is included in the lease. The Enoree Building was constructed in 1982. An environmental assessment dated April 21, 2006 recommends no further assessment is necessary. The lease was approved by Mandy M. Kibler, Vice President for Finance for the South Carolina State Board for Technical and Comprehensive Education and by David M. Lepore, Senior Vice President for GPT Properties Trust. The lease was approved by the Joint Bond Review Committee at its meeting on June 6, 2012.

---

**4. What is the Board asked to do?** Approve the proposed ten year lease and optional renewal term of five years subject to the review and approval by the Division of General Services for the State Board for Technical and Comprehensive Education at 111 Executive Center Drive in Columbia.

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**5. What is recommendation of the Division of General Services?** Approval of the proposed ten year lease and optional renewal term of five years subject to the review and approval by the Division of General Services for the State Board for Technical and Comprehensive Education at 111 Executive Center Drive in Columbia.

---

**6. List of Supporting Documents:**

- (a) Letter from the State Board for Technical and Comprehensive Education dated May 24, 2012
- (b) SC Code of Laws Sections 1-11-55 and 1-11-56

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF June 27, 2012

ITEM NUMBER 4

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AGENCY: Budget and Control Board

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SUBJECT: Future Meeting

The next regular meeting of the Budget and Control Board will be held at 10:00 a.m. on Wednesday, August 8, 2012, in Room 252, Edgar A. Brown Building.

**Remaining Meetings in 2012**

Tuesday, October 30th	10:00 AM
Tuesday, December 11th	10:00 AM

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**BOARD ACTION REQUESTED:**

Agree to meet at 10:00 a.m. on Wednesday, August 8, 2012, in Room 252, Edgar A. Brown Building.

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**ATTACHMENTS:**

**STATE BUDGET AND CONTROL BOARD**  
**Meeting of Wednesday, June 27, 2012 -- 9:00 A. M.**  
**Room 252 Edgar A. Brown Building**  
*BLUE AGENDA INDEX*

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
1.	State Treasurer's Office	Bond Counsel Selection
2.	Division of General Services	Easements
3.	Division of General Services	Real Property Conveyance
4.	Executive Director	Revenue Bonds
5.	Department of Corrections	Appeal of a State Employee Grievance Committee Decision

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AGENCY: State Treasurer

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SUBJECT: Bond Counsel Selection

The State Treasurer's Office has provided the following notification of the assignment of bond counsel for conduit issues (for ratification of issuer's counsel only) for which Board approval is requested:

CONDUIT ISSUES: (For ratification of Issuer's Counsel only)

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel
\$5,100,000 SC JEDA	Sterling Land Trust	Haynsworth Sinkler Boyd	Parker Poe
\$100,000,000 SC JEDA	CareAlliance Health Services	Haynsworth Sinkler Boyd	Howell Linkous & Nettles
\$6,500,000 SC JEDA	Oakbrook Preparatory School	Haynsworth Sinkler Boyd	McNair Law Firm
\$8,500,000 SC JEDA	RCB Hospitality #3, LLC	Howell Linkous & Nettles	Haynsworth Sinkler Boyd
\$15,000,000 SC JEDA	Lutheran Homes of SC	Haynsworth Sinkler Boyd	Parker Poe

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BOARD ACTION REQUESTED:

Approve the referenced bond counsel assignment.

---

ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

Items for June 19, 2012 Budget & Control Board Meeting  
 Bond Counsel and Issuer Counsel Selections by the State Treasurer's Office are as follows:

CONDUIT ISSUES: (For ratification of Issuer's Counsel only)

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel	Date STO Approved
\$5,100,000 SC JEDA	Sterling Land Trust	Haynsworth Sinkler Boyd	Parker Poe	04/23/2012
\$100,000,000 SC JEDA	CareAlliance Health Services	Haynsworth Sinkler Boyd	Howell Linkous & Nettles	04/23/2012
\$6,500,000 SC JEDA	Oakbrook Preparatory School	Haynsworth Sinkler Boyd	McNair Law Firm	04/24/2012
\$8,500,000 SC JEDA	RCB Hospitality #3, LLC	Howell Linkous & Nettles	Haynsworth Sinkler Boyd	05/07/2012
\$15,000,000 SC JEDA	Lutheran Homes of SC	Haynsworth Sinkler Boyd	Parker Poe	05/07/2012

OTHER REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved

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AGENCY: Division of General Services

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SUBJECT: Easements

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The Division of General Services requests approval of the following easements in accordance with SC Code of Laws:

- (a) County Location: Charleston  
From: Patriot's Point Development Authority  
To: Commissioners of Public Works of the Town of Mount Pleasant  
Consideration: \$100  
Description/Purpose: To grant a 0.22 acre perpetual easement for the construction, location, installation, operation, maintenance, repair and replacement of one or more underground sewer lines and/or water lines located on Parcel E at Patriot's Point.
- (b) County Location: Charleston  
From: Patriot's Point Development Authority  
To: Commissioners of Public Works of the Town of Mount Pleasant  
Consideration: \$100  
Description/Purpose: To grant a 0.11 acre perpetual easement for the construction, location, installation, operation, maintenance, repair and replacement of one or more underground sewer lines and/or water lines located on Parcel 3 at Patriot's Point.
- (c) County Location: Richland  
From: Department of Mental Health  
To: City of Columbia  
Consideration: \$1  
Description/Purpose: To approve the transfer of title to the remaining water lines together with an easement for the purpose of ingress, egress, operation, reconstruction and maintenance of said lines serving the Tucker Nursing Care Center located on Harden Street.  
The existing water lines are being rerouted as a result of the pending sale of the Bull Street Campus.

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BOARD ACTION REQUESTED:

Approve the referenced easements.

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ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-80, 1-11-90 and 1-11-10

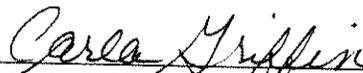
## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: June 27, 2012

Blue Agenda

**1. Submitted by:**

- (a) Agency: Division of General Services  
(b) Authorized Official Signature:

  
Carla Griffin, Deputy Director

**2. Subject:**

EASEMENTS

**3. Summary Background Information:**

The Division of General Services requests that the Board concur and acquiesce in granting the following easements in accordance with SC Code of Laws:

- (a) County Location: Charleston  
From: Patriot's Point Development Authority  
To: Commissioners of Public Works of the Town of Mount Pleasant  
Consideration: \$100  
Description/Purpose: To grant a 0.22 acre perpetual easement for the construction, location, installation, operation, maintenance, repair and replacement of one or more underground sewer lines and/or water lines located on Parcel E at Patriot's Point.
- (b) County Location: Charleston  
From: Patriot's Point Development Authority  
To: Commissioners of Public Works of the Town of Mount Pleasant  
Consideration: \$100  
Description/Purpose: To grant a 0.11 acre perpetual easement for the construction, location, installation, operation, maintenance, repair and replacement of one or more underground sewer lines and/or water lines located on Parcel 3 at Patriot's Point.
- (c) County Location: Richland  
From: Department of Mental Health  
To: City of Columbia  
Consideration: \$1  
Description/Purpose: To approve the transfer of title to the remaining water lines together with an easement for the purpose of ingress, egress, operation, reconstruction and maintenance of said lines serving the Tucker Nursing Care Center located on Harden Street. The existing water lines are being rerouted as a result of the pending sale of the Bull Street Campus.

---

4. **What is the Board asked to do?** Approve the referenced easements.

---

5. **What is recommendation of the Division of General Services?** Recommend approval of the referenced easements.

---

6. **List of Supporting Documents:**  
SC Code of Laws Section 1-11-130

**SECTION 10-1-130. State institutions and agencies may grant easements and rights of way on consent of Budget and Control Board.**

The trustees or governing bodies of State institutions and agencies may grant easements and rights of way over any property under their control, upon the concurrence and acquiescence of the State Budget and Control Board, whenever it appears that such easements will not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any such amounts shall be placed in the State Treasury to the credit of the institution or agency having control of the property involved.

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AGENCY: Division of General Services

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SUBJECT: Real Property Conveyance

The Division of General Services recommends approval of the following property conveyance:

- |                          |  |
|--------------------------|--|
| <b>(a) Agency:</b>       | <b>Budget and Control Board (Forestry Commission)</b>  |
| Acreage:                 | 1.75± acres  |
| Location:                | On Sandy Ridge Road, Dillon  |
| County:                  | Dillon   |
| Purpose:                 | To dispose of surplus property previously used by the Forestry Commission as a fire tower site.  |
| Appraised Value:         | \$12,000 as of 4/20/12   |
| Price/Transferred To:    | \$12,000/Dillon County   |
| Disposition of Proceeds: | To be retained by Forestry Commission pursuant to Proviso 80A.33.  |
| Additional Information:  | Forestry owns 10 acres consisting of two parcels in Dillon County known collectively as the Dillon Fire Tower Site. One parcel containing 1± acre is located ½ mile from the second larger parcel containing 9± acres. Dillon County leases a 0.936 acre lot within the 9-acre parcel for use as a recycling center. Dillon County desires to purchase 1.75 acres for its continued use of the property. |

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BOARD ACTION REQUESTED:

Approve the property conveyance as requested.

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ATTACHMENTS:

Agenda item worksheet and attachments

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: June 27, 2012

Blue Agenda

**1. Submitted by:**

- (a) Agency: Division of General Services  
(b) Authorized Official Signature:

  
Carla Griffin, Deputy Director

**2. Subject: REAL PROPERTY CONVEYANCE**

**3. Summary Background Information:**

- (a) **Agency:** Budget and Control Board (Forestry Commission)  
**Acreage:** 1.75± acres  
**Location:** On Sandy Ridge Road, Dillon  
**County:** Dillon  
**Purpose:** To dispose of surplus property previously used by the Forestry Commission as a fire tower site.  
**Appraised Value:** \$12,000 as of 4/20/12  
**Price/Transferred To:** \$12,000/Dillon County  
**Disposition of Proceeds:** To be retained by Forestry Commission pursuant to Proviso 80A.33.  
**Additional Information:** Forestry owns 10 acres consisting of two parcels in Dillon County known collectively as the Dillon Fire Tower Site. One parcel containing 1± acre is located ½ mile from the second larger parcel containing 9± acres. Dillon County leases a 0.936 acre lot within the 9-acre parcel for use as a recycling center. Dillon County desires to purchase 1.75 acres for its continued use of the property.

**4. What is Board asked to do?** Approve the property conveyance as requested.

**5. What is recommendation of Board Division involved?** Recommend approval of the property conveyance as requested.

**6. List of Supporting Documents:**

1. SC Code of Laws Section 1-11-65
2. 2011 S.C. Act No. 73, Part 1B, §80A.33
3. Letter of May 7, 2012 from SC Forestry Commission
4. Letter of May 9, 2012 from Dillon County Administrator w/enclosure
4. Map

S.C. Code of Laws

**SECTION 1-11-65. Approval and recordation of real property transactions involving governmental bodies.**

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution.

**South Carolina General Assembly**  
119th Session, 2011-2012

**H. 3700**

General Appropriations Bill for fiscal year 2011-2012  
As Ratified by the General Assembly

**PART IB**

**OPERATION OF STATE GOVERNMENT**

**SECTION 80A - F03-BUDGET AND CONTROL BOARD**

**80A.33.** (BCB: Sale of Surplus Real Property) Up to 50% of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining 50% of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds shall only be used for the renovation of the ETV Telecommunications Center. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, and the Forestry Commission shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.



PO Box 21707  
Columbia, SC 29221  
(p) 803.896.8800  
(f) 803.798.8097  
www.trees.sc.gov

Henry E. (Gene) Kodama, State Forester

May 7th, 2012

Lisa Catalonotto  
1200 Senate St., Suite 460  
Columbia, S.C. 29201

Re: Dillon Tower Site

Dear Lisa,

I am writing to you in regards to the Dillon County Tower site which is located at 2305 North Highway 301 in Dillon S.C. As you may remember we requested last year that this property be sold to the adjacent landowner and in return for this he would donate .94 acres of this to Dillon County. The County has leased the .94 acres since 1995 from the Forestry Commission for its Convenience Center. This transaction was approved by the S.C. Budget & Control Board. After receiving approval the adjacent landowner decided that he no longer wished to buy the acreage.

The Forestry Commission is now seeking approval from the SC Budget & Control Board to sell 1.75 acres to Dillon County for the continued use of this as a Convenience Center. The remaining 7.25 acres left within this tract will remain as surplus property and will be sold through standard procedures that are set forth by the SC Budget & Control Board.

Please contact me with any questions you may have on this.

Sincerely,

David P. Owen  
Construction & Property Manager  
SC Forestry Commission  
803-896-8829

COUNCIL MEMBERS

DIST. 1 MACIO WILLIAMSON, DILLON  
DIST. 2 BOBBY K. MOODY, LAKE VIEW  
DIST. 3 ARCHIE SCOTT, DILLON  
DIST. 4 ARON R. GANDY, LATTA  
DIST. 5 HAROLD MOODY, HAMER  
DIST. 6 ANDREW D. GRAVES, DILLON  
DIST. 7 JOE JOHNSON, DILLON



COUNTY ADMINISTRATOR

W. CLAY YOUNG  
CLERK TO COUNCIL  
LISA B. GRAY

## Dillon County Council

P.O. BOX 449  
DILLON, SOUTH CAROLINA 29536  
TELEPHONE: 843-774-1400  
FAX: 843-774-1443

May 9, 2012

David Owen

SC Forestry Commission

Construction & Property Manager

PO Box 21701

Columbia, SC 29221

RE: TRACT LOCATED ON SANDY RIDGE ROAD, HAMER SC

Dear Mr. Owen:

The Dillon County Council has approved purchasing the above referenced tract outlined in the enclosed survey. Please accept this as Dillon County's request to purchase the property from the SC Forestry Commission.

We look forward to hearing back from you concerning the SC Budget & Control Board's decision.

Please feel free to contact me if you have any questions.

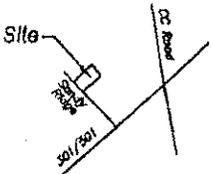
Sincerely,

W. Clay Young

County Administrator

WCY/lg

Enclosures



I hereby state to the best of my knowledge, information, and belief, the survey shown hereon was made in accordance with the requirements of the minimum standards manual for the practice of land surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as specified therein; that there are no visible encroachments or projections other than shown.

Date: March 13, 2012

*William E. Hayes*  
 WILLIAM E. HAYES, PLS 18188

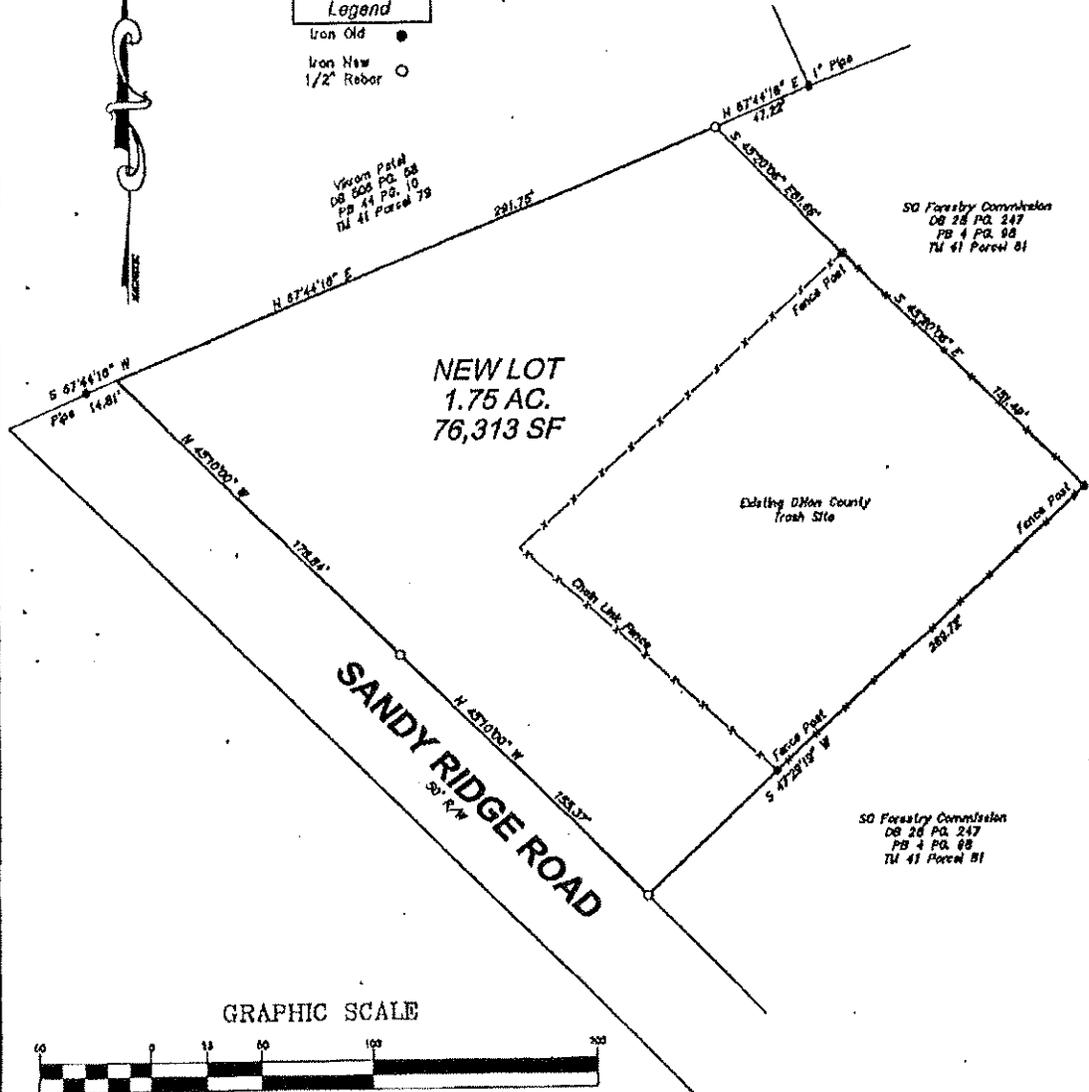


**Legend**  
 Iron Old ●  
 Iron New ○  
 1/2" Rebar ○

Vicinity Plat  
 DB 200 PG. 08  
 PB 4 PG. 10  
 TM 41 Parcel 79

SO Forestry Commission  
 DB 28 PG. 247  
 PB 4 PG. 08  
 TM 41 Parcel 01

SO Forestry Commission  
 DB 28 PG. 247  
 PB 4 PG. 08  
 TM 41 Parcel 01



GRAPHIC SCALE

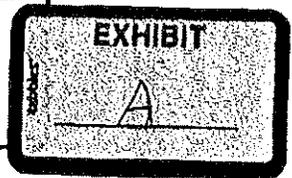


( IN FEET )  
 1 inch = 60 ft.

**WILLIAM E. HAYES**  
 Professional Land Surveyor  
 1010 Sunset Drive  
 Latta, S.C. 29565  
 WEHPLS@AOL.COM  
 843-841-8381

SCPLS# 15188 NCPLS# L-3421

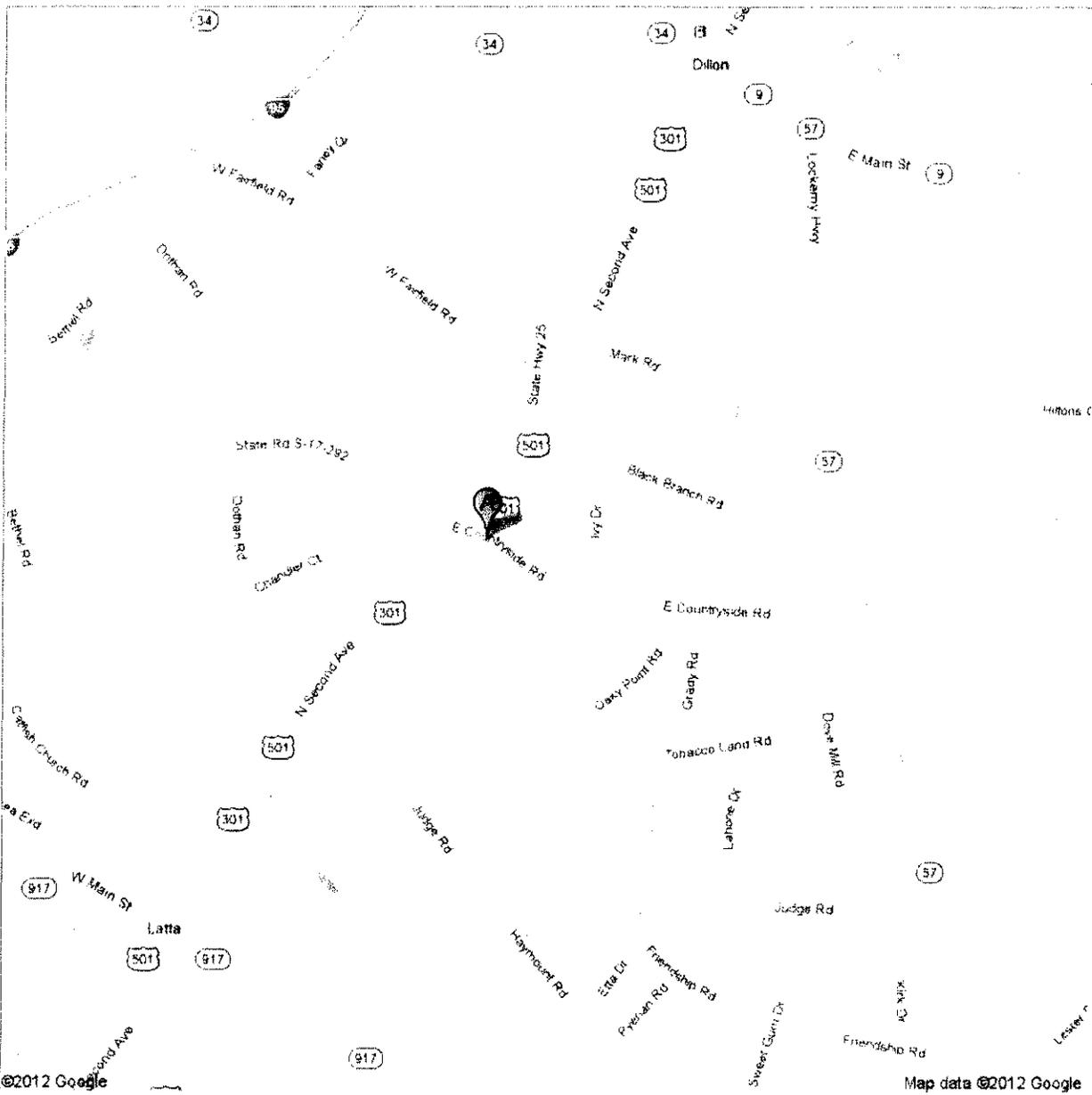
**SUBDIVISION SURVEY**  
 of  
 a part of TAX MAP 41 PARCEL 81  
 Dillon County - South Carolina  
**DILLON COUNTY**  
 For  
 SCALE 1" = 60'  
 DATE OF SURVEY: March 1, 2012  
 ACADFILE: DILLONCOUNTY2011.DWG





Address **2305 U.S. 301**  
Dillon, SC 29536

DILLON FIRE TOWER SITE



©2012 Google

Map data ©2012 Google

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds

The required reviews on the following proposals to issue revenue bonds has been completed with satisfactory results. The projects require approval under State law.

- a. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: N/E \$11,000,000 Health Facilities Refunding Revenue Bonds  
(\$10,340,000 refunding involved)  
Allocation Needed: -0-  
Name of Project: Covenant Place of Sumter, Inc.  
Employment Impact: maintain 137 existing jobs and 10 new jobs within 12 months  
Project Description: refund outstanding Series 1998 bonds used to finance acquisition and construction of senior adult retirement community and costs of addition of units for patients with Alzheimer's Disease and other forms of dementia  
*Note:* private sale  
Bond Counsel: Kathleen Crum McKinney, Haynsworth Sinkler Boyd, P. A.
- b. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: \$15,000,000 Economic Development Revenue Bonds  
(\$15,000,000 refunding involved)  
Allocation Needed: -0-  
Name of Project: The Lutheran Homes of South Carolina, Inc.  
Employment Impact: 612 (maintain)  
Project Description: a 176-bed nursing care facility, a 48-bed Alzheimer addition, and related improvement in Richland County, located in White Rock, and a 100-bed continuing care retirement community in Richland County located on Powell Road near the intersection of Farrow Road and Interstate Highway No. 77; a 136-bed continuing care retirement facility in Charleston County, located at 1885 Rifle Range Road in Mt. Pleasant, and a 76-bed unit continuing care retirement facility in Aiken County, located at 213 Laurens Street, in Aiken.  
*Note:* negotiated private sale  
Bond Counsel: F. Mitchell Johnson, Jr., Haynsworth Sinkler Boyd, P. A.
- c. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: \$8,410,000 Economic Development Revenue Bonds  
Allocation Needed: -0-

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds -- Continued

Name of Project: RCB Hospitality #3, LLC  
Employment Impact: maintain 48 jobs; create 2 to 8 new jobs in 12 months; 1 to 3 new jobs in 24 months  
Project Description: to finance a portion of the costs of acquiring, constructing, renovating, furnishing, and equipping renovations and improvements to the 159-room Radisson Hotel Charleston Airport  
*Note: private sale*  
Bond Counsel: Samuel W. Howell, IV, Howell Linkous & Nettles,

- d. Issuing Authority: State Housing and Finance Authority  
Amount of Issue: \$6,530,000 Multifamily Rental Housing Revenue bonds  
Allocation Needed: -0-  
Name of Project: St. Andrews Apartments  
Employment Impact:  
Project Description: acquisition, rehabilitation, furnishing and equipping of a 150-unit multifamily rental housing facility located in Columbia  
Bond Counsel: John Van Duys, Haynsworth Sinkler Boyd, P. A.

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BOARD ACTION REQUESTED:

Adopt the resolutions approving the referenced proposals to issue revenue bonds.

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ATTACHMENTS:

**A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OF NOT EXCEEDING \$11,000,000 AGGREGATE PRINCIPAL AMOUNT HEALTH FACILITIES REVENUE BONDS (COVENANT PLACE OF SUMTER, INC. PROJECT) SERIES 2012, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED.**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority (the "**Authority**") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "**Act**"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Health Facilities Revenue Bonds (Covenant Place of Sumter, Inc. Project) Series 2012, in the aggregate principal amount of not exceeding \$11,000,000 (the "**Bonds**") through private sale, which the Authority has determined to be most advantageous; and

**WHEREAS**, the Authority represents to the State Budget and Control Board that the Bonds will be upon issuance sold to a financial institution through a private placement acceptable to the Authority;

**NOW, THEREFORE, BE IT RESOLVED**, by the State Budget and Control Board of the State of South Carolina, as follows:

**Section 1.** It is hereby found, determined and declared by the Board that the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

**Section 2.** In consequence of the foregoing, the proposal of the Authority to issue the Bonds through private sale be and the same is hereby in all respects approved.

**Section 3.** This Resolution shall take effect immediately.

Summary of Refinancing Proposal for  
Covenant Place of Sumter, Inc.

PRELIMINARY – SUBJECT TO CHANGE

[May 18, 2012]

Outstanding bonds proposed to be refinanced	\$9,980,000 of fixed rate bonds maturing on 12/1/16, 12/1/2018 and 12/1/2026
Average interest rate of bonds refinanced	5.689%
Projected average interest rate of refinancing bonds	3.45%
True interest cost of refinancing bonds	3.45%
Projected net present value savings (net of costs)	\$1,476,000
Projected net present value savings as a percentage of the bonds refinanced	14.3%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	1.6% ( \$154,000 / \$9,890,000); 10.4% \$154,000 / \$1,476,000
Underwriting	\$50,000
Legal fees – bond, disclosure and general counsel	\$73,500
Rating agency fees	\$0
Advisory fees	\$28,000
Bond trustee/registrar	\$2,500
Accounting and verification	\$0
Credit enhancement/bond insurance	\$0
Publication, printing, contingencies and all other expenses	\$0
Total	\$154,000

Prepared by: Ponder & Co., independent financial advisor to Covenant Place  
Date: May 18, 2012

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

## A RESOLUTION

APPROVING THE UNDERTAKING OF THE SOUTH CAROLINA JOBS - ECONOMIC DEVELOPMENT AUTHORITY TO ISSUE SOUTH CAROLINA JOBS - ECONOMIC DEVELOPMENT AUTHORITY ECONOMIC DEVELOPMENT REVENUE REFUNDING BONDS (THE LUTHERAN HOMES OF SOUTH CAROLINA, INC.) SERIES 2012 IN ONE OR MORE SERIES AND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 PURSUANT TO TITLE 41, CHAPTER 43 CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED (the "Act").

WHEREAS, heretofore the South Carolina Jobs - Economic Development Authority (the "Authority"), did, pursuant to the Act, petition the State Budget and Control Board of South Carolina (the "State Board") seeking the approval of the State Board for an undertaking by the Authority pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the issuance and delivery of economic development revenue refunding bonds in one or more series and in an aggregate principal amount not to exceed \$15,000,000 (the "Refunding Bonds") pursuant to the Act, to a resolution (the "Bond Resolution") adopted by the Board of Directors of the Authority, and to a Bond Trust Indenture (the "Bond Indenture") between the Authority and U.S. Bank National Association, as Bond Trustee (the "Bond Trustee") to finance (i) the refunding of a portion of the South Carolina Jobs - Economic Development Authority First Mortgage Health Facilities Revenue Refunding Bonds (The Lutheran Homes of South Carolina, Inc) Series 1998 issued on July 10, 1998, in the principal amount of \$47,420,000 (such portion, the "Bonds to be Refunded") to refinance the acquisition, construction, furnishing, equipping, and/or improvement of (a) a 176-bed nursing care facility, a 48-bed Alzheimer addition, and related improvements in Richland County, South Carolina ("Richland County") located in White Rock, South Carolina, and a 100-bed continuing care retirement community in Richland County located on Powell Road near the intersection of Farrow Road and Interstate Highway No. 77; (b) a 136-bed continuing care retirement facility in Charleston County, South Carolina ("Charleston County") located at 1885 Rifle Range Road in Mt. Pleasant, South Carolina, and (c) a 76-unit continuing care retirement facility in Aiken County, South Carolina ("Aiken County" and, together with Richland County and Charleston County, the "Counties") located at 213 Laurens Street, in Aiken, South Carolina, (collectively, the "Projects") all of which facilities are owned and operated by The Lutheran Homes of South Carolina, Inc. (the "Borrower"), a South Carolina nonprofit corporation and an organization described in §501(c)(3) of the Internal Revenue Code of 1986, as amended, and (ii) pay certain fees and expenses to be incurred in connection with the issuance of the Refunding Bonds; and

WHEREAS, the Authority proposes to enter into a Loan Agreement (the "Loan Agreement") with the Borrower pursuant to which the Authority will lend the proceeds of the Refunding Bonds to the Borrower to finance the above-described costs; and

WHEREAS, pursuant to the Loan Agreement, the Borrower will agree to pay to the Authority amounts sufficient to provide for the payment of the Refunding Bonds and the costs and expenses resulting from the issuance thereof; and

WHEREAS, the Authority proposes to enter into the Bond Indenture prescribing the terms and conditions upon which the Refunding Bonds will be issued and pledging to the payment of the Refunding Bonds the loan repayments to be made by the Borrower pursuant to the Loan Agreement; and

WHEREAS, the Authority has heretofore determined that:

(a) the Borrower is a responsible party engaged in the business of owning and operating the Projects, and the Projects are located in the Counties,

(b) the Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of the Refunding Bonds will result in the maintenance of permanent employment (both direct and indirect) for six hundred twelve (612) people from the Counties and surrounding areas, with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of such businesses not otherwise provided locally, and the number of jobs resulting from the assistance herein described bears a reasonable relationship to the amount of program funds committed (i.e.,

the principal amount of the Refunding Bonds) taking into account factors such as the amount of dollars invested per employee at comparable facilities,

(c) the amount of program funds committed (*i.e.*, the principal amount of the Refunding Bonds) bears a reasonable relationship to the amount of private funds committed to the Projects, and

(d) the size and scope of the Projects are such that a definite benefit to the economy of the State, and the Counties, in particular, is reasonably expected to result therefrom; and

**WHEREAS**, the Authority has also determined that prior to the issuance of the Refunding Bonds it will find that:

(a) the provisions, terms, and conditions of the agreements to be entered into by the Authority in connection with the issuance of the Refunding Bonds are reasonable and proper, taking into account such factors as the type of program involved, the amount of program funds involved, and the number and type of jobs involved, and

(b) the public interest is adequately protected by the terms of such documents; and

**WHEREAS**, the Authority proposes to provide for the issuance and delivery of the Refunding Bonds pursuant to the Act, to the Bond Resolution, and to the Bond Indenture, payable by the Authority from the amounts derived from the Loan Agreement and secured by the Bond Indenture pursuant to which the Authority will pledge substantially all of its right, title, and interest in and to the Loan Agreement to the Trustee; and

**WHEREAS**, it is the intention of the Authority and the Borrower that the Bonds be sold to First Tennessee Bank National Association (the "*Bank Holder*") pursuant to Contract of Purchase (the "*Contract of Purchase*") between the Authority and the Bank Holder pursuant to which the Bank Holder will agree to purchase the Refunding Bonds and will represent that it has no present intention to resell the Refunding Bonds to the public; and

**WHEREAS**, the total savings to the Borrower from the refinancing will be approximately \$2,335,000 and the net present value savings, approximately \$2,115,000,

**NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:**

1. It has been found and determined by the State Board that the Authority has filed a proper petition with the State Board in accordance with the provisions of the Act and that it has made the findings required by the Act.

2. On the basis of the foregoing findings, the financing of the Undertaking through the issuance by the Authority of the Refunding Bonds and the purchase thereof by the Bank Holder pursuant to the Contract of Purchase, to be payable from the revenues to be derived by the Authority from the Loan Agreement, and to be secured by the Bond Indenture, all pursuant to the Act (including changes in any details of the Undertaking as finally consummated that do not materially affect the Undertaking) be and the same are hereby approved.

Summary of Refinancing Proposal for  
Lutheran Homes of South Carolina, Inc.

PRELIMINARY – SUBJECT TO CHANGE

Wednesday, June 06, 2012

Outstanding bonds proposed to be refinanced	-Current refunding of certain maturities of Series 1998 bond issue. Total par amount of bonds refunded is \$14,505,000.
Average interest rate of bonds refinanced	5.67%
Projected average interest rate of refinancing bonds	2.30%
True interest cost of refinancing bonds	2.56%
Projected NPV savings (net of costs)	\$1,964,010
Projected NPV savings as a percentage of the bonds refinanced	13.54%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	1.04% of refinancing bonds, 7.64% of refinancing savings
Underwriting	\$0
Legal fees – bond, disclosure and general counsel	\$45,000
Issuer fees	\$15,000
Advisory fees	\$15,000
Bond trustee / registrar	\$5,000
Appraisals, title insurance	\$40,000
Credit enhancement / bond insurance / bank	\$15,000
Contingencies and all other expenses	\$15,000
Total	\$150,000

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH A NEGOTIATED PRIVATE SALE OF NOT EXCEEDING \$8,410,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS (RCB HOSPITALITY #3, LLC PROJECT), PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Section 41-43-110 of the Code of Laws of South Carolina 1976, as amended (the "Act"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Economic Development Revenue Bonds (RCB Hospitality #3, LLC Project), in the aggregate principal amount of not exceeding \$8,410,000 (the "Bonds") through a negotiated private sale for private placement with accredited and qualified institutional investors, which the Authority has determined to be most advantageous and is acceptable to the Authority; and

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined, and declared by the Board that the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through a negotiated private sale for private placement with accredited and qualified institutional investors, be and the same is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

**A RESOLUTION**

**Of the**

**SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD**

**GRANTING APPROVAL TO THE ISSUANCE BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY OF ITS MULTIFAMILY RENTAL HOUSING REVENUE BONDS (ST ANDREWS POINTE APARTMENTS PROJECT), SERIES 2012A.**

**WHEREAS**, it is provided by the South Carolina State Housing Finance and Development Authority Act of 1977, as amended (the "*Act*"), that, upon approval of the State Budget and Control Board (the "*Board*"), the South Carolina State Housing Finance and Development Authority (the "*Authority*") may issue from time to time bonds or notes for the purpose of obtaining funds with which to make (1) construction and/or rehabilitation loans secured by mortgages of housing sponsors; and (2) permanent mortgage loans to housing sponsors who agree to and shall be required to provide construction or rehabilitation of residential housing for rental by persons or families of either Beneficiary Class as defined in the Act; however, with respect to any particular issue of notes or bonds one of the following conditions must be met: (a) if there is a public distribution of the notes or bonds, the issue must be rated by one or more of the national rating agencies, and one or more of the following conditions must be met: (i) there must be in effect a Federal program providing assistance in repayment of such loans; (ii) the proceeds must be used to acquire either Federally insured mortgage loans or mortgage loans insured by a private mortgage insurer authorized to do business in the State of South Carolina; (iii) the payment of the notes or bonds to the purchasers and holders of them must be assured by the maintenance of adequate reserves or insurance or a guaranty from a responsible entity which has been determined to be sufficient by the Authority and the Board; or (b) if the notes or bonds are secured by a mortgage or other security agreement and are offered and sold as a unit with such mortgage or other security agreement in transactions with banks, institutional investors as provided in Section 35-1-202(11)(A) of the Code of Laws of South Carolina, 1976, as amended, the documents pursuant to which the notes or bonds are issued must permit the Authority to avoid any default by it by completing an assignment of, or foregoing its rights with respect to, any collateral or security pledged to secure the notes or bonds; and

**WHEREAS**, ST ANDREWS SC ASSOCIATES, LP, LLC, a for-profit entity (the "*Sponsor*"), has requested the Authority to assist it in an undertaking to provide certain residential property, as defined in the Act, consisting of approximately 150 units of residential rental property located in Columbia, South Carolina (the "*Project*"); and

**WHEREAS**, in order to provide money to purchase and to rehabilitate the Project, the Authority proposed to issue its bonds to be known as South Carolina State Housing Finance and Development Authority Multifamily Rental Housing Revenue Bonds (St Andrews Pointe Apartments Project), Series 2012A, in the principal amount not to exceed of \$6,530,000 (the "*Bonds*"); and

d,

**WHEREAS**, the Authority has presented to the Board its Petition dated as of May 29, 2012 (the "**Petition**"), which, together with the exhibits thereto attached, sets forth certain information with respect to the Bonds.

**NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD IN MEETING DULY ASSEMBLED:**

Section 1. Approval is granted to the undertaking of the Authority as outlined in the Petition, including the exhibits attached thereto.

Section 2. Subject to the conditions set forth in Section 3, approval is hereby granted by the Board to the execution and delivery by the Authority of its South Carolina State Housing Finance and Development Authority Multifamily Rental Housing Revenue Bonds (St Andrews Pointe Apartments Project) Series 2012A in the principal amount not to exceed \$6,530,000.

Section 3. The approval of the Board is hereby conditioned on the following:

(a) The approval of the State Treasurer of the form and substance of such documents as he deems necessary therefore;

(b) Prior to the issuance of the Bonds the Authority shall have provided to the State Treasurer, to the extent not previously provided, the information required to be submitted to the Board by the provisions of Section 31-13-220, to wit:

(i) the final principal amount of the Bonds to be issued;

(ii) the final maturity schedule of the Bonds to be issued;

(iii) a schedule showing the annual debt service requirements of all outstanding notes and bonds of the Authority;

(iv) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds; and

(v) the method to be employed in selling the Bonds;

(c) The State Treasurer shall find and determine that the funds estimated to be available for the repayment of the Authority's notes and bonds, including the Bonds, will be sufficient to provide for the payment of the principal and interest thereon;

(d) The documents pursuant to which the Bonds are being issued shall provide that all expenses, costs and fees of the Authority in connection with the issuance of the Bonds, including legal fees, printing and all disbursements shall be paid by the Sponsor; and

(e) The final approval by the Governor as the elected official of the State of South Carolina for purposes of Section 142(f) of the Internal Revenue Code of 1986, as amended.

Section 4. This Resolution shall take effect immediately upon its adoption.

STATE BUDGET AND CONTROL BOARD  
MEETING OF June 27, 2012

BLUE AGENDA  
ITEM NUMBER 5

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AGENCY: Department of Corrections

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SUBJECT: Appeal of a State Employee Grievance Committee Decision

The S.C. Department of Corrections (SCDC) is requesting approval to appeal to the Administrative Law Court (ALC) the decision of the State Employee Grievance Committee (Committee) in the Johnnie L. Bryant (Mr. Bryant) appeal.

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BOARD ACTION REQUESTED:

Approve the request made by S. C. Department of Corrections to appeal to the Administrative Law Court the decision of the State Employee Grievance Committee in the Johnnie L. Bryant appeal.

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ATTACHMENTS:

Agenda item worksheet; Section 8-17-340(F) of the S.C. Code of Laws

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 9/91)

For meeting scheduled for:

Blue Agenda  
 Regular Session  
 Executive Session

June 27, 2012

1. Submitted by:

(a) Agency: Human Resources Division  
(b) Authorized Official Signature:

*Samuel L. Wilkins*

2. Subject: Appeal of a State Employee Grievance Committee Decision

3. Summary Background Information:

The S.C. Department of Corrections (SCDC) is requesting approval to appeal to the Administrative Law Court (ALC) the decision of the State Employee Grievance Committee (Committee) in the Johnnie L. Bryant (Mr. Bryant) appeal.

4. What is the Board asked to do?

To approve the request made by SCDC to appeal to the ALC.

5. What is recommendation of the Board division involved?

To consider the request.

6. Recommendation of other office (as required)?

Office Name \_\_\_\_\_ Authorized Signature \_\_\_\_\_

7. Supporting Documents:

List those attached:  
Section 8-17-340(F) of the S.C. Code of Laws

List those not attached but available:

**SECTION 8-17-340.** State Employee Grievance Committee; hearings; procedures; appeals.

(F) The decision of the committee members must be transmitted in writing to the employee and the employing agency and is final in terms of administrative review. As a result of this decision, either the covered employee or the agency may request a rehearing or reconsideration within thirty calendar days from receipt of the decision. A notice of appeal seeking appellate review of the final decision may be made by the covered employee to the Administrative Law Court as provided in Sections 1-23-380(B) and 1-23-600(D). Only after an agency submits a written request to the Office of Human Resources seeking approval of the board may the agency file a notice of appeal seeking appellate review to the Administrative Law Court. However, the agency may perfect the appeal only upon approval of the board. The covered employee or the agency who first files the notice of appeal seeking appellate review is responsible for preparation of a transcript and paying the costs of preparation of a transcript of the audio tapes of a hearing required for certification of the record to the Administrative Law Court. Neither the board nor the Office of Human Resources nor the State Human Resources Director nor the committee may be named in this notice of appeal. However, any of these entities are entitled to make a motion in the Administrative Law Court to be allowed to intervene to participate in the appeal for appropriate reasons including their interest in defending their policies.