

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, April 5, 2022 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

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STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, April 5, 2022 -- 9:30 A.M.

Room 252, Edgar A. Brown Building

REGULAR SESSION AGENDA INDEX -- Page 2

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
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MEETING OF April 5, 2022

ITEM NUMBER 1AGENCY: State Treasurer's OfficeSUBJECT: Bond Counsel Selection**CONDUIT/OTHER ISSUES:**

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel
\$29,000,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Health Care Facilities Revenue Refunding Bonds, Series 2022; Lutheran Homes of South Carolina	Lutheran Homes of South Carolina Conduit: SC JEDA	Haynsworth Sinkler Boyd – Kathy McKinney and Kimberly Witherspoon	Howell Linkous & Nettles – Sam Howell, Alan Linkous
\$35,000,000; SC JEDA; Economic Development Revenue Bonds, Series 2022; Foundation for Affordable Housing - Village Station Apartments	Foundation for Affordable Housing - Village Station Apartments Conduit: SC JEDA	Parker Poe – Emily Luther, Emily Zackon, and Ryan Romano	Nexsen Pruet – Laurie Becker
\$110,000,000; SC JEDA; Economic Development Revenue Bonds, Series 2022; Patriot Services Group Inc. - Goose Creek Portfolio	Patriot Services Group, Inc. - Goose Creek Portfolio Conduit: SC JEDA	Parker Poe – Emily Luther, Emily Zackon, Ray Jones, and Ryan Romano	Burr Forman – Michael Seezen
\$105,000,000; SC JEDA; Economic Development Revenue Bonds, Series 2022; Affordable Housing Preservation Corporation - Columbia Portfolio	Affordable Housing Preservation Corporation - Columbia Portfolio Conduit: SCJEDA	Parker Poe – Emily Luther, Emily Zackon, Ray Jones, and Ryan Romano	Pope Flynn Group - Joe Lucas
\$20,000,000; SC JEDA; Educational Facilities Revenue Bonds, Series 2022; Polaris Tech Charter School	Polaris Tech Charter School Conduit: SCJEDA	Burr Forman – Michael Seezen	Haynsworth Sinkler Boyd – Kathy McKinney and Kimberly Witherspoon
\$400,000,000; SC JEDA; Industrial Revenue Bonds, Series 2022; American Titanium Works LLC	American Titanium Works Conduit: SCJEDA	Pope Flynn Group - Bill Musser	Parker Poe – Ray Jones, Emily Luther, Emily Zackon, and Ryan Romano

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel
\$8,865,000; Francis Marion University Athletic Facilities Revenue Bonds; Series 2022	Francis Marion University	Pope Flynn Group – Gary Pope	Issuer's Counsel to Francis Marion University - Swilley Law Firm, LLC - Matt Swilley

AUTHORITY ACTION REQUESTED:

In accord with Authority policy, receive the State Treasurer's Office report of bond counsel as information.

ATTACHMENTS: Bond Counsel Selection Approved by the State Treasurer's Office

**The State Treasurer advises the State Fiscal Accountability Authority, for informational purposes,
of the firms selected and approved for its April 5, 2022 meeting:**

CONDUIT/OTHER ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$29,000,000; South Carolina Jobs-Economic Development Authority ("SC JEDA"); Health Care Facilities Revenue Refunding Bonds, Series 2022; Lutheran Homes of South Carolina	Lutheran Homes of South Carolina Conduit: SC JEDA	Haynsworth Sinkler Boyd – Kathy McKinney and Kimberly Witherspoon	Howell Linkous & Nettles – Sam Howell, Alan Linkous	1/20/2022
\$35,000,000; SC JEDA; Economic Development Revenue Bonds, Series 2022; Foundation for Affordable Housing - Village Station Apartments	Foundation for Affordable Housing - Village Station Apartments Conduit: SC JEDA	Parker Poe – Emily Luther, Emily Zackon, and Ryan Romano	Nexsen Pruet – Laurie Becker	1/20/2022
\$110,000,000; SC JEDA; Economic Development Revenue Bonds, Series 2022; Patriot Services Group Inc. - Goose Creek Portfolio	Patriot Services Group, Inc. - Goose Creek Portfolio Conduit: SC JEDA	Parker Poe – Emily Luther, Emily Zackon, Ray Jones, and Ryan Romano	Burr Forman – Michael Seezen	1/20/2022
\$105,000,000; SC JEDA; Economic Development Revenue Bonds, Series 2022; Affordable Housing Preservation Corporation - Columbia Portfolio	Affordable Housing Preservation Corporation - Columbia Portfolio Conduit: SCJEDA	Parker Poe – Emily Luther, Emily Zackon, Ray Jones, and Ryan Romano	Pope Flynn Group - Joe Lucas	1/20/2022
\$20,000,000; SC JEDA; Educational Facilities Revenue Bonds, Series 2022; Polaris Tech Charter School	Polaris Tech Charter School Conduit: SCJEDA	Burr Forman – Michael Seezen	Haynsworth Sinkler Boyd – Kathy McKinney and Kimberly Witherspoon	1/25/2022
\$400,000,000; SC JEDA; Industrial Revenue Bonds, Series 2022; American Titanium Works LLC	American Titanium Works Conduit: SCJEDA	Pope Flynn Group - Bill Musser	Parker Poe – Ray Jones, Emily Luther, Emily Zackon, and Ryan Romano	3/1/2022

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved
\$8,865,000; Francis Marion University Athletic Facilities Revenue Bonds; Series 2022	Francis Marion University	Pope Flynn Group – Gary Pope	Issuer's Counsel to Francis Marion University - Swilley Law Firm, LLC - Matt Swilley	1/11/2022

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF April 5, 2022

REGULAR SESSION
ITEM NUMBER 2

AGENCY: Department of Juvenile Justice

SUBJECT: Request to Approve the Depart of Juvenile Justice Entering a Settlement
Agreement with the United States Department of Justice

Pursuant to S.C. Code § 11-1-45, the Department of Juvenile Justice (DJJ) requests Authority approval to enter into a Settlement Agreement with the United States Department of Justice.

AUTHORITY ACTION REQUESTED:

Approve the Department of Juvenile Justice's request to enter into a Settlement Agreement with United States Department of Justice.

ATTACHMENTS:

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (a) Project: JBRC Item 2: Clemson University
H12.9956: Tillman Hall Auditorium Renovation
- Request: Establish Phase I Pre-Design Budget to renovate the auditorium in the historic Tillman Hall to create a major gathering space in the heart of campus.
- Included in CPIP: Yes – 2021 CPIP Priority 4 of 5 in FY23 (estimated at \$11,500,000)
CHE Approval: 03/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Maintenance & Stewardship				230,000	230,000
All Sources				<u>230,000</u>	<u>230,000</u>

Summary of Work: The work will include renovating the approximately 13,165 square foot auditorium to make it function as both a large scale, 700-seat classroom and an auditorium. It will also include installing new restrooms in a portion of the existing main building, returning the state to a more manageable scale, installing a new balcony, and opening the space to more natural light. The renovation will further address planned maintenance, including replacing fan coil units, upgrading some interior finishes, and upgrading the fire protection and electrical systems.

Rationale: Tillman Hall has not been renovated since 1981 (41 years ago). Per the university, the auditorium is not suitable for classroom instruction or for hosting campus speakers for students, faculty and staff. The large stage for theatrical productions is no longer needed and reducing the stage will provide room for more seating. The renovation will also allow for upgrading the auditorium to current ADA standards. With this renovation, the auditorium will become the largest teaching auditorium on campus.

Facility Characteristics: Tillman Hall is 95,700 square feet and was constructed in 1893 (129 years old) as the campus chapel. It was expanded in 1924 (98 years old), to reorient the stage and add balconies. This renovation will return the space to the original design and provide 748 seats to serve large classes and special events on campus. Tillman Hall will serve more than 5,000 students per week for instructional activities, which may increase due to the increased capacity provided by the renovations, per the university. In addition, the space will be used for special events in the evenings for guest speakers, small concerts, award ceremonies, and seminars with seating up to 748 seats.

Financial Impact: This project will be funded from Other, Maintenance & Stewardship Funds (uncommitted balance \$44.9 million at January 5, 2022) Revenue to the fund is generated from tuition, matriculation and other debt retirement and plant transfer revenues that are not formally obligated to fund debt service in the current period and that are responsibly transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use. The project is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of

MEETING OF April 5, 2022

ITEM NUMBER 3, Page 2

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

tuition is designated for capital improvements, currently \$1,005 per student per semester, and has increased from \$738 to \$1,005 for the academic years 2014-2015 to 2021-2022.

Full Project Estimate: \$11,500,000 (internal) funded by Maintenance & Stewardship Funds.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (b) Project: JBRC Item 3: Clemson University
H12.9957: Women's Sports Program Expansion (Gymnastics/Lacrosse)
- Request: Establish Phase I Pre-Design Budget to construct new facilities for women's athletics programs, including gymnastics and lacrosse, adjacent to the existing women's rowing facility
- Included in CPIP: Yes – 2021 CPIP Priority 7 of 10 in FY22 (estimated at \$20,000,000)
CHE Approval: 03/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Athletic Gifts & Donations				500,000	500,000
All Sources				<u>500,000</u>	<u>500,000</u>

Summary of Work: The project will construct a new approximately 21,000 square foot women's gymnastics training facility. The gym training facility will include coaches' offices, a locker room, a student-athlete lounge, and a sports medicine room. The project will also construct an approximately 9,000 square foot women's lacrosse operations facility and an artificial turf field with stadium seating. The lacrosse operations facility will include coaches' offices, a locker room, a student-athlete lounge, a film room, and a sports medicine room. An approximately 10,000 square foot addition to the existing rowing center facilities will include amenities for women's gymnastics, lacrosse, and rowing, including strength and conditioning, nutrition, and athlete wellness and recovery areas.

Rationale: Women's gymnastics and women's lacrosse were announced as new sport additions in June 2021.

Facility Characteristics: The new facilities to be constructed will be utilized by women's gymnastics, women's lacrosse, and as a women's athlete recovery training center. They will support 135 female student-athletes and provide new competition and training facilities for use by the new additional teams.

Financial Impact: This project will be funded from Other, Athletic Gift & Donation Funds (uncommitted balance \$17.5 million at December 31, 2021) Revenue to the fund are received from individuals, corporations, and other entities that are to be expended for their restricted purposes. The project is expected to result in an increase of \$260,000 (year 1), \$267,800 (year 2), and \$275,834 (year 3), in annual operating expenses. The building will be designed to meet Two Green Globes certification standards. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$1,005 per student per semester, and has increased from \$738 to \$1,005 for the academic years 2014-2015 to 2021-2022.

Full Project Estimate: \$27,500,000 (internal) funded by Maintenance & Stewardship Funds. Phase II will be funded by Athletic Facilities Revenue Bonds and Athletic Gifts and Donations.

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ITEM NUMBER 3, Page 4AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: Permanent Improvement Projects

(c) Project: JBRC Item 4: Clemson University
H12.9942: Lehotsky Hall Replacement

Request: Increase Phase I Pre-Design Budget, Revise Scope and Change Project Name to demolish and rebuild Lehotsky Hall.

Included in CPIP: Yes – 2021 CPIP Priority 4 of 10 in FY22 (estimated at \$50,000,000)

Phase I Approval: May 2019 (estimated at \$30,000,000) (SFAA)

CHE Approval: 03/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Maintenance & Stewardship	700,000		700,000	50,000	750,000
All Sources	<u>700,000</u>		<u>700,000</u>	<u>50,000</u>	<u>750,000</u>

Summary of Work: The project was established to renovate the existing building, however, destructive testing done as part of the Phase I design process identified existing building conditions that would have substantially increased the cost of renovation. Upon further study, the design and construction teams found that the cost to remediate existing issues and renovate the building would be similar to the cost of a complete rebuild but would not address functional deficiencies associated with the design and age of the building. The new building will include classrooms, offices, laboratories and support spaces.

Rationale: Lehotsky Hall is one of the most energy inefficient buildings on the Clemson campus, per the university. Its building systems are original to the facility, past their useful lives, and do not meet current building code requirements. The fire sprinkler and plumbing systems serving the labs do not meet current codes to ensure occupant safety. Further, the existing building was found to have major environmental, structural and seismic issues.

Facility Characteristics: Lehotsky Hall is 94,000 square feet and was constructed in 1978 (44 years old). The new building to be constructed will be approximately 85,000 square feet. The building will be designed to meet Two Green Globes certification standards. The facility will house the Department of Forestry and Environmental Conservation, Clemson Online, the Office of Teaching Effectiveness/Innovation, Clemson Experimental Forest offices, 4-H Extension offices and governmental partner offices. The replacement facility will be used by approximately 568 students, 38 faculty, 60 staff members and 12 government partners.

Financial Impact: This project will be funded from Other, Maintenance & Stewardship Funds (uncommitted balance \$44.9 million at January 5, 2022) Revenue to the fund is generated from tuition, matriculation and other debt retirement and plant transfer revenues that are not formally obligated to fund debt service in the current period and that are responsibly transferred to and managed by the State Treasurer until the time of their State Treasurer approved qualified use. The project is expected to result in an increase of \$552,500 (year 1), \$569,075 (year 2), and \$586,147 (year 3), in annual operating expenses. The building will be designed to meet Two Green Globes certifications standards. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital

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AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

improvements, currently \$1,005 per student per semester, and has increased from \$738 to \$1,005 for the academic years 2014-2015 to 2021-2022.

Full Project Estimate: \$50,000,000 (internal) funded by Maintenance & Stewardship Funds. Phase II will be funded by State Institution Bonds.

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ITEM NUMBER 3, Page 6AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: Permanent Improvement Projects

- (d) Project: JBRC Item 5: College of Charleston
H15.9677: Stern Student Center Renovation and Addition
- Request: Establish Phase I Pre-Design Budget to complete some interior and exterior repairs on the Stern Student Center and construct an addition.
- Included in CPIP: Yes – 2021 CPIP Priority 6 of 11 in FY22 (estimated at \$32,600,000)
CHE Approval: 0 3/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Auxiliary Dining Revenues				72,000	72,000
Other, Capital Improvement Project				828,000	828,000
All Sources				<u>900,000</u>	<u>900,000</u>

Summary of Work: Exterior work will include envelope repairs to address water intrusion. Interior work will create an interactive lobby, connecting George Street with the Stern Center Courtyard and renovated 100-seat food court. The project will convert the three-level abandoned natatorium to a two-level, multipurpose event space, while gaining 7,500 gross square feet of usable space within the existing building. Other areas will be configured as needed to improve space efficiency and address programmatic needs. Space reconfigurations allow the college to bring the student fitness center back to the Stern Student Center. A building addition of up to four floors may add up to 5,800 gross square feet. The addition would house student services space, dining services offices, and a catering kitchen adjacent to the food court kitchens. Relocating the catering kitchen and dining services office suite would enable functions to be supported from a central preparation point, sharing the existing loading dock, parking spaces, and kitchen equipment.

Rationale: The conversion of the natatorium will allow the college to repurpose approximately 19,000 gross square foot of vacant space in the heart of campus for a better and higher use. The college is currently leasing private space at \$500K per year for the student fitness center. This move will not only save money, but also bring traffic and activity to the student union. The food court contains four retail food service components that must comply with national food service brand requirements.

Facility Characteristics: The Stern Student Center is 66,794 gross square feet mixed-use facility and was constructed in 1975 (47 years old). The last major renovation was in 2005, affecting all areas except the pool area. The entire building will be renovated in this project. The Stern Student Center has served as the central hub of campus life and features a food court, e-mail kiosks, ATMs, lockers, canteen area, game room, theatre, study lounges, recreational lounges, student organization offices, and meeting/programming space for the entire campus community. The building houses offices for the Division of Student Affairs and will repatriate the student fitness center currently in nearby leased space. The project will benefit the entire CofC community of 10,677 students, 847 faculty, 865 staff, clients, visitors, parents, and potential students.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Financial Impact: This project will be funded from Other, Auxiliary Dining Revenue Funds (uncommitted balance \$5.8 million at January 20, 2021) and Capital Improvement Project Funds (uncommitted balance \$35.9 million at January 20, 2022). The Dining Revenue fund is a self-supporting auxiliary enterprise and dining revenue is generated through general food sales, card deposits, and sales of campus meal plans. Revenue to the Capital Improvement Project Fund is generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. The project is expected to result in a decrease of \$510,200 (year 1), \$525,506 (year 2), and \$541,271 (year 3), in annual operating expenses. The building will be designed to meet Two Green Globes certification standards. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has increased from \$781 to 906 for the academic years 2014-2015 to 2021-2022.

Full Project Estimate: \$35,980,000 (internal) funded by Auxiliary Dining Revenue and Capital Improvement Project Funds. Phase II will be funded Auxiliary Dining Revenue, Capital Improvement Project, and Appropriated State Funds.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (e) Project: JBRC Item 6: College of Charleston
H15.9674: Electrical Grid Infrastructure Upgrades
- Request: Establish Phase II Full Construction Budget to examine and repair and/or replace the entire campus electrical distribution system.
- Included in CPIP: Yes – 2021 CPIP Priority 4 of 11 in FY22 (estimated at \$5,500,000)
Phase I Approval: July 2021 (estimated at \$5,500,000) (SFAA)
CHE Approval: 03/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Improvement Project	82,500		82,500	4,755,500	4,838,000
All Sources	<u>82,500</u>		<u>82,500</u>	<u>4,755,500</u>	<u>4,838,000</u>

Summary of Work: The campus electrical grid is a network of overhead and underground conduit and wiring that serves the entire main campus. This project will examine and systematically repair and/or replace hubs, transformers, conduit, wiring, switches, surge protection and other components in a phased approach over at least five years.

Rationale: Approximately eight (8) out of the total thirty-eight (38) transformers on the power distribution system are live front. The term 'live front' means that when the primary compartment doors are opened on the front of the transformer the operator is directly exposed to high voltage, which is a safety hazard. Multiple incremental repairs and upgrades were made over the last 50 years as buildings were demolished, renovated, or constructed. The electrical distribution system upgrade will substantially reduce the risk of catastrophic failure, increase delivery reliability, increase system resilience, alleviate safety concerns, and accommodate future load growth.

Facility Characteristics: The Main Campus electrical grid was completed in 1972 (50 years old). The College maintains 150 buildings, constructed from 1770 to 2015 (7 to 252 years old, with the average being 160 years old). The electrical distribution grid serves the entire CofC community of 10,677 students, 847 faculty, 865 staff, plus clients, visitors, parents, and potential students.

Financial Impact: The project will be funded from Capital Improvement Project Funds (uncommitted balance \$35.9 million at January 20, 2022). Revenue to this fund is generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. The project is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$906 per student per semester, and has increased from \$781 to 906 for the academic years 2014-2015 to 2021-2022.

MEETING OF April 5, 2022

ITEM NUMBER 3, Page 9

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Full Project Estimate: \$4,838,000 (internal) funded by Capital Improvement Project Funds. Contract execution is expected in July 2022 with construction completion in January 2026.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (f) Project: JBRC Item 7: Coastal Carolina University
H17.9623: PGA Golf Management Program Academic Learning Lab Construction
- Request: Establish Phase I Pre-Design Budget to demolish the existing Hackler facility and to construct a new PGA Golf Management Program Academic Learning Lab at the Hackler Golf Course.
- Included in CPIP: Yes – 2021 CPIP Priority 2 of 2 in FY24 (estimated at \$8,000,000)
CHE Approval: 03/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Capital Project Reserves				120,000	120,000
All Sources				<u>120,000</u>	<u>120,000</u>

Summary of Work: The project will demolish the existing facility and construct an approximately 16,000 square foot PGA Golf Management Program Academic Learning Lab, which will include a simulator that will serve as an indoor teaching/coaching lab where students can prepare for the program's Playing Ability Test. There will be a meeting room for seminars, workshops, player development classes and academic course review for PGA testing, including but not limited to, tournament operations, rules of golf, customer relations, business management simulation, golf cart fleet management, and merchandising and inventory control. The facility will also include a sand putt lab, golf club alteration and repair lab, academic classrooms, food service and a pro shop.

Rationale: The PGA Golf Management Program at the university is one of only 18 PGA Golf Management University programs accredited by the PGA of America. The program prepares students for a successful career in the golf industry by combining academic studies and professional golf-training experiences. The program's curriculum has been carefully developed to offer students the opportunity to simultaneously complete the requirements for a Bachelor of Science degree in business administration, acquire valuable training experiences in the golf industry and complete the PGA of America's membership requirements. Completion of the university's PGA Golf Management program allows graduates to pursue careers as club or teaching professionals, golf-association administrators, representatives of golf equipment manufacturers or trade publications, and many more opportunities in the ever-growing golf industry.

Facility Characteristics: The Hackler Golf Course is owned and operated by Coastal Carolina University. The current clubhouse at the golf course was constructed in 1969 (53 years old), will be demolished and the new facility to be constructed will sit in its location. The facility will primarily be utilized by the PGA Golf Management Program. Enrollment in this program in Fall 2021 was 193, along with dedicated faculty and staff of 6 full-time employees.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Financial Impact: The project will be funded from Capital Project Reserve Funds (uncommitted balance \$5.7 million at December 31, 2021). Revenue to this fund is from a September 2019 redemption of outstanding Series 2010A General Obligation Bonds. The transaction was funded entirely by existing university resources and funds that would have been used to service this debt is collected into this account. The project is not expected to result in any change in annual operating expenditures. The building will be designed to meet Two-Green Globes certification standards. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$505 per student per semester, and has decreased from \$595 to \$505 for the academic years 2014-2015 to 2021-2022.

Full Project Estimate: \$8,000,000 (internal) funded by Capital Project Reserves and Horry County Higher Education Commission General Obligation Bond Funds.

Other: Horry County Higher Education Commission plans to issue general obligation bonds to finance its commitment of \$6 million to this project. The bond resolution received full approval by Horry County Council at its January 18, 2022, meeting.

MEETING OF April 5, 2022

ITEM NUMBER 3, Page 12AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: Permanent Improvement Projects

(g) Project: JBRC Item 8: Coastal Carolina University
H17.9616: Kimbel Library Renovation

Request: Establish Phase II Full Construction Budget and Revise Scope for the renovation of Kimbel Library to include seismic upgrades not initially anticipated.

Included in CPIP: Yes – 2021 CPIP Priority 1 of 5 in FY22 (estimated at \$10,000,000)

Phase I Approval: October 2018 (estimated at \$4,000,000) (SFAA)

Phase I Increase &

Revise Scope: February 2021 (estimated at \$10,000,000) (SFAA)

CHE Approval: 0 2/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Institutional Capital Project	60,000	90,000	150,000	3,850,000	4,000,000
Other, Penny Sales Tax				1,575,000	1,575,000
Other, Donor Gift				4,425,000	4,425,000
Other, Horry County Higher Education Commission GO Bond				5,500,000	5,500,000
All Sources	<u>60,000</u>	<u>90,000</u>	<u>150,000</u>	<u>15,350,000</u>	<u>15,500,000</u>

Summary of Work: The scope of work includes replacement of the HVAC system to include demolition of the entire existing system and installation of a new chilled and hot water system to include air handlers, VAV boxes, boiler, piping, valves, electrical and controls. The removal of the existing HVAC system will require the demolition of the existing ceiling and installation of a new suspended ceiling and associated lighting. The existing electrical system will be upgraded to accommodate the new HVAC and additional lighting. Additionally, seismic upgrades, accessibility upgrades, exterior improvements and full interior renovation of the existing building will also be completed. The renovation will include an interior upfit for library functions, new mechanical, electrical, plumbing systems, and adding a new fire protection system. Library functions include a reading room, study space, curriculum center, classroom, special collections, archive working area, popular browsing, meeting and collaboration rooms, catering prep area, graduate student suite, group restrooms, office and staff areas. The interior will be repainted, and re-carpeted, and new lighting will be installed. To bring the building up to current code, the project will also include restroom upgrades to adhere to ADA standards and electrical upgrades. The existing exhaust fans over the bathrooms in the roof will be replaced due to age, but none will be relocated. The condition analysis performed during the Phase I process revealed that roof replacement was not necessary. The current elevator will be replaced due to required seismic upgrades. It will be relocated to better fit into the new interior design.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- Rationale:** The existing HVAC system has surpassed its anticipated life expectancy and it will not maintain proper humidity levels for the library. Addressing the electrical upgrades and interior refurbishment will meet the current needs of the university. The construction of this building will start after the Library Learning Complex is complete in the Fall of 2023. A programmatic goal is to improve connectivity to the adjacent exterior spaces and buildings; this includes creating a strong connection to the new Library Learning Complex.
- Facility Characteristics:** The building is 46,674 square feet and was constructed in 1976 (46 years old). The existing roof was installed in 2002 and is still under its 20-year warranty. The library serves approximately 10,473 students and 636 full and part-time instructional faculty, with 25 staff members employed within the library.
- Financial Impact:** The project will be funded from Institutional Capital Project Funds (uncommitted balance \$6.5 million at December 31, 2021), Penny Sales Tax Funds (uncommitted balance \$19.2 million at December 31, 2021), Thompson Family Gift (uncommitted balance \$4.425 million at November 3, 2021), and Horry County Higher Education Commission (\$5.5 million GO Bonds to be issued). Revenue received for the Institutional Capital Project Funds are referred to as debt service. These funds are set aside by law and restricted to be spent on capital projects only. Tuition allocation for institution bonds debt service is currently \$315 per full time student per semester, and \$40 per student per semester for revenue bonds debt service. This project will be designed to meet Two Green Globes Certification Standards with anticipated energy savings of \$594,766 over a 30-year period. The project is expected to result in a decrease of \$7,696 (year 1), and \$15,392 (years 2 thru 3), in annual operating expenses. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$505 per student per semester, and has decreased from \$595 to \$505 for the academic years 2017-2018 to 2021-2022.
- Full Project Estimate:** \$15,500,000 (internal) funded by Institutional Capital Project, Penny Sales Tax, Donor Gift, and Horry County Higher Education Commission General Obligation Bond Funds. Contract execution is expected in May 2023 with construction completion in January 2026.
- Other:** Horry County Higher Education Commission plans to issue general obligation bonds to finance its commitment of \$5.5 million to this project. The bond resolution must be brought before Horry County Council for approval, which the Commission expects to happen by March 2022.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (h) Project: JBRC Separate Item: Francis Marion University
H18.9582: Smith University Center Renovations & Improvements
- Request: Establish Phase II Full Construction Budget and Change Source of Funds to complete renovations to the women's and men's locker rooms, showers, athletic training facilities and offices.
- Included in CPIP: Yes – 2021 CPIP Priority 8 of 8 in FY22 (estimated at \$4,000,000)
Phase I Approval: September 2021 (estimated at \$4,000,000)
CHE Approval: 02/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Revenue Bonds				4,000,000	4,000,000
Other, FMU Maintenance Reserve	60,000		60,000	(60,000)	
All Sources	<u>60,000</u>		<u>60,000</u>	<u>3,940,000</u>	<u>4,000,000</u>

Summary of Work: The renovations will double the square footage and will provide increased rehabilitation facilities. The main lobby of the building looks worn and dated and needs new finishes and lighting to continue to host functions and events in the space as well as provide wayfinding to all other spaces in the building. The main weight room is located on the second floor of the building and will be relocated to the main level and consolidated with the exercise area. The basketball gymnasium has fixed seating at one side that needs to be replaced and will provide the code required aisle width and rails for patrons. The entry into the building from the parking lot side requires wider stairs and an accessible ramp so that patrons for basketball games and other public events such as graduations do not have to traverse around the corner to enter the building.

Rationale: The current locker rooms and showers have undergone very little improvements since the building was constructed. As the number of teams and student-athletes within the FMU program have increased, the functionality of the facility has become extremely deficient. The renovations will help bring the facility into the 21st-century. The current athletic training room does not meet minimum National Athletic Trainers' Association (NATA) requirements. Additionally, some staff are using closet space for offices, and this renovation will afford improved and increased office space.

Facility Characteristics: The Smith University Center is 115,366 square feet and was constructed in 1974 (47 years old). The renovated space in the Smith University Center will serve approximately 200 individuals on a daily basis, including student athletes, students, visiting team members, faculty/staff members, and alumni. Over the course of a year, the space will serve over 250 FMU student athletes, be available to 4,000 members of the FMU community (students, faculty, and staff), serve more than 1,500 visiting athletes, be available for more than 1,500 members of the FMU Alumni Association, and provide a greater experience for those attending athletic events.

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Financial Impact: The project will be funded from Athletic Revenue Bonds (the university is currently looking to refinance its 2009 Athletic Revenue Bond issuance for the Griffin Athletic Complex and incorporate new funds of \$4,000,000 into the issuance for this project) The project is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. Revenue bond debt is serviced by a designated portion of the student activity fee. The student activity fee is \$156 per semester for full-time students. The student activity fee was first utilized to service revenue bond debt in 2010. A portion of the Student Activity Fee is designated for Debt Service of Athletic Revenue Bonds, currently \$133.50 per student per semester, and has increased from \$129.50 in academic year 2017-2018.

Full Project Estimate: \$4,000,000 (internal) funded by Athletic Revenue Bonds. Contract execution is expected in October 2022 with construction completion in June 2023.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (i) **Project:** JBRC Item 10: Winthrop University
H47.9580: Byrnes Roof Fire Restoration
- Request:** Establish Phase II Full Construction Budget to make repairs to the Byrnes Auditorium that are needed due to a fire that occurred.
- Included in CPIP:** Yes – 2021 CPIP Priority 11 of 11 in FY22 (estimated at \$5,200,000)
- Phase I Approval:** February 2021 (estimated at \$3,500,000) (SFAA)
- CHE Approval:** 02/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Insurance Proceeds	59,744		59,744	(32,761)	26,983
Other, Insurance Settlement				3,889,070	3,889,070
Other, Institutional Capital Project				1,083,947	1,083,947
All Sources	<u>59,744</u>		<u>59,744</u>	<u>4,940,256</u>	<u>5,000,000</u>

- Summary of Work:** The building will need repairs from the fire damage and the extinguishing agent that affected the entire building as it was distributed through the mechanical air handling system. The repair and cleanup of the facility will also require abatement of the asbestos insulation found throughout the affected space and is necessary before the Music Conservatory / Byrnes Auditorium interior renovations can begin.
- Rationale:** The facility was the location of a fire caused by the contractor installing a new roofing system on the building (related to project H47-9579, Music Conservatory / Byrnes Auditorium Roof Replacement). The fire claim has been settled and payments have been received from Evanston Insurance, Selective Insurance, Markel Insurance, AAR Roofing and Insurance Reserve. The building has been closed and unusable since the fire's occurrence on August 21, 2018.
- Facility Characteristics:** Byrnes Auditorium is 68,422 square feet and was constructed in 1939 (83 years old). The auditorium is the largest campus assembly space used for convocation, music and theater events, student activities and outside events.
- Financial Impact:** The project will be funded from Insurance Settlement Funds (uncommitted balance \$3.89 million at January 14, 2022), and Institutional Capital Project Funds (uncommitted balance \$6.53 million at January 14, 2022). Revenue to this fund is excess debt service funds transferred by the State Treasurer's Office. The university charges a debt service fee to students and then transfers that amount to the State Treasurer Office who then pays the debt service and transfers any excess back to the university. The university received a lawsuit settlement in the amount of \$3.88 million that was deposited into the Institutional Capital Project Fund. The project is expected to result in a decrease of \$5,000 (years 1 thru 3), in annual operating expenses.

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Full Project Estimate: \$5,000,000 (internal) funded by Insurance Proceeds from Evanston Insurance (\$2,000,000), Selective Insurance (\$989,070), Markel Insurance (\$800,000), AAR Roofing (\$50,000), Insurance Reserve (\$76,983) and Institutional Capital Project Funds. Contract execution is expected in October 2022 with construction completion in October 2023.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (j) **Project:** JBRC Item 11: Winthrop University
H47.9595: Demolition for Wofford Hall (residence hall)
- Request:** Establish Phase II Full Construction Budget to demolish the building.
- Included in CPIP:** Yes – 2021 CPIP Priority 9 of 10 in FY24 (estimated at \$3,000,000)
- Phase I Approval:** October 2021 (estimated at \$3,600,000) (SFAA)
- CHE Approval:** 02/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Housing	54,000		54,000	3,546,000	3,600,000
All Sources	<u>54,000</u>		<u>54,000</u>	<u>3,546,000</u>	<u>3,600,000</u>

Summary of Work: This project will abate and then demolish the building making land available for future development to support the Campus Master Plan.

Rationale: Winthrop is implementing a five-year plan to renovate several residence halls including Lee Wicker and Phelps. This plan includes closing Wofford Hall. Based on structural concerns from a recent inspection the university closed the building effective July 2021, which is earlier than the original planned date of May 2022.

Facility Characteristics: Wofford Hall is 92,794 square feet and was constructed in 1968 (54 years old). It is a residence hall that houses about 400 students.

Financial Impact: This project will be funded from Other, Housing Fund (uncommitted balance \$9.5 million at December 6, 2021) Revenue to the Housing Fund Net Position is derived from annual student housing and dining fees. Rates vary depending on type of room and number of occupants. The project is expected to result in a decrease of \$80,000 (years 1 thru 3), in annual operating expenses. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$523 per student per semester, and has decreased from \$593 to \$523 for the academic years 2017-2018 to 2021-2022.

Full Project Estimate: \$3,600,000 (internal) funded by Housing Funds. Contract execution is expected in April 2022 with construction completion in August 2023.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (k) **Project:** JBRC Item 12: Winthrop University
H47.9579: Music Conservatory/Byrnes Auditorium Renovation
- Request:** Increase Phase II Full Construction Budget to cover increased costs due the project being delayed since the fire on August 21, 2018.
- Included in CPIP:** No – This project was not included in the 2021 CPIP because the university was waiting on the settlement of the fire claim to determine next steps for this project.
- Phase I Approval:** September 2016 (estimated at \$4,500,000) (Admin)
- CHE Approval:** 02/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY16 Capital Reserve	4,500,000		4,500,000		4,500,000
Other, Institutional Capital Project				650,000	650,000
All Sources	<u>4,500,000</u>		<u>4,500,000</u>	<u>650,000</u>	<u>5,150,000</u>

- Summary of Work:** This project was established to update and expand the Music Conservatory. The scope includes roof replacement, the addition of ADA seating, an access ramp to the front of the building, enlarging bathrooms to include ADA facilities and installation of an elevator to access upper levels. The roof was replaced at the initial phase of the renovation and was mostly complete when the fire occurred that closed the building and paused the project. The roof replacement is now fully completed. The restoration project, H47-9580, Byrnes Roof Fire Restoration, will need to begin construction before the remaining renovations can restart.
- Rationale:** This increase is needed to cover additional A&E fees and construction cost increases due to the project being delayed.
- Facility Characteristics:** Byrnes Auditorium is 68,422 square feet and was constructed in 1939 (83 years old). Approximately 23,000 square foot of the building will be renovated.
- Financial Impact:** The project will be funded from Institutional Capital Project Funds (uncommitted balance \$6.53 million at January 14, 2022). Revenue to this fund is excess debt service funds transferred by the State Treasurer's Office. The university charges a debt service fee to students and then transfers that amount to the State Treasurer Office who then pays the debt service and transfers any excess back to the university. The project is not expected to result in any change in annual operating expenditures. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$523 per student per semester, and has decreased from \$593 to \$523 for the academic years 2017-2018 to 2021-2022.
- Full Project Estimate:** \$5,150,000 (internal) funded by Institutional Capital Project Funds. Contract execution is expected in October 2022 with construction completion in October 2023.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (I) **Project:** JBRC Item 13: Medical University of South Carolina
H51.9855: College of Medicine Office and Academic Building
- Request:** Establish Phase I Predesign Budget to construct a seven story, approximately 248,780 square foot building at the corner of President and Bee Streets.
- Included in CPIP:** No – The university's update to their 2015 Facilities Master Plan was delayed due to COVID-19 and therefore was not completed until after the submission of the 2021 CPIP.
- CHE Approval:** 03/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Patient Fees				3,440,000	3,440,000
All Sources				<u>3,440,000</u>	<u>3,440,000</u>

Summary of Work: The project will construct a seven-story building that will consist of five floors that will be 37,000 square foot each, and two floors that will be 31,890 square foot each for a total of seven stories of occupied space and 1 story mechanical penthouse. The new building to be constructed will include an auditorium, classrooms, food service, wellness, study, faculty/resident/fellow/support staff offices, conference rooms and support space. The existing Vince Moseley Building will be demolished as part of this project.

Rationale: The new building will allow the College of Medicine to consolidate faculty, staff, and students at one location to improve efficiency, mentoring of students, and collaboration within the department, per the university.

Facility Characteristics: The new facility will be approximately 248,780 square feet and will support the College of Medicine medical student education activities, to include classrooms, study space, relaxation and wellness areas, large auditorium, and programmatic teaching adjacencies. The College of Medicine Dean's Office, to include its education team, will be located in this space, to allow for enhanced access by medical students. A number of College of Medicine departments, comprised of faculty, staff, and trainees, will also be located within the proposed building. In responding to MUSC's master facility plan over the coming years, those academic departments may include the following: Anesthesia, Dermatology, Medicine, Neurology, Neurosurgery, Ob/GYN, Orthopedics, Otolaryngology, Pathology, Pediatrics, Radiology, Radiation Oncology, Surgery, and Urology. It is anticipated that approximately 1,075 faculty and staff will utilize the space on a regular basis, with additional faculty and staff utilizing the building on a more ad hoc basis. The current medical student enrollment is approximately 720, and there are approximately 816 resident physicians.

Financial Impact: The project will be funded from Patient Fee Funds (uncommitted balance \$27 million at January 20, 2022) Revenue to this fund clinical revenue generated by patient services (College of Medicine). The project is expected to result in an increase of \$2,100,000 (years 1 thru 3), in annual operating expenses. MUSC does not charge a separate plant improvement fee to the students. No student fees or tuition will be increased as a consequence of the project.

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Full Project Estimate: \$172,000,000 (internal) funded by \$50,000,000 in Gifts and Donations, \$22,000,000 in Patient Fees, and \$100,000,000 in State Appropriations to be requested in the FY23 legislative budget process or State Institution Bonds.

Other: If state funds are not received, the university will either adjust the scope of the project or issue a State Institution Bond. The university is in the early stages of fundraising for this project. The university's strategy is to fund this project with a combination of: (1) state funding, (2) fund raising, (3) borrowing, and (4) clinical reserves. The decision on the proportions will be determined once they have a clear picture of the final program plan for the building. They will not be moving forward with Phase II until they have a good design, program plan size, and cost estimate.

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ITEM NUMBER 3, Page 22AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: Permanent Improvement Projects

(m) Project: JBRC Item 15: Greenville Technical College
H59.6160: Parking Lot R Construction – Barton Campus

Request: Increase Phase II Full Construction Budget to cover increased construction costs to construct a new parking lot (Parking Lot R) for students and visitors in a vacant area adjacent to Building 102, Student Success Center currently under renovation.

Included in CPIP: Yes – 2020 CPIP Priority 2 of 3 in FY21 (estimated at \$2,727,585)
Phase I Approval: February 2020 (estimated at \$2,711,663) (SFAA)
Phase II Approval: June 2020 (estimated at \$2,768,260) (SFAA)
CHE Approval: 02/09/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, College Plant Maintenance	40,675	2,727,585	2,768,260	898,714	3,666,974
Other, College Plant Maintenance (transfer from H59-6131)				251,562	251,562
All Sources	<u>40,675</u>	<u>2,727,585</u>	<u>2,768,260</u>	<u>1,150,277</u>	<u>3,918,536</u>

Summary of Work: The scope will include site development, storm water systems, sidewalks, new LED lighting and a new asphalt parking lot. The project will also rehab Parking Lot O and bring it up to relevant ADA and local code. This lot is adjacent to the new Parking Lot R. This lot needs repairs and repaving. This parking lot serves Building 106, Industrial Complex and Building 112, Dental Technology.

Rationale: This increase will cover the escalated construction cost due to a delay in bidding. The bidding delay was due to required rezoning of land and recombination of tax parcels. The vacant area where Parking Lot R will be constructed is the closest vacant area to Building 102. Regarding Parking Lot O, local ordinances require an existing parking lot to be brought up to comply with new ordinances when repairs are made to the pavement and/or additions to the parking lot. Since a new parking area will be developed adjacent to this lot, some overlap is anticipated. Costs to provide the new drainage system for Parking Lot R will impact Parking Lot O which is why the decision was made to rehabilitate Parking Lot O at the same time.

Facility Characteristics: Parking Lot R will add approximately 428 spaces and Parking Lot O currently has 180 spaces. These parking lots will be utilized by 94 staff and 12,000+ students and visitors.

Financial Impact: The project will be funded from College Plant Maintenance Funds (uncommitted balance \$13.2 million at February 28, 2022), and College Plant Maintenance Funds as a transfer from H59-6131 (uncommitted balance \$282,648 at February 28, 2022) Revenue is an accumulation of appropriated funds from Greenville County and used to perform maintenance and renovations to physical facilities of Greenville Technical College. The project is expected to result in an increase of \$7,500 (years 1 thru 3) in annual operating expenses. No student fees or tuition

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will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$100 per student per semester, and has not changed for the academic years 2014-2015 to 2021-2022.

Full Project Estimate: \$3,918,536 (internal) funded by College Plant Maintenance Funds. Contract execution is expected in May 2022 with construction completion in March 2023.

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ITEM NUMBER 3, Page 24AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: Permanent Improvement Projects

- (n) Project: JBRC Item 16: Horry Georgetown Technical College
H59.6192: Diesel Engine Training Facility Expansion – Building and Land
- Request: Establish Preliminary Land Acquisition for the purpose of investigating the purchase of approximately 1.5 acres of land and a 13,700 square foot building in Horry County.
- Included in CPIP: Yes – 2021 CPIP Priority 1 of 1 in FY22 (estimated at \$2,000,000)
- CHE Approval: 02/03/22

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

Rationale: In response to workforce needs, state-wide labor shortages, and increased student demand, the college desires to acquire light industrial/commercial space that can accommodate both classroom and lab training for its Diesel Engine Technician Program. The existing training facility is only 5,000 square feet and cannot accommodate additional student enrollment. Through acquiring additional instructional and lab training space, the college can more than double enrollment in the Diesel Engine Technician program and also use the added space to better support the training, vehicle maintenance and equipment storage needs of its Electrical Lineman and Golf Course Management programs. Enrollment in the Diesel Training Program is currently 20 students with a waiting list of more than 2 semesters. With this project and the additional space, the college plans to increase the enrollment to a capacity of 55 students.

Characteristics: The 13,700 square foot light industrial/commercial (warehouse type) building, on 1.5 acres of land, is located in a Business Park directly across from the college's Conway campus (within 1.5 miles). The proposed building was constructed in 2005 (17 years old), includes 3 dock high (garage) doors that are 12 feet in height, and has 2 loading docks along with parking to support 45 vehicles. The total number of students, faculty, and staff that will occupy or use the added space is expected to be 104 per semester, or 208 per academic year.

Financial Impact: The property is offered by the Horry Georgetown Technical College Foundation for \$1,560,000. The due diligence activities will be funded from College Plant Funds (uncommitted balance \$48.4 million at December 10, 2021). Revenue to this fund is the cumulative excess of revenues over expenses that are set aside to fund capital projects and major renovations. The project is expected to result in an increase of \$34,250 (years 1 thru 3), in annual operating expenses. No student fees or tuition will be increased as a consequence of the project. Furthermore, the college has no debt and does not impose any capital related fee. If acquired, the College anticipates some renovations of the building to include supplementing the existing HVAC system, modifying the loading docks, and possibly expanding electrical service. They anticipate the costs of these renovations to be less than \$400,000. These costs will be paid for with Plant Funds.

Full Project Estimate: \$1,580,000 (internal) funded by College Plant Funds.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (o) **Project:** JBRC Item 17: Orangeburg Calhoun Technical College
H59.6164: OC Tech Health Science Building Mechanical/Electrical Upgrades
- Request:** Revise Scope and Establish Phase II Full Construction Budget for mechanical/electrical upgrades to the college's existing health science building.
- Included in CPIP:** Yes – 2021 CPIP Priority 1 of 1 in FY22 (estimated at \$2,000,000)
- Phase I Approval:** February 2021 (estimated at \$2,000,000) (SFAA)
- CHE Approval:** 02/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY22 Capital Reserve				362,404	362,404
Appropriated State, FY22 Proviso 118.18 (27) (I)				3,562,258	3,562,258
Other, College	30,000		30,000	245,338	275,338
All Sources	<u>30,000</u>		<u>30,000</u>	<u>4,170,000</u>	<u>4,200,000</u>

Summary of Work: HVAC replacement is the major component of this project. Additional work being added in this request includes complete renovation of all restrooms in the building, upgrading the fire alarm throughout the building, upgrading all lighting throughout the building, and upgrading all finishes (floor, ceiling, paint, etc.) throughout the entire building instead of just a portion of the building. The college also plans a change in the lobby, removing a set of doors, adding glass to open up the space, and adding student seating areas. The work in the lobby would be an add alternate and only be completed if within the overall proposed budget.

Rationale: The building has had no major HVAC upgrades since inception. Per the college, this mechanical renovation will improve indoor air quality and energy efficiency.

Facility Characteristics: The Health Science Building is 33,143 gross square feet and was constructed in 1987 (35 years old). No upgrades to the facility or its mechanical/electrical systems have been completed since construction. The building currently houses biology labs and all health-related programs except nursing. This includes Radiologic Technology, EMT, Physical Therapy Assistant, Electrocardiography, Certified Nursing Assistant, Medical Assisting, and Phlebotomy. The building is utilized by 297 students and 20 faculty members each semester.

Financial Impact: The project will be funded from FY22 Capital Reserve Funds (uncommitted balance \$362,404 at December 10, 2021), FY22 Appropriated State, Proviso 118.18 (nonrecurring) Funds (uncommitted balance \$3.5 million at December 10, 2021), and College Funds (uncommitted balance \$5.3 million at December 10, 2021). Revenue to this fund comes from annual operating fund excesses over the years. The excess each year gets transferred to this fund to be used for capital projects. The project is expected to result in a decrease of \$9,000 (years 1 thru 3), in annual operating expenses. No student fees or tuition will be increased as a consequence of the project. The college does not charge a capital fee.

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Full Project Estimate: \$4,200,000 (internal) funded by FY22 Capital Reserve, FY22 Appropriated State (nonrecurring) and College Fee Funds. Contract execution is expected in November 2022 with construction completion in August 2023.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

(p) Project: JBRC Item 18: Piedmont Technical College
H59.6193: Health (H) / Science (S) Building Renovations and Expansion

Request: Establish Phase I Pre-Design Budget to renovate and repair the two existing Health and Science Buildings and construct an additional connector building on the Piedmont Campus.

Included in CPIP: Yes – 2021 CPIP Priority 1 of 1 in FY22 (estimated at \$9,150,000)
CHE Approval: 02/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, College				137,250	137,250
All Sources				<u>137,250</u>	<u>137,250</u>

Summary of Work: The project will construct an additional building and renovate two existing buildings. The new proposed connector building, and expansion will be a two-story facility with approximately 12,100 square feet. Approximately 24,000 square feet will be renovated in the two existing buildings. Renovations will include upgrading portions of the existing space by remodeling the facilities to mirror hospital (nursing and health sciences) settings. The renovations and remodel will result in a setting similar to the work environment. The construction/expansion portion of the project will include roofing. The college will consider all roofing material options during the Phase I process.

Rationale: Building H and S do not provide adequate teaching and lab space. Additionally, the buildings are aged and in need of renovations. Per the college, the medical programs are strong and growing in the service area of the college and the state. Per the college, they have working relationships with all major healthcare providers in the seven-county service region and beyond, including large regional hospitals, community hospitals, doctor's offices, long term care facilities and many other partners.

Facility Characteristics: The Health Building is 16,728 square feet and was constructed in 1982 (40 years old) and the Science Building is 15,920 square feet and was constructed in 1991 (31 years old). Currently, the college employs 374 full time faculty in its Nursing and Healthcare Division. In the most recent full academic year, the college enrolled 766 students in its Nursing and Healthcare programs. The number of students has grown from 1,125 students enrolled in a pre-health program in the 2016-2017 academic year to 1,583 in the most recent full year.

Financial Impact: This project will be funded from College Fund (uncommitted balance \$6.5 million at December 8, 2021). Revenues to this fund are generated from the fee charged to students of \$150 per student, per semester for capital projects. The project is expected to result in a decrease of \$7,670 (years 1 thru 3), in annual operating expenses. No student fees or tuition will be increased as a consequence of the project. The college does not charge a capital fee but internally allocates \$150 per student, per semester, of the tuition charge to set aside for capital projects.

Full Project Estimate: \$9,150,000 (internal) funded by College and Appropriated State Funds.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (q) Project: JBRC Item 19: Spartanburg Community College
H59.6148: Spartanburg-Powers Building Renovations
- Request: Increase Phase II budget and Revise Scope to add funding to the project to complete A&E services for the final renovations to the Central Campus Powers Building.
- Included in CPIP: Yes – 2020 CPIP Priority 3 of 3 in FY21 (This phase estimated at \$2,921,000)
Phase II Approval: February 2019
(this phase estimated at \$448,000 – total estimated for all phases \$4,176,000)
(JBRC)
- Phase II Decrease &
Revise Scope Approval: November 2019
(this phase estimated at \$421,446 – total estimated for all phases \$4,176,000)
- (Admin)
Phase II Increase
Approval: February 2020
(this phase estimated at \$466,446 – total estimated for all phases \$4,176,000)
(JBRC)
- Phase II Increase
Approval: December 2020
(this phase estimated at \$3,387,446 – total estimated for all phases \$5,968,446)
(SFAA)
- CHE Approval: 02/03/22

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other – College	448,000	2,939,446	3,387,446	58,500	3,445,946
All Sources	<u>448,000</u>	<u>2,939,446</u>	<u>3,387,446</u>	<u>58,500</u>	<u>3,445,946</u>

Summary of Work: Due to funding availability the college is seeking approval of the work as a PIP in phases. This phase of the project will include A&E for the following: 1) A-Wing HVAC system and finish upgrades from unit ventilator and fan coil systems to a variable air volume (VAV) system to include mechanical HVAC reconfiguration, lighting, and finish upgrades. 2) B-Wing Roof Replacement to include removing the existing Built-Up roof and reroofing with a .060 TPO membrane roof. 3) D-Wing Roof Replacement to include removing the existing Built-Up roof and reroofing with a .060 TPO membrane roof. The B-Wing HVAC system and finish upgrades, B-Wing laboratory renovations and equipment/furnishings, and the C-Wing Roof Replacement have all been completed.

Rationale: This building is the dominant classroom building for the college and requires comprehensive sequential renovation of offices, classrooms, labs, and restrooms to meet acceptable workplace and educational instruction standards. It is not feasible to close this building for extended periods of time nor does the college have undesignated funds that would be necessary for all the needed renovations and deferred maintenance at one time.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Facility Characteristics: The 74,185 square foot three (3) wing building was constructed in 1969 (53 years old), with an addition added in 1973 (49 years old). The C-Wing roof was installed in 1992 (30 years old). The campus is utilized by 41 faculty and staff, and 1600+ students.

Financial Impact: The project will be funded from College Funds (uncommitted balance \$6.3 million at September 22, 2021). Revenue to the fund is total revenue and fund balance less college capital expenses less college plant fund carryforward projects resulting in the remaining college revenue and fund balance. The project is expected to result in a decrease of \$18,560 (year 1), \$19,670 (year 2), and \$20,850 (year 3) in annual operating expenses. No student fees or tuition will be increased as a consequence of the project. A portion of tuition is designated for capital improvements, currently \$161 per student per semester, and has not increased from academic year 2017-2018.

Full Project Estimate: \$6,370,946 (internal) funded by College Funds. Contract execution for this portion of the project is expected in May 2022 and completion of construction in December 2022. The estimated cost to complete this project has increased from the previous estimate because it is an evolving project that is being implemented over time. The engineering estimate for this proposed portion of the project is now \$2,925,000 with the OSE requirements.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

(r) Project: JBRC Item 21: Department of Administration
D50.6094: Dennis Building - Attorney General's Office 1st, 2nd & 3rd Floor
Densification

Request: Establish Phase I Pre-Design Budget to densify the office space on floors 1 thru 3 of the Dennis Building for use by the SC Attorney General's Office.

Included in CPIP: No – The AG's decision to renovate the office space was decided after the submission of the 2021 CPIP.

CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Attorney General				115,500	115,500
All Sources				<u>115,500</u>	<u>115,500</u>

Summary of Work: This project was requested by the Attorney General's office to densify the first, second, and third floors of the Rembert C. Dennis Building to allow them to relocate staff from commercial space in downtown Columbia and from the Edgar A. Brown building. The scope of work includes extensive reconfiguration of existing office space to accommodate the additional staff in compliance with the state space standards. The densification will require the demolition of existing partitions which will necessitate new ceilings and lighting, HVAC reconfiguration, new finishes, and the abatement of hazardous materials as required.

Rationale: The project will enable the Attorney General's office to consolidate all of their staff in one location, creating greater workplace efficiencies and maximizing the use of a state building by renovating it in accordance with the state space standards. They will give up commercial space in downtown Columbia as well as in the Edgar A. Brown building which will make available additional needed state space for other agencies on the Capitol Complex.

Facility Characteristics: The Rembert C. Dennis Building is approximately 247,543 square feet and was constructed in 1950 (72 years old). The renovated space in the building will be utilized by approximately 292 Attorney General's Office staff and various visitors each year.

Financial Impact: The project will be funded from Attorney General Funds (uncommitted balance \$8.0 million at February 7, 2022). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$7,700,000 (internal) funded by Attorney General Funds.

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- (s) Project: JBRC Item 23: Department of Administration
D50.6081: Brown Building & Dennis Building – Window Replacement
- Request: Establish Phase II Full Construction Budget to replace the windows on the Brown Building and the Dennis Building, which are located on the SC State Capital Complex.
- Included in CPIP: Yes – 2021 CPIP Priority 3 & 4 of 21 in FY22 (estimated at \$2,746,000)
Phase I Approval: October 2021 (estimated at \$2,746,000) (SFAA)
CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State	41,190		41,190	2,704,810	2,746,000
All Sources	<u>41,190</u>		<u>41,190</u>	<u>2,704,810</u>	<u>2,746,000</u>

Summary of Work: The project will replace the windows on the Brown Building and the Dennis Building, which are located on the SC State Capital Complex.

Rationale: The windows are original to the buildings, past their useful life, and leaking in multiple areas.

Facility Characteristics: The Brown Building is approximately 155, 618 square feet and was constructed in 1972 (50 years old). The Dennis Building is approximately 238,233 square feet and was constructed in 1950 (72 years old). The Brown Building is utilized by the Administrative Law Court, Attorney General, Commission for the Blind, Department of Public Safety, Department of Administration, Judicial Branch, MUSC, Parks, Recreation & Tourism, Secretary of State and State Board of Financial Institutions, which include approximately 150 state employees and various visitors annually. The Dennis Building is utilized by the Attorney General, Commission for the Blind, Department of Natural Resources, Revenue and Fiscal Affairs Office, and Legislative Council, which include approximately 750 state employees and various visitors annually.

Financial Impact: The project will be funded from Appropriated State Funds (uncommitted balance \$3.3 million at December 13, 2021). The project is expected to result in additional annual operating cost savings, but those amounts have not yet been determined.

Full Project Estimate: \$2,746,000 (internal) funded by Appropriated State Funds. Contract execution is expected in August 2022 with construction completion in June 2024.

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- (t) Project: JBRC Item 32: Office of the Adjutant General
E24.9793, Armory Revitalization (Annualized)
- Request: Increase the Phase II Full Construction Budget to cover the cost for the final design of Laurens & Union.
- Included in CPIP: Yes - 2021 CPIP Priority 3 of 23 in FY22 (estimated at \$49,199,600)
- Phase II Approval: November 2016 (estimated at \$10,500,000) (SFAA)
- Phase II Increase Approval: September 2018 (estimated at \$13,500,000) (Admin.)
- CSOF Approval: September 2018 (estimated at \$13,500,000) (JBRC Staff)
- Phase II Increase Approval: December 2019 (estimated at \$19,600,000) (SFAA)
- CSOF Approval: April 2020 (estimated at \$20,000,000) (Admin.)
- Phase II Increase Approval: June 2020 (estimated at \$21,000,000) (SFAA)
- Phase II Increase Approval: October 2020 (estimated at \$23,100,000) (SFAA)
- Phase II Increase Approval: March 2021 (estimated at \$45,524,000) (SFAA)
- CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY16 Capital Reserve	5,000,000		5,000,000		5,000,000
FY19 Capital Reserve		3,000,000	3,000,000		3,000,000
Appropriated State, FY20 Proviso 118.16(B)(18)(b)		3,050,000	3,050,000		3,050,000
Appropriated State, FY22 Proviso 118.18(B)(69)(d)				2,000,000	2,000,000
Federal, National Guard Bureau	5,500,000	8,874,600	14,374,600	2,000,000	16,374,600
Other, FY20 Armory Maintenance		500,000	500,000		500,000
All Sources	<u>10,500,000</u>	<u>15,424,600</u>	<u>25,924,600</u>	<u>4,000,000</u>	<u>29,924,600</u>

Summary of Work: The project was established to complete significant repairs at ten (10) Readiness Centers (aka; Armories) that are in the worst conditions of disrepair of the 63 RCs and are chosen based on the A/E's assessment/design. The centers include Greenwood, Lancaster, Greenville, Florence, Sumter, Clemson, Laurens, Union, Hartsville, and Easley. Each of these facilities has varying issues that need to be repaired or renovated, but the major cost items include 1) Roof replacement or repairs. Roofs will be replaced at Florence, Sumter, Easley, Laurens, Clemson, Union, and Hartsville because each roof is approximately 40+ years old. Five armories have built-up bituminous roofing systems and two have standing seam

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metal roofs and all will be replaced with the same roofing material. All roofs will come with a minimum 20-year warranty. 2) HVAC systems maintenance and/or repairs. 3) Replacing existing exterior windows, doors, and storefront systems. 4) Interior renovations of latrines, kitchen, lighting, fire suppression, carpeting/flooring, painting of interior & exterior walls. 5) Electrical system upgrades. 6) Site improvements and repairs of parking lots, stormwater systems, security fencing, security lighting. 7) Foundation, structure, and exterior wall repairs.

Rationale: In most cases, items require replacement since they have exceeded their service life. In accordance with Federal law, the State of South Carolina is obligated to the National Guard Bureau to provide operation and maintenance funding for those facilities if there is a federally recognized unit assigned to the facilities.

Facility Characteristics: Each armory is 45,000 to 65,000 square feet and was constructed in 1970 (50 years old). The agency has relocated and/or consolidated force structure to other RCs and closed the sub-standard RCs that could be closed. Each armory will be utilized by 300+ National Guardsman statewide.

Financial Impact: The project will be funded with Appropriated State (uncommitted balance \$2.5 million at December 16, 2021) and Federal, National Guard Bureau Funds (uncommitted balance \$18 million at December 16, 2021). Revenue to this fund is received from the Construction and Facilities Management Office's Master Cooperative Agreement funds. The (Laurens Armory), is expected to result in a decrease of \$750 (years 1 thru 3) in annual operating expenses.

Full Project Estimate: \$41,000,000 (internal) funded by Capital Reserve, Appropriated State, National Guard Bureau and Armory Maintenance Funds. Construction completion for Sumter is expected in August/September 2021.

Other: 4 of 10 facilities (Greenwood/Lancaster/Greenville/Florence) have been completed. 2 of 10 (Sumter & Easley) are presently under renovation and will be completed by June 2022. Laurens and Union were put out for design in January 2022. The design and construction for Laurens will occur in Federal FY22.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (u) **Project:** JBRC Item 39: Department of Public Safety
K05.9617: Blythewood Complex Chiller Replacement
- Request:** Establish Phase I Predesign Budget to replace a 530-ton chiller, cooling tower, and associated pumps at the DPS/DMV headquarters' buildings.
- Included in CPIP:** Yes – 2021 CPIP Priority 1 of 1 in FY23 (estimated at \$1,062,450)
- CHE Approval:** N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, DPS Building				19,400	19,400
All Sources				<u>19,400</u>	<u>19,400</u>

Summary of Work: The project will replace a 530-ton chiller, cooling tower, and associated pumps at the DPS/DMV headquarters buildings. Two 300-ton chillers are currently used to cool the almost 300,000 square foot complex. The 530-ton system is currently used as a temporary back-up to the smaller chillers. It is uncertain as to whether this chiller can perform on a full-time basis.

Rationale: An assessment stated the total connected chilled water load for these two buildings is approximately 850 tons. Consequently, the two chillers are not sufficient to maintain essential temperatures and humidity levels, which has been a problem in both buildings. The system has been repaired numerous times, many of the parts are obsolete, and the refrigerant required for its operation is expensive and difficult to locate. Per the agency, this leaves two agency headquarters' facilities with inadequate cooling and no real mechanical redundancy. A new chiller, cooling tower, and associated pumps would solve that problem and provide for greater efficiency.

Facility Characteristics: The existing chiller and cooling tower are original to the buildings constructed in 1993 (29 years old). These systems serve the DPS Headquarters' Building and DMV Headquarters' Building which house 795 employees and receive approximately 1,150 visitors a month.

Financial Impact: The project will be funded from DPS Buildings Funds (\$6 million commitment at December 15, 2021). Revenue received is from the late penalty fee on vehicle registrations. This money is collected by the Department of Motor Vehicles and transferred to DPS. The project is expected to result in a decrease of \$50,000 (years 1 thru 3), in annual operating expenses.

Full Project Estimate: \$1,292,000 (internal) funded by DPS Building Funds.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (v) Project: JBRC Item 41: Department of Corrections
N04.9765: Walden – Renovate Building One for Police Services
- Request: Change Source of Funds and Increase Phase II Full Construction Budget to allow the agency to bid this project to a General Contractor in lieu of the Agency's in-house construction resources to renovate Building One at Walden Correctional Institution from housing units to Office Space to accommodate SCDC's Police Services.
- Included in CPIP: No – This project was not included in the 2021 CPIP submission because the decision to contract out this project was not made until after the submission of the CPIP.
- Phase I Approval: June 2020 (estimated at \$723,950) (JBRC)
- Phase II Approval: October 2020 (estimated at \$720,000) (JBRC)
- CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY21 Carryforward				2,380,836	2,380,836
Other, FY19 Proviso 65.25 Cell Phone Interdiction	10,850	709,150	720,000		720,000
All Sources	<u>10,850</u>	<u>709,150</u>	<u>720,000</u>	<u>2,380,836</u>	<u>3,100,836</u>

Summary of Work: The project will renovate 8,267 square feet of the building to include removing and adding walls to the interior, replacing windows and doors, new HVAC system and duct work, replacing existing electrical wiring, adding data connections throughout the building, new fire alarm system, sprinkler improvements, converting a single bathroom into separate men's and women's bathrooms, new roof, new floor tile, acoustical tile ceiling and painting interior. An approximately 3,000 square foot section of the existing building will be demolished and replaced. The roof system element for the reconstruction is a metal standing seam roofing system. This roofing system was chosen due to the location of the mechanical duct work between the ceiling and roof deck resulting in a pitched roof. Per the A&E, the standing seam metal roof is the best chose for this application based on typical life span, cost, maintenance requirements, and energy efficiency. The agency will require a minimum of a 20-year material and workmanship warranty on the roof system. An outside A/E firm, an Architectural firm, will be acquired through The Office of State Engineers guidelines to assist the Agency with the Construction Administration for this project. The remaining 4,309 square feet of the building has already been remodeled into office space and is not part of this project.

Rationale: Due to staff shortages the agency lacks the resources to complete this project in a timely manner. This request will fund final design and construction of this project. The housing unit is no longer being utilized to house inmates. This facility would serve to centralize Police Services office space into one central location from its current locations spread throughout the Broad River Complex.

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Facility Characteristics: The building is 12,576 square feet and was constructed in 1951 (70 years old) and has been vacant since 2016, when the Walden Correctional Institution was closed. The building will house 54 office personnel and agents assigned to the building.

Financial Impact: The project will be funded from FY21 Carryforward Funds (uncommitted balance \$18.9 million at November 8, 2021). The project is expected to result in a decrease of \$551.13 (year 1), and \$1,653.40 (years 2 and 3) in annual operating expenses.

Full Project Estimate: \$3,100,836 (internal) funded by FY21 Carryforward Funds and FY19 Proviso 65.25 Cell Phone Interdiction Funds. Contract execution is expected in June 2022 with construction completion in August 2025.

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SUBJECT: Permanent Improvement Projects

(w) Project: JBRC Item 42: Department of Corrections
N04.9766: Camille Graham CI – Construct Program Building

Request: Change Source of Funds and Increase Phase II Full Construction Budget to allow the agency to bid this project to a General Contractor in lieu of the Agency's in-house construction resources to construct an approximately 4,500 square foot wood framed metal siding building to be used for Reentry and other Institutional Programming Classes.

Included in CPIP: Yes – This project was not included in the 2021 CPIP submission because the decision to contract out this project was not made until after the submission of the CPIP.

Phase I Approval: June 2020 (estimated at \$500,000) (JBRC)
Phase II Approval: October 2020 (estimated at \$450,000) (JBRC)
CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY21 Carryforward				1,199,852	1,199,852
Other, Canteen	7,500	442,500	450,000		450,000
Other, Inmate Welfare				250,000	250,000
All Sources	<u>7,500</u>	<u>442,500</u>	<u>450,000</u>	<u>1,449,852</u>	<u>1,899,852</u>

Summary of Work: The project will prepare the site, construct the building and the applicable materials including fill material, concrete, framing material, doors, windows, plumbing, mechanical, electrical and other building materials as required. The roof system element for the new building is a metal standing seam roofing system. This roofing system was chosen due to the building design to locate the mechanical duct work between the ceiling and roof deck resulting in a pitched roof. Per the A&E, the standing seam metal roof is the best chose for this application based on typical life span, cost, maintenance requirements, and energy efficiency. The agency will require a minimum of a 20-year material and workmanship warranty on the roof system. An outside A/E firm, an Architectural firm, will be acquired through The Office of State Engineers guidelines to assist the Agency with the Construction Administration for this project.

Rationale: Due to staff shortages the agency lacks the resources to complete this project in a timely manner. This request will fund final design and construction of this project. The current spaces being utilized for these programs are being shared between multiple groups including Mental Health, Substance Abuse, Religion, Recreation, and Visitation. These programs require a dedicated space to allow for a full day of classes without interruption due to scheduling conflicts.

Facility Characteristics: The new wood framed metal siding building 4,500 square foot facility will be utilized by 4 employees, 1 officer and 50 to 70 students each day.

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Financial Impact: The project will be funded from FY21 Carryforward Funds (uncommitted balance \$18.9 million at November 8, 2021) and Inmate Welfare Funds (uncommitted balance \$1.0 million at November 9, 2021). Revenue to this fund is generated by from monthly commission from inmate telephone calls. The project is expected to result in an increase of \$4,278.75 (year 1), and \$7,335 (years 2 and 3) in annual operating expenses.

Full Project Estimate: \$1,899,852 (internal) funded by FY21 Carryforward, Canteen, and Inmate Welfare Funds. Contract execution is expected in April 2022 with construction completion in December 2023.

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(x) Project: JBRC Item 44: Department of Juvenile Justice
N12.9611: Security Upgrade for Maple, Holly, Poplar and Cypress

Request: Revise Scope & Increase Phase II Full Construction Budget to add the installation of toilets and sinks to the security upgrades for Maple, Holly, Poplar and Cypress Units.

Included in CPIP: Yes – 2021 CPIP Priority 2 of 9 in FY22 (estimated at \$2,946,000)
Phase I Approval: June 2020 (estimated at \$4,101,651) (JBRC/SFAA)
Phase II/Revise Scope/
Change Project Name
Approval: December 2020 (estimated at \$2,296,000) (SFAA)
CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY20 & FY21 Carryforward	61,525	2,234,475	2,296,000	516,800	2,812,800
All Sources	<u>61,525</u>	<u>2,234,475</u>	<u>2,296,000</u>	<u>516,800</u>	<u>2,812,800</u>

Summary of Work: The project was established to renovate four facilities to add cell fronts to a total of 120 cells, add to the camera system if necessary, and upgrade the security controls systems. The cell front addition includes the design of a detention door with hardware and a transcom screen designed to allow for transfer of sprinkler, ventilation, and lighting. Additional cameras will be provided to the existing camera system as necessary to ensure adequate sight lines following installation of the cell fronts. The security control system will receive upgraded equipment for each facility and new wiring and conduit to each new cell front. The scope of work is being revised to add the installation of toilets and sinks. This will include the installation of 32 stainless steel toilet/sink combination units and will include related plumbing and concrete floor repair work. Six combination units will be installed in each housing unit: two per pod with the Intensive Treatment Unit pod in Holly receiving an additional eight. The toilet/sink combination units will include shut-off valves for the water supply. The project will also address the required addition of underground sewer piping. The concrete/floors will also need patching and repairs to fix any breaking/cutting into for the project to be completed.

Rationale: Currently, the youth, many of whom have traumatic pasts, are housed in open rooms with no barriers, so many youths feel less secure and have difficulty sleeping. Cell doors and other included security upgrades will provide a safer environment and allow them to focus more on their rehabilitation. Additionally, having doors will provide privacy and more safety for youth that are displaying aggressive behaviors and for those who feel unsafe in their environments. Per the agency, retrofitting carefully selected rooms with wet cells (toilet/sink combinations), will enable BRRC to manage crises safely within youth housing units and will address the needs of youth receiving services in the Intensive Treatment Unit.

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Facility Characteristics: The total square footage of all 4 buildings is 52,820 with each building being approximately 13,205 square feet and constructed in 2001 (21 years old). The total square footage to be renovated is approximately 20,000 square feet and the facilities in total accommodate 120 youth and 6-10 staff members.

Financial Impact: The request will be funded from Appropriated State, FY21 Carryforward Funds (uncommitted balance \$920K at December 29, 2021). The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$2,812,800 (internal) funded by Appropriated State, Carryforward Funds. Contract execution is expected in March 2022 with construction completion in June 2023.

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- (y) **Project:** JBRC Item 45: Department of Juvenile Justice
N12.9614: Statewide Surveillance Equipment and Services for Existing Facilities
- Request:** Revise Scope and Increase Phase II Full Construction Budget to add staff offices and clinical spaces to the project scope to replace existing surveillance equipment that is past its useful life span.
- Included in CPIP:** Yes – 2021 CPIP Priority 1 of 9 in FY22 (estimated at \$4,774,920)
Phase II Approval: July 2021 (estimated at \$4,574,920) (JBRC Staff)
CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY21 Carryforward	4,574,920		4,574,920		4,574,920
Appropriated State				2,459,965	2,459,965
All Sources	<u>4,574,920</u>		<u>4,574,920</u>	<u>2,459,965</u>	<u>7,034,885</u>

Summary of Work: The project was established as an emergency project to provide a more robust and up to date camera surveillance system for the Broad River Road Complex, the Upstate Evaluation Center, and the Coastal Evaluation Center. Cabling and cameras will be replaced across multiple facilities. A centralized operating system will be developed so personnel may access footage remotely. The project will also include training for personnel in the use of the new surveillance system acquired and include a maintenance plan. The increased scope will provide surveillance coverage to clinical and employee office/workplaces in which youth receive services. Remaining HIPAA compliant, medical examination areas will not be included in this increase.

Rationale: Upon further review by new administration, surveillance coverage in all areas in which youth receive services or support is paramount to the safety and security of staff and youth, per the agency, and therefore this additional scope is being added to the project. In the mission of keeping the public, the youth, and employees safe, DJJ assessed the needs of their existing facilities. One such need is to increase security awareness and coverage of each campus across the state. Camera systems for secured facilities are more localize and need physical access from parties to access footage and some of these systems are as old as 10 to 15 years. With this project the agency aims to centralize their surveillance system and upgrade all out of date equipment.

Facility Characteristics: The buildings affected by this project include the Birchwood school campus, portions of the Broad River Road Complex, the Upstate Evaluation Center, the Coastal Evaluation Center, and possibly smaller and more local offices. This area totals approximately 250,000 square feet. The oldest systems are 10 to 15 years old and controlled locally. No building space is being renovated or constructed, but the surveillance systems will affect all divisions with routine interactions within the secured facilities. A few examples of the divisions affected are the Division of Education & Workforce Development, the Division of Institutional

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Programming, and the Division of Rehabilitative Services. These programs oversee education, work skills development and social work. The areas affected contain approximately 275 youth/clients and approximately 520 staff/faculties.

Financial Impact: The project will be funded from Appropriated State, (uncommitted balance \$46.7 million at February 7, 2022). The project is expected to result in an increase of \$87,500 (years 1 thru 3), in annual operating expenses.

Full Project Estimate: \$7,034,885 (internal) funded by Appropriated State, FY21 Carryforward Funds and Appropriated State Operating Funds. Construction completion is anticipated in December 2022.

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(z) Project: JBRC Item 46: Department of Natural Resources
P24.6007: Greenville-Poinsett Bridge Restoration

Request: Revise Scope and Establish Phase II Full Construction Budget to rehabilitate the Poinsett Bridge, located in northern Greenville County.

Included in CIP: Yes - 2021 CIP Priority 5 of 11 in FY2024 (estimated at \$885,515)

Phase I Approval: June 2020 (estimated at \$899,000) (JBRC)

CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Heritage Land Trust	13,485		13,485	1,440,000	1,453,485
All Sources	<u>13,485</u>		<u>13,485</u>	<u>1,440,000</u>	<u>1,453,485</u>

Summary of Work: The project will restore the masonry gothic arch granite bridge, as well as include the installation of safety railings. The bridge renovations will include removing the heavyweight fill between the spandrels and replacing with a lighter engineered fill to relieve pressure on the spandrels and retaining walls, remove incompatible mortar and re-point all mortar joints, replace parapet and wall stones, regrade approaches to the bridge to minimize water runoff from crossing the bridge, site improvements to improve public access and reduce erosion around the bridge and safety railing to protect the public and structure.

Rationale: A 2016 survey of the bridge identified issues that would require certain degrees of restoration work. The Phase I process confirmed issues noted in a 2016 report and identified additional items that have emerged since 2016. This work will help stabilize the historic structure.

Facility Characteristics: The 102' long bridge crosses the Callahan Branch of Little Gap Creek and is located near Travelers Rest adjacent to County Road 42 and is part of the Saluda Mountain Road connecting upland South Carolina with Charleston, has an arch span of 7'-4 1/2 "and a height of 14' and was constructed in 1820 (202 years old) and will be utilized by persons visiting the Heritage Preserve Site. It was listed in the National Register of Historic Places in 1970 and is the oldest surviving bridge in the southeastern United States. It was protected as a Heritage Preserve in 2003.

Financial Impact: The project will be funded from Other, Heritage Land Trust funds (uncommitted balance \$27.6 million at December 29, 2021). Revenue to the fund is received to acquire in fee simple or lesser interest in priority areas, legal fees, appraisals, surveys, or other costs involved in the acquisition of priority areas, and for the development of minimal facilities and management necessary for the protection of priority areas. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$1,453,485 (internal) funded by Other, Heritage Land Trust Funds.

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- (aa) Project: JBRC Item 48: Department of Natural Resources
P24.6006: Richland – Regional Skeet/Trap Event Range
- Request: Increase Phase II Full Construction Budget to cover higher than anticipated bid costs for the construction of a Regional Skeet and Trap Event Facility, located at the DNR Wateree River in Richland County.
- Included in CPIP: No – The project was not included in the 2021 CPIP submission because the funding source for the increase was not determined until a new grant was awarded in December 2021.
- Phase I Approval: December 2019 (estimated at \$4,000,000) (SFAA)
- Phase II Approval: October 2020 (estimated at \$4,000,000) (SFAA)
- CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
FY20 Appropriated State, Proviso 118.16 (nonrecurring)	60,000	690,000	750,000		750,000
Federal, USFWS Grant		3,000,000	3,000,000	1,863,870	4,863,870
Other, Boyd Foundation Donation		200,000	200,000		200,000
Other, National Wild Turkey Federation		50,000	50,000		50,000
All Sources	<u>60,000</u>	<u>3,940,000</u>	<u>4,000,000</u>	<u>1,863,870</u>	<u>5,863,870</u>

Summary of Work: This project entails the design, permitting, site development, and construction of a Regional Skeet/Trap Event Facility. The project will entail the site preparation and construction to include eight skeet/trap field overlays, pavilion and classroom, sidewalks, access road, parking lots and improvements to the property and structures needed to support the State Skeet/Trap Event Facility and provide ADA accessibility.

Rationale: With this project, DNR is seeking to take advantage of federal funds that are being made available specifically for range construction projects. The importance of such funding opportunities is that they allow the agency to initiate projects which conform to DNR objectives. These objectives include: (1) a safe area for constituents to participate in recreational shooting or to practice shooting prior to going hunting; and (2) an area that the agency can utilize for hands-on training for hunter education students and recruitment for hunters and recreational shooters. This facility is needed to meet the increasing demand for shooting sports in the state, particularly in the agency's Scholastic Clay Targets Sports Program (SCTS). Over the years SCTS has seen an upsurge in participation which has resulted in the need for facilities with the capacity to host local, state and national events. The proposed Regional Skeet/Trap Event Range will be located in the central midlands making it easily accessible to all areas of the state.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Facility Characteristics: This Regional Skeet and trap Event facility will be located at the DNR Wateree River WMA on US Hwy 378 in lower Richland County near the Town of Eastover. The new facility will include a 20,207 square foot classroom, 6,174 square foot pavilion, 1,120 square foot restrooms, and 1,120 square foot storage room for a total of 28,621 square feet.

Financial Impact: The project will be funded from US Fish & Wildlife Service for Hunter Education and Wildlife Restoration Grant Funds (uncommitted balance \$1.9 million at December 29, 2021). Revenue received for the US Fish & Wildlife Service Grant is an allocation for Hunter Education and Wildlife Restoration, which is generated from a federal excise tax on ammunitions, firearms, archery equipment, etc. Revenue received from the Boyd Foundation and National Wild Turkey Federation Funds are donations received for the purpose of funding the Regional Event Range Facility and promoting shooting sports. The project is expected to result in an increase of \$180,755 (year 1), and \$140,000 (years 2 and 3) in annual operating expenses.

Full Project Estimate: \$5,863,870 (internal) funded by Appropriated State, Proviso 118.16 (nonrecurring), USFWS Grant, Boyd Foundation Donation and National Wild Turkey Federation Funds. Contract execution is expected in March 2022 with construction completion in September 2022.

MEETING OF April 5, 2022

ITEM NUMBER 3, Page 46AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: Permanent Improvement Projects

(bb) Project: JBRC Item 50: Department of Parks, Recreation & Tourism
P28.9778: Venues at Arsenal Hill

Request: Establish Phase II Full Construction Budget and Change Project Name to complete renovations and repairs to the venues at Arsenal Hill.

Included in CPIP: Yes - 2021 CPIP Priority 6 of 13 in FY22 (estimated at \$8,350,000)
Phase I Approval: October 2019 (estimated at \$8,350,000) (SFAA)
CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Appropriated State, FY19 Carryforward	250,000		250,000		250,000
Appropriated State, FY22 Proviso 118.18 (41)(d)				8,350,000	8,350,000
Other, Park Revenue				1,544,848	1,544,848
Other, Depreciation Reserve				230,152	230,152
All Sources	<u>250,000</u>		<u>250,000</u>	<u>10,125,000</u>	<u>10,375,000</u>

Summary of Work: The project will complete renovations at the Caldwell Boyleston House to include a new HVAC, interior and emergency lighting repairs, electrical and other utility repairs, adding a new catering kitchen and elevator, improving ADA access, replacing the roof, office space improvements, and interior and exterior wall, siding, and rot/decay repairs. The new roof to be installed will consist of new architectural high-definition glass-fiber reinforced asphalt shingles over felt underlayment. The new roof will come with a minimum 20-year material and workmanship warranty. The renovations to be completed at the Lace House include a new HVAC, interior and emergency lighting repairs, electrical and other utility repairs, adding a new catering kitchen and elevator, improving ADA access, office space improvements, interior and exterior wall, siding, and rot/decay repairs, window and ceiling repairs, security system expansion, and patio repairs. Renovations at the Carriage House will include a new HVAC, interior and emergency lighting repairs, electrical and sprinkler repairs and additions, adding a new catering kitchen, improving ADA access, replacing the roof, foundation, structural, and brick repairs and upgrades, additional water fountain and office space, repair and refinish flooring, doors, and roof, and interior and exterior wall, siding, and rot/decay repairs. The new roof to be installed will consist of new vented architectural high-definition glass-fiber reinforced asphalt shingles over felt underlayment and rigid insulation board. The new roof will come with a minimum 20-year material and workmanship warranty. The Garden renovations will include landscaping, irrigation and pathway replacement, refurbishing the arbor, gazebo, and tea house, and adding infrastructure and lighting for hosting events. Renovations at the Mansion Mall will include landscaping and irrigation replacement, fountain sealing and

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

improvements, plaza resurfacing, and adding infrastructure and lighting for hosting events. Renovations at the Service Area will include repairing drainage and utilities, adding infrastructure and lighting for hosting events, improving parking, sidewalks, driveways, and enlarging gate for two-way traffic, adding a plaza for guest use, adding a dumpster area with screening, adding an additional facility with an ADA restroom, commercial kitchen, and storage, and a new garden maintenance building.

Rationale: These historic facilities will be stabilized and repaired, providing better access, improving safety, and improving visitors' experience.

Facility Characteristics: The Caldwell-Boylston House is 7,070 square feet and was constructed in 1830 (192 years old). The Lace House is 10,520 square feet and was constructed in 1854 (168 years old). The Carriage House is 1,500 square feet and was constructed in 1830 (192 years old). The Gardens are approximately 100,000 square feet and were constructed between 1835 (187 years old) and 1963 (59 years old). The Mansion Mall is approximately 42,000 square feet and was constructed in 1986 (36 years old). The Service Area is approximately 45,000 square feet and was constructed between 1910 (112 years old) to 1986 (36 years old). The property receives 100,000 visitors per year.

Financial Impact: The request will be funded from Appropriated State, FY22 Proviso 118.18 (nonrecurring) (uncommitted balance \$8,350,000 at February 6, 2022), Other, Park Revenue Funds (uncommitted balance \$5.5 million at February 6, 2022), and Department of Administration, Depreciation Reserve Funds (uncommitted balance \$230,152 at February 6, 2022). Park Revenue Funds are generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. Section 51-3-65 allows SCPRT to set the fee structure to maintain fiscal soundness and continued maintenance of the state park system. In addition, 51-1-40 states the revenue must be used for park and recreational operations. 51-3-80 allows SCPRT to acquire land through gifts, donations, and contributions of land suitable for park purposes. Department of Administration, Depreciation Reserve Funds are derived from the rent account which receives rent charged to agencies. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$10,375,000 (internal) funded by FY19 Carryforward, Appropriated State, FY22 Proviso 118.18 (nonrecurring), Other, Park Revenue, and Department of Administration, Depreciation Reserve Funds. Contract execution is expected in July 2022 with construction completion in December 2024.

MEETING OF April 5, 2022

ITEM NUMBER 3, Page 48AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: Permanent Improvement Projects

(cc) Project: JBRC Item 52: Department of Parks, Recreation & Tourism
P28.9796: Paving Agreement with SCDOT

Request: Increase Phase II Full Construction Budget to cover the cost to repair a section of the causeway leading into Huntington Beach State Park.

Included in CPIP: Yes - 2021 CPIP Priority 9 of 13 in FY22 (estimated at \$3,000,000)
Phase I Approval: June 2021 (estimated at \$1,000,000) (SFAA)
Phase II Approval: October 2021 (estimated at \$1,000,000) (SFAA)
CHE Approval: N/A

Source of Funds	Original Budget Amount	Cumulative Changes Since Original Budget	Current Budget	Adjustment Requested	Total Budget After Current Adjustment
Other, Park Revenue	15,000	985,000	1,000,000	660,000	1,660,000
All Sources	<u>15,000</u>	<u>985,000</u>	<u>1,000,000</u>	<u>660,000</u>	<u>1,660,000</u>

Summary of Work: This annualized project will be completed in phases and was established to re-pave park roads. The first phase will include re-paving Poinsett, Barnwell, Charles Towne Landing and Table Rock State Park. In meeting with SCDOT, they have provided a cost estimate to repair the section of the causeway road. This expense will also replace the pedestrian sidewalk and guardrail attached to the road shoulder.

Rationale: Through discussions with the SCDOT and a recent completed project, SCPRT has discovered that the SCDOT can repair and resurface roads less expensively and more efficiently than the SCPRT can internally. These funds will be used to reimburse the SCDOT for paving projects. The SCDOT will oversee all on site construction work and when billed by the paving contractor, the SCPRT will reimburse the SCDOT for the expense. The SCDOT will be moving forward with these projects first based on the priority list provided to them. The causeway to be repaired is part of the entrance road that provides the only access to the day use, campgrounds, nature center, park store, Atalaya castle, etc. Loss of this road would cause a dramatic drop in revenue.

Facility Characteristics: The roads in the parks are utilized by all park visitors to these sites. It is estimated that approximately 810,000 persons use the park roads each year.

Financial Impact: The request will be funded from Other, Park Revenue Funds (uncommitted balance \$6.88 million at December 14, 2021). Revenue to this fund is revenue generated by the State Park System. The fund collects fees for admission, camping, lodging, and other fees charged for the use of recreational facilities and programs. Section 51-3-65 allows SCPRT to set the fee structure to maintain fiscal soundness and continued maintenance of the state park system. In addition, 51-1-40 states the revenue must be used for park and recreational operations. 51-3-80 allows SCPRT to acquire land through gifts, donations, and contributions of land suitable for park purposes. The project is not expected to result in any change in annual operating expenditures.

Full Project Estimate: \$1,660,000 (internal) funded by Other, Park Revenue Funds. Contract execution is expected in March 2022 with construction completion in September 2022.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

AUTHORITY ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Executive Budget Office. All items have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

Agenda item worksheet and attachments

Project List: SFAA Items - April 5, 2022

SFAA Items - April 5, 2022

SFAA Item	JBRC Item	Agency Code	Agency Name	Project ID	Project Name	Action Proposed	Included in CIP?	Current Budget	Requested Change	Phase I	Total Phase II Budget	SOF (excludes proposed Phase II if currently seeking Phase I)
(a)	2	H12	Clemson University	9956	Tillman Hall Auditorium Renovation	Establish Phase I	Yes	-	230,000	230,000	11,500,000	Other - Maintenance & Stewardship
(b)	3	H12	Clemson University	9957	Women's Sports Program Expansion (Gymnasiums/Lacrosse)	Establish Phase I	Yes	-	500,000	500,000	27,500,000	Other - Athletic Gifts & Donations
(c)	4	H12	Clemson University	9942	Lehotsky Hall Replacement	Phase I Increase / Revise Scope & Change Project Name	Yes	700,000	50,000	750,000	50,000,000	Other - Maintenance & Stewardship
(d)	5	H15	College of Charleston	9677	Stern Student Center Renovation and Addition	Establish Phase I	Yes	-	900,000	900,000	35,980,000	Other - Auxiliary Dining Revenues / Other - Capital Improvement Project
(e)	6	H15	College of Charleston	9674	Electrical Grid Infrastructure Upgrades	Establish Phase II	Yes	82,500	4,755,500	82,500	4,838,000	Other - Capital Improvement Project
(f)	7	H17	Coastal Carolina University	9623	PGA Golf Management Program Academic Learning Lab Construction	Establish Phase I	Yes	-	120,000	120,000	8,000,000	Other - Capital Project Reserves
(g)	8	H17	Coastal Carolina University	9616	Kimel Library Renovation	Establish Phase II & Review Scope	Yes	150,000	15,350,000	150,000	15,500,000	Other - Institutional Capital Project / Other Penny Sales Tax / Other - Donor Gift / Other - Horry County Higher Education Commission GO Bond Revenue Bonds
(h)	Sep.	H18	Francis Marion University	9582	Smith University Center Renovations & Improvements	Establish Phase II	Yes	60,000	3,940,000	60,000	4,000,000	Other - Insurance Proceeds / Other - Institutional Capital Project
(i)	10	H47	Winthrop University	9580	Byrnes Roof Fire Restoration	Establish Phase II	Yes	59,744	4,940,256	59,744	5,000,000	Other - Housing
(j)	11	H47	Winthrop University	9595	Demolition for Wofford Hall (residence hall)	Establish Phase II	Yes	54,000	3,546,000	54,000	3,600,000	Other - Institutional Capital Project
(k)	12	H47	Winthrop University	9579	Music Conservatory/Byrnes Auditorium Renovation	Phase II Increase	No	4,500,000	650,000	450,000	5,150,000	Other - Patient Fees
(l)	13	H51	Medical University of South Carolina	9855	College of Medicine Office and Academic Building	Establish Phase I	No	-	3,440,000	3,440,000	172,000	Other - College Plant Maintenance
(m)	15	H59	Greenville Technical College	6160	Parking Lot R Construction - Barton Campus	Phase II Increase	No	2,768,260	1,150,277	40,675	3,918,536	Other - College Plant
(n)	16	H59	Horry Georgetown Technical College	6192	Diesel Engine Training Facility Expansion - Building and Land	Preliminary Land Acquisition	Yes	-	20,000	20,000	1,580,000	FY22 Capital Reserve / Appropriated State - FY22 Proviso 118.18 (27) (i) / Other - College
(o)	17	H59	Orangeburg Calhoun Technical College	6164	OC Tech Health Science Building Mechanical/Electrical Upgrades	Establish Phase II	Yes	30,000	4,170,000	30,000	4,200,000	Other - College
(p)	18	H59	Piedmont Technical College	6193	PTC Health & Science Building Renovations and Expansion	Establish Phase I	Yes	-	137,250	137,250	9,150,000	Other - College
(q)	19	H59	Spartanburg Community College	6148	Spartanburg - Powers Building Renovations	Phase II Increase & Revise Scope	Yes	3,387,446	58,500	448,000	3,445,946	Other - College
(r)	21	D50	Department of Administration	6094	Dennis Building - Attorney General's Office 1st, 2nd & 3rd Floor	Establish Phase I	No	-	115,500	115,000	7,700,000	Other - Attorney General
(s)	23	D50	Department of Administration	6081	Brown Building & Dennis Building - Window Replacement	Establish Phase II	Yes	41,190	2,704,810	41,190	2,746,000	Appropriated State
(t)	32	E24	Office of the Adjutant General	9793	Armory Revitalizations	Phase II Increase	Yes	25,924,600	4,000,000	10,500,000	29,924,600	FY16 & FY19 Capital Reserve / Appropriated State - FY20 Proviso 118.16 / Federal - National Guard Bureau / Other - FY20 Armory Maintenance
(u)	39	K05	Department of Public Safety	9617	Blythewood Complex Chiller Replacement	Establish Phase I	Yes	-	19,400	19,400	1,292,000	Other - DPS Building
(v)	41	N04	Department of Corrections	9765	Walden - Renovate Building One for Police Services	Increase Phase II & Change Source of Funds	No	720,000	2,380,836	10,850	3,100,836	Appropriated State - FY21 Carryforward / Other - FY19 Proviso 65.25 Cell Phone Interdiction
(w)	42	N04	Department of Corrections	9766	Camille Graham CI - Construct Program Building	Increase Phase II & Change Source of Funds	No	450,000	1,449,852	7,500	1,899,852	Appropriated State - FY21 Carryforward / Other - Canteen / Other - Inmate Welfare
(x)	44	N12	Department of Juvenile Justice	9611	Security Upgrade for Maple, Holly, Poplar and Cypress	Phase II Increase & Revise Scope	Yes	2,296,000	516,800	61,525	2,812,800	Appropriated State - FY20 & FY21 Carryforward
(y)	45	N12	Department of Juvenile Justice	9614	Statewide Surveillance Equipment and Services for Existing Facilities	Phase II Increase & Revise Scope	Yes	4,574,920	2,459,965	4,574,920	7,034,885	Appropriated State - FY21 Carryforward / Appropriated State - Operating
(z)	46	P24	Department of Natural Resources	6007	Greenville-Poinsett Bridge Restoration	Establish Phase II & Revise Scope	Yes	13,485	1,440,000	13,485	1,453,485	Other - Heritage Land Trust

Project List: SFAA Items - April 5, 2022

SFAA Items - April 5, 2022

SFAA Item	JBRC Item	Agency Code	Agency Name	Project ID	Project Name	Action Proposed	Included in CPIP?	Current Budget	Requested Change	Phase I	Total Phase II Budget	SOF (excludes proposed Phase II if currently seeking Phase I)
(aa)	48	P24	Department of Natural Resources	6006	Richland – Regional Skeet/Trap Event Range	Phase II Increase	No	4,000,000	1,863,870	60,000	5,863,870	Appropriated State - FY20 Proviso 118.16 (nonrecurring) / Federal - USFWS Grant / Other - Boyd Foundation Donation / Other - National Wild Turkey Federation
(bb)	50	P28	Department of Parks, Recreation & Tourism	9778	Venues at Arsenal Hill Improvements	Establish Phase II & Change Project Name	Yes	250,000	10,125,000	250,000	10,375,000	Appropriated State - FY19 Carryforward / Appropriated State - FY22 Proviso 118.18 (nonrecurring) / Other - Park Revenue / Other - DOA Depreciation Reserve
(cc)	52	P28	Department of Parks, Recreation & Tourism	9796	Paving Agreement with SCDOT	Phase II Increase	Yes	1,000,000	660,000	15,000	1,660,000	Other - Park Revenue

MEETING OF April 5, 2022

ITEM NUMBER 4, Page 1AGENCY: Department of Administration, Executive Budget OfficeSUBJECT: South Carolina Department of Natural Resources – Lexington – Congaree Creek Heritage Preserve Land Acquisition

Project: Department of Natural Resources
P24.6056: Lexington - Congaree Creek Heritage Preserve Land Acquisition (OSI-Taylor Tract)

Request: Establish Preliminary Land Acquisition for the purpose of investigating the purchase of approximately 127 acres of land in eastern Lexington County.

Included in CPIP: Yes – 2021 CPIP Priority 2 of 11 in FY24 (estimated at \$7,020,000)

CHE Approval: N/A

Supporting Details: Pages

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

Rationale: The acquisition of the property will protect additional significant cultural resources adjoining SCDNR's Congaree Creek Heritage Preserve. Acquisition of this property would expand Congaree Creek Heritage Preserve from 641 acres to 768 acres and allow for greater public access in the form of walking trails and canoeing opportunities. After the land is acquired, it will be managed as part of the Congaree Creek Heritage Preserve.

Characteristics: The property is located on the east side of Charleston Highway (Hwy 321) between Six Mile Creek and Congaree Creek and adjoins DNR's Congaree Creek Heritage Preserve on the west and northeast sides. The land contains hardwood bottom wetlands and an upland sandhill long leaf pine ecosystem. The property also contains both prehistoric and historic period archaeological sites significant to the midlands. The unique proximity to a population center will provide the public with an opportunity to observe and participate in the archaeological work on the property.

MEETING OF April 5, 2022

ITEM NUMBER 4, Page 2

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: South Carolina Department of Natural Resources – Lexington – Congaree Creek Heritage Preserve Land Acquisition

Financial Impact: The property is currently owned by Taylor Brennecke, and Open Space Institute Land Trust, Inc., of New York, NY is purchasing the property from the Taylor family. The property is being offered by Open Space Institute Land Trust, Inc. of New York, NY for \$3,500,000. The due diligence activities will be funded from Other, Heritage Land Trust Funds (uncommitted balance \$14.7 million at October 31, 2021). Revenue to this fund is authorized by SC Code 51-17-115 and provides for the department to use Heritage Land Trust Funds to acquire in fee simple or lesser interest in priority areas, legal fees, appraisals, surveys, or other costs involved in the acquisition of priority areas, and for the development of minimal facilities and management necessary for the protection of priority areas. The project is expected to result in an increase of \$2,000 (year 1), in annual operating expenses.

Full Project Estimate: \$3,520,000 (internal) funded by Heritage Land Trust Funds.

Special Note: Section 51-17-115 provides that no money from the Heritage Land Trust Fund may be expended “to acquire interests in property without a recommendation of the Heritage Trust Advisory Board and the approval of the State Fiscal Accountability Authority” The Heritage Trust Advisory Board recommended this expenditure at its meeting on February 27, 2020. The Authority is asked to approve the expenditure of \$20,000 from the Heritage Land Trust Fund pursuant to Section 51-17-115.

AUTHORITY ACTION REQUESTED:

As requested by the Department of Natural Resources through the Department of Administration, Executive Budget Office, approve the Permanent Improvement Project Phase 1, for the Congaree Creek Preserve Land acquisition; and as requested by DNR approve an expenditure of \$20,000 from the Heritage Land Trust Fund toward the acquisition of land described in Permanent Improvement Project 6056.

ATTACHMENTS:

Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: April 5, 2022

Regular Agenda

1. Submitted By:

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


Brian J. Gaines Director, Executive Budget Office

2. Subject:

South Carolina Department of Natural Resources – Lexington – Congaree Creek Heritage Preserve Land Acquisition

3. Summary Background Information:

Project: Department of Natural Resources
P24.6056: Lexington - Congaree Creek Heritage Preserve Land Acquisition (OSI-Taylor Tract)

Request: Establish Preliminary Land Acquisition for the purpose of investigating the purchase of approximately 127 acres of land in eastern Lexington County.

Included in CPIP: Yes – 2021 CPIP Priority 2 of 11 in FY24 (estimated at \$7,020,000)

CHE Approval: N/A

Supporting Details: Pages

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

Rationale: The acquisition of the property will protect additional significant cultural resources adjoining SCDNR's Congaree Creek Heritage Preserve. Acquisition of this property would expand Congaree Creek Heritage Preserve from 641 acres to 768 acres and allow for greater public access in the form of walking trails and canoeing opportunities. After the land is acquired, it will be managed as part of the Congaree Creek Heritage Preserve.

Characteristics: The property is located on the east side of Charleston Highway (Hwy 321) between Six Mile Creek and Congaree Creek and adjoins DNR's Congaree Creek Heritage Preserve on the west and northeast sides. The land contains hardwood bottom wetlands and an upland sandhill long leaf pine ecosystem. The property also contains both prehistoric and historic period archaeological sites significant to the midlands. The unique proximity to a population center will provide the public with an opportunity to observe and participate in the archaeological work on the property.

Financial Impact: The property is currently owned by Taylor Brennecke, and Open Space Institute Land Trust, Inc., of New York, NY is purchasing the property from the Taylor family. The property is being offered by Open Space Institute Land Trust, Inc. of New York, NY for \$3,500,000. The due diligence activities will be funded from Other, Heritage Land Trust Funds (uncommitted balance \$14.7 million at October 31, 2021). Revenue to this fund is authorized by SC Code 51-17-115 and provides for the department to use Heritage Land Trust Funds to acquire in fee

simple or lesser interest in priority areas, legal fees, appraisals, surveys, or other costs involved in the acquisition of priority areas, and for the development of minimal facilities and management necessary for the protection of priority areas. The project is expected to result in an increase of \$2,000 (year 1), in annual operating expenses.

Full Project Estimate: \$3,520,000 (internal) funded by Heritage Land Trust Funds.

4. What is SFAA asked to do?

Consider approval of the Permanent Improvement Project Phase I

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

These items are complete and ready for SFAA review.

6. List of Supporting Documents:

1. Permanent Improvement Project Lexington-Congaree Creek Heritage Preserve Land Acquisition

FOR DEPARTMENT USE ONLY

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

RECEIVED**By Kim Sharpe at 4:22 pm, Nov 10, 2021****(For Department Use Only)**

4-2022 (A)

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

1. AGENCY
 Code P24 Name Department of Natural Resources
 Contact Person Scott Speares, Asst Dep Director Administration Phone (803) 734-3624

2. PROJECT
 Project # 6056 Name Lexington - Congaree Creek Heritage Preserve Land Acquisition (OSI-Taylor Tract)
 Facility # _____ Facility Name Congaree Creek Heritage Preserve

County Code	32 - Lexington
New/Revised Budget	\$20,000.00

Project Type	1 - Purchase Land/Buildings
Facility Type	9 - Land Purchase

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR
 CPIP priority number 2 of 11 for FY 2024

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

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

5. PROJECT DESCRIPTION AND JUSTIFICATION

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

The Department of Natural Resources (DNR) requests approval from the Joint Bond Review Committee and State Fiscal Accountability Authority to establish a project to investigate the acquisition of approximately 127 acres of land in eastern Lexington County. The property is being offered by:

Open Space Institute
 1350 Broadway, Suite 201
 New York, NY 10018

The property is located on the east side of Charleston Highway (Hwy 321) between Six Mile Creek and Congaree Creek and adjoins DNR's Congaree Creek Heritage Preserve on the west and northeast sides. The land contains hardwood bottom wetlands and an upland sandhill long leaf pine ecosystem. The property also contains both prehistoric and historic period archaeological sites significant to the midlands. The unique proximity to a population center will provide the public with an opportunity to observe and participate in the archaeological work on the property. Acquisition of this property would expand Congaree Creek Heritage Preserve from 641 acres to 768 acres and allow for greater public access in the form of walking trails and canoeing opportunities. After the land is acquired, it will be managed as part of the Congaree Creek Heritage Preserve.

The department requests an initial budget of \$20,000 be established to conduct due diligence activities. Funding for these activities will come from the Heritage Land Trust Fund. The final acquisition will be funded with Heritage Land Trust Funds (\$3,500,000). A SC Conservation Bank grant application is pending (\$1,500,000) and if approved will be utilized in lieu of Heritage Land Trust Funds. The total cost of the project should not exceed \$3,520,000.

6. OPERATING COSTS IMPLICATIONS

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

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES

Estimated Start Date: January 2022 Estimated Completion Date: September 2022
 Estimated Expenditures: Thru Current FY: \$20,000.00 After Current FY: \$0.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

PROJECT #

6056

1. _____ Land Purchase ---->
2. _____ Building Purchase ---->
3. 20,000.00 Professional Services Fees
4. _____ Equipment and/or Materials ---->
5. _____ Site Development
6. _____ New Construction ---->
7. _____ Renovations - Building Interior ---->
8. _____ Renovations - Utilities
9. _____ Roofing - _____ Roof Age
10. _____ Renovations - Building Exterior
11. _____ Other Permanent Improvements
12. _____ Landscaping
13. _____ Builders Risk Insurance
14. _____ Other Capital Outlay
15. _____ Labor Costs
16. _____ Bond Issue Costs
17. _____ Other: _____
18. _____ Contingency

Land: 127.00 Acres
 Floor Space: _____ Gross Square Feet

Information Technology _____

Floor Space: _____ Gross Square Feet
 Floor Space: _____ Gross Square Feet

\$20,000.00 TOTAL PROJECT BUDGET

ENVIRONMENTAL HAZARDS

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

Type: _____

Cost Breakdown

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

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State			0.00 0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify) Heritage Land Trust Fund	0.00	20,000.00	20,000.00 0.00 0.00		0604	98800100	4520	3907
TOTAL BUDGET	\$0.00	\$20,000.00	\$20,000.00					

10. SUBMITTED BY:

Jim B. [Signature]
 Signature of Authorized Official and Title

Scott Speares, Asst Deputy Director Administration

November 8, 2011

Date

11. APPROVED BY:

(For Department Use Only)

Authorized Signature and Title

Date

ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY Code P240 Name Department of Natural Resources

2. PROJECT Project # 6056 Name Lexington-Congaree Creek Heritage Preserve Land Acquisition (OSI)

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) 2022	\$	\$	\$ 2,000.00	\$ 2,000.00
2) 2023	\$	\$	\$	\$ 0.00
3) 2024	\$	\$	\$	\$ 0.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
 Heritage Trust Fund, derived from a portion of the document stamp tax fee.

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

☒ YES

☐ NO

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

COST FACTORS		AMOUNT
1.	Boundary markers and gates	\$2,000.00
2.		
3.		
4.		
5.		
6.		
7.		
8.		
TOTAL		\$2,000.00

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

9. Submitted By:  Scott Speares, Asst Dep Director Admini+
 Signature of Authorized Official and Title

November 9, 2021
 Date

PERMANENT IMPROVEMENT PROJECTS

REQUIRED INFORMATION FOR
PRELIMINARY LAND ACQUISITION/
INVESTIGATIVE STUDIES PROJECTS

1. Provide the total projected cost of the project, including acquisition cost.

\$3,520,000

2. Identify the source(s) of funds to be used for investigative studies for the acquisition.

45200000 Heritage Land Trust Fund

3. Describe and define each fund source to be used for the investigative land studies. Cite any statutory authority, including the code section other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

Fund 45200000 Heritage Land Trust Fund: SC Code 51-17-115 provides for the department to use Heritage Land Trust Funds to acquire in fee simple or lesser interest in priority areas, legal fees, appraisals, surveys, or other costs involved in the acquisition of priority areas, and for the development of minimal facilities and management necessary for the protection of priority areas. See attachment 1.

4. Provide the current uncommitted balance of funds for each source described above.

45200000 Heritage Land Trust Fund \$14,715,924.91 as of 10/31/2021

5. Identify the source(s) of funds to be used for the acquisition.

45200000 Heritage Land Trust Fund

6. Describe and define each fund source to be used for the acquisition. Cite any statutory authority, including the code section other provision of law for use of funds, for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

Fund 45200000 Heritage Land Trust Fund: SC Code 51-17-15 provides for the department to use Heritage Land Trust Funds to acquire in fee simple or lesser interest in priority areas, legal fees, appraisals, surveys, or other costs involved in the acquisition of priority areas, and for the development of minimal facilities and management necessary for the protection of priority areas.

SC Conservation Bank mission is "To improve the quality of life in South Carolina through the conservation of significant natural resource lands, wetlands, historical properties, archeological sites, and urban parks." Grants are issued that meet the conditions enumerated in SC Code 48-59-70.

7. Provide the current uncommitted balance of funds for each source described above.

45200000 Heritage Land Trust Fund: \$14,715,924.94 as of 10/31/2021

PERMANENT IMPROVEMENT PROJECTS

REQUIRED INFORMATION FOR
PRELIMINARY LAND ACQUISITION/
INVESTIGATIVE STUDIES PROJECTS

8. Indicate whether or not the use of any funds for the acquisition require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

Does not apply to this project.

9. If a student fee is used to fund an acquisition, provide the current amount of the fee collected annually or by semester. Specify which.

Does not apply to this project.

10. Provide the total acreage and/or square footage of the land and/or building to be acquired.

± 127 acres.

11. If a building is involved in the acquisition, identify whether it will have to be renovated and if so, provide the projected cost. Explain.

Does not apply to this project.

12. Identify program(s) that will use the land and/or building to be acquired.

Property will be used by the public as a heritage cultural preserve.

13. Provide the current age of the building to be acquired, if applicable.

Does not apply to this project.

14. Provide demand and usage data to support the need for the acquisition.

Project was approved by the SCDNR Board and will be used by the public for outdoor recreational and educational activities. Private lands available for outdoor activities continue to diminish; therefore, demand for public lands to engage in these actions continue to increase.

15. Provide an estimate of the numbers of students, faculty, staff and clients that are expected to utilize the space associated with the acquisition.

Does not apply to this project.

16. Indicate whether or not the acquisition project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

Yes. 2020 for FY 2021

17. Provide the economic impact of the project or project request, including job creation and retention. If there is no economic impact, provide an explanation.

Marginal impact anticipated.

PERMANENT IMPROVEMENT PROJECTS

REQUIRED INFORMATION FOR PRELIMINARY LAND ACQUISITION/ INVESTIGATIVE STUDIES PROJECTS

TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS

1. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.
2. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.
3. Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

*Projection

PERMANENT IMPROVEMENT PROJECTS

REQUIRED INFORMATION FOR
PRELIMINARY LAND ACQUISITION/
INVESTIGATIVE STUDIES PROJECTS

4. Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

Fund Source or Name:
Description:

Academic Year	Total Revenue Collected During Academic Year	Portion Collected From Tuition or Fee Revenues	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

*Projection

5. Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.

Attachment 1

P240-6056 Lexington - Congaree Creek Heritage Preserve Land Acquisition (OSI-Taylor Tract)

SECTION 51-17-10. Definitions.

The following words or phrases have the definition given unless clearly specified otherwise:

1. "Board of the department" means the governing board of the Department of Natural Resources.
2. "Department" means the Department of Natural Resources.
3. "Advisory board" means the Heritage Trust Advisory Board.
4. "Natural area" means an area of land or water, or a combination thereof, generally, but not necessarily, large in size. Such an area may be in public or private ownership and shall contain relatively undisturbed ecosystems, landforms, threatened, endangered, or unique plant life or animal habitats, or other unusual or outstanding scientific, educational, aesthetic, or recreational characteristics.
5. "Natural feature" means an area of land or water, or a combination thereof, which is generally, but not necessarily, small in size. Such area may be in public or private ownership and shall contain or consist of outstanding remnants or natural elements of surviving undisturbed natural ecosystems such as record size individual species of plant life, nests or rookeries, geological formations, or objects of special scientific, educational, aesthetic, or recreational character.
6. "Cultural area or feature" means an area or feature which provides an outstanding example of our historical or archeological heritage. Such an area or feature shall be a site of special historic interest or contain outstanding remnants or elements of the way of life and significant events of our past so that through their preservation and the restoration of related existing structures, or the development of a historic area, as well as through study, investigation and examination of the material remains in that life, a record may be preserved of the interrelationship and effect between man's activities and his surrounding environment. A cultural area or feature may be one that is either publicly or privately owned.
7. "Heritage Preserve" means a natural or cultural area or feature which is "dedicated" under this chapter.
8. "Heritage Site" means a natural or cultural feature which has been recognized as such through "registration" under this chapter.
9. "Dedicate or dedication" means the process by which any natural or cultural area or feature shall be established as a Heritage Preserve in accordance with the procedures set out in Section 51-17-80. Dedication may result from either of the following methods, but no power of eminent domain is hereby conferred or granted to the board of the department, the advisory board, or the department under this chapter:
 - (a) "Acquisition" means the establishment of a Heritage Preserve whereby the owner of a natural or cultural area or feature transfers the fee simple interest therein to the board of the department for such purpose; or
 - (b) "Acceptance" means the establishment of a Heritage Preserve whereby the owner of a natural or cultural area or feature transfers less than the fee simple interest therein to the board of the department for such purpose. Examples are granting of a "conservation or open space easement" or the transfer of title subject to a life estate or reverter. Interests in real estate of a term of years shall not qualify for dedication under this chapter.

10. "Register" or "registration" means the process by which the owner of a natural or cultural feature shall enter into a written agreement with the board of the department recognizing the unique and outstanding characteristics thereof in accordance with the procedures set out in Section 51-17-100.

11. "Priority areas and features list" means the list made up of those areas and features recommended by the advisory board, and approved by the board of the department, under this chapter whose preservation is of primary importance to the goals and purposes of this chapter and which are, therefore, eligible to be included as Heritage Preserves and Sites.

12. "The Heritage Trust Program" means the entire system established under this chapter to provide for the inventorying, preservation, use and management of unique and outstanding natural or cultural areas and features in this State. The term 'Heritage Trust' means the legal trust which is created under Section 51-17-90.

REQUEST TO ACQUIRE REAL PROPERTY

South Carolina Code Section 1-11-58 requires the Department of Administration to review its central listing of surplus real property to determine if an agency's need for real property can be met from existing state-owned property. In order to comply with this statutory requirement, you are requested to complete the following form and send it to the Capital Budgeting Unit, 1205 Pendleton Street, Edgar A. Brown Building, Suite 529, Columbia, South Carolina 29201, prior to submitting an A-1 form to establish a project for a new land acquisition.

Agency Code: P240 Agency Name: Department of Natural Resources

Contact Person: Scott Speares Phone: (803) 734-3624 Date: 09/08/2021

Statement of Need: (Explain why the property is needed, not the purpose it will be used for):
Protect additional significant cultural resources adjoining SCDNR's Congaree Creek
Heritage Preserve.

Amount of Land Needed: 127 acres County in which land is needed: Lexington

Preferred Location: East side of Charleston Highway (US 321) between Six Mile Creek and Congaree Creek and adjoins Congaree Creek Heritage Preserve

Suitable Alternate Locations: N/A

Briefly describe the type of property needed in sufficient detail to enable our review of the records of available surplus property to ascertain whether such property may be suitable for your needs:

N/A

FOR DEPARTMENT USE ONLY:

Identification of property located on surplus property lists which may meet the above need:

Notified agency of property(ies): Name: _____ Date: _____

ADMIN Representative Initials: _____ Date: _____

AGENCY: P240 Department of Natural Resources

PROJECT NAME: Lexington-Congaree Creek Heritage Preserve Land Acquisition (OSI-Taylor)

PROJECT NUMBER: 6056 DATE SUBMITTED: November 8, 2021

The approval of this project, which involves the acquisition of land, is for establishment only for the limited purposes of securing: (1) any appraisals which may be required; (2) any land surveying services which may be required; (3) a Phase One Building Condition Assessment on any structures included in the acquisition which may be required; (4) an asbestos survey on any structures included in the acquisition; (5) a Level One Environmental Study for detection of hazardous materials; and (6) any other information desired by the Joint Bond Review Committee or the State Fiscal Accountability Authority which describes further the land proposed to be acquired and the purposes it would serve if acquired.

The agency should forward originals of the appraisal, environmental study and building condition assessment reports to the **Executive Budget Office, Capital Budgeting Unit, 1205 Pendleton Street, Suite 529, Columbia, South Carolina 29201**. We will ensure that the building condition assessment is forwarded and reviewed by the Office of State Engineer.

No authority is given by this approval to acquire any land or to enter into any agreement to acquire land until the required studies have been reviewed by staff and an A-1 form which fully details the project has been reviewed by the Joint Bond Review Committee and approved by the State Fiscal Accountability Authority.

Submission of the A-1 form to finalize the land acquisition, information supplied on the attached format and a letter requesting approval of the acquisition, stating the date by which this approval is required, should be submitted to the Capital Budgeting Unit as noted above.

PROPERTY ACQUISITION INFORMATION FORMAT

PART I

1. Project Number: 6056
2. County: Lexington
3. Description of Property:
Fee simple acquisition of approximately 127 acres of undeveloped adjacent to DNR's Congaree Creek Heritage Preserve.
4. Grantor(s) Name and Address:
Open Space Institute Land Trust, Inc.
1350 Broadway, Ste 201
New York, NY 10018
5. Grantee(s) Name and Address:
S.C. Department of Natural Resources (DNR)
PO Box 167
Columbia, S.C. 29202-0167
6. County Location: East side of Charleston Highway (US 321) between Six Mile Creek and Congaree Creek and adjoins Congaree Creek Heritage Preserve
7. Acreage: \pm 127 acres
8. Purpose for Acquisition:
To protect culturally significant resources from historic and prehistoric periods adjoining DNR's Congaree Creek Heritage Preserve. The tract will be managed as part of DNR's Congaree Creek Heritage Preserve and will be open to the public to observe archaeological work and for outdoor recreational activities.
9. Demonstrate the need to acquire the property:
See question 8.
10. Purchase Price: \$ \$3,500,000
11. Current Year Property Tax Amount: \$ Seller is a not for profit entity.

PART II

1. How many sites were evaluated? Significant natural & cultural sites are continuously evaluated.
2. Please list the selection criteria used to evaluate sites.
Criteria concerning DNR's Heritage Trust programs were used to evaluate the site. They include protecting significant cultural resources, threatened and endangered species, habitat restoration, conversion threats, water quality, public access, and other related factors.
3. How was the final selection of the site made?
Approval by the DNR Board.

4. Why was this specific site selected?

The property adjoins DNR's Congaree Creek Heritage Preserve on the on the west and northeast sides. The property simultaneously extends protection to the CCHP resources and will allow for public access to archaeological research in ways not previously possible in the midlands.

5. What are the estimated costs of any construction or renovations to be done on the property and the anticipated source of funds for such work?

No construction will be done on the property. There are no buildings to renovate. Approximately \$2,000 will be expended to mark property boundaries and erect gates after acquisition.

6. What are the estimated additional annual operating costs which will result from acquisition of the property and the anticipated source of funds? Explain the factors that determine the cost. If no costs, explain why not.

No additional operating costs are anticipated. The property will be managed in a natural state.

7. What are the estimated additional annual operating costs which will result from construction/renovation on the property and the anticipated source of funds? Explain the factors that determine the costs. If no costs, explain why not.

N/A



Taylor Tract Addition (Yellow polygon 127 acres)
Congaree Creek Heritage Preserve

South Carolina Department of Natural Resources



Robert H. Boyles, Jr.
Director

November 9, 2021

Ms. Jennifer LoPresti
Executive Budget Office / Capital Budgeting Unit
1205 Pendleton Street, Ste 529
Columbia, SC 29201-3757

RE: Project 6056 Lexington-Congaree Creek Heritage Preserve Land Acquisition (OSI-Taylor Tract)

Dear Jennifer:

The Department of Natural Resources (DNR) requests authority from Joint Bond Review Committee and State Fiscal Accountability Authority to establish a project for the purpose of acquiring approximately 127 acres of land located in western Lexington County. The property is Adjacent to DNR's Congaree Creek Heritage Preserve. The seller is:

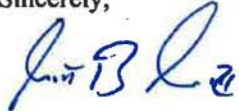
Open Space Institute Land Trust, Inc.
1350 Broadway, Ste 201
New York, NY 10018

The property is located on the east side of Charleston Highway (Hwy 321) between Six Mile Creek and Congaree Creek and adjoins DNR's Congaree Creek Heritage Preserve on the west and northeast sides. The land contains hardwood bottom wetlands and an upland sandhill long leaf pine ecosystem. The property also contains both prehistoric and historic period archaeological sites significant to the midlands. The unique proximity to a population center will provide the public with an opportunity to observe and participate in the archaeological work on the property. Acquisition of this property would expand Congaree Creek Heritage Preserve from 641 acres to 768 acres and allow for greater public access in the form of walking trails and canoeing opportunities. After the land is acquired, it will be managed as part of the Congaree Creek Heritage Preserve.

The department requests an initial budget of \$20,000 be established to conduct due diligence activities. Funding for these activities will come from the Heritage Land Trust Fund. The final acquisition will be funded with Heritage Land Trust Funds (\$3,500,000). A SC Conservation Bank grant application is pending (\$1,500,000) and if approved will be utilized in lieu of Heritage Land Trust Funds. The total cost of the project should not exceed \$3,520,000.

As always, we thank the Executive Budget Office for the assistance provided to complete our projects.
Please contact me should you have any questions related to this project.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Speares", with a stylized flourish at the end.

Scott Speares

Assistant Deputy Director - Administration

Attachments: A-1, A49

Budget Load Worksheet

Preliminary Land Acquisition Information

Request to Acquire Real Property

Property Acquisition Information

Tract Map

Permanent Improvement Project Budget Load Worksheet

Basic Project Information

Agency Number P240 **SPIRS Number** 6056
Project Name Lexington-Congaree Creek Heritage Preserve Land Acquisition (OSI-Taylor)

For Existing Projects Only

State Funded Program
WBS Number

Project Systems Project Information

Project Type C-Capital
Cost Center P240G00010
Functional Area P240_CPLA

In general, projects will be created with only a Level 1 WBS. If you would like an existing project to be copied, you can request that. If you have other special requests please include those here. If you do request that a project be copied, it is your responsibility to check to make sure that all changes have been made appropriately before the project is released. Other requests will be considered if appropriate and resources allow.

Special Requests

Copy from Project 6013

Other Requests (Explain)

Budget Load Information

In general, budgets will be loaded at the high level fund. If you would like the budget loaded at the 8 digit fund, please indicate that here. Please note that, as of now, EBO cannot load bond funds at the 8 digit fund.

Funding Source 1

8 Digit Fund 39078020
Fund Center P240G00010
Functional Area (16 Zeros) P240_CPLA
Amount \$20,000.00
Action Increase

Funding Source 3

8 Digit Fund
Fund Center
Functional Area
Amount
Action

Funding Source 2

8 Digit Fund
Fund Center
Functional Area
Amount
Action

Funding Source 4

8 Digit Fund
Fund Center
Functional Area
Amount
Action

For EBO Use Only

State Funded Program
WBS Number
Document Number(s)
Analyst

MEETING OF April 5, 2022

ITEM NUMBER 5

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: College of Charleston Lease of 99 St. Phillip Street, Charleston

The College of Charleston (College) is requesting approval to lease 254 student housing beds in 63 units located at 99 St. Philip Street from 99 St. Philip Street, LLC to meet their current demand and future projections for College provided student housing. The College is performing renovations on McAlister Residence Hall during the 2022-2023 Academic Year and requires student housing to serve as swing space during renovations.

A solicitation was conducted and two responses were originally received. One response was deemed non-responsive as they did not have sufficient beds available to lease. The term of the lease will be one (1) academic year, beginning on August 3, 2022 and ending on May 15, 2023, with four (4) optional academic year renewals (Extended Terms). Basic Rent for the first year of the Initial Term shall be \$3500 per bed per semester or \$1,778,000 for the year. The Basic Rent for each Extended Term shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) South Region from June of the prior Academic Year but the percentage increase will not exceed five percent (5%) in any one year, for a total maximum Basic Rent over the five year period which will not exceed \$9,824,572.68.

The College shall pay as additional rent all building operating costs for the Academic Year with the exception of property taxes, which will be paid for the entire calendar year. Building operating costs will exclude all expenses relating to common area custodial services, grounds services, and building envelope and major mechanical MEP systems. All Building operating costs are subject to reduction in the event the Lease is terminated early. The College estimates these expenses will be \$353,000 per Academic Year.

The College will charge students \$4500 per semester per bed for double occupancy, which is the same rate they charge for comparable student housing.

For comparison purposes, the average cost per bed for the non-responsive offer would have equated to \$4765 per semester per bed for the Academic Year.

There are adequate funds for the lease according to the Budget Approval Form submitted. The lease was approved by the Board of Trustees of the College on March 15, 2022, the Commission on Higher Education delegated approval to CHE Staff and approval will be on or before March 30, 2022. JBRC approved the lease on March 30, 2022. No option to purchase the property is included in the lease.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: College of Charleston Lease of 99 St. Phillip Street, Charleston

AUTHORITY ACTION REQUESTED:

As requested by the College of Charleston through the Department of Administration, Facilities Management and Property Services, approve the proposed lease for one Academic Year and up to four Academic Year renewals for 254 student housing beds at 99 St. Philip Street, Charleston from 99 St. Philip Street, LLC.

ATTACHMENTS:

Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: April 5, 2022

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster
Ashlie Lancaster, Director

2. Subject: College of Charleston Lease of 99 St. Philip Street, Charleston, SC

3. Summary Background Information:

The College of Charleston (College) is requesting approval to lease 254 student housing beds in 63 units located at 99 St. Philip Street from 99 St. Philip Street, LLC to meet their current demand and future projections for College provided student housing. The College is performing renovations on McAlister Residence Hall during the 2022-2023 Academic Year and requires student housing to serve as swing space during renovations.

A solicitation was conducted and two responses were originally received. One response was deemed non-responsive as they did not have sufficient beds available to lease. The term of the lease will be one (1) academic year, beginning on August 3, 2022 and ending on May 15, 2023, with four (4) optional academic year renewals (Extended Terms). Basic Rent for the first year of the Initial Term shall be \$3500 per bed per semester or \$1,778,000 for the year. The Basic Rent for each Extended Term shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) South Region from June of the prior Academic Year but the percentage increase will not exceed five percent (5%) in any one year, for a total maximum Basic Rent over the five year period which will not exceed \$9,824,572.68.

The College shall pay as additional rent all building operating costs for the Academic Year with the exception of property taxes, which will be paid for the entire calendar year. Building operating costs will exclude all expenses relating to common area custodial services, grounds services, and building envelope and major mechanical MEP systems. All Building operating costs are subject to reduction in the event the Lease is terminated early. The College estimates these expenses will be \$353,000 per Academic Year.

The College will charge students \$4500 per semester per bed for double occupancy, which is the same rate they charge for comparable student housing.

For comparison purposes, the average cost per bed for the non-responsive offer would have equated to \$4765 per semester per bed for the Academic Year.

There are adequate funds for the lease according to the Budget Approval Form submitted. The lease was approved by the Board of Trustees of the College on March 15, 2022, the Commission on Higher Education delegated approval to CHE Staff and approval will be on or

before March 30, 2022. JBRC approved the lease on March 30, 2022. No option to purchase the property is included in the lease.

- 4. What is the Authority asked to do?** Approve the proposed lease for one Academic Year and up to four Academic Year renewals for 254 student housing beds at 99 St. Philip Street, Charleston, SC from 99 St. Philip Street, LLC.
-

- 5. What is recommendation of the division of Facilities Management and Property Services?** Consider approval the proposed lease for one Academic Year and up to four Academic Year renewals for 254 student housing beds at 99 St. Philip Street, Charleston, SC from 99 St. Philip Street, LLC.
-

6. Private Participant Disclosure – Check one:

- ☐ No private participants will be known at the time the Authority considers this agenda item.
☒ A Private Participant Disclosure form has been attached for each private participant.
As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval
-

7. Recommendation of other office (as required)?

- (a) Authorized Signature: _____
(b) Office Name: Click or tap here to enter text.
-

8. List of Supporting Documents:

- (a) Letter from College
(b) SC Code of Laws Sections 1-11-55 and 1-11-56



March 10, 2022

Ms. Ashlie Lancaster
Division Director, Facilities Management and Real Estate
1200 Senate Street, 6th Flr
Columbia, SC 29201

RE: Housing Swing Space

Dear Ms. Lancaster:

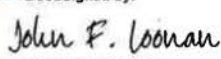
The College is performing renovations on McAlister Residence Hall during the 2022-2023 Academic Year. The College desires student housing to serve as swing space during the building renovations.

Through the lease solicitation process, the College received two proposals for these space needs. One of the responses was non-responsive and the remaining response was for 254 beds at 99 St. Philip Street. Therefore, the College is requesting approval for a one-year lease with four renewal options of one year each at this location. The location is within the main downtown campus perimeter making it convenient to classrooms, campus dining locations and student support services.

The College will lease up to 254 beds during the 2022-2023 academic year at this address in order to have enough beds in our housing inventory to meet the student demands during the renovation. Specifically of note, the College has the contractor scheduled to begin work on the McAlister renovation in May 2022. Construction is scheduled to be complete July 2023.

We respectfully request your assistance in obtaining JBRC and SFAA approval of this lease.

Sincerely,

DocuSigned by:

2A42872317CF4ED...

John F. Loonan
Executive Vice President for Business Affairs

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Medical University of South Carolina (MUSC) Lease at Hagood Avenue and Line Street in Charleston

The Medical University of South Carolina ("MUSC") requests approval to lease 140 parking spaces at the intersection of Hagood Avenue and Line Street from Rushmark Horizon, LLC ("Landlord"). MUSC's current lease at this location expires on October 31, 2022.

After contacting state agencies to verify no adequate state space was available, the Department of Administration solicited for 140 reserved parking spaces for a two (2) year term with the Tenant's option to terminate at any time with a thirty (30) day notice because MUSC would like to maintain flexibility to reduce parking should the need arise. Two proposals were received. The current location is the lowest priced offer.

The lease term will be two (2) years commencing November 1, 2022. Rent for the year has increased from \$121 per parking space per month to \$124.63 per parking space per month, which is an annual rate of \$209,378.40. The rental rate will escalate by 3% for the second year to \$128.37 per space per month, which is an annual rate of \$215,661.60. In addition to annual rental costs, the lease requires MUSC to provide a pro rata payment for operating costs which MUSC estimates to be approximately \$57,600 per year.

The following chart represents comparable lease rates of similar space:

Tenant	Location	Rate/ Space/Month
Vacant	295 Calhoun St.	\$200.00*
Vacant	62 Gadsden St.	\$150.00
Vacant	96 President St.	\$140.00
MUSC	99 WestEdge	\$125.00

*Offer received in response to solicitation

Tenant Location Rate/ Space/Month Vacant 295 Calhoun St. \$200.00* Vacant 62 Gadsden St. \$150.00 Vacant 96 President St. \$140.00 MUSC 99 WestEdge \$125.00 * offer received in response to solicitation

Agency has adequate funds for the lease according to a Budget Approval Form submitted March 3, 2022. Lease payments will be funded through parking revenue. No option to purchase the property is included in the lease. The lease was approved by the MUSC Board of Trustees on February 10, 2022, the Commission on Higher Education on March 11, 2022 and JBRC on March 30, 2022.

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF April 5, 2022

ITEM NUMBER 6

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Medical University of South Carolina (MUSC) Lease at Hagood Avenue and Line Street in Charleston

AUTHORITY ACTION REQUESTED:

Approve the proposed two-year lease for 140 parking spaces at Hagood and Line Street by the Medical University of South Carolina, as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet and attachments

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: April 5, 2022

Regular Agenda

1. Submitted by:

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

Ashlie Lancaster
Ashlie Lancaster, Director

2. Subject: Medical University of South Carolina (MUSC) Lease at Hagood Avenue & Line Street in Charleston

3. Summary and Background Information:

The Medical University of South Carolina ("MUSC") requests approval to lease 140 parking spaces at the intersection of Hagood Avenue and Line Street from Rushmark Horizon, LLC ("Landlord"). MUSC's current lease at this location expires on October 31, 2022.

After contacting state agencies to verify no adequate state space was available, the Department of Administration solicited for 140 reserved parking spaces for a two (2) year term with the Tenant's option to terminate at any time with a thirty (30) day notice because MUSC would like to maintain flexibility to reduce parking should the need arise. Two proposals were received. The current location is the lowest priced offer.

The lease term will be two (2) years commencing November 1, 2022. Rent for the year has increased from \$121 per parking space per month to \$124.63 per parking space per month, which is an annual rate of \$209,378.40. The rental rate will escalate by 3% for the second year to \$128.37 per space per month, which is an annual rate of \$215,661.60. In addition to annual rental costs, the lease requires MUSC to provide a pro rata payment for operating costs which MUSC estimates to be approximately \$57,600 per year.

The following chart represents comparable lease rates of similar space:

Tenant	Location	Rate/ Space/Month
Vacant	295 Calhoun St.	\$200.00*
Vacant	62 Gadsden St.	\$150.00
Vacant	96 President St.	\$140.00
MUSC	99 WestEdge	\$125.00

* offer received in response to solicitation

Agency has adequate funds for the lease according to a Budget Approval Form submitted March 3, 2022. Lease payments will be funded through parking revenue. No option to purchase the property is included in the lease. The lease was approved by the MUSC Board of Trustees on February 10, 2022, the Commission on Higher Education on March 11, 2022 and JBRC on March 30, 2022.

4. What is the Authority asked to do? Approve the proposed two-year lease for 140 parking spaces at Hagood and Line Streets.

5. **What is recommendation of the division of Facilities Management and Property Services?**
Approve the proposed two-year lease for 140 parking spaces at Hagood and Line Streets.
-

6. **Private Participant Disclosure – Check one:**

☐ No private participants will be known at the time the Authority considers this agenda item.
Landlord is an exempt governmental entity.

☒ A Private Participant Disclosure form has been attached for each private participant.
As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. **Recommendation of other office (as required)?**

- (a) Authorized Signature: _____
(b) Office Name: Click or tap here to enter text.
-

8. **List of Supporting Documents:**

- (a) Letter from Agency dated March 8, 2022
(b) SC Code of Laws Sections 1-11-55 and 1-11-56

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-56. Program to manage leasing; procedures.

(A) The Division of General Services of the Department of Administration, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department's regulations, upon General Assembly approval, shall include procedures for:

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency;
 - (b) a dissolution of the agency; and
 - (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.



MUSC Real Estate Management Group
1180 Sam Rittenberg Blvd., Suite 200
Charleston, SC 29407
843-792-5996 office

March 8, 2022

Ashlie Lancaster
Innovations Director
Office of the Executive Director
Department of Administration
1200 Senate Street, Suite 460
Columbia, SC 29201

RE: Request for May 2022 Approval of MUSC Leased Space / Hagood & Line Streets Parking Lot

Dear Mr. Lancaster,

The Medical University of South Carolina (MUSC) requests to renew the lease for 140 parking spaces in the parking lot located at Hagood & Line Streets in Charleston. The purpose of this lease renewal is to continue to provide space for the MUSC Parking Management which provides parking for MUSC employees and students. A solicitation was conducted by the Department of Administration with this location being the best choice and least expense. The MUSC Board of Trustees approved this lease at its February 10, 2022 meeting.

MUSC requests full approval from JBRC and SFAA at the May 2022 meetings. Attached is the MUSC Board agenda for review.

Annual Rent: Year 1 \$209,378.40 / \$124.63 per space per month
 Year 2 \$215,661.60 / \$128.37 per space per month

Lease Term: 11/1/2023-10/31/2025

Total Term Amount: \$425,040.00

Termination Clause: Option to terminate at any time with a 30-day notice

Please let me know if you have any questions.

Sincerely,
Rachel Jones

Rachel Jones
Medical University of South Carolina
Leasing Manager

SOUTH CAROLINA CODE OF LAWS

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

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, agency, government corporation, or other establishment or official of the executive branch of this State. Governmental body excludes the General Assembly, Legislative Council, the Legislative Services Agency, the judicial department and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Division of General Services of the Department of Administration is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Division of General Services of its requirement on rental request forms prepared by the division. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services

(4) The department shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Division of General Services of the Department of Administration or his designee.

MEETING OF April 5, 2022

ITEM NUMBER 7

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Asset Transfers from Division of Public Railways d/b/a Palmetto Railways to the South Carolina Ports Authority in connection with Intermodal Facility Project

The South Carolina Ports Authority ("Ports Authority") is working to construct and implement the Navy Base Intermodal Facility ("NBIF") project, which includes container transfer infrastructure, waterborne cargo infrastructure and related infrastructure in support thereof, at or in the vicinity of the Port of Charleston facility (the "Project"). The Ports Authority requires a southern connection to the NBIF located on the former Charleston Naval Complex to enable the Class I carriers to access the NBIF. The South Carolina Department of Commerce ("Commerce") and its Division of Public Railways ("Palmetto Railways") have two (2) parcels of real property totaling 3.34± acres in the City of Charleston that are currently available to transfer toward the southern connection with more to come in the future. Palmetto Railways acquired these two properties after the Ports Authority recently negotiated settlement and paid just compensation totaling \$1.86 million in connection with condemnation actions filed by Palmetto Railways in 2020. Palmetto Railways desires to transfer these two parcels to the Ports Authority for no additional consideration to facilitate implementation of the NBIF.

The parcels to be transferred are:

TMS#	Address	Acreage
466-00-00-004	1886 Milford St.	3.17± acres
464-02-00-019	1888 Milford St.	0.17± acres

This transfer was approved by JBRC at its meeting on March 30, 2022.

AUTHORITY ACTION REQUESTED:

As recommended by the Department of Administration, Facilities Management and Property Services, approve the transfer of the two identified parcels of real property totaling 3.34± acres located at 1886 Milford Street and 1888 Milford Street in the City of Charleston from Palmetto Railways to the Ports Authority without consideration.

ATTACHMENTS:

Agenda item worksheet and attachments

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: April 5, 2022

Regular Agenda

1. Submitted by:

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


Ashlie Lancaster, Director

2. Subject: Asset transfers from Division of Public Railways d/b/a Palmetto Railways to the South Carolina Ports Authority in connection with the Intermodal Facility Project

3. Summary Background Information:

The South Carolina Ports Authority ("Ports Authority") is working to construct and implement the Navy Base Intermodal Facility ("NBIF") project, which includes container transfer infrastructure, waterborne cargo infrastructure and related infrastructure in support thereof, at or in the vicinity of the Port of Charleston facility (the "Project"). The Ports Authority requires a southern connection to the NBIF located on the former Charleston Naval Complex to enable the Class I carriers to access the NBIF. The South Carolina Department of Commerce ("Commerce") and its Division of Public Railways ("Palmetto Railways") have two (2) parcels of real property totaling 3.34± acres in the City of Charleston that are currently available to transfer toward the southern connection with more to come in the future. Palmetto Railways acquired these two properties after the Ports Authority recently negotiated settlement and paid just compensation totaling \$1.86 million in connection with condemnation actions filed by Palmetto Railways in 2020. Palmetto Railways desires to transfer these two parcels to the Ports Authority for no additional consideration to facilitate implementation of the NBIF.

The parcels to be transferred are:

TMS#	Address	Acreage
466-00-00-004	1886 Milford St.	3.17± acres
464-02-00-019	1888 Milford St.	0.17± acres

This transfer was approved by JBRC at its meeting on March 30, 2022.

- 4. What is the Authority asked to do?** Approve the transfer of the two identified parcels of real property totaling 3.34± acres in the City of Charleston from Palmetto Railways to the Ports Authority without consideration.
- 5. What is recommendation of the submitting agency involved?** Approve the transfer of the two identified parcels of real property totaling 3.34± acres in the City of Charleston from Palmetto Railways to the Ports Authority without consideration.

6. Private Participant Disclosure – Check one:

☒ No private participants will be known at the time the Authority considers this agenda item.

☐ A Private Participant Disclosure form has been attached for each private participant.

As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval

7. Recommendation of other office (as required)?

(a) Authorized Signature: _____

(b) Office Name: _____

8. List of Supporting Documents:

(a) Letter from SC Department of Commerce dated March 8, 2022

(b) SC Code of Laws Sections 1-11-65



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Harry M. Lightsey III
Secretary

March 8, 2022

Mr. Delbert Singleton
State Fiscal Accountability Authority
1200 Senate Street
Columbia, SC 29201

Ms. Ashlie Lancaster
South Carolina Department of Administration
1200 Senate Street, Ste. 460
Columbia, SC 29201

Dear Delbert and Ashlie:

The purpose of this letter is to notify you of the intention of the South Carolina Department of Commerce ("Commerce") and its Division of Public Railways ("Palmetto Railways") to seek the approval of the State Fiscal Accountability Authority (SFAA) to surplus and transfer to the South Carolina Ports Authority ("Ports Authority") two (2) parcels of real property totaling 3.34± acres in the City of Charleston that are needed for the southern connection to the Navy Base Intermodal Facility (NBIF), which is located at the former Navy Base in North Charleston. The southern connection will enable the Class I carriers to access the NBIF. Palmetto Railways acquired these properties after the Ports Authority negotiated settlement and paid just compensation totaling \$1.86 million in connection with the condemnation actions filed by Palmetto Railways in June 2020.

BACKGROUND

The transfer of real property and other assets needed for the NBIF was included in determinations by the General Assembly that the Ports Authority would be responsible for construction and implementation of the NBIF project. Accordingly, the Joint Bond Review Committee, through its Fiscal Oversight Subcommittee, has been working closely with Palmetto Railways and the Ports Authority on the NBIF and, more recently, the transfer of certain assets by Palmetto Railways to the Ports Authority to facilitate implementation of the project.

At the direction of the General Assembly and in order to establish the responsibilities of each state agency in effecting the transfer of the NBIF project from Palmetto Railways to the Ports Authority, the Department of Commerce, Palmetto Railways, and the Ports Authority entered into an Intergovernmental Agreement by and among the South Carolina Department of Commerce and its Division of Public Railways and the South Carolina State Ports Authority (IGA), which is attached hereto. The IGA was drafted with oversight by the General Assembly, and the Fiscal Oversight Subcommittee is providing

further oversight to the asset transfers and other activities of implementation through a reporting process established pursuant to Proviso 118.20 of the 2021-22 Appropriations Act.

As noted above, the Ports Authority negotiated settlement and paid the compensation agreed upon to acquire the properties. Accordingly, there will be no additional consideration paid in cash or otherwise by the Ports Authority for the properties being transferred.

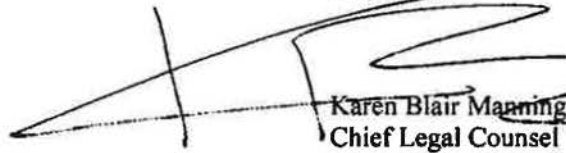
PARCELS TO BE SUPPLUSED AND TRANSFERRED

TMS#	Address	Acres
466-00-00-004	1886 Milford St	3.17
464-02-00-019	1888 Milford St	0.17

ACTION REQUESTED

1. Approve the surplus of 3.34 acres of unimproved land in the City of Charleston needed to implement the southern connection to the NBIF.
2. Pursuant to legislative determination and the terms of the IGA by and among the Palmetto Railways, the Department of Commerce, and the Ports Authority, transfer the two (2) subject parcels to the Ports Authority to facilitate the Port Authorities implementation of the NBIF.

Sincerely,



Karen Blair Manning
Chief Legal Counsel

Cc: Harry M. Lightsey III
Patrick McCrory, President & CEO, Palmetto Railways
Sheri Cooper, Chief Financial Officer, Palmetto Railways
Chris Huffman, Chief Financial Officer, Department of Commerce

Attachments:

1. Intergovernmental Agreement, effective July 1, 2021
2. Real Property Transaction Submission and Approval Forms
 - a. Consent Orders of Dismissal & Cancellation of Lis Pendens
 - b. Summons & Condemnation Notices
 - c. Plats

SOUTH CAROLINA 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 Department of Administration for transactions of one million dollars or less. For transactions of more than one million dollars, approval of the State Fiscal Accountability Authority is required in lieu of the department, although the recording will be with the department. Upon approval of the transaction, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the department's and authority's approval of the transaction as required. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The department and authority 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.

HISTORY: 1985 Act No. 201, Part II, Section 5; 1989 Act No. 26, Section 1; 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.

Editor's Note

Except for designation of the paragraphs, this section and former Section 1-11-57 were identical. For consistency, Section 1-11-57 is treated as an amendment to this section.

Effect of Amendment

2014 Act No. 121, Section 7.C, rewrote subsection (A).



Nikki R. Haley
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

October 18, 2016

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

Dear Chairman Leatherman:

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

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

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

I. PRIOR APPROVALS

A. Project 2010

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

B. Settlement with City of North Charleston

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

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

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

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

C. Remainder of Noisette Property

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

D. Access to Industrial Property Owned by Palmetto Railways

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

E. Properties Required to Mitigate Noise, Air and Vibration

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

II. REQUEST TO APPROVE REAL PROPERTY TRANSACTIONS

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

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

A. Tract 11 & Clemson Settlement

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

B. Properties Necessary for Southern Connection to NBIF

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

C. Properties Needed for Northern Connection

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

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

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

1. Low Country Orphan Relief Property

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

2. Tarpley House

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

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

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

E. JBRC Policy Waiver

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

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

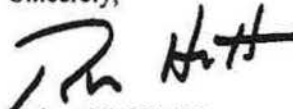
with the school district in the condemnation of Tract 11.⁴ Letters of support from the City of North Charleston and Charleston County will be provided to JBRC staff prior to the October 25 meeting.

III. REQUEST FOR APPROVAL SUMMARY

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

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

Sincerely,



Robert M. Hitt III

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

RMHIII/km
Attachments

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

EXHIBIT A

(MAP: Potential Acquisitions for NBIF)

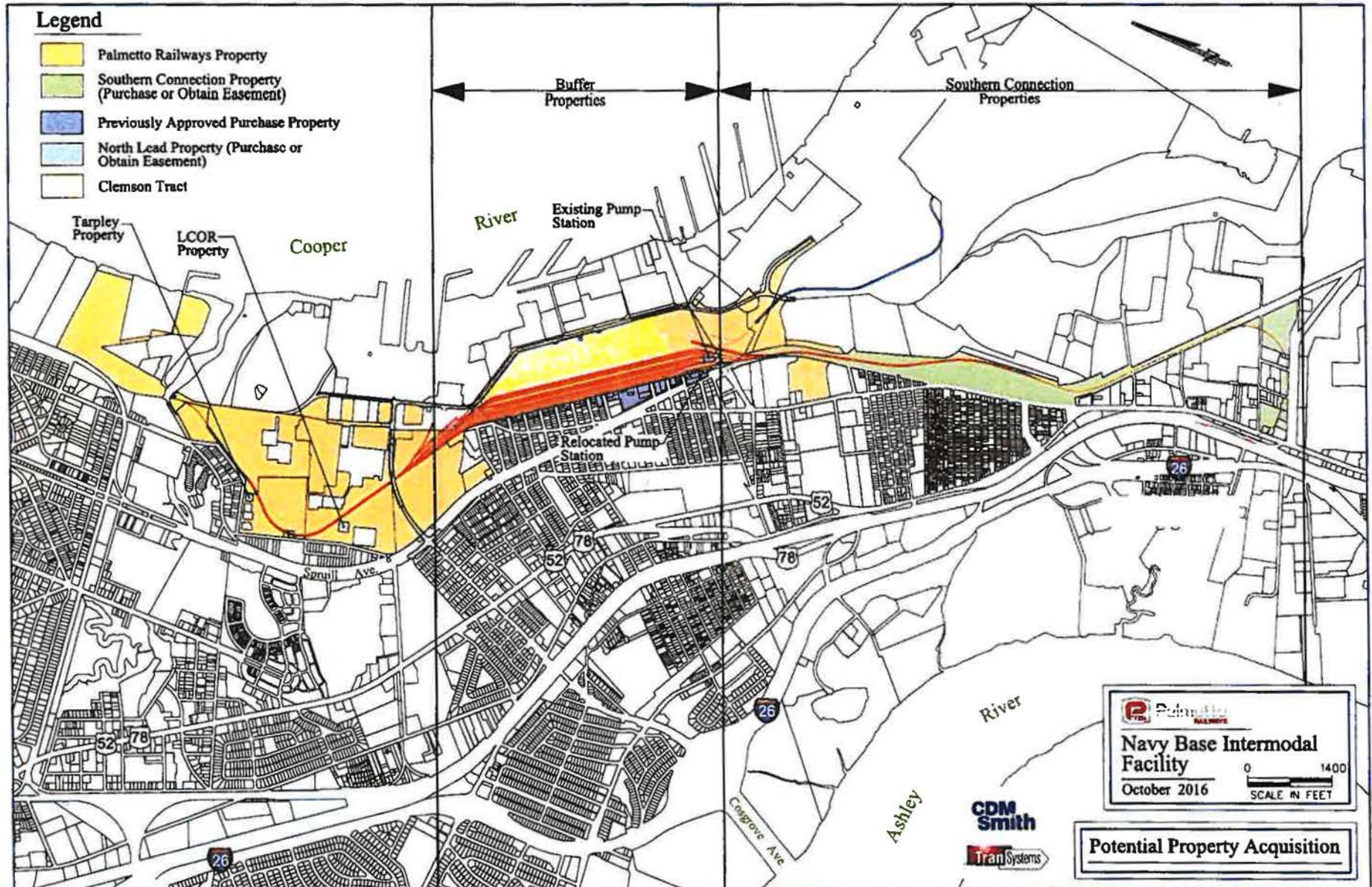


EXHIBIT B

(Consent of Possession)



STATE OF SOUTH CAROLINA

)

CONSENT OF POSSESSION

1

COUNTY OF CHARLESTON

5

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

WITNESSETH:

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

WHEREAS, the property which is the subject of the Condemnation is more particularly described in attached **Exhibit "A,"** incorporated herein by reference (the "Property"); and

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

WHEREAS, Occupant desires to obtain access and take possession presently of the Property in order to commence the removal of tanks located on the Property, site demolition and engineering and implementation of a Voluntary Cleanup Contract 13-6158-NRP (the "Occupant VCC") Workplan on the Property; and

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

WHEREAS, one intent of this Consent of Possession is to transfer responsibility for site conditions and future actions authorized by the Occupant VCC and to remove responsibility from Owner for any site conditions or future actions under the Clemson VCC; and

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

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

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

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

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

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

5. ENCUMBRANCES.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Signed, Sealed and Delivered
In the Presence of:

Owner:
CLEMSON UNIVERSITY

James Reigler
John B. Ray

By: David H. Wilkins

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

STATE OF SOUTH CAROLINA)
COUNTY OF Greenville)

ACKNOWLEDGMENT


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

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

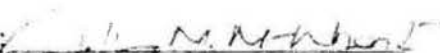
Tommy L. Rallier (Seal)
Notary Public for South Carolina
My Commission expires: 10/10/2017

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

Signed, Sealed and Delivered
In the Presence of:



Occupant:
SOUTH CAROLINA PUBLIC RAILWAYS

*
By: 
Jeffrey M. McWhorter
Its: President and CEO

Date: 11-4-13

STATE OF SOUTH CAROLINA)

COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

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

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

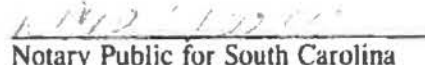
 (Seal)
Notary Public for South Carolina
My Commission expires: 11-12-15

EXHIBIT A

Legal Description of Property

TRACT 11:

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

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

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

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

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

EXHIBIT B

Required Environmental Notices

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

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

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

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

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

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

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

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

RECORDER'S PAGE

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NOTE: This page MUST remain with the original document



DW 12
Filed By:

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

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Charleston County, SC

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STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

Office of the Executive Director
Marcia S. Adams

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

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

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

September 30, 2013

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

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

Dear President Barker:

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

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

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

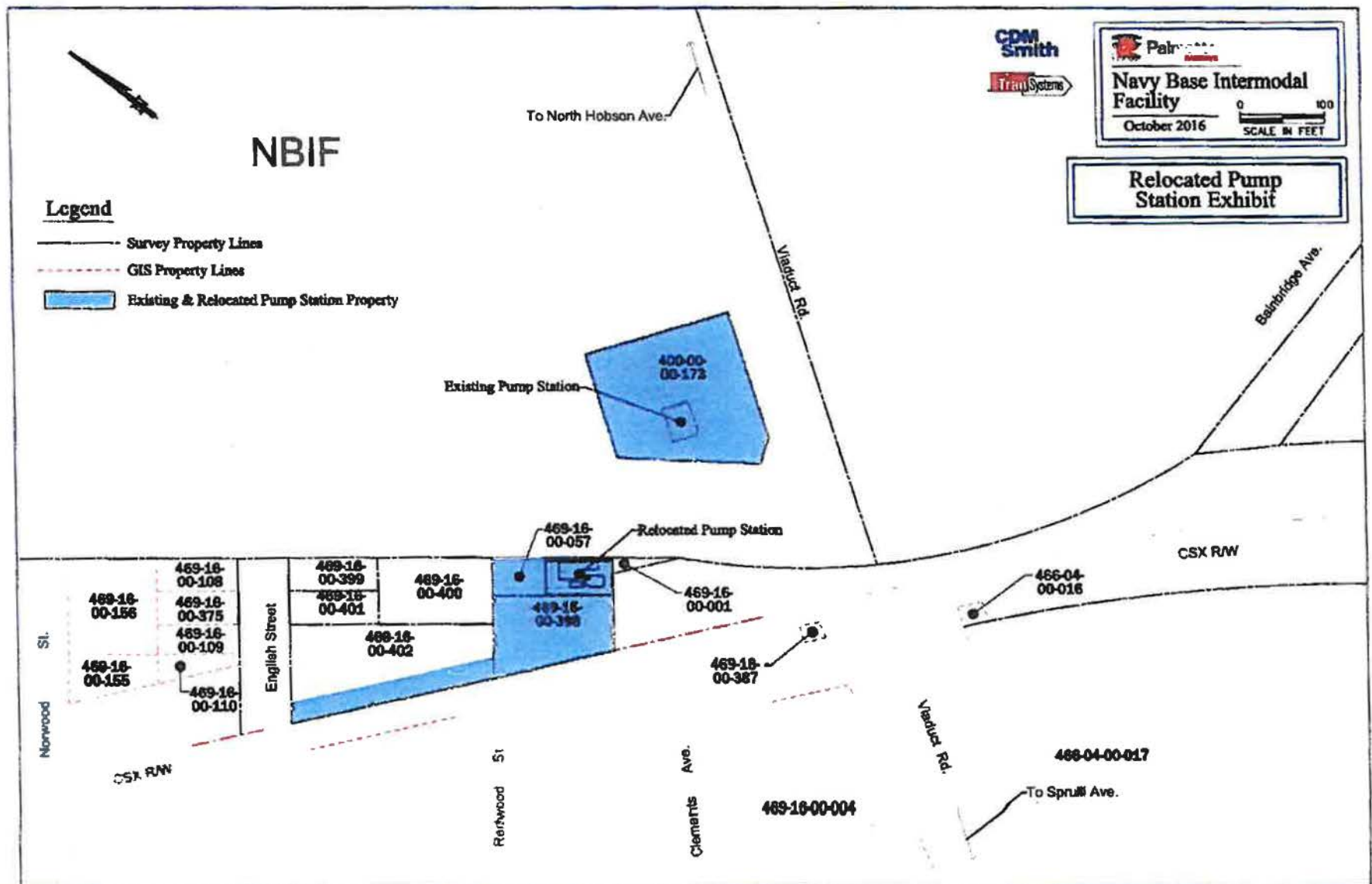
Please let me know if you have any questions or if I can be of any further assistance to you now or in the future.

Sincerely,

Marcia Adams

EXHIBIT F

(Relocation Pump Station Exhibit)



**INTERGOVERNMENTAL AGREEMENT
BY AND AMONG THE
SOUTH CAROLINA DEPARTMENT OF COMMERCE
AND ITS DIVISION OF PUBLIC RAILWAYS
AND THE
SOUTH CAROLINA STATE PORTS AUTHORITY**

This Intergovernmental Agreement (Agreement) is made by and between the South Carolina Department of Commerce (Commerce), its Division of Public Railways d/b/a Palmetto Railways (Palmetto Railways) and the South Carolina State Ports Authority (Ports Authority) (each a "Party" and collectively, "Parties").

RECITALS

WHEREAS, in this Agreement, "Infrastructure" means assets, improvements, and expenditures that relate specifically to, whether or not located at, the project including, without limitation, the acquisition and disposition of real property and improvements thereon, and the acquisition, construction, reconstruction, renovation, relocation, disposition, and demolition of structures, facilities, equipment, information technology, utilities, and any other improvements, services, mitigation impacts, and expenditures related to the Project;

WHEREAS, in this Agreement, "Project" means intermodal container transfer infrastructure, waterborne cargo infrastructure, and related infrastructure in support thereof, at or in the vicinity of the Port of Charleston;

WHEREAS, in this Agreement, "NBIF" means the Navy Base Intermodal Facility located on the former Charleston Naval Complex, which is comprised of six project elements, including the intermodal container transfer facility (which includes a larger container yard, processing trackage, arrival and departure trackage, and support trackage), a north rail lead and connection, a southern access rail connection (and associated trackage and property to facilitate Class I access), the Cosgrove McMillan overpass, improvements to Hobson Avenue and Bainbridge Avenue, and a private drayage road;

WHEREAS, the Parties seek to cooperate on the construction and operation of the NBIF for the purpose of serving the Port of Charleston with near-dock, equal access to Norfolk Southern Railway Company and CSX Transportation, Inc. (collectively, the "Class Is") to meet future intermodal container transportation demand in the Charleston region by way of a single intermodal container transfer facility, and in particular to serve the marine container terminal operated by the Ports Authority on the former Charleston Naval Complex;

WHEREAS, except as may be approved by the State Fiscal Accountability Authority (SFAA) and/or the Joint Bond Review Committee (JBRC), no entity other than the Ports Authority or Palmetto Railways will assume responsibility for or own any portion or component of the Project;

WHEREAS, Palmetto Railways has received regulatory approvals, including but not limited to Permit No. SAC-2012-00960 from the U.S. Army Corps of Engineers;

WHEREAS, to date, Palmetto Railways has invested its own funds in the intermodal container facility, excluding an intra-agency loan and a grant from Commerce to offset costs of early construction, in order to ensure that that facility will be completed in time to provide near-dock intermodal rail access to the marine container terminal as soon as possible after that terminal becomes operational;

WHEREAS, Palmetto Railways is a common carrier subject to the jurisdiction of the Surface Transportation Board (STB) and to the obligations set forth, and administered by the STB, at 49 U.S.C. Subtitle IV, and Palmetto Railways has a core competency in providing railroad common carriage and ancillary services, and currently works with the Class Is in providing such services at marine terminals operated by the Ports Authority;

WHEREAS, the Ports Authority has a core competency in operating container yards and terminals and managing the throughput of containers and currently works with NSR and CSXT in directing and managing intermodal operations;

WHEREAS, the NBIF has been permitted to serve as a near-dock rail facility to serve the Ports Authority, but also supports Palmetto Railways' ongoing provision of common carrier service to existing customers;

WHEREAS, because the NBIF is primarily a near-dock rail facility to complement the Ports Authority' operations, the Ports Authority should have the responsibility for construction and operation of the NBIF as an ancillary facility serving the needs of the Ports Authority and its customers;

WHEREAS, there are certain rail services and rail work to be performed that Palmetto Railways can and should perform at the NBIF;

WHEREAS, the Class Is will share access to the intermodal container transfer facility;

WHEREAS, to ensure the appropriate operational efficiency in the NBIF, the Ports Authority will own the majority of the intermodal container transfer facility as it is essentially a larger container yard with rail operations than the Ports Authority currently operates in Dillon and Greer, and specifically will own and operate all trackage that is generally designed to serve to process trains (including but not limited to those under the reach of the widespan cranes to be used for that purpose and the associated processing track leads and processing track ladders) and the southern access connection and associated trackage and property to facilitate the Class Is' access, and will direct Palmetto Railways regarding all train movements for the facility to ensure appropriate management of the intermodal containers;

WHEREAS, Palmetto Railways will own and operate certain tracks within the intermodal container transfer facility that generally serve as arrival, departure, and support tracks (other than processing) and the north lead trackage; and

WHEREAS, Palmetto Railways will provide services for the intermodal container transfer facility subject to the direction of the Ports

Authority for rail car placement, rail car release, and rail services and further provide rail services at the facility at the request of the Ports Authority for compensation; and

WHEREAS, the split responsibilities between Palmetto Railways and the Ports Authority for the NBIF is in the best interest of the State.

NOW THEREFORE, in furtherance of these recitations and in consideration of the mutual covenants and promises made herein, the Parties agree as follows:

1.0 TERM OF THE AGREEMENT

This Agreement shall be effective on July 1, 2021, so long as House Bill 4100 of the 124th session, 2021-22, R. 116, is enacted with funding for the Project is appropriated and made available by, or at the direction of, the South Carolina General Assembly.

2.0 TERMS AND CONDITIONS

2.1 Documents and Information

As soon as practicable, Commerce and Palmetto Railways will share with the Ports Authority a copy of documentation and files related to the permitting, contracting, design, construction, and operation of the NBIF.

2.2 Design

- (A) As soon as practicable, Palmetto Railways will share existing and effective contracts or agreements related to the design of the NBIF with the Ports Authority. The Ports Authority and Palmetto Railways will coordinate regarding whether any such contract or agreement will be assigned to or assumed by the Ports Authority.
- (B) As of the effective date of this Agreement, the Ports Authority has the duty, obligation, and authority for the

design of the NBIF. The Ports Authority will consult with Palmetto Railways on design. Any material changes in design for the trackage and real property portion of the NBIF to be owned by Palmetto Railways will be jointly agreed to between Palmetto Railways and the Ports Authority.

2.3 Bidding, Award, and Construction

- (A) The Ports Authority has the obligation, authority, and responsibility for the bidding, award, and construction of the NBIF and associated Infrastructure, including the Cosgrove McMillan overpass, improvements to Hobson Avenue and Bainbridge Avenue, construction of the private drayage road, southern rail access and associated trackage and property to facilitate the Class Is' access, other roadway improvements provided for in the NBIF design and construction plans, and contracting for any and all equipment, goods, and/or services.
- (B) Palmetto Railways represents and covenants that no promises, obligations, agreements, or contracts exist related to the construction of the NBIF.

2.4 Operation

- (A) The Ports Authority has the obligation, authority, and responsibility for the overall operation of the NBIF, including but not limited to contracting for any and all equipment, goods, or services.
- (B) The Ports Authority will coordinate drayage services from marine container terminals to the intermodal container transfer facility.

- (C) The Ports Authority will direct all train movements for the NBIF, including all movements into, out of, and on and within the intermodal container transfer facility.
- (D) It is agreed and understood that intermodal train movements will have priority on all tracks at the NBIF.

2.5 Permitting, Property, and Litigation Liabilities

- (A) As soon as practicable, Palmetto Railways will transfer to the Ports Authority any and all permits that it holds for the construction and operation of the NBIF.
- (B) Notwithstanding Section 2.5(A) above, Palmetto Railways, except as may otherwise be assumed in writing by the Ports Authority in its sole discretion, will in consultation with the Ports Authority, finalize any and all outstanding mitigation requirements and maintain responsibility for pending litigation related to the NBIF. The Parties understand that the mitigation and pending litigation includes:
 - (i) mitigation obligations for wetlands, community obligations, historic preservation obligations, and DHEC;
 - (ii) property acquisition and mitigation agreement to be negotiated with the City of Charleston; and
 - (iii) pending litigation regarding Tracts 11, 23S, 31S and 33S; a tenant relocation issue; and two property owners near the project site complaining of inverse condemnation and trespass.
- (C) Commerce and Palmetto Railways will transfer to the Ports Authority any and all right, title, and interest in any and all real property for the NBIF as soon as practicable. *Provided, however*, that Palmetto Railways will retain the right, title, and interest to the real property for certain proposed trackage areas on the

intermodal container transfer facility that cannot be serviced by widespan cranes for processing (including but not limited to those under the reach of the wide span cranes to be used for that purpose and the associated processing track leads and processing track ladders). The north lead trackage, which has been constructed by Palmetto Railways from its available funds, will be owned by Palmetto Railways, and the southern access connection and associated trackage and property to facilitate the Class Is' access will be owned by the Ports Authority.

- (D) The specific division of real property for the NBIF will be determined by a survey to be completed as soon as practicable. The Parties understand that the SFAA and JBRC must approve any such property transfer and the Parties will provide appropriate drawings showing the agreed-upon proposed delineation of real property interests and trackage.
- (E) Each Party is responsible for the cost of maintenance of their respective tracks and keeping their tracks in good working order.

2.6 Procurement

The Ports Authority has the authority and responsibility for any and all procurement of any equipment, goods, and services for the design, construction, and operation of the NBIF. This includes, but is not limited to, information technology (and the Ports Authority intends to utilize the "Tideworks" system for that purpose) and widespan cranes. With regard to any track procurement, the Ports Authority agrees to consult with Palmetto Railways to ensure that such procurement meets the requirements of Palmetto Railways for the tracks that Palmetto Railways will own and operate.

2.7 Assignment and Assumption

Prior to the issuance of any state general obligation economic development bond and/or upon the availability of alternate funding for the Project made available by, or at the direction of, the South Carolina General Assembly, Commerce and Palmetto Railways hereby assign, and the Ports Authority assumes, all title, ownership, and rights pertaining to any and all personal property, chattel, and assets related to the NBIF to be enumerated in an assignment and assumption agreement. Commerce and Palmetto Railways agree to coordinate with the Ports Authority to implement such assignment and assumption as is practicable and in a manner that minimizes delay.

2.8 Cost and Funding

- (A) Commerce, in coordination with the Ports Authority and as soon as practicable will notify the Joint Bond Review Committee and the State Fiscal Accountability Authority of the following:
 - (1) the amount required to defray the costs of the infrastructure;
 - (2) a description of the infrastructure for which the bonds are to be issued or alternate funds allocated;
 - (3) a tentative time schedule setting forth the period of time during which the amount requested is to be expended; and
 - (4) a form of the authorizing resolution for the issuance of the general obligation bonds as prescribed by the applicable joint resolution, if enacted.
- (B) If a joint resolution or other act of the General Assembly is enacted and general obligation bonds issued, Commerce will coordinate with the State Treasurer's Office to reimburse eligible expenditures incurred by the

Ports Authority or other entities with those certain general obligation state economic development bond proceeds intended to be utilized for this Project pursuant to the agreed-upon draw request procedures. The Parties will timely provide all information necessary to another requesting Party to support any requested draw.

- (C) The Parties agree that the proceeds from the sale of that certain real property by Palmetto Railways on the Former Navy Base property currently under contract for sale and scheduled to transfer within the next ninety (90) days will be retained by Palmetto Railways (anticipated to be around Twenty Million and No/100 Dollars (\$20,000,000.00)) and such amount is not attributable to or credited against any expense or cost of the NBIF.
- (D) Palmetto Railways will retain all right, title, and interest in all other real and personal property as it currently holds or may hereafter acquire except as specifically is set forth in this Agreement.
- (E) The parties understand and agree that the timetable for the outstanding litigation is undetermined, but that Palmetto Railways agrees to retain responsibility for the litigation in accordance with Section 2.5(B).

To the extent eligible, the costs and expenses associated with outstanding mitigation, litigation, and settlement related to the NBIF will be paid for with state general obligation economic development bond proceeds, so long as, to the extent a binding commitment or obligation does not exist as of the effective date of this Agreement, the Ports Authority consents to such cost and expense and is consulted and has the right to participate and advise regarding any pending litigation and settlement after the effective date of this Agreement.

To the extent that the costs and expenses associated with outstanding mitigation, litigation, and settlement expenses related to the NBIF are not eligible for reimbursement from state economic development bond proceeds the Ports Authority will have the sole responsibility to bear such cost and expense.

Notwithstanding the foregoing, Palmetto Railways retains the obligation for the repayment of the TIF reimbursement to the City of North Charleston pursuant to that certain settlement agreement dated December 2012.

- (F) The Ports Authority will pay to Palmetto Railways a transaction fee equal to the cost for services rendered plus a percentage to be negotiated and agreed upon prior to the opening of the intermodal container transfer facility, but which cannot result in an additional operating loss. This transaction fee is full compensation for any and all services performed by Palmetto Railways at the intermodal container transfer facility at the Ports Authority request, including but not limited to switching, mechanical, maintenance, and air work. Nothing in this Section 2.8(F) shall be interpreted to require Palmetto Railways to provide services at less than its cost.
- (G) Palmetto Railways may not impose any additional fee, charge, or cost to the Class Is for access to or use of the intermodal container transfer facility or associated trackage.
- (H) Nothing in this Agreement precludes Palmetto Railways from contracting directly with NSR or CSXT to perform any services or work pursuant to a separate agreement.

2.9 Other Matters Regarding the Design, Construction, and Operation of the Intermodal Container Facility

Any decision or matter regarding the design, construction, and operation of the NBIF not specifically addressed in this Agreement is the responsibility of the Ports Authority, for which it maintains discretion and authority for any such decision or matter.

2.10 Reporting

Beginning with the close of the calendar quarter following issuance of any general obligation state economic development bonds and/or the availability of alternate funding for the Project made available by, or at the direction of, the South Carolina General Assembly, and continuing through the date of substantial completion of each facility or component of the project, each Party to this Agreement must provide, no less frequently than quarterly, progress reports for the implementation of each facility or component of the project; *provided, however*, that the parties understand and agree that the Ports Authority has primary responsibility for reporting on all components over which it has control and Commerce has primary responsibility for reporting on any such components over which Palmetto Railways retains control. Such progress reports must be provided to the Joint Bond Review Committee, the President of the Senate, the Speaker of the House of Representatives, the Chairman of the Finance Committee of the Senate, and the Chairman of the Ways and Means Committee of the House of Representatives.

The Joint Bond Review Committee may request additional information be provided. For each year during which bonds are outstanding, there must be provided financial results, operating plans, budgets, capital plans, and performance objectives and results for the project, and each facility or component thereof.

The Ports Authority is responsible for the design, construction, operation, and funding of the proposed barge operation referenced in the applicable joint resolution, and therefore will be responsible for any applicable reporting requirements related thereto.

Projected net revenue for project components (e.g., operation of the intermodal container facility and barge facility) are found in *Exhibit A*.

3.0 OTHER MATERIAL TERMS

- 3.1 This Agreement is made and entered into in the State of South Carolina and shall in all respects be interpreted and governed under the laws of the State of South Carolina.
- 3.2 This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and embodies, merges, and integrates all prior and current agreements and understandings of the Parties. No interpretation, clarification, modification, change, amendment, termination or waiver of any provision pursuant to this Agreement shall be binding upon a Party except in writing signed by each of the signatories hereto or their other authorized representatives and approved of JBRC and SFAA.
- 3.3 The Parties agree that this Agreement is a contract entered into solely for their mutual benefit only and is not intended and does not create any independent or separate rights or benefits for any third parties.
- 3.4 Neither Party shall have the right to transfer, assign, or delegate its rights or obligations pursuant to this Agreement without the written consent of the other Party.
- 3.5 This Agreement shall inure solely to the benefit of and be binding upon the Parties.

- 3.6 If a dispute, controversy or claim (collectively a "Dispute") arises from or relates directly or indirectly to the subject matter hereof, and if the Dispute cannot be settled within fifteen (15) calendar days through direct discussions between the Parties, any unresolved Dispute thereafter shall be settled by mandatory and binding arbitration conducted in accordance with the Commercial Arbitration Rules (the "Rules") of the American Arbitration Association (the "AAA") and judgment on the award rendered by the arbitration panel may be entered in any court having jurisdiction, *provided however*, that, unless otherwise agreed as forth below, the arbitration shall not be administered by the AAA; and provided further, however, that, if the underlying claim involves a third party as a necessary party to such proceedings, and such third party is not obligated, or does not agree, to arbitration hereunder, then the parties shall be entitled to resolve the Dispute in such forum as is appropriate to include such third party in the proceedings, and the parties hereto shall waive their respective rights to demand arbitration of the Dispute as set forth herein. The arbitration proceedings shall be conducted in Charleston before an arbitration panel comprised of three arbitrators, each of whom must be a member of the Bar of the State of South Carolina and has been actively engaged in the practice of law for at least twenty (20) years. Commerce and Palmetto Railways will collectively select one arbitrator, the Ports Authority will select one arbitrator, and the two selected arbitrators will select a third arbitrator. Any attorney who serves as the arbitrator shall be compensated at a rate equal to his or her current regular hourly billing rate. Unless otherwise deemed appropriate by the arbitration panel, the prevailing party shall be entitled to an award of all reasonable out-of-pocket costs and expenses (excluding attorneys' fees) related to the arbitration proceeding. The arbitration panel will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. A party shall not be prevented from seeking temporary injunctive relief before a court of

competent jurisdiction in an emergency or other exigent situation, but responsibility for resolution of the Dispute shall be appropriately transferred to the arbitrator(s) upon appointment in accordance with the provisions herein.

- 3.7 This section and other headings contained in this Agreement are for reference purposes only and shall not affect the interpretation or meaning of this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
- 3.8 Except as may be provided herein to the contrary, nothing herein shall waive any other powers, rights, duties, or obligations which Commerce, Palmetto Railways, and the Ports Authority have under law.

[SIGNATURE PAGE FOLLOWS]

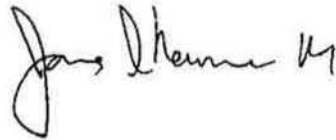
IN WITNESS WHEREOF the Parties have caused their authorized representatives to execute this Memorandum of Agreement and set their hands and seals as of the date first set forth above.

**S.C. DEPARTMENT OF
COMMERCE**




Robert M. Hitt, III
Secretary of Commerce

**S.C. STATE PORTS
AUTHORITY**



James I. Newsome, III
President and CEO

**S.C. DEPARTMENT OF
COMMERCE,
DIVISION OF PUBLIC
RAILWAYS
d/b/a
PALMETTO RAILWAYS**



Jeff McWhorter
President



LAW OFFICES OF
**LEWIS
BABCOCK**
L.L.P.

DAVID L. PAAVOLA
ATTORNEY AT LAW
1533 Hampton Street (29201)
Post Office Box 11208
Columbia, South Carolina 29211
o: 803-771-8000 f: 803-733-3534
David.Paavola@lewisbabcock.com

June 18, 2020

\$ 63,000

Chevron U.S.A. Inc.
c/o Registered Agent
Prentice Hall Corporation
1703 Laurel Street
Columbia, South Carolina 29201

Re: South Carolina Department of Commerce, Division of Public
Railways v. Chevron U.S.A. Inc.
Project: Navy Base Intermodal Facility, Tract 31S
Our File No.: 17-116

Dear Sir/Madam:

I represent the South Carolina Department of Commerce, Division of Public Railways in the above-referenced condemnation matter. Enclosed you will find an un-filed Summons, Condemnation Notice and Tender of Payment, Plat and an Agreement and Request for Payment as required by the South Carolina Eminent Domain Procedure Act, S.C. Code Ann. § 28-2-10, et seq.

Sincerely,

David L. Paavola

DLP:pm
Enclosure

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

Project: Navy Base Intermodal Facility

Tract: 31S

South Carolina Department of Commerce,
Division of Public Railways,

Condemnor,

v.

Chevron U.S.A. Inc.,

Landowner.

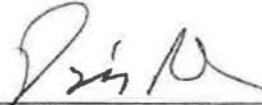
) IN THE COURT OF COMMON PLEAS
) C/A NO. 2020-CP-10-
)

SUMMONS

TO: THE LANDOWNER

YOU ARE HEREBY SUMMONED, advised and notified, that pursuant to the South Carolina Eminent Domain Procedure Act, Section 28-2-10, *et seq.*, the within Condemnation Notice and Tender of Payment, a copy of which is herewith served upon you, will be filed with the Clerk of Court for Charleston County. The purpose of this lawsuit is to enable the Condemnor, the South Carolina Department of Commerce, Division of Public Railways to acquire certain real property for its public purposes, as is more fully stated in the attached Condemnation Notice and Tender of Payment. Responsive pleadings to the Condemnation Notice and Tender of Payment are not necessary.

[Signature on Next Page]



Keith M. Babcock, SC Bar No. 456
David L. Paavola, SC Bar No. 100714
LEWIS BABCOCK L.L.P.
1513 Hampton Street
Post Office Box 11208
Columbia, South Carolina 29211
(803) 771-8000

Karen Blair Manning
South Carolina Department of Commerce
Division of Public Railways
1201 Main Street, Suite 1600
Columbia, South Carolina 29201
(803) 737-1603

Derek F. Dean
SIMONS & DEAN
147 Wappoo Creek Drive, Suite 604
Charleston, South Carolina 29412
(843) 762-9132

ATTORNEYS FOR THE CONDEMNOR

Columbia, South Carolina
June 18, 2020

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	C/A NO. 2020-CP-10-
COUNTY OF CHARLESTON)	
Project: Navy Base Intermodal Facility)	
)	
Tract: 31S)	
)	
South Carolina Department of Commerce,)	
Division of Public Railways,)	
)	
Condemnor,	)	CONDEMNATION NOTICE AND
	)	TENDER OF PAYMENT
v.	)	(JURY TRIAL DEMANDED)
)	
Chevron U.S.A. Inc.,)	
)	
Landowner.)	
)	
)	

TO: CHEVRON U.S.A. INC.

Pursuant to the South Carolina Eminent Domain Procedure Act, S.C. Code Ann. § 28-2-10, *et seq.*, South Carolina Code of Laws (1976, amended), you are hereby notified as follows:

1. The South Carolina Department of Commerce, Division of Public Railways, the Condemnor, is a public body corporate and political subdivision of the State of South Carolina and seeks to acquire the real property described herein in fee simple for public purposes.

2. Chevron U.S.A. Inc. is named as the Landowner in this action by virtue of its claim of title as shown by the following Deed recorded in the RMC Office for Charleston County, South Carolina:

Deed dated March 2, 1992, and recorded March 5, 1992, in Book F211, Page 315.

Grantor – BP Exploration & Oil, Inc. formerly BP Oil Company.

3. The following is a description of the real property subject to this action and a description of the interest sought to be acquired in and to the property by the Condemnor:

All that parcel or strip of land, in fee simple, containing 0.17 acre of land (ENTIRE PROPERTY), more or less, and all improvements thereon, if any, owned by Chevron U.S.A. Inc., shown on a plat prepared by CDM Smith dated November 1, 2018, attached hereto and made a part hereof. TOGETHER WITH all rights, title, interests, benefits, privileges, options, contract rights, all monies, awards and payments of any kind, and all authority of Chevron in any way related, directly or indirectly, to the within-described property, BUT EXPRESSLY EXCLUDING: all obligations, responsibilities and liabilities of Chevron, including, but not limited to, excluding South Carolina Public Railways from all liability, and all covenants to be performed by Chevron, related, directly or indirectly, to any environmental issues or environmental cleanup associated with the property described herein, which obligations, responsibilities and liabilities are expressly being retained by Chevron.

Tax Map Parcel Number 464-02-00-019

4. The South Carolina Department of Commerce, Division of Public Railways is vested with the power of eminent domain pursuant to Section 13-1-1330(5) and Section 28-2-60, South Carolina Code of Laws (1976, as amended).

5. The real property sought herein is to be acquired for public purposes, more particularly in conjunction with the construction and operation of the Navy Base Intermodal Facility and associated railway lines, in Charleston County, South Carolina.

6. This action is brought pursuant to S.C. Code Ann. § 28-2-240, South Carolina Code of Laws (1976, as amended).

7. The South Carolina Department of Commerce, Division of Public Railways, has complied with the requirements set forth in S.C. Code Ann. § 28-2-70(A), South Carolina Code of Laws (1976, as amended), by having the subject property interests appraised and making the appraisal available to the Landowner where required by law, and certifies to the Court that a negotiated resolution has been attempted prior to the

commencement of this action.

8. Project plans are available for inspection at 1360 Truxtun Avenue, Suite 100, North Charleston, South Carolina 29405.

9. THE CONDEMNOR HAS DETERMINED JUST COMPENSATION FOR THE PROPERTY AND RIGHTS TO BE ACQUIRED HEREUNDER TO BE THE SUM OF SIXTY-THREE THOUSAND AND NO/100 DOLLARS (\$63,000.00) AND HEREBY TENDERS PAYMENT THEREOF TO THE LANDOWNER.

10. Payment of this amount will be made to the Landowner if within thirty (30) days of service of this Condemnation Notice, the Landowner in writing requests payment, and agrees to execute any instruments necessary to convey to the Condemnor the property interests and rights described herein above. The Agreement and Request for Payment must be sent first class certified mail with return receipt requested or delivered in person to the Condemnor, care of Keith M. Babcock, Esquire, Post Office Box 11208, Columbia, South Carolina 29211. If no Agreement and Request for Payment is received by the Condemnor within the thirty (30) day period, the tender is considered rejected.

11. If the tender is rejected, the Condemnor has the right to file this Condemnation Notice with the Clerk of Court of the County where the property is situated and deposit the tender amount with the Clerk. The Condemnor shall give the Landowner notice that it has done so and may proceed to take possession of the property interests and exercise the rights described in this Condemnation Notice.

12. AN ACTION CHALLENGING THE CONDEMNOR'S RIGHT TO ACQUIRE THE PROPERTY AND RIGHTS DESCRIBED HEREIN MUST BE COMMENCED IN A

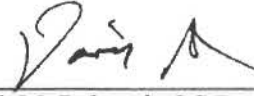
SEPARATE PROCEEDING IN THE COURT OF COMMON PLEAS WITHIN THIRTY (30) DAYS OF THE SERVICE OF THIS CONDEMNATION NOTICE, OR THE LANDOWNER WILL BE CONSIDERED TO HAVE WAIVED THE CHALLENGE.

13. THE CONDEMNOR HAS ELECTED NOT TO UTILIZE THE APPRAISAL PANEL PROCEDURE. Therefore, if the tender herein is rejected, the Condemnor shall notify the Clerk of Court and shall demand a trial to determine the amount of just compensation to be paid. A copy of that notice must be served on the Landowner. That notice shall state whether the Condemnor demands a trial by jury or by the Court without a jury. The Landowner has a right to demand a trial by jury. The case may not be called for trial before sixty (60) days after the service of that notice, but it may thereafter be given priority for trial over other civil cases. The Clerk of Court shall give the Landowner written notice by mail of the call of the case for trial.

14. THEREFORE, IF THE TENDER HEREIN IS REJECTED, THE LANDOWNER IS ADVISED TO OBTAIN LEGAL COUNSEL AT ONCE, IF NOT ALREADY OBTAINED.

15. In the event the Landowner accepts the amount tendered in this Notice, the attached Agreement and Request for Payment form should be signed and returned to the undersigned attorney for the Condemnor within thirty (30) days of your receipt of this Notice.

[Signature on Next Page]



Keith M. Babcock, SC Bar No. 456
David L. Paavola, SC Bar No. 100714
LEWIS BABCOCK L.L.P.
1513 Hampton Street
Post Office Box 11208
Columbia, South Carolina 29211
(803) 771-8000

Karen Blair Manning
South Carolina Department of Commerce
Division of Public Railways
1201 Main Street, Suite 1600
Columbia, South Carolina 29201
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Derek F. Dean
SIMONS & DEAN
147 Wappoo Creek Drive, Suite 604
Charleston, South Carolina 29412
(843) 762-9132

ATTORNEYS FOR THE CONDEMNOR

June 18, 2020
Columbia, South Carolina

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	C/A NO. 2020-CP-10-04537
COUNTY OF CHARLESTON)	
Project: Navy Base Intermodal Facility)	
)	
Tract: 31S)	
)	
South Carolina Department of Commerce,	)	CONSENT ORDER OF DISMISSAL AND
Division of Public Railways,	)	CANCELLATION OF LIS PENDENS
)	
Condemnor,)	
)	
v.)	
)	
Chevron U.S.A. Inc.,)	
)	
Landowner.)	
)	
)	

This matter comes before the Court upon the motion of the Condemnor, South Carolina Department of Commerce, Division of Public Railways, and with the consent of Landowner Chevron U.S.A. Inc., pursuant to Rule 41(a)(2) of the South Carolina Rules of Civil Procedure, for an Order to end this case because the case has been settled pursuant to the Code of Laws South Carolina, S.C. Code Ann. § 28-2-40 (2007).

WHEREAS, the South Carolina Department of Commerce, Division of Public Railways ("Public Railways") properly served a Condemnation Notice and Tender of Payment in Civil Action No. 2020-CP-10-04537, filed October 15, 2020, on Landowner for a certain property necessary for the construction and operation of the Navy Base Intermodal Facility and associated railway lines in Charleston County, South Carolina; and

WHEREAS, Condemnor and Landowner have agreed to a settlement in the amount of

Ninety-Four Thousand Seven Hundred Twenty-Nine and 18/100 (\$94,729.18) as just compensation for Chevron's property interest acquired by Public Railways.

WHEREAS, the Condemnor and the Landowner have agreed that this case has been settled and therefore should be ended and stricken from the calendar. Landowner has received a check for just compensation in the amount of Ninety-Four Thousand Seven Hundred Twenty-Nine and 18/100 (\$94,729.18), and the above-entitled action should be dismissed with prejudice;

It is hereby ORDERED that:

- (1) this case be ended and stricken, with prejudice, from the calendar;
- (2) the Clerk of Court annotate a copy of the Condemnation Notice and Tender of Payment with the date and amount of just compensation as Ninety-Four Thousand Seven Hundred Twenty-Nine and 18/100 (\$94,729.18);
- (3) the Clerk of Court file the Annotated Condemnation Notice and Tender of Payment with the Office of Register of Mesne Conveyance for Charleston County, South Carolina in the same manner that deeds are recorded, showing the transfer of the property to the Condemnor, such filing being exempt from filing fees as provided under S.C. Code Ann. § 12-24-40;
- (4) the Clerk of Court cancel the Lis Pendens filed by the Condemnor in this action;
- (5) the Clerk of Court return the balance of the Tender of Payment on deposit plus interest, if any, by check made payable to the South Carolina Department of Commerce, Division of Public Railways and mailed to Keith Babcock, Attorney for South Carolina Department of Commerce, Division of Public Railways, Post Office Box 11208, Columbia, South Carolina 29211; and

(6) the Landowner provide Public Railways with a completed/executed Request for Taxpayer Identification Number and Certification, and a Release.

AND IT IS SO ORDERED.

[JUDGE'S SIGNATURE PAGE TO FOLLOW]

WE SO MOVE:

s/ David L. Paavola
Keith M. Babcock (Bar No. 456)
David L. Paavola (Bar No. 100714)
Lewis Babcock L.L.P.
1513 Hampton Street
Post Office Box 11208
Columbia, South Carolina 29211
(803) 771-8000
Email: kmb@lewisbabcock.com
dlp@lewisbabcock.com

Attorneys for the Condemnor

The E-Filer has obtained the required consent to insert the electronic signature(s) of the other Authorized E-Filer(s) to this motion.

WE CONSENT:

s/ Susan P. MacDonald
Newman Jackson Smith (Bar No. 5245)
Susan P. MacDonald (Bar No. 7943)
Nelson Mullins Riley & Scarborough LLP
Liberty Center
151 Meeting Street, Suite 600
Charleston, SC 29401
(843) 534-4309
Email: jack.smith@nelsonmullins.com
susan.macdonald@nelsonmullins.com

Attorneys for Landowner



Charleston Common Pleas

Case Caption: South Carolina Department Of Commerce Division Of Public Rai VS
Chevron Usa Inc
Case Number: 2020CP1004537
Type: Order/Dismissal and Cancellation of Lis Pendens

So Ordered

s/Jennifer B. McCoy #2764

Electronically signed on 2022-01-11 10:37:12 page 4 of 4

ATTEST: A TRUE COPY
JULIE J. ARMSTRONG (SEAL)
CLERK C.P., G.S. & F.C.
B. [Signature]
DEPUTY CLERK

ELECTRONICALLY FILED - 2022 Jan 11 1:17 PM - CHARLESTON - COMMON PLEAS - CASE#2020CP1004537

) IN THE COURT OF COMMON PLEAS

) C/A NO. 2020-CP-10-

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TO: CHEVRON U.S.A. INC.

Pursuant to the South Carolina Eminent Domain Procedure Act, S.C. Code Ann. § 28-2-10, *et seq.*, South Carolina Code of Laws (1976, amended), you are hereby notified as follows:

1. The South Carolina Department of Commerce, Division of Public Railways, the Condemnor, is a public body corporate and political subdivision of the State of South Carolina, and seeks to acquire the real property described herein in fee simple for public purposes.

2. Chevron U.S.A. Inc. is named as the Landowner in this action by virtue of its claim of title as shown by the following Deed recorded in the RMC Office for Charleston County, South Carolina;

Deed dated March 2, 1992, and recorded March 5, 1992, in Book F211, Page 315.

Grantor – BP Exploration & Oil, Inc. formerly BP Oil Company.

3. Charleston County Treasurer is named as Other Condemnee in this action by virtue of their claim to an unpaid tax or user fee interest in the property as shown in the records for Charleston County.

4. The following is a description of the real property subject to this action and a description of the interest sought to be acquired in and to the property by the Condemnor:

All that parcel or strip of land, in fee simple, containing 3.17 acres of land (being a portion of a larger tract), more or less, and all improvements thereon, if any, owned by Chevron U.S.A. Inc., TOGETHER WITH all rights, title, interests, benefits, privileges, options, contract rights, all monies, awards and payments of any kind, and all authority of Chevron in any way related, directly or indirectly, to the within-described property, BUT EXPRESSLY EXCLUDING: all obligations, responsibilities and liabilities of Chevron, including, but not limited to, excluding South Carolina Public Railways from all liability, and all covenants to be performed by Chevron, related, directly or indirectly, to any environmental issues or environmental cleanup associated with the property described herein, which obligations, responsibilities and liabilities are expressly being retained by Chevron, shown on a plat prepared by CDM Smith dated October 2, 2018, attached hereto and made a part hereof.

Tax Map Parcel Number 466-00-00-004

5. The South Carolina Department of Commerce, Division of Public Railways is vested with the power of eminent domain pursuant to Section 13-1-1330(5) and Section 28-2-60, South Carolina Code of Laws (1976, as amended).

6. The real property sought herein is to be acquired for public purposes, more particularly in conjunction with the construction and operation of the Navy Base Intermodal Facility and associated railway lines, in Charleston County, South Carolina.

7.

8. This action is brought pursuant to S.C. Code Ann. § 28-2-240, South Carolina Code of Laws (1976, as amended).

9. The South Carolina Department of Commerce, Division of Public Railways, has complied with the requirements set forth in S.C. Code Ann. § 28-2-70(A), South Carolina Code of Laws (1976, as amended), by having the subject property interests appraised and making the appraisal available to the Landowner where required by law, and certifies to the Court that a negotiated resolution has been attempted prior to the commencement of this action.

10. Project plans are available for inspection at 1360 Truxtun Avenue, Suite 100, North Charleston, South Carolina 29405.

11. THE CONDEMNOR HAS DETERMINED JUST COMPENSATION FOR THE PROPERTY AND RIGHTS TO BE ACQUIRED HEREUNDER TO BE THE SUM OF ONE MILLION ONE HUNDRED SEVENTY-FOUR THOUSAND AND NO/100 DOLLARS (\$1,174,000.00) AND HEREBY TENDERS PAYMENT THEREOF TO THE LANDOWNER.

12. Payment of this amount will be made to the Landowner if within thirty (30) days of service of this Condemnation Notice, the Landowner in writing requests payment, and agrees to execute any instruments necessary to convey to the Condemnor the property interests and rights described herein above. The Agreement and Request for Payment must be sent first class certified mail with return receipt requested or delivered in person to the Condemnor, care of Keith M. Babcock, Esquire, Post Office Box 11208, Columbia, South Carolina 29211. If no Agreement and Request for Payment is received by the Condemnor

within the thirty (30) day period, the tender is considered rejected.

13. If the tender is rejected, the Condemnor has the right to file this Condemnation Notice with the Clerk of Court of the County where the property is situated and deposit the tender amount with the Clerk. The Condemnor shall give the Landowner notice that it has done so and may proceed to take possession of the property interests and exercise the rights described in this Condemnation Notice.

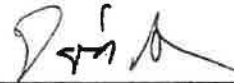
14. AN ACTION CHALLENGING THE CONDEMNOR'S RIGHT TO ACQUIRE THE PROPERTY AND RIGHTS DESCRIBED HEREIN MUST BE COMMENCED IN A SEPARATE PROCEEDING IN THE COURT OF COMMON PLEAS WITHIN THIRTY (30) DAYS OF THE SERVICE OF THIS CONDEMNATION NOTICE, OR THE LANDOWNER WILL BE CONSIDERED TO HAVE WAIVED THE CHALLENGE.

15. THE CONDEMNOR HAS ELECTED NOT TO UTILIZE THE APPRAISAL PANEL PROCEDURE. Therefore, if the tender herein is rejected, the Condemnor shall notify the Clerk of Court and shall demand a trial to determine the amount of just compensation to be paid. A copy of that notice must be served on the Landowner. That notice shall state whether the Condemnor demands a trial by jury or by the Court without a jury. The Landowner has a right to demand a trial by jury. The case may not be called for trial before sixty (60) days after the service of that notice, but it may thereafter be given priority for trial over other civil cases. The Clerk of Court shall give the Landowner written notice by mail of the call of the case for trial.

16. THEREFORE, IF THE TENDER HEREIN IS REJECTED, THE LANDOWNER IS ADVISED TO OBTAIN LEGAL COUNSEL AT ONCE, IF NOT

ALREADY OBTAINED.

17. In the event the Landowner accepts the amount tendered in this Notice, the attached Agreement and Request for Payment form should be signed and returned to the undersigned attorney for the Condemnor within thirty (30) days of your receipt of this Notice.



Keith M. Babcock, SC Bar No. 456
David L. Paavola, SC Bar No. 100714
LEWIS BABCOCK L.L.P.
1513 Hampton Street
Post Office Box 11208
Columbia, South Carolina 29211
(803) 771-8000

Karen Blair Manning
South Carolina Department of Commerce
Division of Public Railways
1201 Main Street, Suite 1600
Columbia, South Carolina 29201
(803) 737-1603

Derek F. Dean
SIMONS & DEAN
147 Wappoo Creek Drive, Suite 604
Charleston, South Carolina 29412
(843) 762-9132

ATTORNEYS FOR THE CONDEMNOR

, 2020
Columbia, South Carolina

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	C/A NO. 2020-CP-10-04538
COUNTY OF CHARLESTON)	
Project: Navy Base Intermodal Facility)	
Tract: 33S)	
)	
South Carolina Department of Commerce,	)	CONSENT ORDER OF DISMISSAL AND
Division of Public Railways,	)	CANCELLATION OF LIS PENDENS
)	
Condemnor,)	
)	
v.)	
)	
Chevron U.S.A. Inc.,)	
)	
Landowner.)	
)	
)	

This matter comes before the Court upon the motion of the Condemnor, South Carolina Department of Commerce, Division of Public Railways, and with the consent of Landowner Chevron U.S.A. Inc., pursuant to Rule 41(a)(2) of the South Carolina Rules of Civil Procedure, for an Order to end this case because the case has been settled pursuant to the Code of Laws South Carolina, S.C. Code Ann. § 28-2-40 (2007).

WHEREAS, the South Carolina Department of Commerce, Division of Public Railways ("Public Railways") properly served a Condemnation Notice and Tender of Payment in Civil Action No. 2020-CP-10-04537, filed October 15, 2020, on Landowner for a certain property necessary for the construction and operation of the Navy Base Intermodal Facility and associated railway lines in Charleston County, South Carolina; and

WHEREAS, Condemnor and Landowner have agreed to a settlement in the amount of One Million Seven Hundred Sixty-Five Thousand Two Hundred Seventy and 82/100

(\$1,765,270.82) as just compensation for Chevron's property interest acquired by Public Railways.

WHEREAS, the Condemnor and the Landowner have agreed that this case has been settled and therefore should be ended and stricken from the calendar. Landowner has received a check for just compensation in the amount of One Million Seven Hundred Sixty-Five Thousand Two Hundred Seventy and 82/100 (\$1,765,270.82), and the above-entitled action should be dismissed with prejudice;

It is hereby ORDERED that:

- (1) this case be ended and stricken, with prejudice, from the calendar;
- (2) the Clerk of Court annotate a copy of the Condemnation Notice and Tender of Payment with the date and amount of just compensation as One Million Seven Hundred Sixty-Five Thousand Two Hundred Seventy and 82/100 (\$1,765,270.82);
- (3) the Clerk of Court file the Annotated Condemnation Notice and Tender of Payment with the Office of Register of Mesne Conveyance for Charleston County, South Carolina in the same manner that deeds are recorded, showing the transfer of the property to the Condemnor, such filing being exempt from filing fees as provided under S.C. Code Ann. § 12-24-40;
- (4) the Clerk of Court cancel the Lis Pendens filed by the Condemnor in this action;
- (5) the Clerk of Court return the balance of the Tender of Payment on deposit plus interest, if any, by check made payable to the South Carolina Department of Commerce, Division of Public Railways and mailed to Keith Babcock, Attorney for South Carolina Department of Commerce, Division of Public Railways, Post Office Box 11208, Columbia, South Carolina 29211; and

(6) the Landowner provide Public Railways with a completed/executed Request for Taxpayer Identification Number and Certification, and a Release.

AND IT IS SO ORDERED.

[JUDGE'S SIGNATURE PAGE TO FOLLOW]

WE SO MOVE:

s/ David L. Paavola
Keith M. Babcock (Bar No. 456)
David L. Paavola (Bar No. 100714)
Lewis Babcock L.L.P.
1513 Hampton Street
Post Office Box 11208
Columbia, South Carolina 29211
(803) 771-8000
Email: kmb@lewisbabcock.com
dlp@lewisbabcock.com
Attorneys for the Condemnor

The E-Filer has obtained the required consent to insert the electronic signature(s) of the other Authorized E-Filer(s) to this motion.

WE CONSENT:

s/ Susan P. MacDonald
Newman Jackson Smith (Bar No. 5245)
Susan P. MacDonald (Bar No. 7943)
Nelson Mullins Riley & Scarborough LLP
Liberty Center
151 Meeting Street, Suite 600
Charleston, SC 29401
(843) 534-4309
Email: jack.smith@nelsonmullins.com
susan.macdonald@nelsonmullins.com
Attorneys for Landowner



Charleston Common Pleas

Case Caption: South Carolina Department Of Commerce Division Of Public Rai VS
Chevron Usa Inc
Case Number: 2020CP1004538
Type: Order/Dismissal and Cancellation of Lis Pendens

So Ordered

s/Jennifer B. McCoy #2764

Electronically signed on 2022-01-11 10:43:05 page 4 of 4

ATTEST: A TRUE COPY
JULIE J. ARMSTRONG (SEAL)
CLERK, C.P., C.S. & S.C.
By 
DEPUTY CLERK



LAW OFFICES OF
**LEWIS
BABCOCK**
L.L.P.

DAVID L. PAAVOLA
ATTORNEY AT LAW
1515 Hampton Street (29201)
Post Office Box 11208
Columbia, South Carolina 29211
o. 803-771.8000 f. 803-733-3534
David.Paavola@lewisbabcock.com

June 18, 2020

\$1,281,000

Chevron U.S.A. Inc.
c/o Registered Agent
Prentice Hall Corporation
1703 Laurel Street
Columbia, South Carolina 29201

Re: South Carolina Department of Commerce, Division of Public
Railways v. Chevron U.S.A. Inc.
Project: Navy Base Intermodal Facility, Tract 33S
Our File No.: 17-117

Dear Sir/Madam:

I represent the South Carolina Department of Commerce, Division of Public Railways in the above-referenced condemnation matter. Enclosed you will find an un-filed Summons, Condemnation Notice and Tender of Payment, Plat and an Agreement and Request for Payment as required by the South Carolina Eminent Domain Procedure Act, S.C. Code Ann. § 28-2-10, et seq.

Sincerely,

David L. Paavola

DLP:pm
Enclosure

STATE OF SOUTH CAROLINA) IN THE COURT OF COMMON PLEAS
COUNTY OF CHARLESTON) C/A NO. 2020-CP-10-

Project: Navy Base Intermodal Facility)

Tract: 33S)

South Carolina Department of Commerce,)
Division of Public Railways,)

Condemnor,)

v.)

Chevron U.S.A. Inc.,)

Landowner,)

AND)

Charleston County Treasurer,)

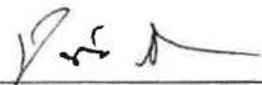
Other Condemnees.)

SUMMONS

TO: THE LANDOWNER

YOU ARE HEREBY SUMMONED, advised and notified, that pursuant to the South Carolina Eminent Domain Procedure Act, Section 28-2-10, *et seq.*, the within Condemnation Notice and Tender of Payment, a copy of which is herewith served upon you, will be filed with the Clerk of Court for Charleston County. The purpose of this lawsuit is to enable the Condemnor, the South Carolina Department of Commerce, Division of Public Railways to acquire certain real property for its public purposes, as is more fully stated in the attached Condemnation Notice and Tender of Payment. Responsive pleadings to the Condemnation

Notice and Tender of Payment are not necessary.



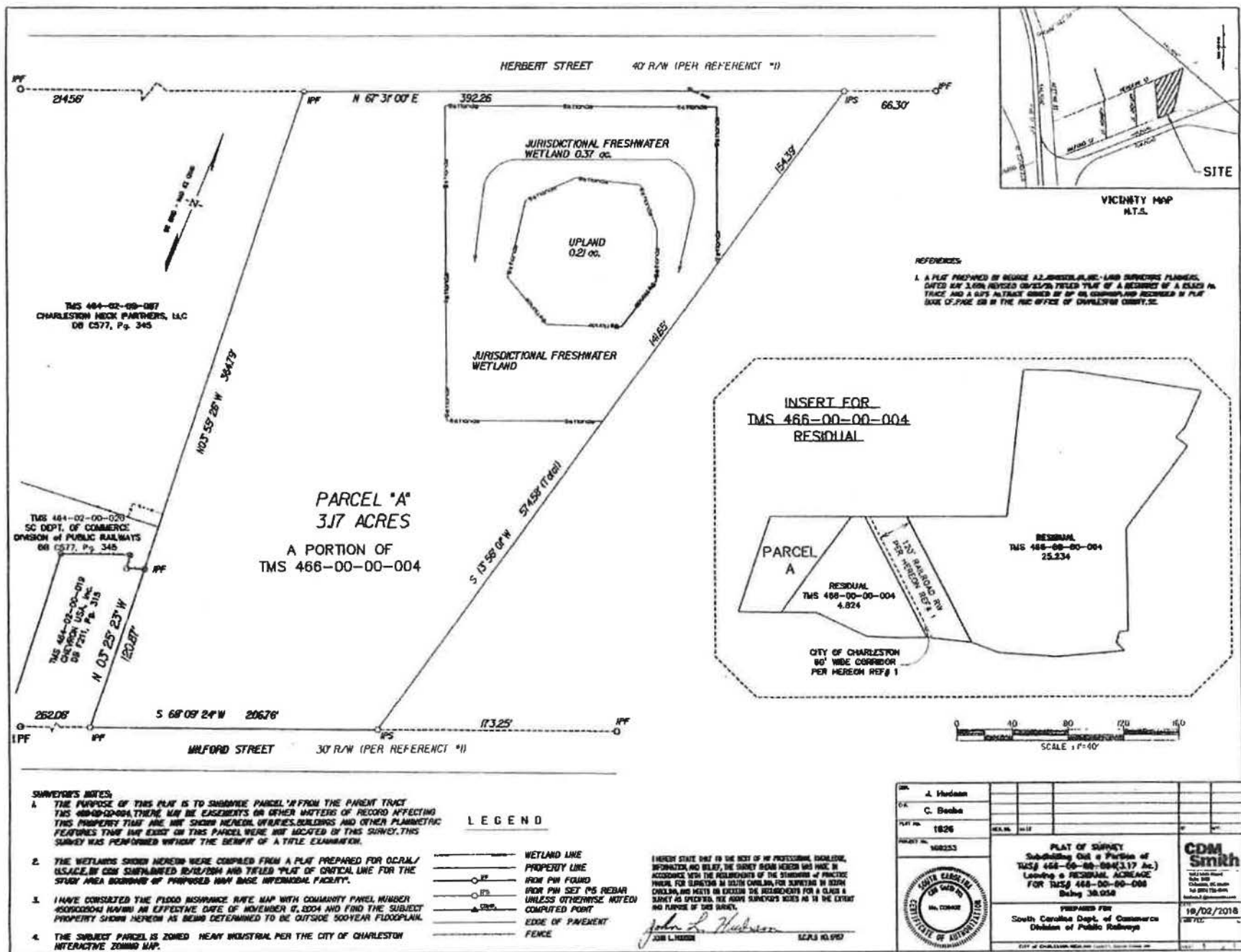
Keith M. Babcock, SC Bar No. 456
David L. Paavola, SC Bar No. 100714
LEWIS BABCOCK L.L.P.
1513 Hampton Street
Post Office Box 11208
Columbia, South Carolina 29211
(803) 771-8000

Karen Blair Manning
South Carolina Department of Commerce
Division of Public Railways
1201 Main Street, Suite 1600
Columbia, South Carolina 29201
(803)737-1603

Derek F. Dean
SIMONS & DEAN
147 Wappoo Creek Drive, Suite 604
Charleston, South Carolina 29412
(843) 762-9132

ATTORNEYS FOR THE CONDEMNOR

Columbia, South Carolina
June 18, 2020



SOUTH CAROLINA 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 Department of Administration for transactions of one million dollars or less. For transactions of more than one million dollars, approval of the State Fiscal Accountability Authority is required in lieu of the department, although the recording will be with the department. Upon approval of the transaction, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the department's and authority's approval of the transaction as required. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The department and authority 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.

HISTORY: 1985 Act No. 201, Part II, Section 5; 1989 Act No. 26, Section 1; 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.

Editor's Note

Except for designation of the paragraphs, this section and former Section 1-11-57 were identical. For consistency, Section 1-11-57 is treated as an amendment to this section.

Effect of Amendment

2014 Act No. 121, Section 7.C, rewrote subsection (A).

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Real Property Conveyance

Controlling Agency: Medical University of South Carolina

Acreage: 1.23± acres of highlands

Location: 221 Fort Johnson Road, Charleston

County: Charleston

Purpose: To dispose of surplus real property.

Price/Transferred To: South Carolina Battleground Preservation Trust /
Not less than appraised value

Disposition of Proceeds: To be retained by MUSC University pursuant to Proviso 93.8.

Additional Information: The South Carolina Battleground Preservation Trust (SCBPT) is a non-profit corporation dedicated to protecting and preserving historic battlegrounds and military sites across the state. SCBPT will purchase MUSC's Fort Johnson property for the appraised value and plans to demolish improvements which are in severe disrepair. Subsequently, SCBPT intends to donate the property to the South Carolina Department of Natural Resources for its continued protection and preservation. A donation to SCDNR will be subject to applicable governmental approvals.

MUSC is requesting to sell directly to the SCBPT to ensure the property is preserved, and once acquired, SCBPT will place the property under a conservation easement, and it will become a site on the SC Liberty Trail.

AUTHORITY ACTION REQUESTED:

Approve the real property conveyance by the Medical University of South Carolina of 1.23± acres of highlands located at 221 Fort Johnson Road, Charleston, South Carolina to South Carolina Battleground Preservation Trust for not less than appraised value.

ATTACHMENTS:

Agenda item worksheet and attachments

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: April 5, 2022

Regular Agenda

1. Submitted by:

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


Ashlie Lancaster, Director

2. Subject: Real Property Conveyances

3. Summary Background Information:

Controlling Agency:	Medical University of South Carolina
Acreage:	1.23± acres of highlands
Location:	221 Fort Johnson Road, Charleston
County:	Charleston
Purpose:	To dispose of surplus real property.
Price/Transferred To:	South Carolina Battleground Preservation Trust / Not less than appraised value
Disposition of Proceeds:	To be retained by MUSC University pursuant to Proviso 93.8.
Additional Information:	The South Carolina Battleground Preservation Trust (SCBPT) is a non-profit corporation dedicated to protecting and preserving historic battlegrounds and military sites across the state. SCBPT will purchase MUSC's Fort Johnson property for the appraised value and plans to demolish improvements which are in severe disrepair. Subsequently, SCBPT intends to donate the property to the South Carolina Department of Natural Resources for its continued protection and preservation. A donation to SCDNR will be subject to applicable governmental approvals.

MUSC is requesting to sell directly to the SCBPT to ensure the property is preserved, and once acquired, SCBPT will place the property under a conservation easement, and it will become a site on the SC Liberty Trail.

- 4. What is the Authority asked to do?** Approve the real property conveyance to South Carolina Battleground Preservation Trust for not less than appraised value.

- 5. What is recommendation of the submitting agency involved?** Approve the real property conveyance to South Carolina Battleground Preservation Trust for not less than appraised value.

6. Private Participant Disclosure – Check one:

- ☐ No private participants will be known at the time the Authority considers this agenda item.
☒ A Private Participant Disclosure form has been attached for each private participant.
As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. Recommendation of other office (as required)?

- (a) Authorized Signature: _____
 - (b) Office Name: _____
-

8. List of Supporting Documents:

- a) SC Code of Laws Section 1-11-65
- b) 2021-2022 Appropriations Bill H4000, Part 1B, Proviso 93.8
- c) Letter from the Medical University of South Carolina dated March 9, 2022
- d) Maps

SOUTH CAROLINA 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 Department of Administration for transactions of one million dollars or less. For transactions of more than one million dollars, approval of the State Fiscal Accountability Authority is required in lieu of the department, although the recording will be with the department. Upon approval of the transaction, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the department's and authority's approval of the transaction as required. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The department and authority 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.

HISTORY: 1985 Act No. 201, Part II, Section 5; 1989 Act No. 26, Section 1; 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.

Editor's Note

Except for designation of the paragraphs, this section and former Section 1-11-57 were identical. For consistency, Section 1-11-57 is treated as an amendment to this section.

Effect of Amendment

2014 Act No. 121, Section 7.C, rewrote subsection (A).

South Carolina General Assembly

124th Session, 2021-2022

H. 4100

General Appropriations Bill for fiscal year 2021-2022

As Ratified by the General Assembly

PART IB

OPERATION OF STATE GOVERNMENT

SECTION 93 – D500-DEPARTMENT OF ADMINISTRATION

93.8. (DOA: Sale of Surplus Real Property) Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Department of Administration and used for the deferred maintenance of state-owned buildings. The remaining fifty percent 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 nonrecurring 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 may be used for the renovation of the ETV Telecommunications Center and other maintenance and operating expenses. 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 Department of Administration 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.



MUSC Real Estate Management Group
22 WestEdge Street, Suite 300
Charleston, SC 29403

March 9, 2022

Linda Gordon
Division of Facilities Management and
Property Services
The South Carolina Department of Administration
1200 Senate Street, Room 612
Columbia SC 29201

RE: Fort Johnson/Property Surplus Sale

Dear Ms. Gordon:

The Medical University of South Carolina owns property located at 221 Fort Johnson Road in Charleston, commonly referred to as Fort Johnson. This property consists of 1.58 acres (1.23 acres of highlands). The property contains four structures 1) main house 2) storage building 3) garage 4) cistern. All structures are beyond repair and considered completely depreciated. The development of this property is not part of the MUSC Master Plan and due to the property condition, it has been determined the MUSC Fort Johnson property would be more valuable liquidated rather than repurposed.

The South Carolina Battleground Preservation Trust (SCBPT) has made an offer to buy the property at Fort Johnson owned by the Medical University of South Carolina (MUSC) for the appraised value of the property. Only the highlands will be included in the sale.

Once the sale is closed, the SCBPT will cause conservation easements to be placed on the property. The conservation easements will preserve the property as a historic site, allowing use of the property for special events and historic interpretation. Residential, commercial, or industrial use of the property will be prohibited. The SCBPT will also remove the three buildings currently on the site. Once the buildings are removed and the easements are recorded, the SCBPT intends to gift the deed to the property to the South Carolina Department of Natural Resources (SCDNR), subject to required governmental approvals.

This Fort Johnson property will become a site on the South Carolina Liberty Trail, a statewide project of the SCBPT, in partnership with the American Battlefield Trust in Washington, to preserve Revolutionary War sites and battlefields in South Carolina. It is anticipated that the SCDNR will issue an MOU to the South Carolina Department of Parks, Recreation and Tourism (SCPRT) for the management of the property and to the SCBPT to stand responsible for the interpretation of the property. The planned interpretation will cover the 300-year history of Fort Johnson. The expense of the site interpretation will be assumed by the SC Liberty Trail.

As you are aware, SCDNR recently purchased approximately 23 acres of property at the end of Ft. Johnson Road that had been inhabited by the Sisters of Charity of Our Lady of Mercy. The intent is that this property, together with the MUSC property, which is immediately adjacent to the SCDNR property, will allow for the preservation of a significant tract of waterfront property, supporting a type of master plan for Fort Johnson, where there will be one owner of the two properties, SCDNR; one manager, SCPRT; and one interpreter of history, SCBOT. .

The property shall be open to the public and as a historic and special event site.

MUSC Board of Trustees approved the sale of this property at the appraised value on February 11, 2022. MUSC requests approval by the State Fiscal Accountability Authority to dispose of this surplus property for no less than the appraised value at its April 5, 2022 meeting.

Sincerely,

Rachel K. Jones

Rachel K. Jones

LOCATION MAP



Aerial Photograph



**Former MUSC Science Center
221 Fort Johnson Road
Charleston, Charleston County, South Carolina 29412**

CHARLESTON HARBOR

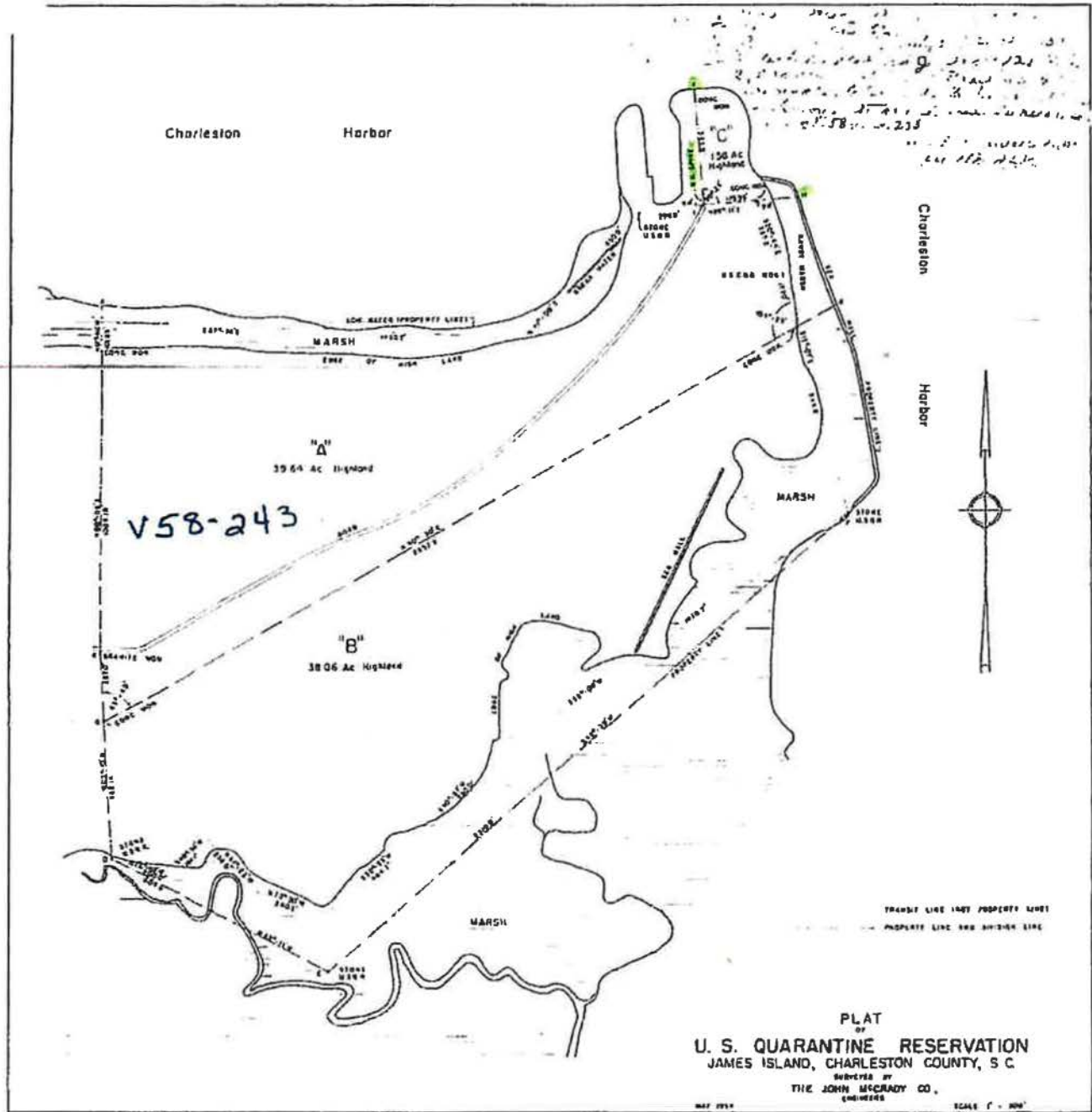


JOHN WHEAT, JR., 92/012
S.C. REG. NO.

L. ...
... ..

SCALE: 1" = 100'

NOVEMBER 1969



J-121

EX-103-161

Amendment No. 1 to Quitclaim
Deed of June 24, 1954,
Medical College of South Carolina,
Charleston, South Carolina

RELEASE AND ABOGATION OF CONDITIONS SUBSEQUENT
AND RELEASE OF RECAPTURE RIGHTS FOR NATIONAL EMERGENCY
USE BY THE UNITED STATES OF AMERICA WITH RESPECT TO
39.64 ACRES OF LAND IN CHARLESTON COUNTY, SOUTH CAROLINA

THIS INDENTURE made this 19th day of January, 1970,
between the UNITED STATES OF AMERICA, acting by and through the
Secretary of Health, Education, and Welfare, by the Regional Director,
Region IV, Department of Health, Education, and Welfare (hereinafter
called the Grantor), under and pursuant to the powers and authority
contained in the Federal Property and Administrative Services Act
of 1949, as amended (63 Stat. 377), (hereinafter referred to as the
Act) and The Medical University of South Carolina, (formerly known
as the Medical College of South Carolina) Charleston, South Carolina,
(hereinafter called the Grantee),

W I T N E S S E T H :

WHEREAS, by Quitclaim Deed dated the 24th day of June, 1954,
and recorded on the 3rd day of July, 1954, in the Register of Masses
Conveyance Office, ^{Book 458 page 415} Charleston County, South Carolina, the United States
of America, acting by and through the Secretary of Health, Education,
and Welfare by the Regional Director, Region IV, Department of Health,
Education, and Welfare, under and pursuant to the powers and authority
contained in the Act, conveyed unto The Medical College of South
Carolina (now The Medical University of South Carolina) certain real
property consisting of 39.64 acres of land, more or less, situate, lying
and being in the County of Charleston, State of South Carolina, with
certain improvements located thereon, and being a portion of the former
U. S. Quarantine Station, Fort Johnson Reservation, South Carolina,
(said property being more particularly described in said Quitclaim
Deed and hereinafter referred to as the property) for educational
purposes; and

Y 93-161

Page 93 of 161

WHEREAS, in connection with its acquisition of the property, the Grantee received a Public Benefit Allowance based on One Hundred Percent (100%) of the fair value of the property by reason of the educational use to which the property was to be devoted by the Grantee; and

WHEREAS, the said Quitclaim Deed provides that the property was conveyed subject to certain conditions, reservations, restrictions and covenants therein fully set forth, including inter alia, the condition subsequent that the property conveyed be used for educational purposes for a period of twenty (20) years from the date of said Quitclaim Deed; and

WHEREAS, said Quitclaim Deed provides that upon failure of the Grantee to comply with any of the conditions set forth in said Quitclaim Deed of June 24, 1954, all right, title and interest in and to said property shall, at the option of the Grantor, revert to and become the property of the United States of America; and

WHEREAS, the said Quitclaim Deed further provides that the Grantee may secure abrogation of conditions subsequent numbered 1, 2 and 3 contained therein by obtaining the consent of the Grantor, upon payment to the Grantor of the Public Benefit Allowance granted to the Grantee of One Hundred Percent (100%) from the fair value of Forty-Six Thousand Six Hundred Eleven and no/100 Dollars (\$46,611.00) less a credit at the rate of five percent (5%) for each twelve (12) months during which the property has been utilized for the purposes for which it was conveyed; and

WHEREAS, the Grantee, as expressed in a resolution adopted on the 22nd day of December, 1969, has requested abrogation of conditions subsequent numbered 1, 2 and 3 contained in said Quitclaim Deed; and

WHEREAS, the Grantee has completed fifteen (15) years of utilization of the property in compliance with the terms and conditions of said Quitclaim Deed and Grantee desires to make payment to the

United States of America in the sum of Eleven Thousand Six-Hundred Fifty-Two and 75/100 Dollars (\$11,652.75), which is the unamortized portion of the Public Benefit Allowance of the property, in consideration of the abrogation by the Grantor of said conditions subsequent numbered 1, 2 and 3 contained in the said Quitclaim Deed; and

WHEREAS, said Quitclaim Deed contains a covenant, more fully set forth on pages 6 and 7 thereof, expressly reserving unto the Grantor the right to re-enter the property and to full, unrestricted possession, control, and use thereof during a period of national emergency declared by the President or Congress of the United States, (hereinafter called the Recapture Clause); and

WHEREAS, the Grantee, has represented in the aforesaid Resolution adopted on December 22, 1969 that it is desirous of accomplishing the construction of a Marine Research Laboratory upon a portion of the property conveyed by the said Quitclaim Deed, which would be greatly to the advantage of the educational program of the Grantee by the State of South Carolina Wildlife Resources Commission; and

WHEREAS, the Grantee, as expressed in the aforesaid Resolution adopted on the 22nd day of December, 1969, also desires that the property conveyed by said Quitclaim Deed of June 24, 1954, be released from the rights reserved to the Grantor under said Recapture Clause and has requested that the Grantor also release the property conveyed from the rights reserved to the Grantor under the provisions of the aforesaid Recapture Clause; and

WHEREAS, the Grantor has agreed to the abrogation of the said conditions subsequent numbered 1, 2 and 3 and to release the property conveyed by the said Quitclaim Deed of June 24, 1954 from the restrictions contained in those conditions and also to release the Recapture Clause with respect to the property conveyed by said Quitclaim Deed; and

WHEREAS, the Secretary of Health, Education, and Welfare, acting by and through the Regional Director, Region IV, Department of Health,

MAY 93 161

Education, and Welfare, subject to the disapproval of the Administrator of General Services within thirty days of notice to him is authorized under the Act to grant a release from the terms, conditions and covenants contained in instruments by which property was conveyed for educational purposes; and

WHEREAS, notice of the proposed release of the property conveyed by the aforesaid Quitclaim Deed of June 24, 1954 from said conditions subsequent numbered 1, 2 and 3 and release of the property from the aforesaid Recapture Clause has been given to the General Services Administration, Region 4, in accordance with the Act, and it has stated by letter dated December 2, 1969, that it interposes no objection to the approval of the request of the Grantee for abrogation of said conditions numbered 1, 2 and 3 and the proposed release of the property from the provisions of said Recapture Clause; and

WHEREAS, the Department of Defense has advised the Chief, Office of Surplus Property Utilization, Department of Health, Education, and Welfare, that it will interpose no objection to the approval of the request of the Grantee for abrogation of said Recapture Clause with respect to the property conveyed by said Quitclaim Deed of June 24, 1954.

WHEREAS, the Secretary of Health, Education, and Welfare acting by and through the undersigned finds that the release and abrogation of said conditions and covenant will not prevent the accomplishment of the purposes for which the property was conveyed.

NOW, THEREFORE, in consideration of the premises and payment by the Grantee to the Grantor of the sum of Eleven Thousand Six Hundred Fifty-Two and 75/100 Dollars (\$11,652.75), and other good and valuable consideration, receipt of which is hereby acknowledged, the United States of America, Grantor, acting by and through the Secretary of Health, Education, and Welfare by the Regional Director, Region IV, Department of Health, Education, and Welfare, under and pursuant to

BOOK 93, PAGE 161

the powers and authority contained in the Federal Property and Administrative Service Act of 1949, as amended (63 Stat. 377), has released and by this instrument does release from the conditions subsequent numbered 1, 2 and 3 and has released and by this instrument does release from the covenant reserving unto the United States of America the right of reentry or use of the property in time of a national emergency declared by the Congress or President contained in the aforesaid Quitclaim Deed, with respect to the property conveyed to The Medical College of South Carolina (now The Medical University of South Carolina) Charleston, South Carolina by Quitclaim Deed of June 24, 1954, from the United States of America, acting by and through the Secretary of Health, Education, and Welfare, by the Regional Director, Region IV, Department of Health, Education, and Welfare and recorded on the 3rd day of July, 1954, in the Register of Mease Conveyance Office, Charleston County, South Carolina, said property being more particularly described therein, said conditions subsequent numbered 1, 2 and 3 and said covenant reading as follows, to wit:

1. That for a period of twenty (20) years from the date of this deed the above described property herein conveyed, shall be utilized continuously for educational and research purposes in accordance with the proposed program and plan as set forth in the application of the Medical College of South Carolina, Charleston, South Carolina dated March 20, 1954, supplement dated March 29, 1954 and for no other purpose.
2. That during the aforesaid period of twenty (20) years, the party of the second part will resell, lease, mortgage, or encumber, or otherwise dispose of the above described property or any part thereof or interest therein only as the Department of Health, Education, and Welfare or its successor in function in accordance with its existing

MAY 93 MAR 16 1961

regulations, may authorize in writing.

3. That one year from the date of this deed and annually thereafter for the aforesaid period of twenty (20) years unless the Department of Health, Education, and Welfare or its successor in function otherwise directs, the party of the second part will file with the Department of Health, Education, and Welfare or its successor in function reports on the operation and maintenance of the above described property and will furnish, as requested, such other pertinent data evidencing continuous use of the property for the purpose specified in the above identified application.

The party of the Second part by the acceptance of this deed, covenants and agrees, for itself, its successors and assigns, that the UNITED STATES OF AMERICA shall have the right during any period of emergency declared by the President of the United States or by the Congress of the United States to the full unrestricted possession, control and use of the property hereby conveyed, or of any portion thereof, including any additions or improvements thereto made subsequent to this conveyance. Prior to the expiration or termination of the period of restricted use by the transferee, such use may be either exclusive or non-exclusive and shall not impose any obligation upon the Government to pay rent or any other fees or charges during the period of emergency, except that the Government shall (i) bear the entire cost of maintenance of such portion of the property used by it exclusively or over which it may have exclusive possession or control, (ii) pay the fair share, commensurate with the use, of the cost of maintenance of such of the property as it may use non-exclusively or over which it may have exclusive possession or control, (iii) pay a fair rental for the use of improvements or additions to the premises made by the party of the second part without Government aid, and (iv)

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be responsible for any damage to the property caused by its use, reasonable wear and tear, and acts of God and the common enemy excepted."

And further does hereby release the property conveyed by the aforesaid Quitclaim Deed of June 24, 1954 from the rights reserved to the United States of America to reenter and revert title to the said property conveyed in the event of a breach by the Grantee of any of the foregoing conditions subsequent numbered 1, 2 and 3 and does hereby further release the property conveyed from the right of reentry or use of the property by the United States of America in time of a national emergency declared by the Congress or President, to which said conditions and rights the conveyance was made subject, to the end that said rights to reenter and revert title and the right reserved to the United States contained in said covenant of reentry and use of the property during a national emergency shall be and are hereby extinguished and of no further force and effect.

IN WITNESS WHEREOF, the UNITED STATES OF AMERICA, acting by and through the Secretary of Health, Education, and Welfare, by the Regional Director, Region IV, of the Department of Health, Education, and Welfare, has caused these presents to be executed in its name and on its behalf, on the day and year first above written.

UNITED STATES OF AMERICA
Acting by and through the Secretary
of Health, Education, and Welfare

WITNESSES:

By: Cary R. Hall
Cary R. Hall
Regional Director, Region IV

Susan S. Sullivan

Oliver Brown
Notary Public



Jan 9 1970

ACKNOWLEDGMENT

STATE OF GEORGIA)
COUNTY OF FULTON)

SS:

On this 19th day of January, 1970, personally appeared before me a Notary Public, Cary H. Hall, Regional Director for Region IV of the Department of Health, Education, and Welfare, to me known as the person described in and who executed the foregoing instrument and he acknowledged to me that he executed the foregoing instrument as the act and deed of the United States of America, acting by and through the Secretary of Health, Education, and Welfare and that he was duly authorized to execute said instrument for the purpose therein expressed.

IN WITNESS WHEREOF, I have set my hand and seal at Atlanta, Georgia, this 19th day of January, 1970.

Allene Brown



STATE OF GEORGIA)
COUNTY OF FULTON)

PERSONALLY appeared before me SUSAN BREEDLOVE and made oath that she saw the within named UNITED STATES OF AMERICA, Acting by and through the Secretary of Health, Education and Welfare, by CARY C. HALL, its Regional Director, Region IV, sign, seal and as its act and deed, deliver the within written instrument, and that she with ALLENE BROWN witnessed the execution thereof.

Susan Breedlove

SWORN to before me this
19th day of January, 1970.

Allene Brown (LS)
NOTARY PUBLIC FOR GEORGIA.
My Commission expires Jan 21 1972



SANDLER, WISSE & SIMONS
22 BRADDO ST.
CHARLESTON, S. C.

EXLEY 93 PAGE 161

3.00

Filed, Indexed and Recorded

Jan 28 1970 12:50

DATE TIME

Book 993 Page 161

Robert H. Cantor
Register-Mecklenburg County
Charleston County, S. C.

Y 58 235

QUITCLAIM DEED

THIS DEED, made this 24th day of June 1954, between the

United States of America, party of the first part, acting by and through the

Secretary of Health, Education and Welfare, by the Regional Director for Region IV of the Department of Health, Education and Welfare, under and pursuant to the powers and authority contained in the Federal Property and Administrative Services Act of 1949, as amended, (63 Stat. 377) (hereinafter called the Act), Reorganization Plan No. 1 of 1953, and Public Law 13 - 83rd Congress, and The Medical College of South Carolina, Charleston, South Carolina, party of the second part:

WITNESSETH

WHEREAS, by letter dated May 4, 1954 and amended May 11, 1954 from the Regional Director of General Services Administration, certain surplus property consisting of 39.64 acres of highland, and marsh bordering, located at U. S. Quarantine Station, Fort Johnson, South Carolina, hereinafter described (hereinafter called the Property), was assigned to the Department of Health, Education and Welfare for disposal upon the recommendation of the Department of Health, Education and Welfare that the property is needed for educational purposes in accordance with the provisions of the Act; and

WHEREAS, said party of the second part has made a firm offer to purchase the said property under the provisions of the Act and has made application for one hundred (100) percent public benefit allowance; and proposes to use said land for educational purposes; and

WHEREAS, the General Services Administration has notified the Department of Health, Education and Welfare that no objection will be interposed to the transfer of the said property to the party of the second part; and

WHEREAS, the party of the first part has accepted the offer of the party of the second part;

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NOW THEREFORE, the party of the first part, for and in consideration of the foregoing and of the observance and performance by the said party of the second part of the covenants, conditions, and restrictions hereinafter contained and other good and valuable consideration, receipt of which is hereby acknowledged, has remise, released and forever quitclaimed and by these presents does remise, release and forever quitclaim to the said party of the second part, its successors and assigns forever, all rights, title, interest claim and demand which the said party of the first part has in and to the following described property situate, lying and being in the County of Charleston, State of South Carolina, to-wit:

All that piece, parcel or tract of land designated as Tract "B" on a plat of U. S. Quarantine Reservation, by The John McCrady Company, dated May 1954, and made a part of this deed, more particularly described as follows:

Commencing at point "C" being S 32 35' E a distance of 17,096' from U. S. C. & G. S. Station "Francis Marion 1924" on roof of Francis Marion Hotel, on the western side of the property, proceed N 60 degrees 30 minutes E to point "G", thence in a southerly direction along the sea wall to point "F" (a stone), thence S 48 degrees 39 minutes W a distance of 2310.0' to point "E" (a stone), thence N 62 degrees 11 minutes W a distance of 809.8' to point "D" (a stone), thence N 3 degrees 10 minutes W a distance of 462.14' to point "C" the point of beginning.

ALSO

All that piece, parcel or tract of land designated as Tract "C" on a plat of U. S. Quarantine Reservation, by The John McCrady Company, dated May 1954, and made a part of this deed, more particularly described as follows:

Commencing at Point "H", being S 41 50' E a distance of 17,198' from U. S. C. & G. S. Station "Francis Marion 1924" on roof of Francis Marion Hotel, on the sea wall on the north east corner of the property, proceed in a westerly direction to point "I" (a railroad spike), thence in a northerly direction to point "J", thence in a generally southeastern direction along the low water line of the shore to point "H", the point of beginning.

Together with buildings listed in attached Exhibit "A".

In accordance with Executive Order 9908, approved December 5, 1947 (12 F.R. 8223), all uranium, thorium, and all other materials determined pursuant to section 5(b)(1) of the Atomic Energy Act of 1946 (60 Stat. 761), to be peculiarly essential to the production of fissionable material, contained, in whatever concentration in deposits in the lands covered by this instrument are hereby reserved for the use of the UNITED STATES OF AMERICA, together with the right of the UNITED STATES OF AMERICA through its authorized agents or representatives at any time to enter upon the land and prospect for, mine, and remove the same, making just compensation for any damage or injury occasioned thereby. However, such land may be used, and any rights otherwise acquired by this disposition may be exercised, as if no reservation of such materials had been made, except that, when such use results in the extraction of any such material from the land in quantities which may not be transferred or delivered without a license under the Atomic Energy Act of 1946, as it now exists or may hereafter be amended, such material shall be the property of the United States Atomic Energy Commission, and the Commission may require delivery of such material to it by any possessor thereof after such material has been separated as such from the ores in which it was contained. If the Commission requires the delivery of such material to it, it shall pay to the person mining or extracting same, or to such other person as the Commission determines to be entitled thereto, such sums, including profits, as the Commission deems fair and reasonable for the discovery, mining, development, production, extraction, and other services performed with respect to such material prior to such delivery, but such payment shall not include any amount on account of the value of such material before removal from its place of deposit in nature. If the Commission does not require delivery of such material to it, the reservation hereby made shall be of no further force or effect.

TO HAVE AND TO HOLD the foregoing described property

provided, however, that this deed is made and accepted upon each of the following conditions subsequent, which shall be binding upon and enforceable against The Medical College of South Carolina, Charleston, South Carolina its successors or assigns, and each of them, as follows:

1. That for a period of twenty (20) years from the date

of this deed the above described property herein conveyed, shall be utilized continuously for educational and research

purposes in accordance with the proposed program and plan as set forth in the application of the Medical College of South Carolina, Charleston, South Carolina

dated March 20, 1954, supplement dated March 29, 1954 for no other purpose.

2. That during the aforesaid period of twenty (20) years, the party of the second part

will not sell, lease, mortgage, or encumber, or otherwise dispose of the above described property or any part thereof or interest therein only as the ~~Trustee~~ Department of Health, Education and Welfare ~~or its successor~~ in function in accordance with its existing regulations, may authorize in writing.

3. That one year from the date of this deed and annually

hereafter for the aforesaid period of twenty (20) years unless the ~~Trustee~~ Department of Health, Education and Welfare ~~or its successor~~ in function otherwise directs, the party of the second part

will file with the ~~Trustee~~ Department of Health, Education and Welfare ~~or its successor~~ in function reports on the operation and maintenance of the above described property and will furnish, as requested, such other pertinent data evidencing continuous use of the

property for the purpose specified in the above identified application.

In the event of a breach of any of the conditions set forth above whether caused by the legal or other inability of said party of the second part _____ its successors

or assigns, to perform any of the obligations herein set forth, all right, title and interest in and to the above described property shall, at its option revert to and become the property of the UNITED STATES OF AMERICA, which shall have an immediate right of entry thereon, and the party of the second part

its successors or assigns, shall forfeit all right, title, and interest in and to the above described property and in any and all of the tenements, hereditaments, and appurtenances thereunto belonging; PROVIDED HOWEVER, Department of Health, Education and Welfare that the failure of the ~~Department of Health, Education and Welfare~~ or its successor in function, to insist in any one or more instances upon complete performance of any of the said conditions shall not be construed as a waiver or a relinquishment of the future performance of any such conditions, but the

of the said party of the second part obligations with respect to such future performance shall continue in full force and effect; PROVIDED FURTHER that in the event the UNITED STATES OF AMERICA fails to exercise its option to re-enter the premises for any such breach of said conditions within twenty-one (21) years from the date of this conveyance, the conditions set forth above together with all rights of the UNITED STATES OF AMERICA to re-enter as in this paragraph provided, shall, as of that date, terminate and be extinguished.

In the event title to the above described premises is reverted to the UNITED STATES OF AMERICA for noncompliance or voluntarily re-conveyed in lieu of reverter, the party of the second part

Department of Health, Education and Welfare at the option of the ~~Department of Health, Education and Welfare~~ or its successor in function, shall be responsible and shall be

required to reimburse the UNITED STATES OF AMERICA for the decreased value of the above described property not due to reasonable wear and tear, acts of God, and alterations and conversions made by the party of the second part

to adapt the property to the use for which the property was acquired. The UNITED STATES OF AMERICA shall, in addition thereto, be reimbursed for such damages including such costs as may be incurred in recovering title to or possession of the above described property, as it may sustain as a result of the noncompliance.

The party of the second part, its successors and assigns may secure abrogation of the conditions numbered 1, 2, and 3 herein by:

- a. Obtaining the consent of the ~~Department of Health, Education and Welfare~~ Department of Health, Education and Welfare or its successor in function; and
- b. Payment to the UNITED STATES OF AMERICA of the public benefit allowance granted to the party of the second part of

100 per cent from the current market value of Forty-Six Thousand Six Hundred and Eleven and no/100 (\$46,611.00) Dollars

less a credit at the rate of five (5) per cent for each twelve (12) months during which the property has been utilized in accordance with the purposes specified in the above identified application.

The party of the Second part

by the acceptance of this deed, covenants and agrees, for itself, its successors and assigns, that the UNITED STATES OF AMERICA shall have the right during any period of emergency declared by the President of the United States or by the Congress of the United States to the full unrestricted possession, control and use of the property hereby

conveyed, or of any portion thereof, including any additions or improvements thereto made subsequent to this conveyance. Prior to the expiration or termination of the period of restricted use by the transferee, such use may be either exclusive or non-exclusive and shall not impose any obligation upon the Government to pay rent or any other fees or charges during the period of emergency, except that the Government shall (i) bear the entire cost of maintenance of such portion of the property used by it exclusively or over which it may have exclusive possession or control, (ii) pay the fair share, commensurate with the use, of the cost of maintenance of such of the property as it may use non-exclusively or over which it may have exclusive possession or control, (iii) pay a fair rental for the use of improvements or additions to the premises made by the party of the second part without Government aid, and (iv) be responsible for any damage to the property caused by its use, reasonable wear and tear, and acts of God and the common enemy excepted.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the June 24th day of June, 1954.

UNITED STATES OF AMERICA
Acting by and through the Secretary of
~~Health, Education and Welfare~~
Health, Education and Welfare
By: Richard H. [Signature]
Regional Director for Region IV
of the Department of Health,
Education, and Welfare

WITNESSES:

Joseph E. Schaefer
Margaret E. Zervant

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STATE OF GEORGIA

COUNTY OF FULTON

Before me, Virginia Carol Bishop, a Notary Public in and for the State of Georgia, personally appeared Joseph T. Ecker, who, being duly sworn, deposes and says: That he saw Richard H. Lyle, Regional Director, Region IV, for the Department of Health, Education and Welfare, Region IV, sign the within written instrument for and on behalf of the UNITED STATES OF AMERICA, acting by and through the Department of Health, Education and Welfare, and as the act and deed of the UNITED STATES OF AMERICA, acting by and through the Department of Health, Education and Welfare, deliver the within instrument for the purposes and uses therein mentioned, and that he, with Margaret E. Leventhal, in the presence of each other witnessed the execution thereof and subscribed their names as witnesses thereto.

Joseph T. Ecker

Sworn to and Subscribed before me
this 24th day of June 1954

Virginia Carol Bishop
Notary Public in and for the State of
Georgia at Large

My commission expires:

Notary Public, D. W. H. County, Georgia
My Commission Expires: Jan. 25, 1955

EXHIBIT "A"

Large House in Woods 50x60
Small House in Woods 30x60
Pump House
Chief Officers Residence 40x60
Disinfectant Building 36x48
Shed 30x40

Also copy of within attached white print plat placed in Flat Book # 19 42

Recorded July 3 1954 at 12:30 o'clock, S. C. Doc. Stamp None affixed U. S. Doc. Stamp

None affixed. Original delivered to Smalley, Gibbs & Simmons

being first endorsed as recorded by County Auditor,

JULIUS E. COGSWELL, R. M. C.

MEETING OF April 5, 2022

ITEM NUMBER 9

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Real Property Conveyance - Department of Commerce, Division of Public Railways

Controlling Agency: Department of Commerce, Division of Public Railways
Acreage: 25.56± acres and improvements
Location: Former Navy Base, North Charleston
County: Charleston
Purpose: To dispose of surplus real property.
Price/Transferred To: To be determined/Not less than appraised value*
Disposition of Proceeds: To be retained by Palmetto Railways pursuant to Proviso 93.8.
Additional Information: The proposed sale consists of the following seven (7) properties:

Acreage	Description
±3.39	3760 St. Johns Ave. / TMS 400-00-00-045G
±1.08	3830 St. Johns Ave. / TMS 400-00-00-45H
±3.28	1481 McMillan Ave. / TMS 400-00-00-042, 049, 127
±11.64	2395 Noisette Blvd. / TMS 400-00-00-048
±2.38	2029 Herbert St. / TMS 464-02-00-043
±2.59	Noisette Blvd. Roadway Segments / TMS 400-00-00-048, 062
±1.20	N. Hobson Ave. Roadway Segment / TMS 400-00-00-117

The properties will be offered for sale through a competitive bid process. Potential buyers will be allowed to bid individually or collectively on the properties. *Roadways could not be appraised due to potential prescriptive easement issues which would require legal resolution as noted in the attached letter from Appraisal Services of South Carolina, Inc. Accordingly, Palmetto Railways is requesting that these roadways be approved for sale at market value.

AUTHORITY ACTION REQUESTED:

As requested by the South Carolina Department of Commerce through the Department of Administration, approve the real property conveyance of 25.56± acres and improvements located at the Former Navy Base, North Charleston, as requested for not less than appraised value.

ATTACHMENTS: Agenda item worksheet and attachments

**STATE FISCAL ACCOUNTABILITY AUTHORITY
AGENDA ITEM WORKSHEET**

Meeting Scheduled for: April 5, 2022

Regular Agenda

1. Submitted by:

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


Ashlie Lancaster, Director

2. Subject: Department of Commerce, Division of Public Railways Real Property Conveyances

3. Summary Background Information:

Controlling Agency:	Department of Commerce, Division of Public Railways
Acreage:	25.56± acres and improvements
Location:	Former Navy Base, North Charleston
County:	Charleston
Purpose:	To dispose of surplus real property.
Price/Transferred To:	To be determined/Not less than appraised value*
Disposition of Proceeds:	To be retained by Palmetto Railways pursuant to Proviso 93.8.
Additional Information:	The proposed sale consists of the following seven (7) properties:

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±3.28	1481 McMillan Ave. / TMS 400-00-00-042, 049, 127
±11.64	2395 Noisette Blvd. / TMS 400-00-00-048
±2.38	2029 Herbert St. / TMS 464-02-00-043
±2.59	Noisette Blvd. Roadway Segments / TMS 400-00-00-048, 062
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4. What is the Authority asked to do? Approve the real property conveyance of 25.56± acres and improvements located at the former Navy Base in North Charleston as requested for not less than appraised value.

5. What is recommendation of the submitting agency involved? Approve the real property conveyance of 25.56± acres and improvements located at the former Navy Base in North Charleston as requested for not less than appraised value.

6. Private Participant Disclosure – Check one:

☒ No private participants will be known at the time the Authority considers this agenda item.

☐ A Private Participant Disclosure form has been attached for each private participant.

As referenced on the Disclosure forms, a private participant is a natural person or non-governmental legal entity which may directly benefit from, and is participating in or directly associated with, the requested approval.

7. Recommendation of other office (as required)?

(a) Authorized Signature: _____

(b) Office Name: _____

8. List of Supporting Documents:

- a) SC Code of Laws Section 1-11-65
- b) 2021-2022 Appropriations Bill H4000, Part 1B, Proviso 93.8
- c) Letter from Department of Commerce dated March 4, 2022
- d) Letter from Appraisal Services of South Carolina, Inc. dated November 1, 2021
- e) CDM Smith Roadway Condition Assessment
- f) Maps/Plats

SOUTH CAROLINA 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 Department of Administration for transactions of one million dollars or less. For transactions of more than one million dollars, approval of the State Fiscal Accountability Authority is required in lieu of the department, although the recording will be with the department. Upon approval of the transaction, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the department's and authority's approval of the transaction as required. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The department and authority 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.

HISTORY: 1985 Act No. 201, Part II, Section 5; 1989 Act No. 26, Section 1; 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.

Editor's Note

Except for designation of the paragraphs, this section and former Section 1-11-57 were identical. For consistency, Section 1-11-57 is treated as an amendment to this section.

Effect of Amendment

2014 Act No. 121, Section 7.C, rewrote subsection (A).

South Carolina General Assembly
124th Session, 2021-2022

H. 4100

General Appropriations Bill for fiscal year 2021-2022
As Ratified by the General Assembly

PART IB

OPERATION OF STATE GOVERNMENT

SECTION 93 – D500-DEPARTMENT OF ADMINISTRATION

93.8. (DOA: Sale of Surplus Real Property) Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Department of Administration and used for the deferred maintenance of state-owned buildings. The remaining fifty percent 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 nonrecurring 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 may be used for the renovation of the ETV Telecommunications Center and other maintenance and operating expenses. 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 Department of Administration 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.



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Harry M. Lightsey III
Secretary

March 4, 2022

Mr. Delbert Singleton
State Fiscal Accountability Authority
1200 Senate Street
Columbia, SC 29201

Ms. Ashlie Lancaster
South Carolina Department of Administration
1200 Senate Street, Ste. 460
Columbia, SC 29201

Dear Delbert and Ashlie:

The purpose of this letter is to notify you of the intention of the South Carolina Department of Commerce ("Commerce") and its Division of Public Railways ("Palmetto Railways") to seek the approval of the State Fiscal Accountability Authority ("SFAA") and the Department of Administration ("DOA") to dispose and surplus 25.56 +/- acres of land on the former Navy Base in North Charleston, SC.

Pursuant to an Intergovernmental Agreement effective on July 2021 and required by a Joint Resolution S.491 of the South Carolina General Assembly, Palmetto Railways is in the process of transferring certain real properties that are needed for the Navy Base Intermodal Facility ("NBIF") to the South Carolina Ports Authority, the agency currently responsible for implementing the NBIF. The properties identified herein will not be needed for that implementation.

Among the properties Palmetto Railways wishes to dispose of are portions of roadways. Because of unresolved legal issues regarding potential prescriptive easements by adjacent property owners, Palmetto Railways is unable to obtain appraisals for the road parcels at this time and wishes to avoid the expense of hiring counsel to resolve issues related to properties that likely have zero or a negative value. Instead, Palmetto Railways is requesting authorization to sell the road parcels without appraisals in order to transfer this liability for whatever price the market will bear.

Summary descriptions of the properties to be disposed of are as follows:

1. Excess land of 11.64 acres on Noisette Boulevard
2. Excess land of 3.39 acres on St. John's Avenue
3. Excess land of 1.08 acres on St. John's Avenue
4. Excess land of 3.28 acres on McMillian Avenue

5. Excess land of 2.38 on Herbert Street
6. A portion (approx. 2.59 acres) of Noisette Boulevard
7. A portion (approx. 1.2 acres) of Hobson Avenue

ACTION REQUESTED

Commerce and Palmetto Railways respectfully request that the SFAA and/or DOA approve the disposal of the above listed properties. Once the surplus properties are advertised and sold by DOA, Palmetto Railways requests that it be permitted to retain any sale proceeds pursuant to Proviso 93.8 to fund ongoing and future rail projects, including the Camp Hall Industrial Corridor and a railyard on the north end of the former Navy Base.

Sincerely,

s/Karen Blair Manning

Karen Blair Manning
Chief Legal Counsel

Cc: Harry Lightsey III, Secretary
Patrick McCrory, President & CEO, Palmetto Railways
Sheri Cooper, Chief Financial Officer, Palmetto Railways
Chris Huffman, Chief Financial Officer

Attachments:

1. Appraisals
2. CDM Smith Roadway Condition Assessment
3. Letter from Appraisal Services of South Carolina, Inc. (value of roads)
4. Plats
5. Real Property Transaction Submission and Approval Form

Appraisal Services of South Carolina, Inc.

P. O. Box 1867
Summerville, SC 29484



Office: (843) 875-1487
Fax: (843) 851-0323

November 1, 2021

Ms. Sheri Cooper
Vice President & CFO, Palmetto Railways
540 East Bay Street
Charleston, SC 29403

Dear Ms. Cooper:

At your request, we have performed appraisals of the market value of several real property assets at the former Charleston Navel Complex that are owned by the South Carolina Department of Commerce Department of Public Railways, dba Palmetto Railways. During the appraisal process we encountered several private roads that appear to be owned by Palmetto Railways, but also serve adjoining and nearby properties not owned by Palmetto Railways. Upon research and review; these private roads *appear* to be encumbered with a prescriptive easement, with neighboring property owners having acquired the right to use part of Palmetto Railways property without compensation.

Using the *Simmons v. Berkeley Electric* case as a guide, South Carolina appears to demand three elements to establish a prescriptive easement:

- The continued and uninterrupted use/enjoyment of the right-of-way for a period of 20 years.
- The identity of the thing enjoyed (road access to their property).
- Use was adverse under claim of right.

The establishment, presence, or lack of a prescriptive easement; are all complex legal issues well beyond the scope and professional competence of a real estate appraiser. While it is highly unlikely that all access can be removed from the surrounding parcels, it may be possible to provide these property owners with access that is something less than the current network of access roads. Clearly the "private roads" issue must be settled by members of the legal profession, prior to any valuation work from members of the appraisal profession.

Therefore, because we are unsure if an easement exists, and if it exists the extent of its impact on the subject parcels, we are unable to estimate a value for these portions of Palmetto Railway property. Until such time as we have additional guidance from our client, we have simply removed these properties and/or portions of property from the subject parcels using an extraordinary assumption. This has resulted in assigning these properties and/or portions of property a "zero" value. This "zero" value is a default figure, and does not represent any estimation of value, or appraisal, of these private roads.

These roads have ongoing maintenance expenses, repair costs, and liability issues. Costs and expenses can be estimated, (as outlined in the recent CDM Smith, Inc. roadway assessment) but the liability issue would likely be solved with some type of insurance policy. These additional expenses and liabilities could have negative impact on what a typical buyer would pay for vacant land, and in fact might outweigh the underlying land value. Therefore, the resulting valuation of the "road" properties and/or portions of "road" property using accepted appraisal methods *could* result in an overall negative value.

Respectfully,

A handwritten signature in cursive script, appearing to read "William M. Ford". The signature is written in dark ink and is positioned above the printed name.

William M. Ford, MSA, MFLA, MRA
SC Certified General Real Estate Appraiser
CG 2978, Expires 6/30/2022



**Roadway Condition Assessment
And Maintenance Strategy Recommendations**

North Hobson Avenue and Noisette Boulevard

North Charleston, SC

Prepared by



October 2021

Palmetto Railways

Roadway Assessments North Hobson Avenue / Noisette Boulevard North Charleston, SC

Introduction: At the request of Palmetto Railways, CDM Smith Inc. conducted a visual inspection and assessment on three roadway segments to evaluate existing condition and recommend future maintenance strategies. Condition assessments and maintenance strategies are included for the following roadway features:

- Pavement (Asphalt)
- Drainage Structures
- Curb & Gutter
- Sidewalk (to include ADA Compliance)

Reference Documents:

- Clemson University / SCDOT Research Project SPR – 695 Authored by: B. J. Putman, Ph.D., Jennifer H. Ogle, Ph.D., Yongxi Huang, Ph.D. and Logan Reed.
 - Report No. FHWA-SC-16-05
 - Final Report Date – December 2016
 - Numerical Pavement Rankings # 5 – # 10 indicates candidates for pavement preservation treatments.
 - Numerical Pavement Rankings # 1 - # 4 fall outside of preservation and need rehabilitation and or reconstruction.

Roadway Segments (see attached Location Map):

1. North Hobson Avenue - (Shipbuilding Way to McMillian Ave.) TMS# 400-00-00-117
2. Noisette Boulevard - (Shipbuilding Way to McMillian Ave.) TMS# 400-00-00-062
3. Noisette Boulevard - (End of River Bridge to Turnbull Ave.) TMS# 400-00-00-048

Assumptions:

- Recommendations for a 10-year maintenance strategy with cost analysis to reach "Good" condition of asphalt pavement
- 10-year maintenance strategy based on a 2022 Base Year.
- All estimated costs are based on 2021 SCDOT Letting average pricing. Pricing does not include short term cost escalation.
- Estimated maintenance costs (\$/unit) include associated construction costs such as mobilization, traffic control, full depth patching, leveling, pavement markings, etc.
- All recommendations are based on existing traffic volumes and visually observed distresses of the pavement surface. No roadway cores were obtained to evaluate underlying pavement conditions.

ASSESSMENTS

Roadway Segment # 1 – North Hobson Avenue (TMS# 400-00-00-117)

- **Pavement**
Pavement Section Length = 1,030'
Total Pavement Width = 54' Average
Pavement SY = 6,180 SY
Pavement Condition = 6 (Good – Preservation Candidate)
Note: Pavement area outside of existing R/R tracks (approx. 13' x 1030') is in poor condition, but was not included in the evaluation/recommendation
- **Drainage Structures**
Visually observed existing drop inlets to be functioning and no noted issues.
- **Curb & Gutter**
Existing curb & gutter is in poor to fair condition with approximately 25% in need of removal and replacement. Curb and gutter needs to be cleaned to remove grass and debris to increase efficiency.
- **Sidewalk**
Sidewalk is serviceable with approximated 140 LF in need of replacement. ADA Pedestrian ramps were not found on this section. There are 7 possible locations needed.

Observations / Recommendations: The travel way section is in relatively **good** condition with slight raveling (loss of surface fines), traffic wear and longitudinal cracking. Block cracking with slight to moderate aggregate polishing and some pre-existing full depth patching was also noted.

Year 2022 - Perform isolated full depth patching, curb and gutter and sidewalk repairs. Apply crack seal during winter months to stop water intrusion into base. Allow crack seal to "season" for one year prior to preservation treatment.

- ADA Pedestrian Ramps - 7 x \$1,200.00 ea. = **\$8,400.00**
- Detectable Warning Device – 7 x \$450.00 ea. = **\$3,150.00**
- Curb & Gutter – 150 LF x \$35.00 / LF = **\$5,250.00**
- Sidewalk - 80 SY x \$95.00 / SY = **\$7,600.00**
- Full Depth Patching – 300 SY x \$40.00 / SY = **\$12,000.00**
- Crack Seal – 6180 SY x \$2.00 / SY = **\$12,360.00**

Year 2023 - Apply a preservation treatment such as ultra-thin lift (hot mix asphalt surface course), placed at a rate of 75 #/SY.

- HMA Thin Lift - 6180 SY x \$7.00 / SY = **\$43,260.00**

HMA Thin Lift is expected to extend the serviceability of the pavement structure for approximately 7 years.

Years 2030-2032 - Monitor for cracking and distresses as needed

Roadway Segment # 2 – Noisette Boulevard (TMS # 400-00-00-062)

- **Pavement**
Pavement Section Length = 1,040'
Pavement Width = 47' Average
Pavement SY = 5,432 SY
Travel way Condition = 4 (Fair – Rehabilitation Candidate)
- **Drainage Structures**
Visually observed catch basins and drop inlets to be functioning and no observed issues.
- **Curb & Gutter**
Curb & Gutter was observed to be in good condition with no immediate need for replacement.
- **Sidewalk**
Sidewalk is serviceable and in good condition. ADA pedestrian ramps were observed to be in good condition, however detectable warning surfaces are not installed.

Observations / Recommendations: This pavement section is in **fair** condition with the following distresses: moderate to severe raveling, multiple longitudinal and transverse cracking. Several areas in need of full depth patching were noted. Observed deviation from a smooth vertical profile due to possibly unstable sub-grade. Note: No pavement cores were taken and recommended Year 2023 rehabilitation includes leveling of existing pavement prior to HMA overlay.

Year 2022 – Perform full depth patching as needed.

- Detectable Warning Devices – 31 Ramps x \$450 ea. = **\$13,950.00**
- Full Depth Patching – 435 SY x \$40.00 / SY = **\$17,400.00**

Year 2023 – Perform variable milling along curb and gutter, level roadway and overlay with HMA Surface Course Type B at a rate of 200 #/SY.

- Rehabilitation - 5432 SY x \$25.00 / SY = **\$135,800.00**

Rehabilitation treatments is generally expected to extend the serviceability of the pavement structure for approximately 10 years.

Year 2033 - Monitor for cracking and distresses as needed.

Roadway Segment # 3 – Noisette Boulevard (TMS # 400-00-00-048)

- **Pavement**
Pavement Section Length = 2162'
Pavement Width = 24'
Pavement SY = 5765 SY
Travel Way Condition = 7 (Good – Pavement Preservation Candidate)
- **Drainage Structures (Catch Basins, Drop Inlets)**
None noted – Earthen Shoulder and Ditch Section.
- **Curb & Gutter**
No existing curb and gutter
- **Sidewalk**
No existing sidewalk

Observations / Recommendations: This section of roadway is in **good** condition with slight to no raveling, minor longitudinal and transverse cracking and some pre-existing full depth patching.

Year 2022 – Perform full depth patching as needed, apply crack seal during winter months to stop water intrusion into base. Allow crack seal to “season” for one year prior to preservation treatment.

- Crack Seal – 5,765 SY x \$2.00 / SY = **\$11,530.00**
- Full Depth Patching – 250 SY x \$40.00 / SY = **\$10,000.00**

Year 2023 – Apply a preservation treatment such as HMA Ultra-Thin Lift placed at a rate of 75 #/SY.

- HMA Ultra-Thin Lift – 5,765 SY x \$7.00 / SY = **\$40,355.00**

HMA Ultra-Thin Lift is expected to extend the serviceability of the pavement structure for approximately 7 years.

Years 2030-2032 - Monitor for cracking and distresses as needed.

Palmetto Railways

Roadway Assessments Estimated Cost Summary

Roadway Segment # 1 - North Hobson Avenue			TMS # 400-00-00-117	
Pay Item	Qty	Unit	Est. Cost	Total
ADA Pedestrian Ramps	7	EA.	\$1,200.00	\$8,400.00
Detectable Warning Surface	7	EA.	\$450.00	\$3,150.00
Curb & Gutter	150	LF	\$35.00	\$5,250.00
Sidewalk	80	SY	\$95.00	\$7,600.00
Full Depth Patching	300	SY	\$40.00	\$12,000.00
Crack Seal	6180	SY	\$2.00	\$12,360.00
Subtotal Year 2022				\$48,760.00
HMA Ultra Thin Lift	6180	SY	\$7.00	\$43,260.00
Subtotal Year 2023				\$43,260.00
Total Roadway Segment # 1				\$92,020.00

Roadway Segment # 2 - Noisette Blvd.			TMS # 400-00-00-062	
Pay Item	Qty	Unit	Est. Cost	Total
Detectable Warning Surface	31	EA.	\$450.00	\$13,950.00
Full Depth Patching	435	SY	\$40.00	\$17,400.00
Subtotal Year 2022				\$31,350.00
Rehabilitation	5432	SY	\$25.00	\$135,800.00
Subtotal Year 2023				\$135,800.00
Total Roadway Segment # 2				\$167,150.00

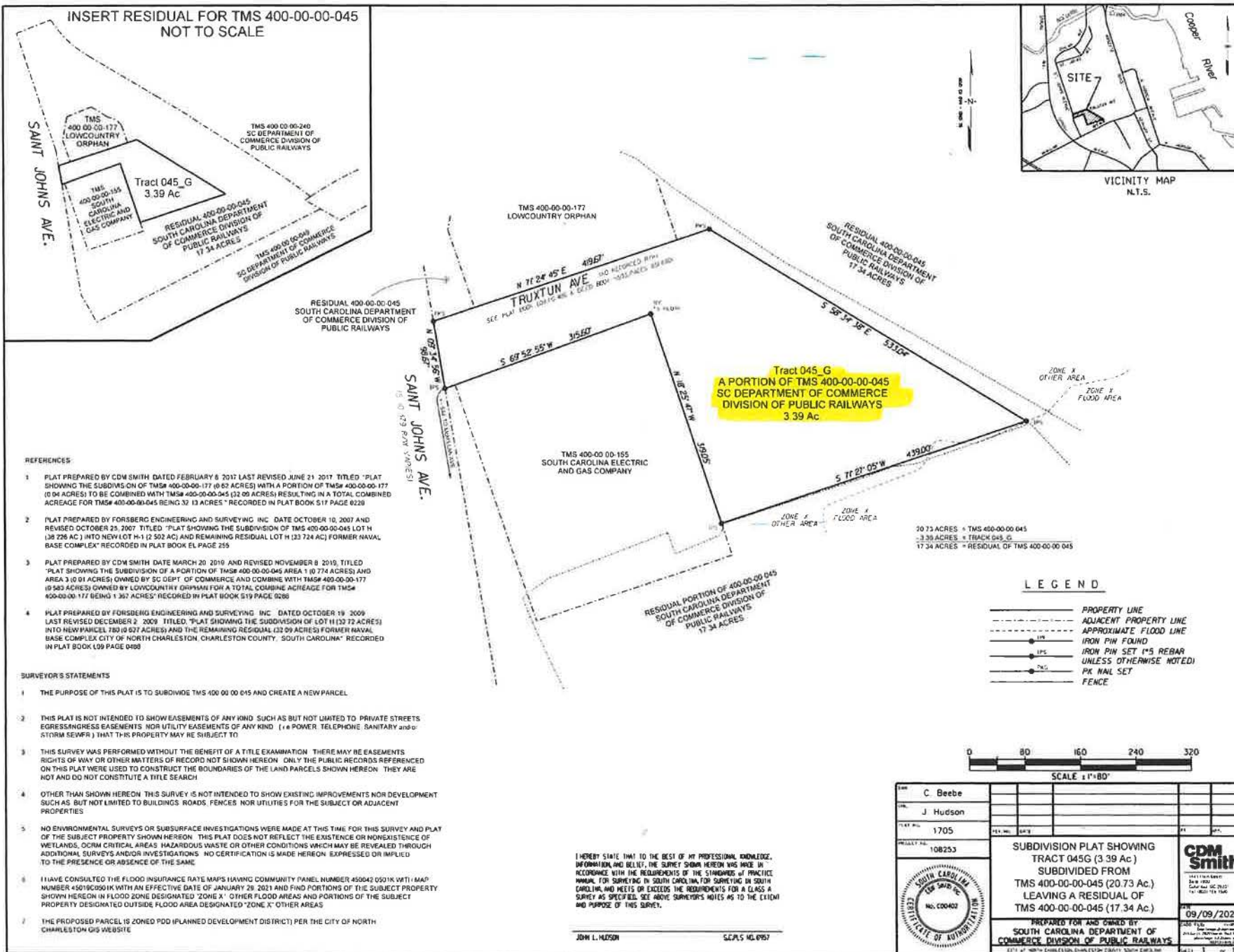
Roadway Segment # 3- Noisette Blvd.			TMS 400-00-00-048	
Pay Item	Qty	Unit	Est. Cost	Total
Crack Seal	5765	SY	\$2.00	\$11,530.00
Full Depth Patching	250	SY	\$40.00	\$10,000.00
Subtotal Year 2022				\$21,530.00
HMA Ultra Thin Lift	5765	SY	\$7.00	\$40,355.00
Subtotal Year 2023				\$40,355.00
Total Roadway Segment # 3				\$61,885.00

Sum Total **\$321,055.00**

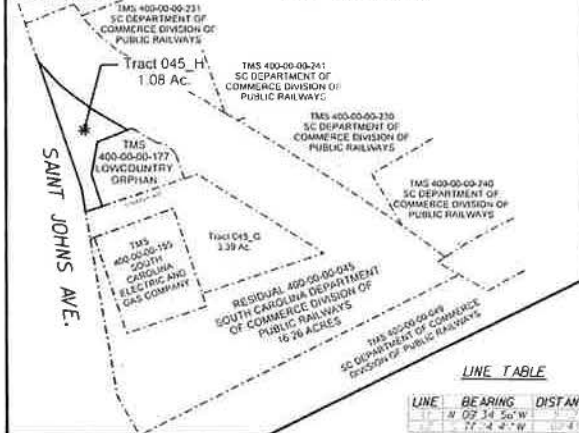
Note: Estimated costs are based on 2021 SCDOT Letting average pricing and does not include short term cost escalation

Location Map





**INSERT RESIDUAL FOR TMS 400-00-00-045
NOT TO SCALE**



LINE TABLE

LINE	BEARING	DISTANCE
1	N 02° 34' 50" W	17.34
2	N 02° 34' 50" W	18.26

CURVE TABLE

CURVE	RADIUS	LENGTH	DELTA	DISTANCE	CHORD	BEARING
1	17.34	17.34	180°	17.34	17.34	N 02° 34' 50" W
2	18.26	18.26	180°	18.26	18.26	N 02° 34' 50" W

REFERENCES

- PLAT PREPARED BY CDM SMITH, DATED FEBRUARY 8, 2017, LAST REVISED JUNE 21, 2017, TITLED "PLAT SHOWING THE SUBDIVISION OF TMS# 400-00-00-177 (0.62 ACRES) WITH A PORTION OF TMS# 400-00-00-177 (0.04 ACRES) TO BE COMBINED WITH TMS# 400-00-00-045 (32.09 ACRES) RESULTING IN A TOTAL COMBINED ACRAGE FOR TMS# 400-00-00-045 BEING 32.13 ACRES" RECORDED IN PLAT BOOK 517 PAGE 0229.
- PLAT PREPARED BY FORSBERG ENGINEERING AND SURVEYING, INC., DATED OCTOBER 10, 2007, AND REVISED OCTOBER 25, 2007, TITLED "PLAT SHOWING THE SUBDIVISION OF TMS 400-00-00-045 LOT 11 (36.236 AC) INTO NEW LOT 101 (2.587 AC) AND REMAINING RESIDUAL LOT H (33.724 AC) FORMER NAVAL BASE COMPLEX" RECORDED IN PLAT BOOK EL PAGE 225.
- PLAT PREPARED BY CDM SMITH, DATED MARCH 20, 2019, AND REVISED NOVEMBER 8, 2019, TITLED "PLAT SHOWING THE SUBDIVISION OF A PORTION OF TMS# 400-00-00-045 AREA 1 (0.774 ACRES) AND AREA 3 (0.91 ACRES) OWNED BY SC DEPT. OF COMMERCE AND COMBINE WITH TMS# 400-00-00-177 (0.563 ACRES) OWNED BY LOWCOUNTRY ORPHAN FOR A TOTAL COMBINE ACRAGE FOR TMS# 400-00-00-177 BEING 1.367 ACRES" RECORDED IN PLAT BOOK S19 PAGE 0285.
- PLAT PREPARED BY FORSBERG ENGINEERING AND SURVEYING, INC., DATED OCTOBER 19, 2009, LAST REVISED DECEMBER 2, 2009, TITLED "PLAT SHOWING THE SUBDIVISION OF LOT H (32.72 ACRES) INTO NEW PARCEL 780 (0.827 ACRES) AND THE REMAINING RESIDUAL (32.09 ACRES) FORMER NAVAL BASE COMPLEX CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA" RECORDED IN PLAT BOOK L09 PAGE 0488.

SURVEYOR'S STATEMENTS

- THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE TMS 400-00-00-045 AND CREATE A NEW PARCEL.
- THIS PLAT IS NOT INTENDED TO SHOW EASEMENTS OF ANY KIND, SUCH AS BUT NOT LIMITED TO: PRIVATE STREETS, EGRESS/INGRESS EASEMENTS, NOR UTILITY EASEMENTS OF ANY KIND (E.G. POWER, TELEPHONE, SANITARY AND/OR STORM SEWER) THAT THIS PROPERTY MAY BE SUBJECT TO.
- THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE EXAMINATION. THERE MAY BE EASEMENTS, RIGHTS OF WAY OR OTHER MATTERS OF RECORD NOT SHOWN HEREON. ONLY THE PUBLIC RECORDS REFERENCED ON THIS PLAT WERE USED TO CONSTRUCT THE BOUNDARIES OF THE LAND PARCELS SHOWN HEREON. THEY ARE NOT AND DO NOT CONSTITUTE A TITLE SEARCH.
- OTHER THAN SHOWN HEREON, THIS SURVEY IS NOT INTENDED TO SHOW EXISTING IMPROVEMENTS NOR DEVELOPMENT, SUCH AS BUT NOT LIMITED TO: BUILDINGS, ROADS, FENCES, NOR UTILITIES FOR THE SUBJECT OR ADJACENT PROPERTIES.
- NO ENVIRONMENTAL SURVEYS OR SUBSURFACE INVESTIGATIONS WERE MADE AT THIS TIME FOR THIS SURVEY AND PLAT OF THE SUBJECT PROPERTY SHOWN HEREON. THIS PLAT DOES NOT REFLECT THE EXISTENCE OR NONEXISTENCE OF WETLANDS, OCHM CRITICAL AREAS, HAZARDOUS WASTE, OR OTHER CONDITIONS WHICH MAY BE REVEALED THROUGH ADDITIONAL SURVEYS AND/OR INVESTIGATIONS. NO CERTIFICATION IS MADE HEREON, EXPRESSED OR IMPLIED TO THE PRESENCE OR ABSENCE OF THE SAME.
- I HAVE CONSULTED THE FLOOD INSURANCE RATE MAPS HAVING COMMUNITY PANEL NUMBER 450042 (501K) WITH MAP NUMBER 450100501K WITH AN EFFECTIVE DATE OF JANUARY 29, 2021 AND FIND THE SUBJECT PROPERTY SHOWN HEREON AS BEING OUTSIDE FLOOD AREA AND DESIGNATED "ZONE X" OTHER AREAS.
- THE PROPOSED PARCEL IS ZONED PD (PLANNED DEVELOPMENT DISTRICT) PER THE CITY OF NORTH CHARLESTON GIS WEBSITE.

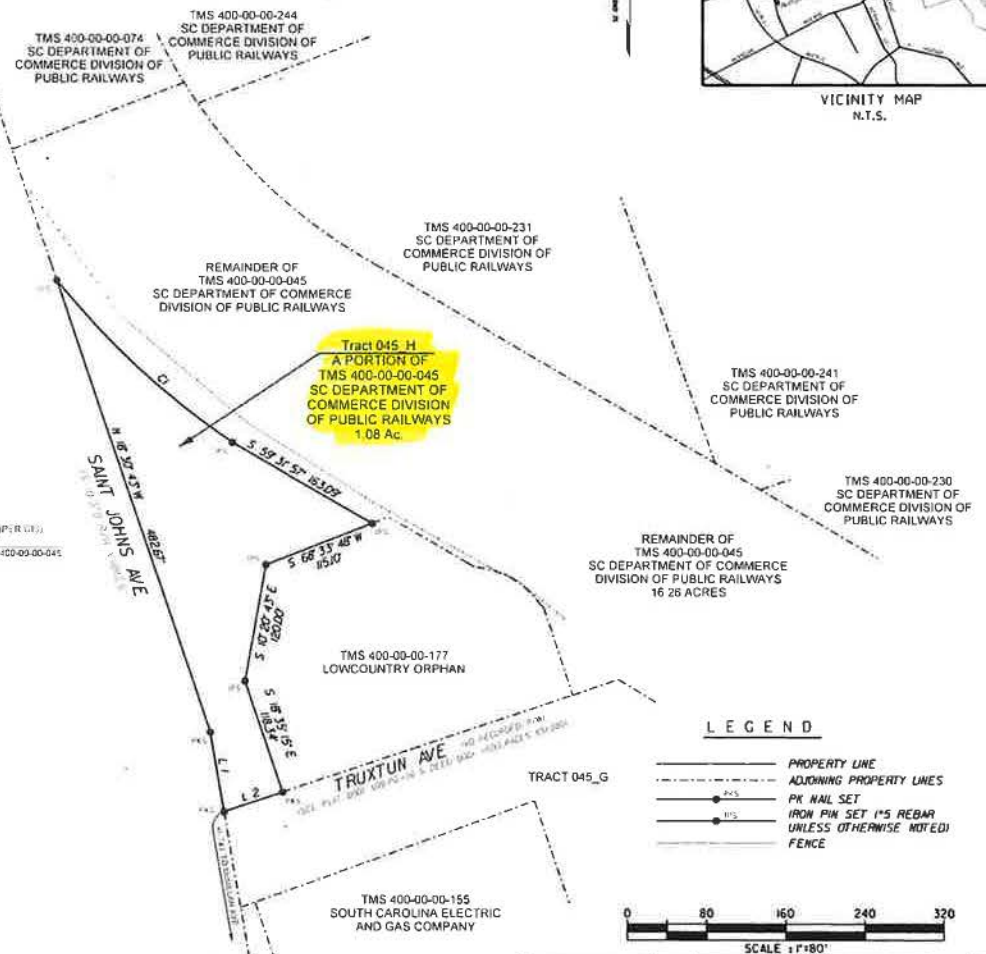
I HEREBY STATE THAT TO THE BEST OF MY PROFESSIONAL KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE STANDARDS OF PRACTICE HAVING FOR SURVEYING IN SOUTH CAROLINA, FOR SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS A SURVEY AS SPECIFIED. SEE ABOVE SURVEYOR'S NOTES AS TO THE EXTENT AND PURPOSE OF THIS SURVEY.

JOHN L. HUDSON

SCPS NO. 6957



**VICINITY MAP
N.T.S.**



LEGEND

- PROPERTY LINE
- ADJOINING PROPERTY LINES
- PK NAIL SET
- IRON PIN SET (1"5 REBAR UNLESS OTHERWISE NOTED)
- FENCE



C. Beebe			
J. Hudson			
PLAT NO.	1706	PLAT NO.	1706
PROJECT NO.	106253	PROJECT NO.	106253
		SUBDIVISION PLAT SHOWING TRACT 045H (1.08 AC.) SUBDIVIDED FROM TMS 400-00-00-045 (17.34 AC.) LEAVING A RESIDUAL OF TMS 400-00-00-045 (16.26 AC.)	
		PREPARED FOR AND OWNED BY SOUTH CAROLINA DEPARTMENT OF COMMERCE DIVISION OF PUBLIC RAILWAYS	
		09/10/2021	

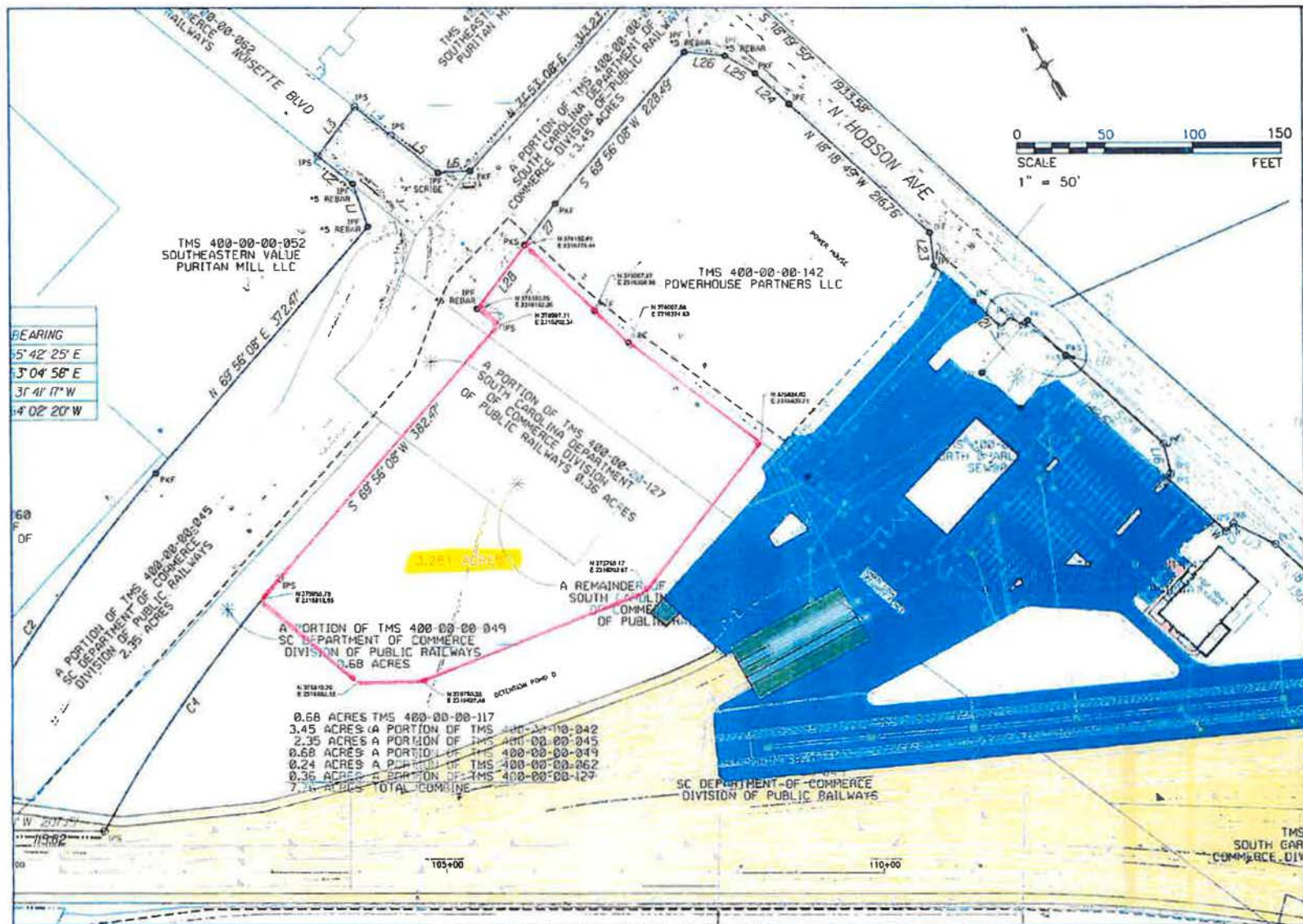
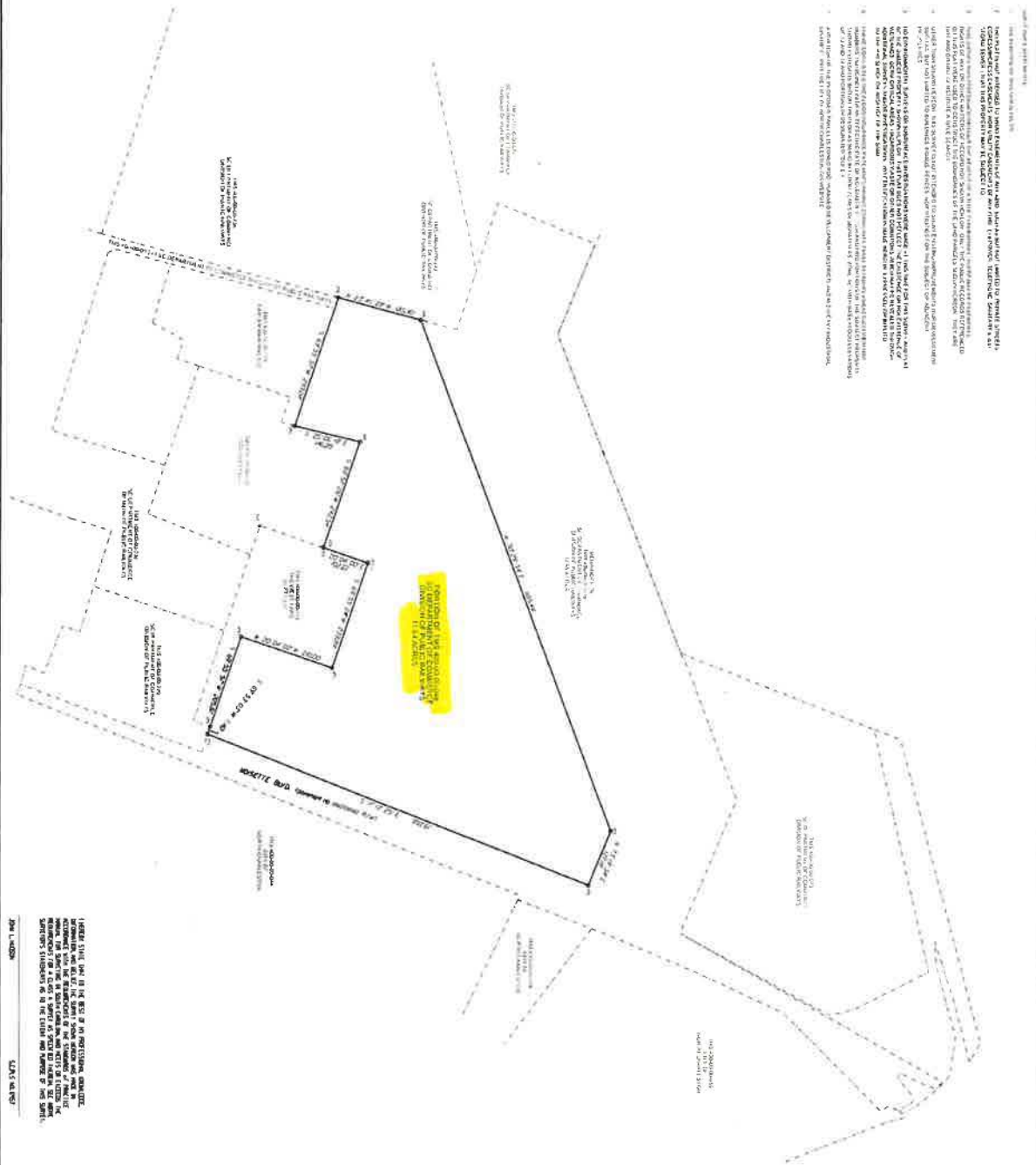


EXHIBIT
NAVY BASE
NOT FOR CONSTRUCTION
9/23/21

NAVY BASE INTERMODAL FACILITY
NORTH CHARLESTON, SC
Palmetto
RAILWAYS

PROJECT: POWERHOUSE
SCALE: 1"=50'
DATE: 9/23/21
DRAWN BY: J. H. HARRIS
CHECKED BY: J. H. HARRIS
DATE: 9/23/21
SHEET TITLE:
POWER HOUSE & COSGROVE
PROPERTY
EXHIBIT
SHEET NAME:
1

1. The proposed project is located within the boundaries of the Cooper River National Wildlife Refuge, which is a part of the National Wildlife Refuge System managed by the U.S. Fish and Wildlife Service.
2. The project is located within the boundaries of the Cooper River National Wildlife Refuge, which is a part of the National Wildlife Refuge System managed by the U.S. Fish and Wildlife Service.
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10. The project is located within the boundaries of the Cooper River National Wildlife Refuge, which is a part of the National Wildlife Refuge System managed by the U.S. Fish and Wildlife Service.



THESE LINES ARE THE BOUNDARIES OF THE PROPERTY OWNED BY THE COOPER RIVER NATIONAL WILDLIFE REFUGE. THE BOUNDARIES OF THE PROPERTY OWNED BY THE COOPER RIVER NATIONAL WILDLIFE REFUGE ARE SHOWN BY DASHED LINES. THE BOUNDARIES OF THE PROPERTY OWNED BY THE COOPER RIVER NATIONAL WILDLIFE REFUGE ARE SHOWN BY DASHED LINES.

DATE: 11/11/2011

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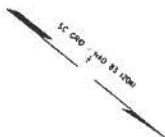
LEGEND

PROPOSED PROJECT AREA

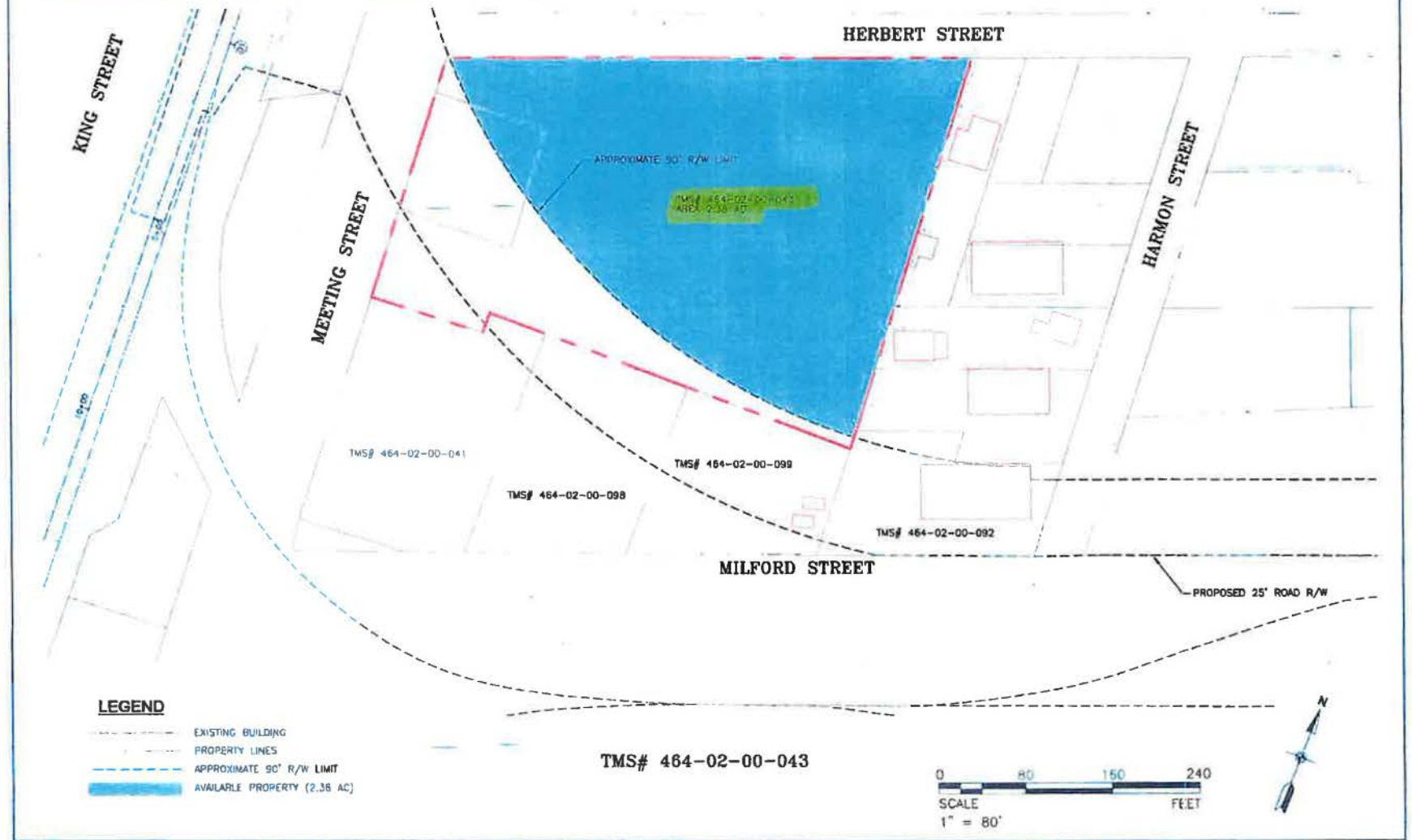
EXISTING PROJECT AREA

EXISTING EASEMENTS

EXISTING PROPERTY



PROPERTY ACQUISITION



IF THIS DRAWING IS LARGER THAN 11"X17" IT IS A REDUCED SIZE DRAWING

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF April 5, 2022

ITEM NUMBER 10

AGENCY: Francis Marion University

SUBJECT: Not Exceeding \$8,865,000 Athletic Facilities Revenue Bonds, Series 2022 of Francis Marion University

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$8,865,000 Athletic Facilities Revenue Bonds, Series 2022 of Francis Marion University.

The proceeds of the bonds will be used to defray the cost to acquire, construct, improve and equip certain improvements to the University's athletic facilities, including the renovation of the Smith University Center, and to refund the outstanding principal amount of the University's Series 2009 Bonds.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$8,865,000 Athletic Facilities Revenue Bonds, Series 2022 of Francis Marion University.

ATTACHMENTS:

Pope 2/24/2022 letter; SFAA Resolution; NDIF



Pope Flynn, LLC
1114 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201
MAIN 803.354.4900
FAX 803.354.4899
www.popeflynn.com

February 24, 2022

Mr. Delbert H. Singleton, Jr.
Assistant Executive Director and Authority Secretary
South Carolina State Fiscal Accountability Authority
1200 Senate Street, Suite 600
Columbia, South Carolina 29201

Re Not Exceeding \$8,865,000 of Athletic Facilities Revenue Bonds, Series 2022 of Francis Marion University

Dear Delbert:

On behalf of Francis Marion University, in connection with the authorization of the above-referenced bonds (the "Bonds"), and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") meeting currently scheduled for April 5, 2022, we respectfully enclose the following for consideration by the Authority:

1. A copy of a bond resolution adopted on November 11, 2021, by the Board of Trustees of Francis Marion University providing for the issuance of Athletic Facilities Revenue Bonds of Francis Marion University;
2. A copy of a series resolution adopted by the Board of Trustees of Francis Marion University on November 11, 2021, authorizing the issuance of the Bonds;
3. A proposed form of opinion of Bond Counsel;
4. A proposed form of resolution of the Authority approving the issuance of the Bonds; and
5. An executed opinion of Pope Flynn, LLC relating to the sufficiency of the proceedings and information submitted to the Authority in connection with its consideration of the approval of the Bonds.

We have provided the Office of State Treasurer with copies of the Bond Counsel Selection Form, the New Debt Information Form (NDIF) – Initial Form, and a copy of this submission package. Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best Regards,

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

Gary T. Pope, Jr.

c: Darryl L. Bridges, Vice President of Finance & Facilities, Francis Marion University
Robert Macdonald, Director Debt Management Division, Office of State Treasurer

Enclosures



OFFICE OF STATE TREASURER

New Debt Information Form (NDIF) - Initial Form

SFAA Approval Date: 04/05/22

Final Version Date: 00/00/00

1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H180 Issuer: Francis Marion University Series: 2022
Borrower (if not Issuer):
Bond Caption: Athletic Facilities Revenue Bonds
Bond Resolution Amount: \$ 8,865,000 Est. Production/Par Amt: \$ 8,865,000
(* Used to calculate initial COI percentages; STO bond issues must use Par Amt *)
Final Production/Par Amt: \$ 8,865,000

Submitted By:

ENTITY Francis Marion University
BY: Darryl Bridges
ITS: Vice President for Finance and Facilities
Tel: 843-661-1201
Email: dbridges@fmarion.edu

Transaction Type/Method of Sale:

☐ Public Offering: Competitive: ☐ Negotiated:
☒ Direct Placement: Competitive: ☒ Negotiated:
☐ Governmental Loan/Governmental Purchaser
Other:

MSRB (EMMA) Continuing Disclosure Requirement (Y/N): N
MSRB (EMMA) Continuing Disclosure Responsible Party: N/A

2. FINANCING (NEW PORTION)

Project #: 9580 Project Name: Athletics Renovations/Improvements - Smith University Center
Project Address/Location: 4822 East Palmetto St., Florence, SC Amount: \$ 4,285,000
Project Type: Renovation and New Construction County: Florence
Projected Avg Interest Rate: 2.39% Final Maturity: 12/01/34

3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
2009	2022-2029	\$ 4,425,000	4.98%	2.39%	\$ 403,650	9.12%
		-			-	
		-			-	
Total		\$ 4,425,000	*****	*****	\$ 403,650	

4. FINANCING WORKING GROUP

Financial Advisor: Stephens Inc. Disclosure Counsel: N/A
Bond Counsel: Pope Flynn Issuer's Counsel: Swilley Law Firm, LLC
Underwriter: N/A Trustee: N/A
Paying Agent: U.S. Bank National Association Other:

5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

The proposed Series 2022 Bonds will provide proceeds to effect a refunding of certain outstanding debt of the University and defray the costs necessary to acquire, improve, renovate, and equip a renovation of the Smith University Center's Athletic Facilities (the "Project"). The Project is estimated to cost \$4,285,000. The refinancing consists of a current refunding of the \$8,500,000 original principal amount Athletic Facilities Revenue Bond, Series 2009, presently outstanding in the principal amount of \$4,425,000. Costs of issuance of the Series 2022 Bonds are calculated in accordance with the Office of State Treasurer's approved fee schedule for counsel, engagement letters from transaction participants, and past experience.

6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	11/11/21	
JBRC Approval:	03/30/22	Proposed
SFAA Approval:	04/05/22	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	11/11/21	
JBRC Approval:	03/30/22	Proposed
SFAA Approval:	04/05/22	Proposed

7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

- a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)
- b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?
- c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sq. Footage -	
Cost Estimate -	\$0

Est. Expenditures - Through 6 Months
 Est. Expenditures - Through 12 Months
 Est. Expenditures - Through 18 Months
 Est. Expenditures - Through 24 Months
 Est. Expenditures - Through 36 Months
 Est. Expenditures - Through 48 Months
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 5,008,500	6/30/2022	Redemption price, costs of issuance.
1,524,600	6/30/2023	Initial project expenditures.
-	00/00/00	
2,331,900	6/30/2024	Estimated project closeout of March 2024.
-	00/00/00	
-	00/00/00	
\$ 8,865,000		

8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 8,865,000	\$ 4,285,000	Project Fund
(b) Premium/Accr. Int.	N/A	-	Capitalized Interest Fund
(2) Issuer/Borrower Contr.	N/A	-	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	N/A	4,493,455	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	N/A	86,545	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify) Type -	-	-	Accrued Interest
Residual Project Sources		-	Other
(6) Other	-	-	Other
(a) GF -	-	-	Other
(a) FF -	-	-	Other
(c) OF -	-	-	Other
Total Project Sources	\$ 8,865,000	\$ 8,865,000	Total Project Uses
Surplus/Deficit		\$ -	

9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (** Added COI entities beyond the following need an attached description **)

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Stephens Inc		5/15/2019	\$ 45,000	\$ -	\$ 45,000
Bond Counsel	Pope Flynn, LLC		12/19/2019	25,000	-	25,000
Disclosure Counsel				-	-	-
Issuer's Counsel	Swilley Law Firm, LLC			-	-	-
Underwriter's Counsel				-	-	-
Transaction Counsel				-	-	-
Expenses			Estimate	1,395	-	1,395
Bank Counsel	TBD - Competitive		Estimate	6,000	-	6,000
Rating Agency - S&P				-	-	-
Rating Agency - Moody's				-	-	-
Rating Agency - Fitch				-	-	-
Underwriter's Compensation				-	-	-
Registrar / Paying Agent	U.S. Bank National Assoc.		Estimate	3,650	-	3,650
Escrow Agent				-	-	-
Accountant				-	-	-
Verification Agent				-	-	-
Printing				-	-	-
Publishing				-	-	-
Advertising	The State		Estimate	500	-	500
Contingency				5,000	-	5,000
Issuer's Fee				-	-	-
				\$ 86,545	\$ -	\$ 86,545

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction
 Bond Counsel: % of Transaction
 Total Legal Costs: % of Transaction
 Rating Agencies: % of Transaction

0.51%	0.00%
0.28%	0.00%
0.37%	0.00%
0.00%	0.00%

UW Comp: % of Transaction
 Other COI: % of Transaction
 Total COI: % of Transaction

0.00%	0.00%
0.10%	0.00%
0.98%	0.00%

A RESOLUTION

APPROVING THE ISSUANCE AND SALE, IN ONE OR MORE SERIES, OF ATHLETIC FACILITIES REVENUE BONDS OF FRANCIS MARION UNIVERSITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$8,865,000; AUTHORIZING THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES PENDING THE ISSUANCE OF THE BONDS; AND OTHER MATTERS RELATING THERETO.

As an incident to the adoption of this resolution (this "Resolution"), the South Carolina State Fiscal Accountability Authority (the "Authority") recites the following:

WHEREAS, the Board of Trustees of Francis Marion University (the "Board of Trustees"), the governing body of Francis Marion University (the "University"), is authorized by Article 3, Chapter 133 of Title 59 of the Code of Laws of South Carolina 1976, as amended (the "Enabling Act") to make provision for the issuance of athletic facilities revenue bonds (the "Athletic Facilities Revenue Bonds") to construct and improve certain facilities of the University designated by the Board of Trustees as intercollegiate athletic facilities (the "Athletic Facilities") and to issue bonds payable from certain revenues of the Athletic Department of the University (the "Athletic Department") in order to finance such construction and improvements. The Board of Trustees is authorized by the Enabling Act to further secure such bonds of the University payable from certain revenues of the Athletic Department by the pledge of the receipts of (i) such admissions fees as may be imposed by the Board of Trustees upon persons admitted to any event held at any of the Athletic Facilities for the purpose of providing assistance in the repayment of bonds and (ii) such special student fees as may be imposed by the Board of Trustees upon persons in attendance at any academic session of the University.

WHEREAS, pursuant to a bond resolution of the Board of Trustees dated November 6, 2009, and a series resolution dated November 6, 2009 (the "2009 Resolutions"), the University issued its originally issued \$8,500,000 Athletic Facilities Revenue Bond, Series 2009 (the "Series 2009 Bond"), presently outstanding in the principal amount of \$4,425,000. At present, the Series 2009 Bond is the only outstanding Series of Bonds issued under the authority of the 2009 Resolutions.

WHEREAS, on November 11, 2021, the Board of Trustees adopted a resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BONDS OF FRANCIS MARION UNIVERSITY, AND OTHER MATTERS RELATED THERETO" (the "Bond Resolution"), as a means of providing for the issuance from time to time of Athletic Facilities Revenue Bonds of a particular series pursuant to the provisions of a series resolution of the Board of Trustees, provided all conditions required by the Bond Resolution are met. Upon the redemption of the Series 2009 Bond at the closing of the Series 2022 Bonds (as defined below) the Bond Resolution shall be the sole means of providing for the issuance of Athletic Facilities Revenue Bonds of the University under the Enabling Act.

WHEREAS, on November 11, 2021, the Board of Trustees adopted a series resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE, IN ONE OR MORE SERIES, OF ATHLETIC FACILITIES REVENUE BONDS OF FRANCIS MARION UNIVERSITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING EIGHT MILLION EIGHT HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$8,865,000); AUTHORIZING THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES PENDING THE ISSUANCE OF THE BONDS; AND OTHER MATTERS RELATING THERETO" (the "Series Resolution") authorizing the issuance of Athletic Facilities Revenue Bonds, Series 2022 (the "Series 2022 Bonds") for the purpose of providing funds (i) to

acquire, construct, improve and equip certain improvements to the University's Athletic Facilities, including the renovation of the Smith University Center's Athletic Facilities (the "Project"), and (ii) to refund the outstanding principal amount of the Series 2009 Bond (the "Refunding").

WHEREAS, the Series Resolution authorizes the use of proceeds of the Series 2022 Bonds for the purposes of: (i) providing the amount necessary, together with other available funds of the University, to defray the costs of the Project; (ii) providing the amounts necessary, together with other available funds of the University, to defray the costs of the Refunding; and (iii) paying certain costs and expenses relating to the issuance of the Series 2022 Bonds, including a municipal bond insurance premium, if any.

WHEREAS, the Series Resolution also authorizes the issuance of notes (the "Series 2022 Notes") pursuant to Title 11, Chapter 17 of the Code of Laws of South Carolina 1976, as amended (the "Note Enabling Act") in anticipation of the issuance of the Series 2022 Bonds for the purpose for which the Series 2022 Bonds may be issued, and further authorizes the renewal or refunding of Series 2022 Notes until such time as officials of the University and the State Treasurer determine to issue the Series 2022 Bonds. The proceeds of any Series 2022 Notes issued pursuant to the Series Resolution shall be applied for the purpose for which proceeds of the Series 2022 Bonds may be applied, to provide for the renewal or refunding of any Series 2022 Notes, or to provide for the costs of issuance thereof, or any combination thereof. Article IX of the Series Resolution provides that the Chief Financial Officer and the State Treasurer must determine that the issuance of Series 2022 Notes, including any refunding or renewal Series 2022 Notes, is in the best interest of the University prior to the issuance of Series 2022 Notes.

WHEREAS, the Board of Trustees has determined that a current need exists for the Project and that a savings may be obtained by effecting the Refunding, and the University has requested the Authority to approve at this time the issuance by the University of the Series 2022 Bonds, and the Series 2022 Notes, and other matters related thereto, all as set forth in the Series Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CAROLINA STATE FISCAL ACCOUNTABILITY AUTHORITY, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this Resolution, the Authority finds:

Section 1.01

The Bond Resolution and the Series Resolution, each in the form adopted by the Board of Trustees, have been presented to the Authority.

Section 1.02

Any capitalized term used in this Resolution, but not defined herein, shall have the meaning ascribed to such term in the Bond Resolution or the Series Resolution.

ARTICLE II

AUTHORIZATION TO SELL AND ISSUE THE SERIES 2022 BONDS AND THE SERIES 2022 NOTES

Section 2.01

The Authority hereby approves and authorizes the sale and issuance of the Series 2022 Bonds in an aggregate principal amount not to exceed \$8,865,000 in the manner and under the conditions prescribed by the Series Resolution.

Section 2.02

The Authority hereby approves and authorizes the sale and issuance of the Series 2022 Notes in an aggregate principal amount not to exceed \$3,300,000 in the manner and under the conditions prescribed by the Series Resolution, should the Chief Financial Officer and the State Treasurer determine that it would be in the best interest of the University to issue Series 2022 Notes in anticipation of the Series 2022 Bonds. This approval to issue and sell Series 2022 Notes includes the approval to issue refunding or renewal Series 2022 Notes without further action of the Authority, as described at Section 11-17-60 of the Note Enabling Act.

Section 2.03

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted.

Dated: April 5, 2022.

MEETING OF April 5, 2022

ITEM NUMBER 11

AGENCY: Executive Director

SUBJECT: Housing Authority of the City of Columbia—Haven at Palmer Pointe
Development Project

The Housing Authority of the City of Columbia, SC (the "Housing Authority") and its development partners desire to change the initial management agent of the Haven at Palmer Pointe Development Project ("Development Project").

The State Fiscal Accountability Authority (the "Authority") at its meeting on December 21, 2021, acting on the petition of the Housing Authority approved the issuance by the Housing Authority of its revenue notes to be known as "Housing Authority of the City of Columbia, South Carolina Multifamily Housing Revenue Notes (Haven at Palmer Pointe), in one or more series" in the aggregate principal amount of not exceeding \$22,000,000 (the "Notes"). Consistent with the requirements of Section 19-104.01(F)(B) of the South Carolina Code of Regulations, the Authority also approved on December 21, 2021, the appointment of Southern Development Management Company, Inc. ("SDMC") as the initial management agent for the Development Project.

The Housing Authority and its development partners desire to change the initial management agent for the Project from SDMC to NHE, Inc. The Housing Authority indicates that the primary reason for the change is that SDMC is currently serving as the Housing Authority's management agent for other properties in Columbia at or around the same time Haven at Palmer Pointe will come online, and the Housing Authority deems it prudent to allow SDMC to focus on its current properties and allow NHE, Inc. to handle lease-up of the Development Project. The Housing Authority advises that the Notes have not yet been issued.

BOARD ACTION REQUESTED:

Approve the requested management change for the Haven at Palmer Pointe Development Project for the Housing Authority of the City of Columbia from Southern Development Management Company, Inc. to NHE, Inc.

ATTACHMENTS:

Bean 3/3/22 letter with attachments



☎ 803.254.3886 • 📠 803.376.6164
1917 Harden St., Columbia, SC 29204

🏠 ♿ ColumbiaHousingSC.org

March 3, 2022

VIA EMAIL (delbert@sfaa.com)

Delbert H. Singleton, Jr., Assistant Executive Director and Authority Secretary
South Carolina State Fiscal Accountability Authority
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Re: Haven at Palmer Pointe ("Development Project")

Dear Mr. Singleton:

As you have discussed with Michael Seezen, bond counsel to Palmer Pointe LLC, the owner/borrower of the above Development Project, the Housing Authority of the City of Columbia, SC (the "Authority") and its development partners desire to change the initial management agent of the Development Project.

At its meeting on December 21, 2021, and acting on the petition of the Authority, the State Fiscal Accountability Authority (the "SFAA") approved the issuance by the Authority of its revenue notes to be known as "Housing Authority of the City of Columbia, South Carolina Multifamily Housing Revenue Notes (Haven at Palmer Pointe), in one or more series" in the aggregate principal amount of not exceeding \$22,000,000 (the "Notes"). Consistent with the requirements of Section 19-104.01(F)(13) of the South Carolina Code of Regulations, the SFAA also approved on December 21, 2021, the appointment of Southern Development Management Company, Inc. ("SDMC") as the initial management agent for the Development Project.

The Authority and its development partners desire to change the initial management agent for the Project from SDMC to NHE, Inc. The primary reason for the change is that SDMC is currently serving as the Authority's management agent for other properties in Columbia at or around the same time Haven at Palmer Pointe will come online, and the Authority deems it prudent to allow SDMC to focus on its current properties and allow NHE, Inc. to handle lease-up of the Development Project.

The Notes have not yet been issued, and the Authority and its development partners want to engage NHE, Inc. as the initial management agent as soon as possible to allow the due diligence process related to the Development Project and the Notes to proceed efficiently. The Authority respectfully requests the SFAA approve the appointment of NHE, Inc. as the Authority's initial management agent at its next scheduled meeting on April 5, 2022.

With respect to this request, I have enclosed the following:

1. Resumé of NHE, Inc., the desired initial management agent, together with private participant disclosure forms – Legal Entity, related thereto; and
2. Draft Resolution to be adopted by the SFAA approving the change in initial management agent.

It is my hope that the attached is sufficient information for the Board to consider and approve the request at its next meeting. Please feel free to contact Bo Campbell or Michael Seezen, both copied below, if you have any questions with respect to this request.

Very truly yours,

COLUMBIA HOUSING

A handwritten signature in blue ink, appearing to read 'Yvonda Bean', is written over the printed name.

Yvonda Bean, Interim Executive Director

Enclosures as stated.

Cc: Bo Campbell (bcampbell@hortonlawfirm.net)
Michael Seezen (MSeezen@burr.com)

The background is a topographic map with yellow and green contour lines. A dashed black line starts at the top, curves down, and then curves back up towards the bottom right. At the bottom of the page, there are two horizontal bars: a green one on top and a blue one below it.

EXPERIENCE



I. EXPERIENCE

Since 1969, NHE has focused on *delivering exceptional management services* to affordable housing communities, multifamily properties and community associations (HOAs) of all types – all with the goal of helping communities thrive, organizations succeed and families prosper. We do this by *developing strong relationships with owners, developers, regulatory partners and residents* along the way.

We understand the importance that professionalism, caring service and nurtured relationships have on ensuring safety and satisfaction to all parties. Our depth of knowledge and capability comes from careful recruitment and superb training, coupled with extensive experience working with state and federal regulators, and our investment in technology and certification.

A South Carolina corporation, NHE is based in Greenville, South Carolina, as is recognized as a respected leader in affordable housing across the state and region.

The firm began managing affordable apartment communities in 1981 and since then has grown to include management of market rate apartment communities and Homeowners Associations across several Southeastern states. NHE also provides service coordination services across the United States. Service Coordination is provided in HUD, Tax Credit and Section 8 properties and provides such services as coordination management and supervision, quality assurance, grant administration and writing, training and education, community needs assessments, and resident services support.

Currently *NHE manages 94 affordable housing communities* of various program types:

HUD Section 202 Elderly	HUD Section 811 CMI	HUD Section 811/202 (Devel. Dis.)
HUD Section 8 Housing	HOME, NHTF, SCHTF	Low Income Housing Tax Credit
Bond	Project PBV and PBV RAD	Public Housing
Market Rate Multifamily	Section 221(d)4	Section 515 Elderly Rural Housing
Shopping Centers	Condominium Associations	Residential Subdivision Associations

NHE also has 4 additional communities *under construction*. All affordable communities we currently manage are in South Carolina. Management has a *proven track record* of detailed oversight along with on-site responsibility, resulting in maximum returns and integrity of the assets managed.



NHE emphasizes education and training of all team members. All Regional Property managers have their HCCP, with one exception being a manager who has just been promoted and will obtain hers. All Compliance team members, Senior Property Managers and Floating Community Managers have been trained on the RAD program, as have the staff who work on such properties.

Pre-COVID, NHE associates were regular attendees of SC State Housing's Tax Credit Training, and we also provide regular training to team members at our own annual conferences, through Grace Hill and via individualized trainings as needed. Our onboarding process is carefully calibrated to train new employees to meet and exceed at their job expectations and requirements.

We currently manage assets for three major Public Housing Authorities in South Carolina: The North Charleston Housing Authority, the Greenville Housing Authority and the Spartanburg Housing Authority. We also have relationships with multiple other housing authorities as we participate in and accept Housing Choice Vouchers in all of our affordable communities that do not have project-based section 8.

A recent and relevant NHE success story is when NHE took over two communities that were layered properties with Tax Credit, PBV and PBV RAD totaling 136 units. Both communities were significantly in debt, could not pay vendors, and had late and incomplete recertifications. One community had 77% occupancy while the other had 79% occupancy -- *none of the vacant units* were market ready, and Accounts Receivable had not been reconciled. During NHE's due diligence phase, we identified that 134 of the 136 units required mold remediation; one property had a 38-page Tax Credit Audit report listing 8823's and deficiencies requiring immediate attention.

NHE worked with the owners to develop a plan to address all of the issues. In 6-8 months, both properties have been turned around. Both could pay all vendors on time... recertifications were up to date and correct... occupancy at the properties has stabilized at 99% and 96% respectively, and units are turned quickly. In addition, Accounts Receivable are reconciled and maintained monthly, all 134 units completed mold remediation or rebuilds as necessary, all 8823's have been corrected, and clearance letters have been obtained for the owner. A recent Tax Credit audit at one of the two properties had a single minor correction noted -- a missing tenant initial on one form -- with no 8823's issued, and that was quickly resolved and the clearance letter received.

NHE has extensive experience in new community lease ups as well. With our proven methodology and success rate, all lease ups NHE has completed have been leased up within the first 90 days, with most achieving goals in a 30- to 60-day range.



In summation, *NHE serves customers and residents with expertise, knowledge and leading-edge technology, plus a warm touch and attention to detail.* This results in superior performance and creates a track record of successful, long-term relationships. We pride ourselves on maintaining physical assets to achieve REAC physical inspection scores of 90 and above, and leasing to high occupancy rates in short time periods. NHE also holds the prestigious *Accredited Management Organization (AMO) designation* from the Institute of Real Estate Management (IREM) and holds leadership roles in multiple national, regional and state industry associations.



inherently better





■ NHE: inherently better

Since 1969, NHE has focused on delivering exceptional management services to multifamily properties and community associations (HOAs) – all with the goal of helping communities succeed and families prosper.

As a diverse real estate management company, we understand the importance that professionalism, caring service and nurtured relationships have on delivering returns and satisfaction to developers, operators, residents and property owners alike. Our team's depth of knowledge and capability comes not only from careful recruitment and superb training, but from extensive, real-world experience and ongoing investment in technology and skill development.

We fit no stereotype of property managers. We are creative, dynamic, energetic, empathetic, proactive, experienced, dependable, and dedicated to your success.

Based in Greenville, South Carolina, NHE is a respected leader across the Southeast. We're followed by competing firms eager to understand our secret sauce of serving customers long and well. And we are sought out by customers who demand a partner they can turn to, depend on, and entrust their critical real estate assets and reputations to.

Welcome to NHE. *Inherently* better.



inherently more capabilities

Today, NHE provides expert community association management, apartment management, development, and consulting to customers and communities across the Southeast. We've gotten there by delivering what you need. By being the partner you want. By focusing on each community as unique. And by *improving homes and lives every day*. Areas of deep NHE experience include:

Affordable Apartments - with decades of experience in affordable housing management, NHE can help with every aspect from leasing to budgeting, monitoring regulatory compliance, new construction lease-up, and oversight of property reviews and inspections. We are experts in distressed property turnaround, and in developing long-term positive relationships with owners, residents and regulatory partners.

Homeowner Associations - NHE provides turn-key management services to community associations of all sizes. We deliver comprehensive administrative support using state-of-the-art tools... provide complete financial and treasury services... handle communications with Boards and residents... and manage all aspects of each community we serve to maximize peace of mind, security and operational excellence.

Market Rate Apartments - NHE property management services add value and profitability to customers and create safe, enjoyable communities for residents. We work with properties of all sizes and locations, managing everything from community maintenance to accounting and leasing and marketing to procurement and risk management.

Service Coordination - NHE provides structured, HUD-compliant programs in communities for the elderly and those with disabilities -- especially those who are frail or at risk -- to help them age in place and continue living independently. To ensure regulatory compliance, our Quality Assurance (QA) program tracks, measures and reports service delivery, satisfaction, impact and cost savings.

Additional Services - NHE specializes in sourcing and developing housing communities across the Southeast for families and senior citizens, utilizing the Low-Income Housing Tax Credit (LIHTC) program. We provide site selection, project feasibility and underwriting, preparation of tax credit applications, property management and compliance.



inherently stronger people & performance

NHE's deep and talented team deliver the expertise, knowledge and leading-edge technology you'd expect from a major firm, with the warm touch and meticulous attention to detail of a service-driven organization. Regular team reviews of our Net Promoter Scores keep us focused on serving customers at a high level.

This organizational commitment results in superior performance and increasing value, along with a growing track record of successful, long-term relationships with customers and communities across the region.

With nearly a half century of professional property management experience, NHE has an enviable and diverse track record of marketing and leasing multifamily developments with particular attention paid to maximizing occupancy during lease-up.

Our team of highly experienced and trained individuals maintain physical assets resulting in improved asset preservation and ROI, while establishing and nurturing long-term relationships with communities, centers of influence, vendors and regulatory agencies where applicable.

Our property management services add value to customers and create enjoyable, engaging communities for residents. Whatever the size and location of your communities, NHE can help you achieve even greater success.

AMO NHE also holds the prestigious Accredited Management Organization (AMO) designation from the Institute of Real Estate Management (IREM) as well as leadership roles in multiple national, regional and state industry trade organizations.



■ inherently more advantages

Count on the experienced team at NHE to optimize your properties or community – and your bottom line and return on investment:

- **Proven** - with a successful track record spanning 50 years, there's no learning on the job at your expense here
- **Expertise** - providing your organization or community with talented, empowered associates equipped with leading-edge tools and technologies
- **Responsive** - NHE prides itself on flexible and personalized service and execution, with senior leaders accessible when needed
- **Leaders** - we are state, regional and national industry leaders with access to the resources, talent and capabilities you need
- **Insightful** - we review and proactively recommend best practices and systems to improve efficiencies and protect your properties and community
- **Focused** - resolutely focused on providing superior service and value for your investment
- **Ready when you are** - 24/7/365 access to on-call and emergency personnel to assist you

Working with NHE assures you of deep resources and great value. Please contact us today.



inherently better results

NHE is privileged to provide our diverse services to dozens of organizations across our footprint. Here are but a few examples of how clients and communities we've served have benefited from our performance on their behalf:

*Our NHE representative is a great source of information and **anticipates** solutions before situations arise...*

*NHE **Increased** average annual occupancy from 69% to 95% in 6 months...*

*I'm grateful for the commitment, **professionalism** and experience of our team at NHE...*

*Big or small, complex or routine, performed by them directly or by their network of qualified suppliers, I have confidence and **trust** in the work that is done in service to our community...*

*We find NHE is **attuned** to our needs and they are able to work successfully with the entire spectrum of personalities here. We would highly recommend NHE...*

*We rely heavily on the folks at NHE and appreciate the professionalism and **care** they give our community...*

*The NHE team has been consistently **responsive** to our needs and has earned our trust...*



STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF April 5, 2022

ITEM NUMBER 12

AGENCY: State Fiscal Accountability Authority

SUBJECT: Future Meeting

The next regular meeting of the State Fiscal Accountability Authority will be held at 10:00 a.m. on Tuesday, May 24, 2022, in Room 252, Edgar A. Brown Building.

AUTHORITY ACTION REQUESTED:

Agree to meet at 10:00 a.m. on Tuesday, May 24, 2022, in Room 252, Edgar A. Brown Building.

ATTACHMENTS: