

# STATE BUDGET AND CONTROL BOARD

Meeting of Tuesday, April 28, 2015 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

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## AGENDA INDEX

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Item	Agency	Subject
<b>A.</b>	<b>MEETING OF THE EDUCATIONAL FACILITIES AUTHORITY FOR PRIVATE, NONPROFIT INSTITUTIONS OF HIGHER LEARNING</b>	
<b>B.</b>	<b>MEETING OF BUDGET AND CONTROL BOARD</b>	
<b>C.</b>	<b>ADOPTION OF PROPOSED AGENDA</b>	
<b>D.</b>	<b>MINUTES OF PREVIOUS MEETING</b>	
<b>E.</b>	<b>BLUE AGENDA</b>	
1.	State Treasurer's Office	Bond Counsel Selection
2.	Division of General Services	Easements
3.	Division of General Services	Real Property Conveyances
4.	Division of Procurement Services	Procurement Audits
5.	Executive Director	Revenue Bonds
6.	Executive Director	Economic Development (2015 Ceiling Allocation)
<b>F.</b>	<b>REGULAR SESSION</b>	
1.	Patriots Point Development Authority	Extension Request for Repayment of Interagency Loan
2.	MUSC/Public Employee Benefit Authority, Employee Insurance Program	Update – MUSC's Patient Centered Medical Home (PCMH) Pilot Project
3.	Executive Budget Office	Airplane Acquisition
4.	Executive Budget Office	Permanent Improvement Projects
5.	Procurement Services Division	Waiver to Extend the Maximum Time on a Multi-term Contract for the University of South Carolina
6.	The Citadel	Not Exceeding \$14,000,000 Aggregate Principal Amount Athletic Facilities Taxable Refunding Revenue Bonds, In One or More Series
7.	Budget and Control Board	Future Meeting

**STATE BUDGET AND CONTROL BOARD**  
**Meeting of Tuesday, April 28, 2015 -- 9:30 A. M.**  
**Room 252, Edgar A. Brown Building**  
*BLUE AGENDA INDEX*

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
1.	State Treasurer's Office	Bond Counsel Selection
2.	Division of General Services	Easements
3.	Division of General Services	Real Property Conveyances
4.	Division of Procurement Services	Procurement Audits
5.	Executive Director	Revenue Bonds
6.	Executive Director	Economic Development (2015 Ceiling Allocation)

STATE BUDGET AND CONTROL BOARD  
MEETING OF April 28, 2015

BLUE AGENDA  
ITEM NUMBER 1

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AGENCY: State Treasurer's Office

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SUBJECT: Bond Counsel Selection

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

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

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel
\$15,000,000 SC JEDA	University Medical Associates	McNair Law Firm	Nexsen Pruet
\$67,000,000 SC JEDA	Presbyterian College	Haynsworth Sinkler Boyd	Parker Poe
\$8,750,000 SC JEDA	Watson Engineering	Nexsen Pruet	McNair Law Firm
\$69,500,000 SC JEDA	Furman University	Haynsworth Sinkler Boyd	Pope Flynn

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BOARD ACTION REQUESTED:

Approve the referenced bond counsel assignment.

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ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

Items for April 28, 2015 Budget & Control Board Meeting  
 Bond Counsel and Issuer Counsel Selections by the State Treasurer's Office are as follows:

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

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel	Date STO Approved
\$15,000,000 SC JEDA	University Medical Associates	McNair Law Firm	Nexsen Pruet	02/24/15
\$67,000,000 SC JEDA	Presbyterian College	Haynsworth Sinkler Boyd	Parker Poe	03/30/15
\$8,750,000 SC JEDA	Watson Engineering	Nexsen Pruet	McNair Law Firm	04/01/15
\$69,500,000 SC JEDA	Furman University	Haynsworth Sinkler Boyd	Pope Flynn	04/09/15

OTHER REVENUE ISSUES:

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

SPECIAL ASSIGNMENT OF BOND COUNSEL:

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

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AGENCY: Division of General Services

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SUBJECT: Easements

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

- (a) County Location: Barnwell  
From: Budget and Control Board  
To: South Carolina Electric and Gas Company  
Consideration: \$875  
Description/Purpose: To grant a 0.1675 acre easement for the installation, operation and maintenance of overhead electric line(s) and associated facilities adjacent to the Barnwell State Park property on Pleasant Home Road. The easement is needed to provide service to a new customer. Consideration is \$500 plus the Barnwell County assessed value.
- (b) County Location: Chesterfield  
From: Budget and Control Board  
To: Pee Dee Electric Cooperative  
Consideration: \$3,574  
Description/Purpose: To grant a 1.098 acre easement for the installation, operation and maintenance of underground electric line(s) and associated facilities upon property of the Sand Hills State Forest. The easement is needed to provide service to a CSX railroad signal. Consideration is \$500 plus the Chesterfield County assessed value.
- (c) County Location: Lancaster  
From: Budget and Control Board  
To: Haile Gold Mine, Inc.  
Consideration: \$855  
Description/Purpose: To grant a 0.22 acre easement for the purpose of performing road improvements to US Highway 601 (Haile Gold Mine Road) along property of the Kershaw Correctional Institution. The easement is needed to make the necessary road improvements, grading of the roadside shoulder and drainage ditch to facilitate the operation of the Haile Gold Mine facility. Consideration is \$500 plus the Lancaster County assessed value.

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AGENCY: Division of General Services

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SUBJECT: Easements

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

- (d) County Location: Charleston  
From: Medical University of South Carolina  
To: Charleston County  
Consideration: \$1  
Description/Purpose: To grant a 0.026 acre easement for road widening on Calhoun and Courtenay Streets. The easement is part of Charleston County's RoadWide Project. The easement will be of mutual benefit to MUSC and Charleston County.
  
- (e) County Location: Charleston  
From: Medical University Hospital Authority  
To: Charleston County  
Consideration: \$1  
Description/Purpose: To grant a 0.043 acre easement for road widening on Calhoun and Courtenay Streets. The easement is part of Charleston County's RoadWide Project. The easement will be of mutual benefit to MUHA and Charleston County.
  
- (f) County Location: Charleston  
From: Charleston Naval Complex Redevelopment Authority  
To: South Carolina Electric and Gas Company  
Consideration: \$5  
Description/Purpose: To grant two utility easements totaling 0.19 acre for the construction, installation, operation and maintenance of electric lines on property of the former Charleston Naval Complex. The easements will serve Clemson's Wind Turbine Drive Train Test Facility, as well as the new port and rail terminals being constructed by the State Ports Authority and Palmetto Railways.

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AGENCY: Division of General Services

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SUBJECT: Easements

- (g) County Location: Richland  
From: Department of Mental Health  
To: South Carolina Electric and Gas Company  
Consideration: \$1  
Description/Purpose: To grant a 0.11 acre easement for the construction, installation, operation and maintenance of overhead electric line(s) and associated facilities along the boundary between Lexington-Richland Alcohol and Drug Abuse Council and the Department of Mental Health's Administration Building. The easement is being sought by the Department of Mental Health for the benefit of the property.

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BOARD ACTION REQUESTED:

Approve granting the referenced easements.

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ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-80, 1-11-100 and 10-1-130; Exhibits (maps, plats, etc.) (a) Carolina Gas Transmission Corporation (b) AT&T South Carolina (c) South Carolina Public Service Authority (d) National Trust for Historic Preservation (2 drawings) (e) South Carolina Electric & Gas Company (3 drawings)

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: April 28, 2015

Blue Agenda

**1. Submitted by:**

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



Nolan L. Wiggins, Jr., Director

**2. Subject:**

**EASEMENTS**

**3. Summary Background Information:**

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

- (a) County Location: Barnwell  
From: Budget and Control Board  
To: South Carolina Electric and Gas Company  
Consideration: \$875  
Description/Purpose: To grant a 0.1675 acre easement for the installation, operation and maintenance of overhead electric line(s) and associated facilities adjacent to the Barnwell State Park property on Pleasant Home Road. The easement is needed to provide service to a new customer. Consideration is \$500 plus the Barnwell County assessed value.
  
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Consideration: \$3,574  
Description/Purpose: To grant a 1.098 acre easement for the installation, operation and maintenance of underground electric line(s) and associated facilities upon property of the Sand Hills State Forest. The easement is needed to provide service to a CSX railroad signal. Consideration is \$500 plus the Chesterfield County assessed value.
  
- (c) County Location: Lancaster  
From: Budget and Control Board  
To: Haile Gold Mine, Inc.  
Consideration: \$855  
Description/Purpose: To grant a 0.22 acre easement for the purpose of performing road improvements to US Highway 601 (Haile Gold Mine Road) along property of the Kershaw Correctional Institution. The easement is needed to make the necessary road improvements, grading of the roadside shoulder and drainage ditch to facilitate the operation of the Haile Gold Mine facility. Consideration is \$500 plus the Lancaster County assessed value.



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

- (d) County Location: Charleston  
From: Medical University of South Carolina  
To: Charleston County  
Consideration: \$1  
Description/Purpose: To grant a 0.026 acre easement for road widening on Calhoun and Courtenay Streets. The easement is part of Charleston County's RoadWide Project. The easement will be of mutual benefit to MUSC and Charleston County.
  
- (e) County Location: Charleston  
From: Medical University Hospital Authority  
To: Charleston County  
Consideration: \$1  
Description/Purpose: To grant a 0.043 acre easement for road widening on Calhoun and Courtenay Streets. The easement is part of Charleston County's RoadWide Project. The easement will be of mutual benefit to MUHA and Charleston County.
  
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Consideration: \$5  
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- (g) County Location: Richland  
From: Department of Mental Health  
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Consideration: \$1  
Description/Purpose: To grant a 0.11 acre easement for the construction, installation, operation and maintenance of overhead electric line(s) and associated facilities along the boundary between Lexington-Richland Alcohol and Drug Abuse Council and the Department of Mental Health's Administration Building. The easement is being sought by the Department of Mental Health for the benefit of the property.

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

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

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6. **List of Supporting Documents:**

1. SC Code of Laws Sections 1-11-80, 1-11-100 and 10-1-130
2. Exhibits (maps, plats, etc.)
  - (a) South Carolina Electric and Gas Company
  - (b) Pee Dee Electric Cooperative
  - (c) Haile Gold Mine, Inc.
  - (d) MUSC – Charleston County
  - (e) MUHA – Charleston County
  - (f) Charleston Naval Complex Redevelopment Authority – SCE&G
  - (g) Department of Mental Health – SCE&G

## **SOUTH CAROLINA CODE OF LAWS**

### **SECTION 1-11-80. Board authorized to grant easements for public utilities on vacant State lands.**

The State Budget and Control Board is authorized to grant easements and rights of way to any person for construction and maintenance of power lines, pipe lines, water and sewer lines and railroad facilities over, on or under such vacant lands or marshland as are owned by the State, upon payment of the reasonable value thereof.

### **SECTION 1-11-100. Execution of instruments conveying rights of way or easements over marshlands or vacant lands.**

Deeds or other instruments conveying such rights of way or easements over such marshlands or vacant lands as are owned by the State shall be executed by the Governor in the name of the State, when authorized by resolution of the Budget and Control Board, duly recorded in the minutes and records of such Board and when duly approved by the office of the Attorney General; deeds or other instruments conveying such easements over property in the name of or under the control of State agencies, institutions, commissions or other bodies shall be executed by the majority of the governing body thereof, shall name both the State of South Carolina and the institution, agency, commission or governing body as grantors, and shall show the written approval of the majority of the members of the State Budget and Control Board.

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

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

(a)

BARNWELL COUNTY  
CLERK of COURT STAMP AREA



# EASEMENT PLAT FOR AN OVERHEAD UTILITY LINE ON PLEASANT HOME ROAD

LOCATED 3.5 MILES SOUTHWEST OF  
THE TOWN OF BLACKVILLE  
BARNWELL COUNTY, SOUTH CAROLINA  
SCALE : 1" = 200' DATE : FEBRUARY 4, 2015

PREPARED FOR:  
**S. C. E. & G.**

132 LANGLEY DAM ROAD  
WARRENVILLE, S.C. 29051 (803) 642-6233

PREPARED BY:  
**HASS & HILDERBRAND, Inc.**  
POST OFFICE BOX 3276  
133 GREENVILLE STREET, SW  
AIKEN, S.C. 29802 (803) 849-1316

TAX PARCEL No. 106-00-00-031  
JOHN TRAVIS  
- STILL -  
DB 1030/85  
PC B SLIDE 87/8

TAX PARCEL No. 108-00-00-003  
L. RAYMOND - STILL -  
ADDIE SUE - FICKEN -  
DB 108-428  
RS 9/32  
PC B SLIDE 87/8

PEGGY S. - WILLIAMS -  
ROY A. - STILL -  
DB 108-428  
RS 9/32  
PC B SLIDE 87/8

**TOTAL EASEMENT  
AREA  
7,297 sq. ft.  
0.1675 Ac.**

TAX PARCEL No. 106-00-00-004  
**SOUTH CAROLINA  
COMMISSION  
FORESTRY**  
DB 100/574  
PB 7/73

TAX PARCEL No. 107-00-00-050  
JAMES A. - HAIR -  
DB 181/383  
PB W/191

TAX PARCEL No. 107-00-00-034  
JOSEPH E. & JENNIE L. - ZEIGLER -  
DB 849/25  
PC B SLIDE 88/6-A

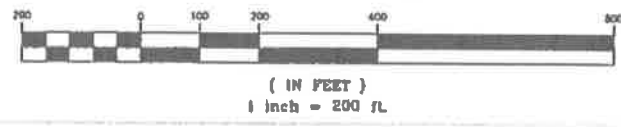
TAX PARCEL No. 107-00-00-003  
SONN & RICHMOND - BECKMAN -  
DB 934/218  
PC B SLIDE 81/8-B



LINE	BEARING	LENGTH
L1	N 50°44'26" W	520.16'
L2	N 51°08'07" W	70.83'
L3	N 38°51'53" E	19.38'
L4	N 12°26'54" W	41.32'
L5	N 12°26'54" W	21.55'
L6	N 88°58'37" W	41.17'
L7	N 01°01'23" E	23.83'
L8	S 88°58'37" E	38.40'
L9	N 14°28'17" E	21.67'
L10	N 14°25'17" E	22.82'
L11	N 84°31'28" W	40.65'
L12	N 25°28'32" E	30.00'
L13	S 84°31'28" E	39.04'
L14	N 33°24'25" E	36.83'
L15	N 33°24'25" E	14.53'
L16	S 69°22'20" E	41.02'
L17	N 20°37'40" E	30.00'
L18	N 69°22'20" W	41.18'
L19	N 07°07'15" E	12.82'

LINE	BEARING	LENGTH
L20	N 26°20'10" E	73.63'
L21	S 82°41'21" W	58.84'
L22	N 18°24'09" E	175.28'
L23	N 11°18'33" E	189.07'

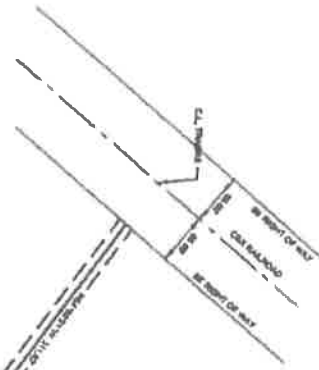
- LEGEND**
- PROPERTY CORNER FOUND
  - REBAR IRON PIN
  - PROPOSED
  - ⊕ UTILITY POLE
  - OVERHEAD POWER
  - GUY WIRE



**M. TODD HASS**  
S.C. Professional Land Surveyor #12840

"I hereby state to the best of my knowledge, information and belief, the survey shown hereon was made in accordance with the requirements of the minimum standards imposed for the practice of land surveying in South Carolina, and meets or exceeds the requirements for a Class B survey as specified therein, also there are no encroachments, projections, or setbacks affecting the property other than those shown."

NH No. 05884



1/2 ACRES 2-4-1938-200  
S.E. Corner of lot 10

1/2 ACRES 2-4-1938-200  
S.E. Corner of lot 10



ADJUTANT GENERAL

CHESTERFIELD COUNTY

DESIGNED BY: ERVIN ENGINEERING CO.  
341 WEST ELMER ST., ANDERSON, S.C.

DATE: 8/10/54

SCALE: 1"=200'

**PLAT**  
OF PROPERTY OWNED BY  
**PEE DEE ELECTRIC COOPERATIVE**

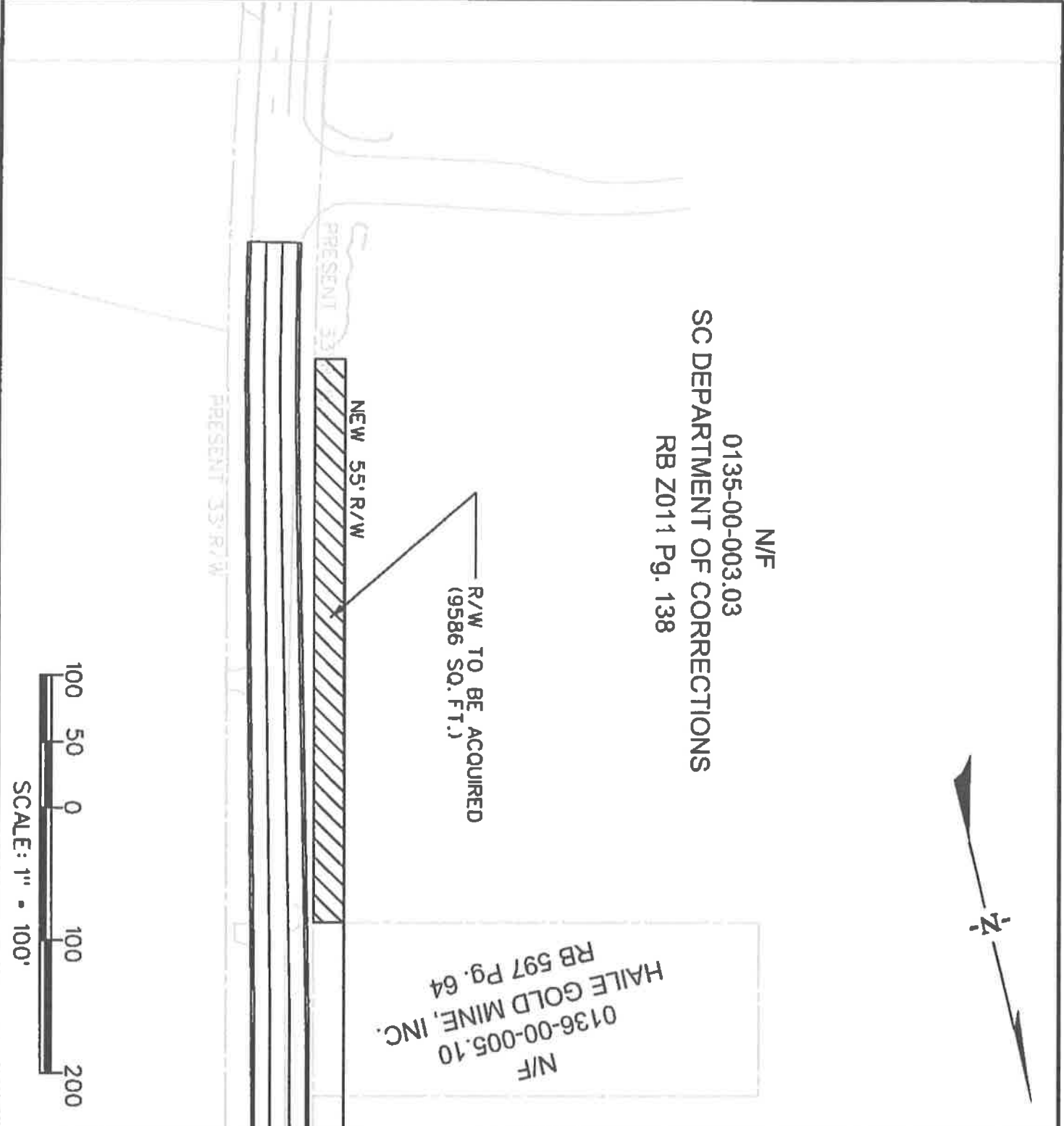
Subject of an original line right of way. The land shown is property of the  
Pee Dee Electric Cooperative, Inc. as shown on the map filed in the  
Chesterfield County Clerk's Office on 11/11/53.

DATE: 8/10/54

SCALE: 1"=200'

1-10-1954

(C)



N/F  
 0135-00-003.03  
 SC DEPARTMENT OF CORRECTIONS  
 RB Z011 Pg. 138



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US HWY 601  
 INTERSECTION  
 IMPROVEMENTS FOR  
 HAILE GOLD MINE  
 LANCASTER COUNTY, SOUTH CAROLINA

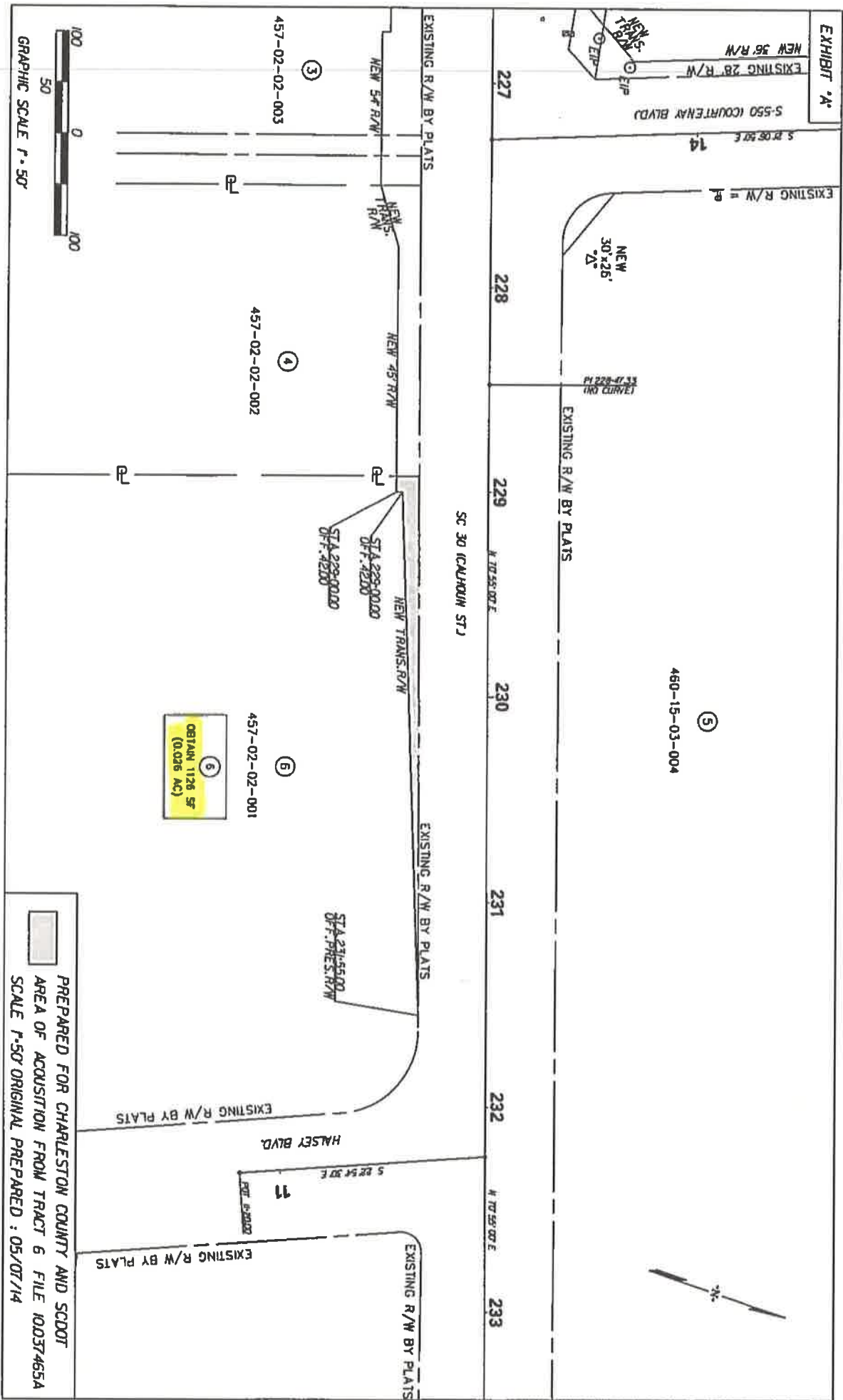
SC DEPARTMENT OF  
 CORRECTIONS

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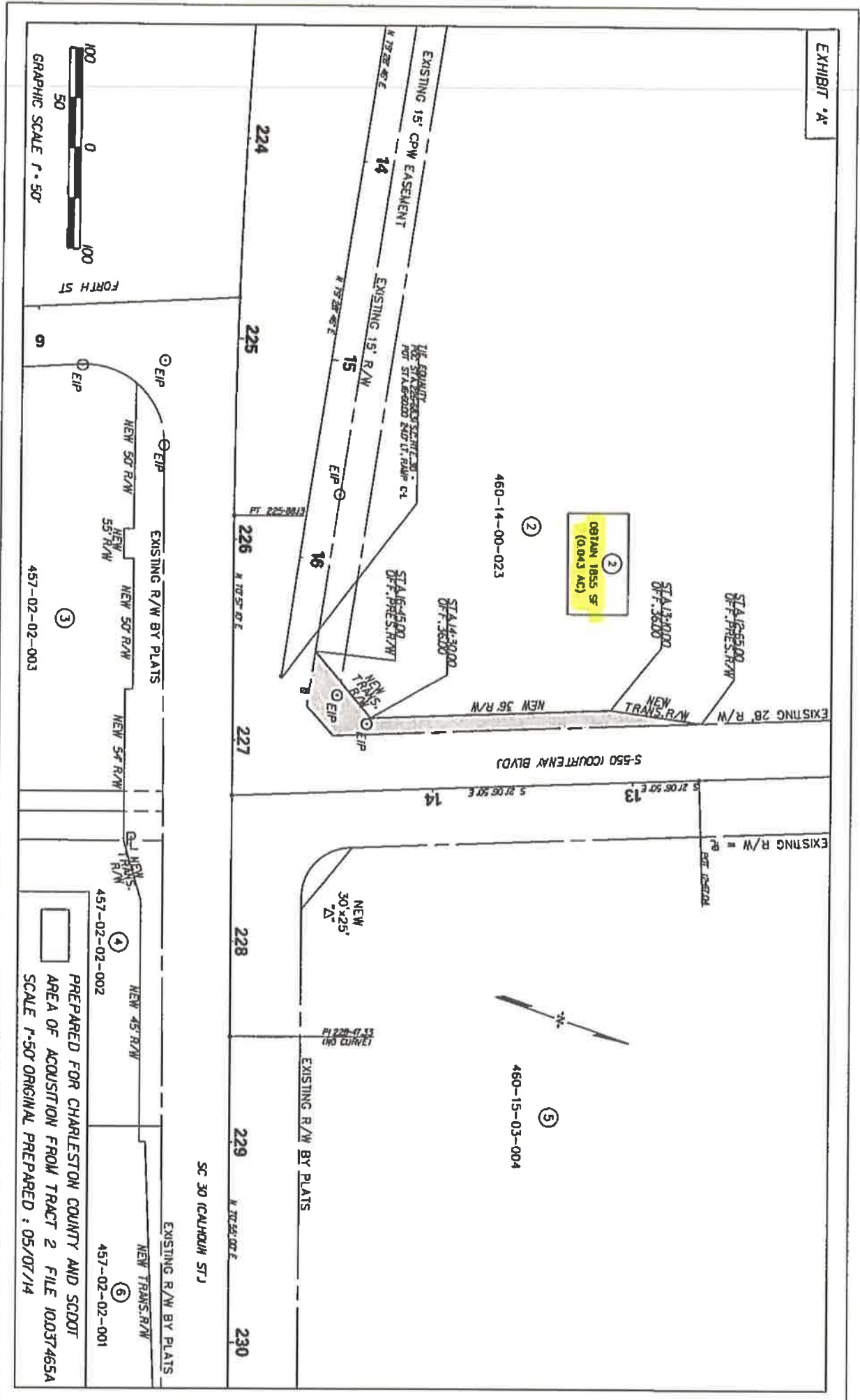
(d)

MUSC



(c)

ALPHA

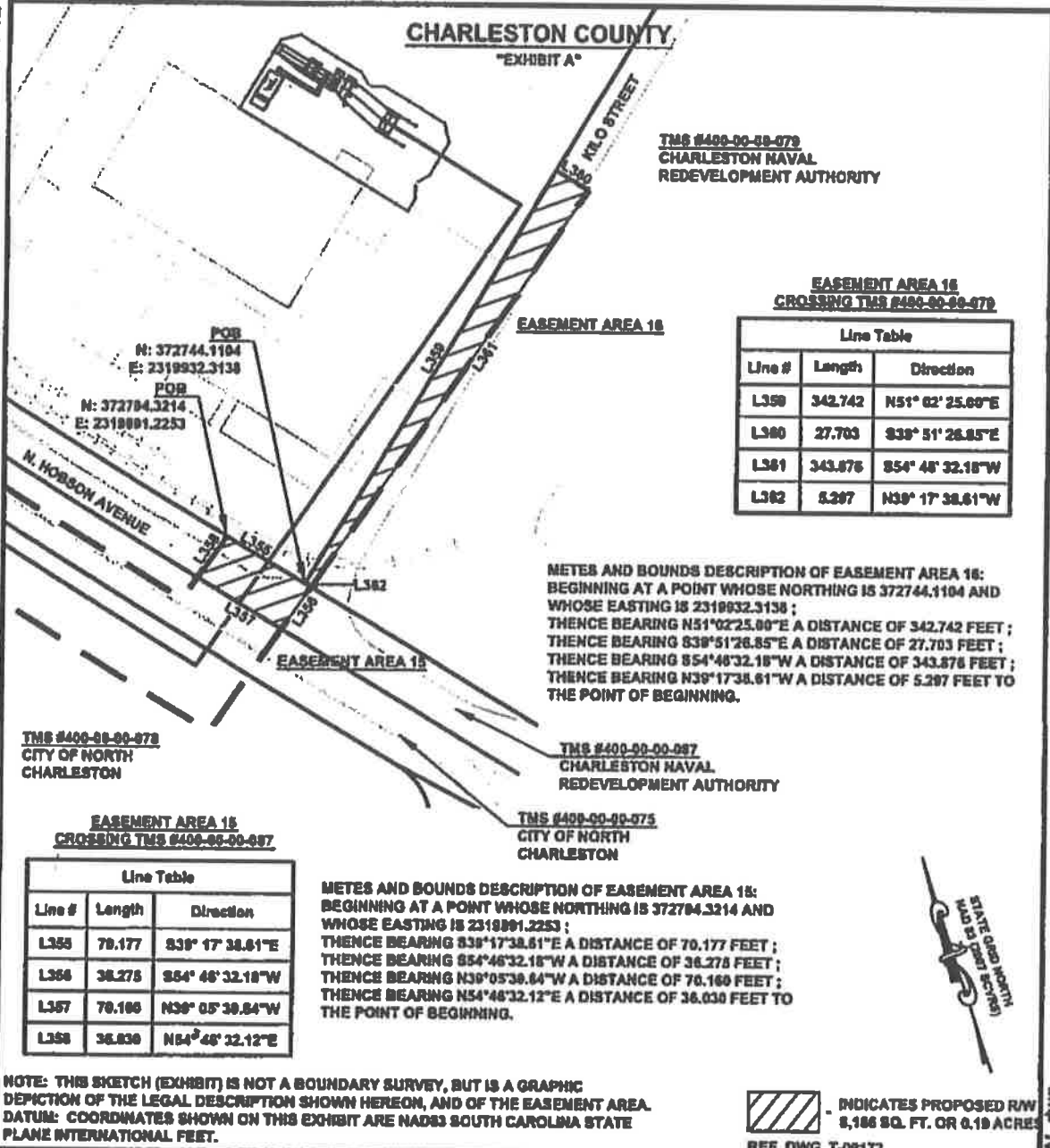




(A)

PLAN "SAFETY" INTO EVERY JOB

CAD DRAWING - DO NOT REVISE MANUALLY



**SOUTH CAROLINA ELECTRIC & GAS CO.**

FOR: **FABER PLACE-WESTVACO COGEN 115KV**

DETAIL: **CLEMSON WIND TURBINE 115KV TAP**

**CROSSING PROPERTY OF CHAS NAVAL REDEV AUTHORITY**

**TMS# 4000000087 & 4000000079**

DRAWN	DATE
TAB	4/3/14
APPROVED	DATE
CHT	4/3/14

DRAWING NUMBER		
PROJECT	LINE NUMBER	SHEET NUMBER
<b>PA - 09172 - 60308</b>		
REVISION DATE	NUMBER	
4/14/14	8	

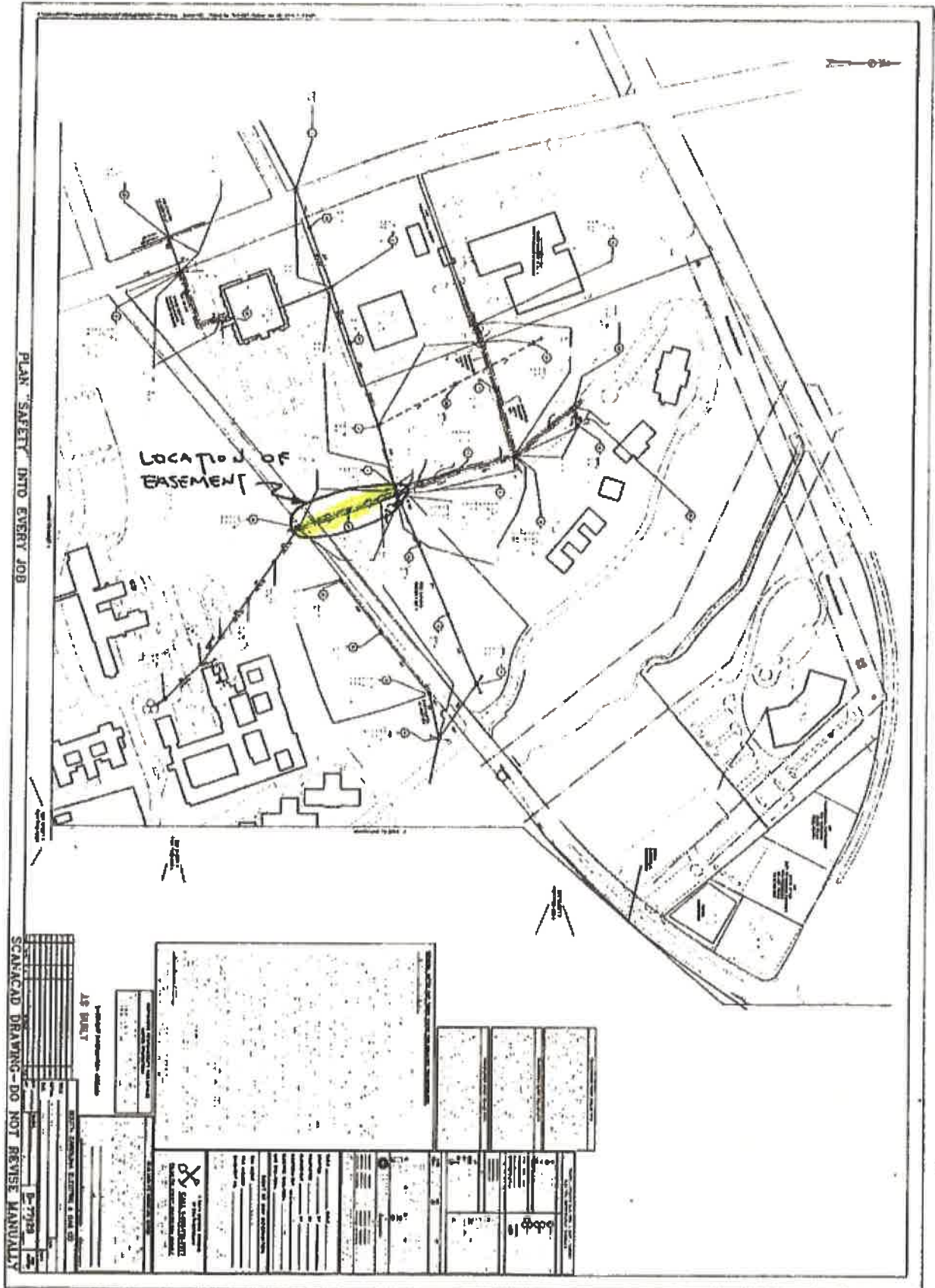
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W.O.# CONST 400884 M. F. CODE SURVEY JOB #

R/W 400886

FILE: Easement Exhibits\_FINAL.dwg

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PROJECT: [Name]		SCALE: [Scale]	
SHEET: [Number]		TOTAL SHEETS: [Total]	
APPROVED BY: [Signature]		DATE: [Date]	
PROJECT MANAGER: [Name]		CLIENT: [Name]	

AS BUILT

SEARCHED INDEXED

INDEXED

FILED

NOV 11 2010

FBI - [Location]

SEARCHED INDEXED

INDEXED

FILED

NOV 11 2010

FBI - [Location]

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**AGENCY:** Division of General Services

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**SUBJECT:** Real Property Conveyances

The Division of General Services recommends approval of the following real property conveyances:

- (a) **Agency:** Department of Employment and Workforce  
**Acreage:** 2.27 acres  
**Location:** Technology Boulevard, Conway  
**County:** Horry  
**Purpose:** To dispose of surplus real property.  
**Price/Transferred To:** Not less than appraised value/To be determined  
**Disposition of Proceeds:** To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
- (b) **Agency:** Department of Employment and Workforce  
**Acreage:** 0.84± acres and a 4,293 square foot office building  
**Location:** 18 Hazel Street, Clinton  
**County:** Laurens  
**Purpose:** To dispose of surplus real property.  
**Price/Transferred To:** Not less than appraised value/To be determined  
**Disposition of Proceeds:** To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
- (c) **Agency:** Department of Public Safety  
**Acreage:** 2.607± acres and a 31,395 square foot three-story office building  
**Location:** 8740 North Park Boulevard, North Charleston  
**County:** Charleston  
**Purpose:** To dispose of surplus real property.  
**Price/Transferred To:** Not less than appraised value/To be determined  
**Disposition of Proceeds:** To be divided between Budget and Control Board and Department of Public Safety pursuant to Proviso 101.23.

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**BOARD ACTION REQUESTED:**

Approve the real property conveyances as requested.

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**ATTACHMENTS:**

Agenda item worksheet and attachments

**BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET**

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**Meeting Scheduled for: April 28, 2015**

**Blue Agenda**

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**1. Submitted by:**

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

  
Nolan L. Wiggins, Jr., Director

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**2. Subject: REAL PROPERTY CONVEYANCES**

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**3. Summary Background Information:**

- (a) **Agency:** Department of Employment and Workforce  
Acreage: 2.27 acres  
Location: Technology Boulevard, Conway  
County: Horry  
Purpose: To dispose of surplus real property.  
Price/Transferred To: Not less than appraised value/To be determined  
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
  
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Acreage: 0.84± acres and a 4,293 square foot office building  
Location: 18 Hazel Street, Clinton  
County: Laurens  
Purpose: To dispose of surplus real property.  
Price/Transferred To: Not less than appraised value/To be determined  
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
  
- (c) **Agency:** Department of Public Safety  
Acreage: 2.607± acres and a 31,395 square foot three-story office building  
Location: 8740 North Park Boulevard, North Charleston  
County: Charleston  
Purpose: To dispose of surplus real property.  
Price/Transferred To: Not less than appraised value/To be determined  
Disposition of Proceeds: To be divided between Budget and Control Board and Department of Public Safety pursuant to Proviso 101.23.

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4. **What is Board asked to do?** Approve the property conveyances and transactions as requested.

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

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6. **List of Supporting Documents:**

1. SC Code of Laws Section 1-11-65
2. 2014-2015 Appropriations Bill H.4701, Part 1B, Proviso 101.23
3. (a) Department of Employment and Workforce – Horry County  
(b) Department of Employment and Workforce – Laurens County  
(c) Department of Public Safety – Charleston County

## 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 State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

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

South Carolina General Assembly  
120th Session, 2014-2015  
H. 4701  
General Appropriations Bill for fiscal year 2014-2015  
As Ratified by the General Assembly

PART IB

OPERATION OF STATE GOVERNMENT

SECTION 101 – F03-BUDGET AND CONTROL BOARD

101.23. (BCB: 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 Budget and Control Board 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 non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds 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 Budget and Control Board for approval as being in compliance with the requirements of this subsection.

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

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

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

The Department of Vocational Rehabilitation shall be authorized to retain the net proceeds from the sale of 3.205 acres located at 22861 Highway 76 East in Clinton, South Carolina to be used for capital projects and deferred maintenance.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, the Forestry Commission, and the Department of Vocational Rehabilitation 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.

**118.2.** (SR: Titling of Real Property) It is the intent of the General Assembly to establish a comprehensive central property and office facility management process to plan for the needs of state government agencies and to achieve maximum efficiency and economy in the use of state owned or state leased real properties. The Budget and Control Board is directed to identify all state owned properties whether titled in the name of the state or an agency or department, and all agencies and departments of state government are upon request to provide the Board all documents related to the title and acquisition of the real properties that are occupied or used by the agency or titled in the name of the agency. Except for any properties where the Board determines title should not be in the name of the State because the properties are subject to reverter clauses or other restraints on the property, or where the Board determines the state would be best served by not receiving title, and with the exception of properties, highways and roadways owned by the Department of Transportation, title of any property held by or acquired by a state agency or department shall be titled in the name of the state under the control of the Budget and Control Board. Titling in the name of the state shall not affect the operation or use of real property by an agency.

This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the South Carolina Division of Public Railways; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Midlands Technical College Enterprise Campus Authority, the Trident Technical College Enterprise Campus Authority; the Area Commission of Tri-County Technical College; and the Charleston Naval Complex Redevelopment Authority.

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

The Budget and Control Board is directed to provide to the Department of Education, funds equal to the amount realized from the sale of the Greenville Halton Road Bus Shop property for school bus maintenance shop relocations, construction, and shop equipment.



**(a - b) Department of Employment and Workforce  
Horry and Laurens Counties**

**List of Supporting Documents:**

1. Letter from Department of Employment and Workforce dated March 30, 2015
2. Maps

P.O. Box 995  
1550 Gadsden Street  
Columbia, SC 29202  
dew.sc.gov



Nikki R. Haley  
Governor  
Cheryl M. Stanton  
Executive Director

March 30, 2015

Ms. Ashlie Lancaster  
Deputy Director, Division of General Services  
State Budget and Control Board  
1200 Senate Street, Suite 460  
Columbia, SC 29201

Dear Ms. Lancaster:

The South Carolina Department of Employment and Workforce is respectfully requesting approval from the State Budget and Control Board to formally declare the following properties be listed as surplus property:

Address	Tax Map/PIN Number	Square Footage	Area
18 Hazel Street Clinton, SC Laurens County	565-00-00-039	4,293 Building	.84 acres
Technology Boulevard Conway, SC Horry County	38310030028	98,990 Land	2.27 acres

The Laurens SC Works office moved from the SCDEW building to the Laurens Public Library, 1017 West Main Street, Laurens, SC in March 2015. Re-employment services are now being provided at the 1017 West Main Street location.

SCDEW is no longer intending to build on the Technology Boulevard lot in Conway; therefore we are requesting this property also be listed as surplus.

The properties listed in this request contain equity portions that were amortized with federal grant funds under the Unemployment Compensation (UC), Wagner-Peyser (WP), and/or Reed Act programs through the US Department of Labor.

Although the retainage amounts authorized under South Carolina Budget Proviso 101.23 may properly apply to non-federal portions of eventual sales proceeds, SCDEW seeks approval to

Request to Surplus

Page 2

exclude portions of proceeds attributable to the UC, WP and Reed Act equity in these properties from application of the proviso. This will ensure that those proceeds are treated in accordance with federal laws and official guidance from the U.S. Department of Labor. These relevant equity-shares by funding source are summarized in the Summary of Federal/Non-Federal Equities (attachment A). The federal guidance related to this request, referencing the applicable laws, is summarized in TEGL 3-07 (attachment B).

DEW is not aware of any deed restrictions or property restrictions which might negatively impact the sale of this property.

DEW has complied with all requirements of the U.S. Department of Labor in connection with the disposition of this property.

If you have any questions or need additional information, please do not hesitate to contact me at (803) 737-0108.

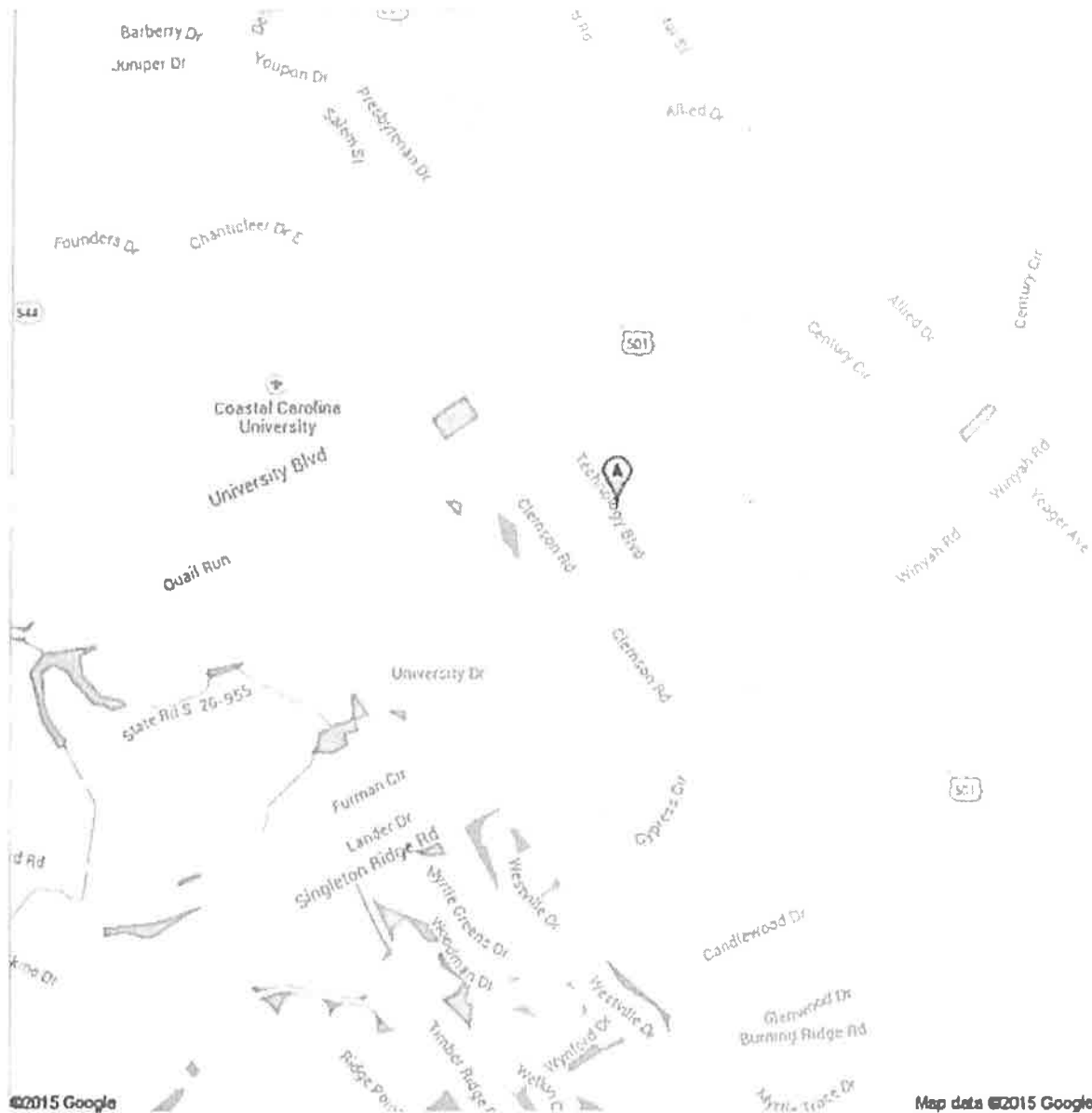
Sincerely,



Marsha R. Stephenson  
Assistant Executive Director  
SCDEW Administration, Support and Operations

Google

Address **Technology Blvd**  
Conway, SC 29526



©2015 Google

Map data ©2015 Google

Google

Address **18 State Road S-30-428**  
Clinton, SC 29325



(c) Department of Public Safety  
Charleston County

List of Supporting Documents:

1. Letter from Department of Public Safety dated March 24, 2015
2. Map



## S. C. DEPARTMENT OF PUBLIC SAFETY

### Financial Services

P.O. Box 1993 Blythewood, SC 29016 Telephone: 803-896-7900 Fax: 803-896-7938

March 24, 2015

Ms. Linda Gordon  
Real Property Services, Office of General Services  
South Carolina Budget and Control Board  
1200 Senate St., Suite 460, Wade Hampton Building  
Columbia, SC 29201

Re: Surplus of SCDPS Charleston Troop Six Headquarters Building  
8740 North Park Boulevard  
North Charleston, SC 29406

Ms. Gordon:

SCDPS Highway Patrol District Six is currently located in a state owned three story facility that totals approximately 31,000 square feet. At the time the building was acquired, DPS included two other agencies, the CJA and DMV, and the combined needs justified the size of the building and the HVAC system was designed for full building occupancy. The first and second floors were renovated for DMV and HP and the third floor was to be occupied by CJA, but was never built out.

Currently, the Highway Patrol, including a Telecommunications Center, occupies only about one third of the building. Only one of the two chillers is now operable. An HVAC system study was commissioned in 2011, and at that time, many options were given, from keeping the system running for the current occupancy to repairing and updating for full occupancy. The study concluded that the agency cannot justify the extensive repairs required. The exterior is comprised of single pane glass which contributes to the HVAC problems and doesn't meet current codes. The TCC, located on the ground floor, operates in an area which is minimally protected from weather conditions and is not conducive to emergency situations.

Consequently, SCDPS is requesting this property be declared surplus and released to the state for disposal. If the third floor was completed, and all HVAC recommendations made, the building would be a good investment for another tenant, as it is in a desired location with adequate parking. Attached is a copy of the property deed, a plat, and an appraisal. With this package, we are requesting this be presented before the Board. If additional information is required, we will be glad to provide it.

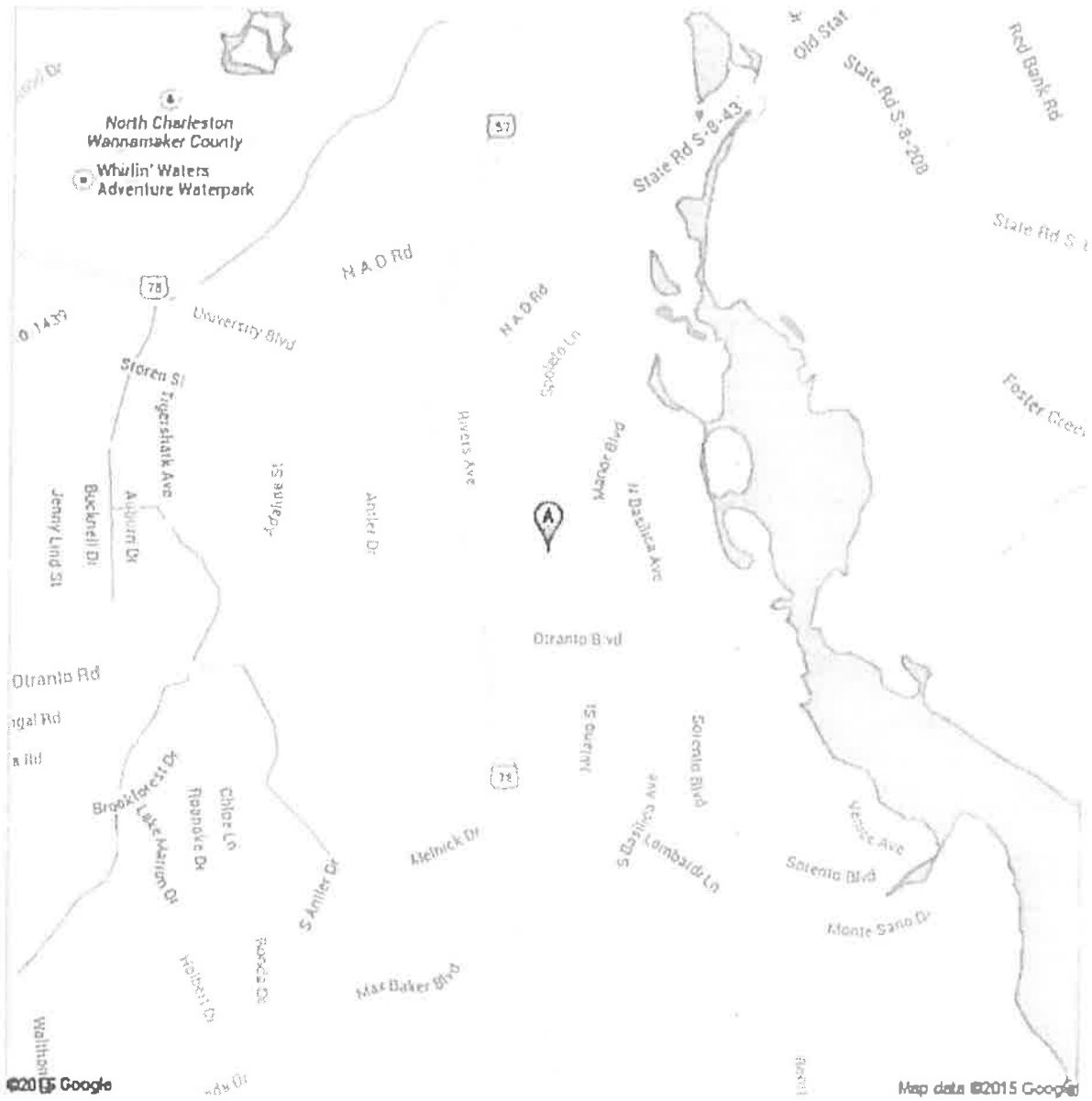
Thank you for your assistance.

Sincerely,

Paul Lewis  
Chief Financial Officer



Address **8740 Northpark Blvd**  
North Charleston, SC 29406





STATE BUDGET AND CONTROL BOARD  
MEETING OF April 28, 2015

BLUE AGENDA  
ITEM NUMBER 4

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AGENCY: Division of Procurement Services

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SUBJECT: Procurement Audits

In accordance with Section 11-35-1230 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement systems of the South Carolina State Accident Fund and the South Carolina State Museum. As both agencies have not requested procurement certification, the audit reports are submitted as information only.

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BOARD ACTION REQUESTED:

Receive the audit reports of the South Carolina State Accident Fund and the South Carolina State Museum as information only.

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ATTACHMENTS:

Agenda item worksheets and attachments

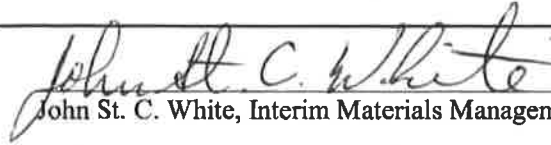
**BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET**

Meeting scheduled for: April 28, 2015

Blue Agenda

**1. Submitted by:**

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

  
John St. C. White, Interim Materials Management Officer

**2. Subject:** Procurement Audit of the South Carolina State Accident Fund

**3. Summary Background Information:**

In accordance with Section 11-35-1230 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of the South Carolina State Accident Fund. As the State Accident Fund has not requested procurement certification, the audit report is submitted as information only.

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

Receive the audit report as information only.

**5. What is recommendation of Board division involved?**

We recommend the report be received as information only.

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

- (a) Authorized Signature: \_\_\_\_\_
- (b) Division/Agency Name: \_\_\_\_\_

**7. List of supporting documents:**

- (a) Section 11-35-1230 of the Consolidated Procurement Code

## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting scheduled for: April 28, 2015

Blue Agenda

**1. Submitted by:**

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

  
John St. C. White, Interim Materials Management Officer

**2. Subject:** Procurement Audit of the South Carolina State Museum

**3. Summary Background Information:**

In accordance with Section 11-35-1230 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of the South Carolina State Museum. As the State Museum has not requested procurement certification, the audit report is submitted as information only.

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

Receive the audit report as information only.

**5. What is recommendation of Board division involved?**

We recommend the report be received as information only.

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

- (a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_

**7. List of supporting documents:**

- (a) Section 11-35-1230 of the Consolidated Procurement Code

**§ 11-35-1230. Auditing & Fiscal Reporting**

(1) Auditing. The Office of General Services through consultation with the chief procurement officers shall develop written plans for the auditing of state procurements. In procurement audits of governmental bodies thereafter, the auditors from the Office of General Services shall review the adequacy of the system's internal controls in order to ensure compliance with the requirement of this code and the ensuing regulations. Any noncompliance discovered through audit must be transmitted in management letters to the audited governmental body, the Budget and Control Board. The auditors shall provide in writing proposed corrective action to governmental bodies. Based upon audit recommendations of the Office of General Services, the board may revoke certification as provided for in Section 11-35-1210 and require the governmental body to make all procurements through the office of materials management above a dollar limit set by the board until such time as the board is assured of compliance with this code and its regulations by that governmental body.

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds

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The required reviews on the following proposal to issue revenue bonds have been completed with satisfactory results. The project requires approval under State law.

- a. Issuing Authority: Georgetown County  
Amount of Issue: \$20,100,000 Revenue Refunding Bonds (\$20,100,000 refunding involved)  
Allocation Needed: -0-  
Name of Project: Georgetown Mill of International Paper  
Employment Impact: not applicable – refunding project  
Project Description: to refund Georgetown County’s (i) \$7,500,000 Environmental Improvement Revenue Bonds, 2004 Series A,(International Paper Company Project), (ii) \$7,600,000 Environmental Improvement Revenue Bonds, 2006 Series A (International Paper Company Project), and (iii) \$5,000,000 Environmental Improvement Revenue Bonds, 2005A Series (International Paper Company Project), the proceeds of which were used by the company to finance the costs of the acquisition, improvement, construction and installation of certain solid waste disposal, wastewater treatment and sewage facilities located at the mill.  
Bond Counsel: Alan C. Cason, McGuire Woods LLP
- b. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: Not Exceeding \$69,500,000 Economic Development Revenue and Revenue Refunding Bonds (\$40,000,000 refunding involved)  
Allocation Needed: -0-  
Name of Project: Furman University  
Employment Impact: maintain employment for 84 people  
Project Description: renovating and rehabilitating student housing facilities, along with other capital projects related to educational, administrative faculty or student facilities and programs, and advance refunding the \$40,000,000 original principal amount Educational Facilities Authority for Private Nonprofit Institutions of Higher Learning (South Carolina) Education Facilities Revenue Bonds (Furman University, Series 2006A)  
*Note:* *underwriting for public distribution*  
Bond Counsel: E. Tyler Smith, Haynsworth Sinkler Boyd, P. A.

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds -- Continued

- c. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: Not Exceeding \$67,000,000 Economic Development Revenue and Revenue Refunding Bonds (\$32,992,000 refunding involved)  
Allocation Needed: -0-  
Name of Project: Presbyterian College  
Employment Impact: maintain employment for 300 people  
Project Description: (a) renovations to and furnishings for Neville Hall, a historic academic building, including a 14,000 square foot addition of academic space and landscaping related thereto, (b) construction of 200 bed apartment style student housing including equipment and furnishings and providing parking thereto, (c) construction and renovation of other academic buildings including equipment and furnishings therefore, and (d) refund the \$23,500,000 original principal amount Educational Facilities Authority for Private Nonprofit Institutions of Higher Learning Education Facilities Revenue Bond (Presbyterian College Project) Series 2009 of which \$22,075,000 is outstanding; the \$3,550,000 original principal amount Educational Facilities Authority for Private nonprofit Institutions of Higher Learning Educational Facilities Refunding Revenue Bond (Presbyterian College Project) Series 2010 of which \$3,550,000 is outstanding; and the \$7,871,000 original principal amount South Carolina Jobs-Economic Development Revenue Bond (Presbyterian College Project), Series 2011 of which \$3,550,000 is outstanding.

*Note:* private sale

Bond Counsel: Kathleen C. McKinney, Haynsworth Sinkler Boyd, P. A.

- d. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: Not Exceeding \$15,000,000 Economic Development Revenue Bonds  
Allocation Needed: -0-  
Name of Project: University Medical Associates  
Employment Impact: create and/or maintain permanent employment for at least 1780 people  
Project Description: acquire Parkshore Centre located at One Poston Road in the City and County of Charleston to be used for administrative functions of the borrower, including accounting and billing

*Note:* private placement

Bond Counsel: Rion D. Foley, McNair Law Firm, P. A.

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AGENCY: Executive Director

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SUBJECT: Revenue Bonds -- Continued

- e. Issuing Authority: Jobs-Economic Development Authority  
Amount of Issue: \$8,750,000 Economic Development Revenue Bonds (\$3,335,000 refunding involved)  
Allocation Needed: \$8,750,000  
Name of Project: Watson Engineering, Inc.  
Employment Impact: 30 new jobs and maintaining 120 jobs  
Project Description: expansion of manufacturing facilities used primarily in the prototype and production manufacturing of fabricated steel and tubular metal components servicing primarily the automotive and agricultural industries and refunding all or a portion of the \$7,700,000 Variable Rate Demand Economic Development Revenue Bonds, Series 2007 (Watson Engineering, Inc. Project) dated September 10, 2007, currently outstanding in the principal amount of \$3,335,0000  
*Note:* *negotiated private sale*  
Bond Counsel: Alan M. Lipsitz, Nexsen Pruet, LLC

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BOARD ACTION REQUESTED:

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

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ATTACHMENTS:

Resolutions

STATE BUDGET AND CONTROL BOARD  
OF SOUTH CAROLINA

A RESOLUTION APPROVING THE UNDERTAKING OF  
GEORGETOWN COUNTY, SOUTH CAROLINA  
TO ISSUE ITS REFUNDING REVENUE BONDS IN THE AGGREGATE  
PRINCIPAL AMOUNT NOT TO EXCEED \$20,100,000  
PURSUANT TO TITLE 4, CHAPTER 29,  
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED (THE "ACT")

WHEREAS, on March 24, 2015, the County Council (the "County Council") of Georgetown County, South Carolina (the "County") adopted a resolution (the "Inducement Resolution") declaring its intention to issue refunding revenue bonds from time to time or at one time, in one or more issues or series, in the aggregate principal amount not to exceed \$20,100,000 (the "Bonds"), the proceeds of which are to be applied to refund the County's (a) Environmental Improvement Revenue Bonds, 2004 Series A (International Paper Company Project), currently outstanding in the aggregate principal amount of \$7,500,000 (the "Series 2004 Bonds"), (b) Environmental Improvement Revenue Bonds, 2005 Series A (International Paper Company Project), currently outstanding in the aggregate principal amount of \$5,000,000 (the "Series 2005 Bonds"), and (c) Environmental Improvement Revenue Bonds, 2006 Series A (International Paper Company Project), currently outstanding in the aggregate principal amount of \$7,600,000 (the "Series 2006 Bonds" and, together with the Series 2004 Bonds and the Series 2005 Bonds, the "Prior Bonds"); and

WHEREAS, the proceeds of the Prior Bonds were used by International Paper Company, a New York corporation (the "Company"), to finance the costs of the acquisition, construction, installation and improvement of certain solid waste disposal, wastewater treatment and sewage facilities (the "Project") located at the Georgetown, South Carolina Mill (the "Mill") of the Company in the County; and



WHEREAS, the Inducement Resolution authorized the filing of a Petition (the "Petition") with the State Budget and Control Board of South Carolina (the "State Board") setting forth the facts required by Section 4-29-140 of the Act, and pursuant to the Inducement Resolution, the County Council caused the submission of the Petition to the State Board; and

WHEREAS, the proposed undertaking consists of the issuance by the County, pursuant to the Act, of its refunding revenue bonds from time to time or at one time, in one or more issues or series, in the aggregate principal amount not to exceed \$20,100,000, such Bonds maturing not later than forty (40) years from the date of issuance of such Bonds, the proceeds of which will be applied to refinance the Project by refunding the Prior Bonds; and

WHEREAS, the County, the Company and others propose to enter into documents in connection with the foregoing transaction, including, but not limited to, the financing agreement or agreements and forward bond purchase agreement as more particularly described in the Petition (collectively, the "Documents"), pursuant to which, among other things, the Company will agree to make payments sufficient to provide for the payment of the principal and purchase price of, premium, if any, and interest on the Bonds; and

WHEREAS, the Documents will prescribe the terms and conditions upon which the Bonds will be issued and the terms by which the Company will agree to pay the principal and purchase price of, premium, if any, and interest on the Bonds; and

WHEREAS, a general summary of the terms of the Documents as set forth in the Petition has been considered by this Board.

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

1. It has been found and determined by the State Board:

- A. That the State Board has conducted such review as it deems advisable.
- B. That the County Council has filed a proper Petition to the State Board in accordance with the provisions of Section 4-29-140 of the Act setting forth a brief description of the refinancing of the Project and its anticipated effect upon the economy of the County and the areas adjacent thereto, a reasonable estimate of the cost of refinancing the Project by refunding the Prior Bonds and a general summary of the Documents.
- C. The issuance of the Bonds is intended to promote the purposes of the Act.

2. On the basis of the foregoing findings, the proposed undertaking of the County to (i) issue the Bonds; (ii) apply the proceeds thereof to refinance the Project by refunding the Prior Bonds; and (iii) enter into the Documents, all pursuant to the Act (including changes in any details of such undertaking as finally consummated which do not materially affect said undertaking), is hereby approved, and the County may proceed therewith.

3. In accordance with the provisions of Section 4-29-140 of the Act, notice of the action taken by the State Board in giving approval of the above described undertaking of the County (the "Notice") shall be published at least once by the State Board in *The Georgetown Times*, which is a newspaper having general circulation in Georgetown County, South Carolina.

4. The Notice to be published shall be in substantially the form as set forth in Exhibit A attached to this Resolution.

5. This Resolution shall take effect immediately.

EXHIBIT A

NOTICE PURSUANT TO TITLE 4, CHAPTER 29  
OF THE CODE OF LAWS OF SOUTH CAROLINA 1976,  
AS AMENDED

NOTICE IS HEREBY GIVEN that following the filing of a Petition by the County Council (the "County Council") of Georgetown County, South Carolina (the "County") to the State Budget and Control Board of South Carolina (the "State Board"), approval has been given by the State Board to the following undertaking (including changes in any details of said undertaking as finally consummated which do not materially affect said undertaking): (a) the issuance from time to time or at one time, in one or more issues or series, by the County of its refunding revenue bonds in the aggregate principal amount not to exceed \$20,100,000 (the "Bonds") pursuant to Title 4, Chapter 29 of the Code of Laws of South Carolina 1976, as amended (the "Act"), the proceeds of which shall be applied by International Paper Company, a New York corporation (the "Company"), to refund the County's (a) Environmental Improvement Revenue Bonds, 2004 Series A (International Paper Company Project), currently outstanding in the aggregate principal amount of \$7,500,000 (the "Series 2004 Bonds"), (b) Environmental Improvement Revenue Bonds, 2005 Series A (International Paper Company Project), currently outstanding in the aggregate principal amount of \$5,000,000 (the "Series 2005 Bonds"), and (c) Environmental Improvement Revenue Bonds, 2006 Series A (International Paper Company Project), currently outstanding in the aggregate principal amount of \$7,600,000 (the "Series 2006 Bonds" and, together with the Series 2004 Bonds and the Series 2005 Bonds, the "Prior Bonds"). The proceeds of the Prior Bonds were used by the Company to finance the costs of the acquisition, construction, installation and improvement of certain solid waste disposal, wastewater treatment and sewage facilities (the "Project") located at the Georgetown, South

Carolina Mill of the Company; and (b) the execution and delivery of certain documents necessary and/or desirable in connection therewith. Such documents prescribe the terms and conditions under which the Bonds will be issued, describe how the proceeds therefrom shall be applied and provide for the refinancing of the Project by refunding the Prior Bonds. The Company shall agree to pay the principal and purchase price of, premium, if any, and interest on the Bonds under such documents.

NOTICE IS FURTHER GIVEN that any interested party may, at any time within twenty days after the date of publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving such undertaking of the County by action de novo instituted in the Court of Common Pleas for Georgetown County.

STATE BUDGET AND CONTROL BOARD  
OF SOUTH CAROLINA

BY: Delbert H. Singleton, Jr., Secretary

PUBLICATION DATE:

\_\_\_\_ day of April, 2015

Summary of Refinancing Proposal for  
International Paper Company

PRELIMINARY – SUBJECT TO CHANGE

April 2, 2015 (updated on April 16, 2015)

Outstanding bonds proposed to be refinanced	(i) \$7,500,000 Georgetown County, South Carolina Environmental Improvement Revenue Bonds, 2004 Series A (International Paper Company Project), (ii) \$7,600,000 Georgetown County, South Carolina Environmental Improvement Revenue Bonds, 2006 Series A (International Paper Company Project), and (iii) \$5,000,000 Georgetown County, South Carolina Environmental Improvement Revenue Bonds, 2005 Series A (International Paper Company Project)
Average interest rate of bonds refinanced	5.25%
Projected average interest rate of refinancing bonds	2.10%
True interest cost of refinancing bonds	2.10%
Projected net present value savings (net of costs)	\$1.2MM
Projected net present value savings as a percentage of the bonds refinanced	6%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	
Underwriting*	\$40,200 (structuring fee)
Legal fees – bond, disclosure and general counsel	\$150,000 (includes fee estimates for bond counsel, bank counsel and issuer’s counsel)
Rating agency fees	\$0
Advisory fees	\$0
Bond trustee/registrar	\$0
Accounting and verification	\$0
Credit enhancement/bond insurance	\$0
Publication, printing, contingencies and all other expenses	\$0
Total	

\* The refunding bonds will be purchased by a bank in a direct-placement transaction.

Prepared by: McGuireWoods LLP, Bond Counsel  
Date: April 2, 2015 (updated on April 16, 2015)

a.

**A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH UNDERWRITING OF NOT EXCEEDING \$69,500,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE AND REVENUE REFUNDING BONDS (FURMAN UNIVERSITY) SERIES 2015, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED.**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority (the "*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "*Act*"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Economic Development Revenue and Revenue Refunding Bonds (Furman University) Series 2015, in the principal amount of not exceeding \$69,500,000 (the "*Bonds*"), through underwriting which the Authority has determined to be most advantageous; and

**WHEREAS**, the Authority represents to the State Budget and Control Board that the Bonds will be sold by the Authority through underwriting for public distribution thereafter acceptable to the Authority;

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

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

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

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

b.

Summary of Financing Proposal for

**FURMAN UNIVERSITY**

PRELIMINARY – SUBJECT TO CHANGE

April 1, 2015

Bonds proposed to be financed <sup>1</sup>	\$69,500,000 Economic Development Revenue and Revenue Refunding Bonds, Series 2015; Maturing October 1, 2016 to October 1, 2045
Average interest rate of bonds	5.00%
Projected average interest rate of bonds	5.00%
True interest cost of bonds	3.75%
Outstanding bonds proposed to be refinanced	\$40,000,000 Educational Facilities Revenue Bonds, Series 2006A (Furman University); Maturing October 1, 2035, and October 1, 2038
Average interest rate of bonds refinanced	4.91%
Projected net present value savings (net of costs) <sup>2</sup>	\$3,193,000
Projected net present value savings as a percentage <sup>3</sup> of the bonds refinanced	7.9%
Estimated costs (costs as a percentage of bonds)	
Underwriting	\$260,000 (0.40%)
Legal fees – bond, disclosure, issuer and general counsel	\$190,000 (0.29%)
Rating agency fees	\$120,000 (0.18%)
Advisory fees	\$80,000 (.12%)
Bond trustee/registrar	\$10,000 (0.02%)
Accounting and verification	\$10,000 (0.02%)
Credit enhancement/bond insurance	0
Bank, appraisal, surveys, contingency, etc. (including JEDA fees)	\$80,000 (0.12%)
Total	\$750,000 (1.15%)

Submitted by: Haynsworth Sinkler Boyd, P.A.

Date April 1, 2015

<sup>1</sup> Proceeds from Series 2015 Bonds will be used to refinance the Series 2006A Bonds and to finance renovations to residential facilities on the University's campus.

<sup>2,3</sup> Based on 62% of costs of issuance because approximately 62% of the proceeds of the Series 2015 Bonds will be used to refinance the Series 2006A Bonds.

**A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OF NOT EXCEEDING \$67,000,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE AND REVENUE REFUNDING BONDS (PRESBYTERIAN COLLEGE) SERIES 2015, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED.**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority (the "*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "*Act*"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Economic Development Revenue and Revenue Refunding Bonds (Presbyterian College Project) Series 2015, in the principal amount of not exceeding \$67,000,000 (the "*Bonds*"), in one or more series, through private sale which the Authority has determined to be most advantageous; and

**WHEREAS**, the Authority represents to the State Budget and Control Board that the Bonds will be sold by the Authority through private sale thereafter acceptable to the Authority;

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

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

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

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



Summary of Financing Proposal for

**PRESBYTERIAN COLLEGE**

PRELIMINARY – SUBJECT TO CHANGE

April 2, 2015

Bonds proposed to be financed <sup>1</sup>	\$67,000,000 Economic Development Revenue and Revenue Refunding Bonds, Series 2015; amortizing with a final maturity of June 1, 2046
Average interest rate of bonds	3.00% (for 10 year term)
Projected average interest rate of bonds <sup>2</sup>	3.00% (for 10 year term)
True interest cost of bonds <sup>3</sup>	3.06%
Outstanding bonds proposed to be refinanced	\$23,500,000 Educational Facilities Authority for Private Nonprofit Institutions of Higher Learning Education Facilities Revenue Bond (Presbyterian College Project) Series 2009; the \$3,550,000 Educational Facilities Authority for Private Nonprofit Institutions of Higher Learning Educational Facilities Refunding Revenue Bond (Presbyterian College Project) Series 2010; and the \$7,871,000 South Carolina Jobs-Economic Development Authority Economic Development Revenue Bond (Presbyterian College Project), Series 2011
Average interest rate of bonds refinanced	The Series 2009 Bond and the Series 2011 Bond have a floating rate of interest (currently at 1.76% including bank spread). The Series 2010 Bond bears a fixed rate of 3.32% that expires August 12, 2015 and converts to floating rate of interest which would be 1.76%. The College will restructure the Bonds and fix the rate on a consolidated bond issue for a term of 10 years.
Projected net present value savings (net of costs)	(\$4,162,000) <sup>4</sup>
Projected net present value savings as a percentage of the bonds refinanced	(12.6%)

<sup>1</sup> Proceeds from the Series 2015 Bonds will be used to (i) refinance the Series 2009 Bond, the Series 2010 Bond and the 2011 Bond and (ii) finance renovations to an academic building, construction of student housing and construction and renovation of academic buildings.

<sup>2</sup> Based on 49% of costs of issuance because approximately 49% of the proceeds of the Series 2015 Bonds will be used to refinance the Series 2009 Bond, the Series 2010 Bond and the Series 2011 Bond.

<sup>3</sup> Based on 49% of costs of issuance because approximately 49% of the proceeds of the Series 2015 Bonds will be used to refinance the Series 2009 Bond, the Series 2010 Bond and the Series 2011 Bond.

<sup>4</sup> Financing is to reduce interest rate volatility for a longer period and have more fixed interest rate exposure in the client portfolio.

Estimated costs (costs as a percentage of bonds)

Underwriting	0
Legal fees – bond, disclosure and general counsel	\$120,000 (0.36%)
Rating agency fees	0
Advisory fees	\$35,000 (0.10%)
Bond trustee/registrar	0
Accounting and verification	0
Credit enhancement/bond insurance	0
Bank, appraisal, surveys, contingency, etc.	\$45,000 (0.13%)
Total	\$200,000 (0.59%)

Prepared by Tripp Robinson, of First Tryon Advisors  
Date April 2, 2015



TRIPP ROBINSON, Managing Director  
1355 Greenwood Cliff, Suite 400  
Charlotte, NC 28204  
Office: (704) 926-2449  
Email: trobinson@firsttryon.com

To: Delbert Singleton, Jr.  
SC Budget & Control Board

From: Tripp Robinson  
First Tryon Advisors, LLC

Subject: Presbyterian College  
Series 2015 Economic Development Revenue Bonds

Date: April 16, 2015

Our firm is serving as Financial Advisor to Presbyterian College on behalf of its upcoming issuance of Economic Development Revenue Bonds. The first bond transaction will refund the College's existing bonds and is expected to convert the rate of interest from primarily one of variable rate into a fixed rate instrument. The College acknowledges the higher rate of interest that will result on its debt and that it produces "negative savings" when compared to today's low variable rates and has planned accordingly. The College has benefitted by having the majority of its debt in a floating rate mode for the past six years during a period of unprecedented monetary easing. Because of the low rates, the College has been able to redirect funds normally used for debt service into other key areas of its operating budget. However, the College recognizes that with the improving economy and statements from the Federal Reserve that this historic period of low rates is nearing its end. The Federal Reserve intends to raise short-term rates later this year; as such, the College wants to position its debt portfolio and rebalance the mix in anticipation of a future higher interest rate environment. In February 2015 the College's Board of Trustees adopted a resolution in support of the upcoming borrowing and restructuring of existing debt.

The rationale for the transaction is threefold:

- 1) Alter the composition of its aggregate debt portfolio from predominantly floating rate to a more balanced mix of both fixed and floating rates (this action will be accomplished both through the issuance of the Series 2015 and Series 2016 bonds). Having more of its debt in a fixed rate mode will enable the College to reduce volatility and improve the budgeting for debt service and long-term forecasting.
- 2) Extend the terms of the existing bank facility arrangements. The bank commitment on \$25 million of the College's existing \$33 million of debt is due to expire in August 2015. The College seeks to extend the terms for at least 10 years to have greater certainty on its indebtedness and reduce bank renewal frequency and risk.
- 3) Consolidate the three existing bonds into a single instrument. The College will be able to improve efficiency in administering its debt portfolio with a single bond and accompanying legal documents and eliminate ancillary fees on maintaining multiple debt obligations.

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

A RESOLUTION

APPROVING THE UNDERTAKING OF THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY TO ISSUE NOT EXCEEDING \$15,000,000 SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY ECONOMIC DEVELOPMENT REVENUE BONDS (UNIVERSITY MEDICAL ASSOCIATES PROJECT) SERIES 2015; TO BE ISSUED IN ONE OR MORE SERIES PURSUANT TO TITLE 41, CHAPTER 43, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED.

WHEREAS, heretofore the South Carolina Jobs-Economic Development Authority (the "Authority"), did, pursuant to Title 41, Chapter 43, Code of Laws of South Carolina 1976, as amended (the "Act"), petition the State Budget and Control Board of South Carolina (the "State Board") seeking the approval of the State Board for an undertaking by the Authority pursuant to the Act; and

WHEREAS, University Medical Associates of The Medical University of South Carolina (the "Borrower"), a South Carolina nonprofit, non-stock membership corporation which promotes and supports the mission and purposes of The Medical University of South Carolina, has applied to the Authority to issue not exceeding \$15,000,000 South Carolina Jobs-Economic Development Authority Economic Development Revenue Bonds (University Medical Associates Project) Series 2015 (the "Bonds") in one or more series for the following purposes: (i) to acquire Parkshore Centre located at One Poston Road in the City of Charleston, South Carolina and the County of Charleston, South Carolina to be used for administrative functions of the Borrower, including accounting and billing; and (ii) to pay certain fees and expenses or other amounts which may be incurred in connection with the issuance of the Bonds (collectively, the "Project"); and

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

1. It has been found and determined by the State Board that the Authority has filed a proper petition with the State Board in accordance with the provisions of the Act and that it has made the findings required by the Act.
2. On the basis of the foregoing findings, the issuance of the Bonds to finance the Project in an aggregate principal amount not to exceed \$15,000,000 through a private placement to a large financial institution be and the same are hereby approved, including changes in the details of said financing which do not materially affect the undertaking of the Authority.
3. This Resolution shall take effect immediately.

Summary of Financing Proposal for  
 South Carolina Jobs-Economic Development Authority  
 Economic Development Revenue Bonds  
 (University Medical Associates Project)  
 Series 2015

PRELIMINARY – SUBJECT TO CHANGE\*

April 15, 2015

Bonds proposed to be financed	Not Exceeding \$15,000,000 South Carolina Jobs-Economic Development Authority Economic Development Revenue Bonds (University Medical Associates Project)
Average interest rate of bonds	Preliminary indication from Wells Fargo, N.A. / 2.79% fixed for 10 years
Projected average interest rate of bonds	See above
True interest cost of bonds	See above
Estimated costs (costs as a percentage of bonds)	1.71%
Underwriting	\$0 – Private Placement with Wells Fargo, N.A.
Commitment Fee	\$22,500
Legal fees – bond, disclosure and general counsel	Legal fees for this transaction are to be determined by multiplying the number of hours spent times the hourly rate of the applicable billing professional. Estimated Bond Counsel \$120,000; estimated Bank Counsel \$75,000; General Counsel is an employee of UMA; Disclosure Counsel \$0.
Rating agency fees	\$0
Advisory fees	\$35,000 flat fee
Bond trustee/registrar	\$5,000
Accounting and verification	\$0
Credit enhancement/bond insurance	\$0
Publication, printing, contingencies and all other expenses	\$0
Total	\$257,000

Prepared by Rion D. Foley, Esquire, McNair Law Firm, P.A.

Date April 15, 2015

\*Estimates and other data were taken from various transaction participants.

*d.*

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY NOT EXCEEDING \$8,750,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS (WATSON ENGINEERING, INC. PROJECT), PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43 OF THE SOUTH CAROLINA CODE OF LAWS 1976, AS AMENDED, AND SPECIFICALLY SECTION 41-43-110 THEREOF.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Title 41, Chapter 43 of the South Carolina Code of Laws 1976, as amended, and specifically Section 41-43-110 thereof, (the "Act") requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Economic Development Revenue Bonds (Watson Engineering, Inc. Project), from time to time in one or more series in the aggregate principal amount of not exceeding \$8,750,000 (the "Bonds") through a negotiated private sale; and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be limited obligations of the Authority payable solely from loan repayments received by the Authority from Watson Engineering, Inc., a corporation organized and existing under the laws of the State of Michigan, and that a financial institution acceptable to the Authority shall purchase the Bonds in a negotiated private sale, which may include a public or private reoffering thereafter.

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

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

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through a negotiated private sale or sales for a public or private reoffering thereafter, be and the same is hereby in all respects approved, including changes in the details of said financing which do not materially affect the undertaking of the Authority.

Section 3. This Resolution shall take effect immediately.

e.

Summary of Financing and Refinancing Proposal for  
South Carolina Economic Development Authority  
Related to  
Economic Development Revenue Bonds  
(Watson Engineering, Inc. Project), Series 2015

PRELIMINARY – SUBJECT TO CHANGE

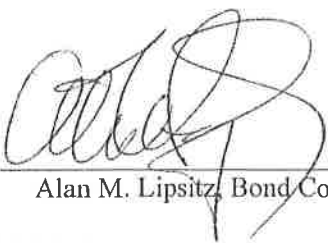
April 17, 2015

Bonds proposed to be financed ( including new money and refinancing)	<p>\$8,750,000 (\$5,415,000 new money portion and \$3,335,000 refinancing portion) South Carolina Jobs-Economic Development Authority, Economic Development Revenue Bonds (Watson Engineering, Inc. Project), Series 2015.</p> <p>The bonds (new money and refinancing) are anticipated to have one maturity (anticipated to be 10-15 years) with to be determined principal repayment installments.</p>
Projected average interest rate of bonds (including new money and refinancing)	<p>Anticipated to be a variable rate to be established by the purchaser of the bonds (new money and refinancing), based on market indices, such as LIBOR (anticipated range 1.52% to 5.60%).</p>
True interest cost of bonds (including new money and refinancing)	<p>Anticipated to be 3.01%.</p>
	<p>\$7,700,000 South Carolina Jobs-Economic Development Authority Variable Rate Demand Economic Development Revenue Bonds (Watson Engineering, Inc. Project), Series 2007, of which \$3,335,000 are currently outstanding.</p> <p>Refinanced bonds mature on September 1, 2027 and are currently subject to mandatory optional redemption as required from time to time by the Letter of Credit provider.</p>
Average interest rate of bonds refinanced	<p>Variable Rate, resets weekly based on prevailing market conditions (historical range 0.08% to 5.00%), plus a Letter of Credit Fee in the current amount of 1.50% per annum.</p>
Projected net present value savings of bonds refinanced (net of costs)	<p>Anticipated to be \$461,948. The refinancing bonds will not require payment to a remarketing agent or a bond trustee and will not be subject to non-renewal of, or increased pricing associated with, a letter of credit (all of the above of which are applicable to the refinanced bonds), thereby producing certain of the anticipated savings and minimizing risks.</p>

Projected net present value savings as a percentage of the bonds refinanced	Anticipated to be 7.20%
Estimated costs, except bond counsel fees, ratably allocated to new money and refinancing bonds (costs as a percentage of new money and refinancing bonds, costs as a percentage of refinancing savings)	
Conduit issuer fees	
Application fee	\$1,000
	New Money Portion - \$620.00 (0.0114% of New Money Portion of bonds)
	Refinancing Portion - \$380.00 (0.0114% of Refinancing Portion of Bonds)
	Refinancing Costs as a Percentage of Refinancing Savings - 0.0820%
Other fees	\$10,938
	New Money Portion - \$6,782 (0.1250% of New Money Portion of bonds)
	Refinancing Portion - \$4,156 (0.1250% of Refinancing Portion of bonds)
	Refinancing Costs as a Percentage of Refinancing Savings - 0.899%
Underwriting fees*	\$0
Legal fees	
Bond counsel	\$35,000
	New Money Portion -\$20,000 (0.369% of New Money Portion of bonds)
	Refinancing Portion - \$15,000 (0.449% of Refinancing Portion of bonds)
	Refinancing Costs as a Percentage of Refinancing Savings - 3.247%
Issuer's counsel	\$7,500
	New Money Portion - \$4,650 (0.0857% of New Money Portion of bonds)
	Refinancing Portion - \$2,850 (0.0857% of Refinancing Portion of bonds)
	Refinancing Costs as a Percentage of Refinancing Savings - 0.617%
Disclosure counsel	\$0



All other legal fees (Bank counsel Est.)	\$25,000
	New Money Portion \$15,500 (0.286% of New Money Portion of bonds)
	Refinancing Portion \$9,500 (0.286% of Refinancing Portion of bonds)
	Refinancing Costs as a Percentage of Refinancing Savings – 2.057%
Rating agency fees	\$0
Advisory fees	\$0
Bond trustee/registrar	\$0
Credit enhancement/bond insurance	\$0
Bank Structuring Fee	\$15,000%
	New Money Portion - \$9,300 (0.171% of New Money Portion of bonds)
	Refinancing Portion - \$5,700 (0.171% of Refinancing Portion of bonds)
	Refinancing Costs as a Percentage of Refinancing Savings – 1.234%
Total	\$94,438
	New Money Portion - \$58,552 (1.048% of New Money Portion of bonds)
	Refinancing Portion – \$35,886 (1.128% of Refinancing Portion of bonds)
	Refinancing Costs as a Percentage of Refinancing Savings – 8.136%

Prepared by:   
 Alan M. Lipsitz, Bond Counsel

Date: April 17, 2015

NOTE: Interest rates and present value savings provided by PNC Bank.

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AGENCY: Executive Director

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SUBJECT: Economic Development (2015 Ceiling Allocations)

The initial balance of the 2015 state ceiling allocation is \$483,248,200. In accord with Code Section 1-11-520, \$193,299,280 (40% of the total) was designated as the state pool and \$289,948,920 (60% of the total) was designated as the local pool. There is presently a state ceiling balance of \$483,248,200 remaining for 2015. Allocation requests for 2015 totaling \$8,750,000 have been received thus far.

Relating to requests for calendar year 2015 ceiling allocations, the Board is asked to authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

The recommendation from the Department of Commerce for allocation for this cycle total \$8,750,000. The Department of Commerce makes the following recommendation:

From the local pool:

JEDA, Watson Engineering, Inc., (Anderson County) \$8,750,000.

If the Board approves the recommended request, this will leave an unexpended state ceiling balance of \$474,498,200 (state pool - \$193,299,280; local pool - \$281,198,920) to be allocated later in the calendar year.

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BOARD ACTION REQUESTED:

1) In accord with Code Section 1-11-500 et seq. and upon the recommendation of the Department of Commerce, grant the following tentative ceiling allocation from the local pool:

JEDA, Watson Engineering, Inc., (Anderson County) \$8,750,000.

2) Authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

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ATTACHMENTS:

2015 Ceiling Allocation Requests; Young 04/21/15 Memo; Code Section 1-11-500 et seq.

2015 Ceiling Allocation Requests

	Recd.	Issuing Authority	Project	Request	Cumulative	Bond Counsel	Request	Alloc StLaw	Location	NOTES
1	04/07/15	JEDA	Watson Engineering, Inc.	8,750,000	8,750,000	Alan M. Lipsitz	X	X	Anderson County	

**2015 South Carolina State Ceiling Allocations**

**Summary, CY 2015**

2015 State Ceiling **483,248,200**  
 Initial Allocations 8,750,000  
 Expired/Relinquished 0  
 Actual Allocations **8,750,000**  
 Certified for Issue 0  
 Carried Forward 0

**Balance Available: 474,498,200**

Issuer	Name of Project	Allocation Amount	Expired/ Relinquished	Certified for Issue	Issue Date	Attorney
<b>Allocation: 04/28/15 Expiration: 07/27/15</b>						
JEDA	Watson Engineering, Inc.	8,750,000				Lipsitz

**2015 South Carolina State Ceiling**  
**Balance remaining as of April 28, 2015, if ceiling allocation granted**

State Pool (40%) 193,299,280  
 Total State Pool (40%) 193,299,280  
 Local Pool (60%) 289,948,920  
 Total Local Pool (60%) 289,948,920  
**Certified State Ceiling 2015 483,248,200**

Date	Governmental Unit	Name of Project	Pool Total	Amount Allocated	Balance Available	Certified for Issue	Issue Date	Attorney
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01/02/15	STATE POOL		193,299,280					
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<b>TOTAL, STATE POOL</b>			<b>193,299,280</b>	<b>0</b>	<b>193,299,280</b>	<b>0</b>		
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01/02/15	LOCAL POOL		289,948,920					
04/28/15	JEDA	Watson Engineering, Inc.		8,750,000				

<b>TOTAL, LOCAL POOL</b>			<b>289,948,920</b>	<b>8,750,000</b>	<b>281,198,920</b>	<b>0</b>		
<b>GRAND TOTAL</b>			<b>483,248,200</b>	<b>8,750,000</b>	<b>474,498,200</b>	<b>0</b>		

Nikki R. Haley  
Governor

**SOUTH CAROLINA**  
DEPARTMENT OF COMMERCE

Robert M. Hitt III  
Secretary

**MEMORANDUM**

To: Delbert Singleton

From: Daniel Young *ADY*

Date: April 21, 2015

Re: April 28, 2015 meeting

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Upon the request of the Budget & Control Board, the South Carolina Department of Commerce evaluates allocation requests that pertain to economic development.

After reviewing the information provided by the law firm of Nexsen Pruet, LLC the Department of Commerce recommends approval of Economic Development bonds at the April 21, 2015, Budget & Control Board meeting. The company is committing to create 30 new jobs within 24 months.

Name	Amount	Score	County
Watson Engineering	\$8,750,000	4	Anderson

Please let me know if you have any questions.

Thank you.

## ARTICLE 3.

### ALLOCATION OF STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

#### **SECTION 1-11-500.** Calculation and certification of state ceiling.

The state ceiling on the issuance of private activity bonds as defined in Section 146 of the Internal Revenue Code of 1986 (the Code) established in the act must be certified annually by the Budget and Control Board secretary based upon the provisions of the act. The board secretary shall make this certification as soon as practicable after the estimates of the population of the State of South Carolina to be used in the calculation are published by the United States Bureau of the Census but in no event later than February first of each calendar year.

#### **SECTION 1-11-510.** Allocation of bond limit amounts.

- (A) The private activity bond limit for all issuing authorities must be allocated by the board in response to authorized requests as described in Section 1-11-530 by the issuing authorities.
- (B) The aggregate private activity bond limit amount for all South Carolina issuing authorities is allocated initially to the State for further allocation within the limits prescribed herein.
- (C) Except as is provided in Section 1-11-540, all allocations must be made by the board on a first-come, first-served basis, to be determined by the date and time sequence in which complete authorized requests are received by the board secretary.

#### **SECTION 1-11-520.** Private activity bond limits and pools.

- (A) The private activity bond limit for all state government issuing authorities now or hereafter authorized to issue private activity bonds as defined in the act, to be known as the "state government pool", is forty percent of the state ceiling less any amount shifted to the local pool as described in subsection (B) of this section or plus any amount shifted from that pool.
- (B) The private activity bond limit for all issuing authorities other than state government agencies, to be known as the "local pool", is sixty percent of the state ceiling plus any amount shifted from the state government pool or less any amount shifted to that pool.
- (C) The board, with review and comment by the Joint Bond Review Committee, may shift unallocated amounts from one pool to the other at any time.

#### **SECTION 1-11-530.** Authorized requests for allocation of bond limit amounts.

- (A) For private activity bonds proposed for issue by other than state government issuing authorities, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a copy of the Inducement Contract, Inducement Resolution, or other comparable preliminary approval entered into or adopted by the issuing authority, if any, relating to the bonds. The board shall forward promptly to the committee a copy of each petition received.
- (B) For private activity bonds proposed for issue by any state government issuing authority, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a bond resolution or comparable action by the issuing authority authorizing the issuance of the bonds. The board shall forward promptly to the committee a copy of each petition received.
- (C) Each authorized request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project.

**SECTION 1-11-540.** Limitations on allocations.

(A) The board, with review and comment by the committee, may disapprove, reduce, or defer any authorized request. If it becomes necessary to exercise this authority, the board and the committee shall take into account the public interest in promoting economic growth and job creation.

(B) Authorized requests for state ceiling allocations of more than ten million dollars for a single project are deferred until after July first unless the board, after review and comment by the committee, determines in any particular instance that the positive impact upon the State of approving an allocation of an amount greater than ten million dollars is of such significance that approval of the allocation is warranted.

**SECTION 1-11-550.** Certificates by issuing authority and by board.

(A) An allocation of the state ceiling approved by the board is made formal initially by a certificate which allocates tentatively a specific amount of the state ceiling to the bonds for which the allocation is requested. This tentative allocation certificate must specify the state ceiling amount allocated, the issuing authority and the project involved, and the time period during which the tentative allocation is valid. This certificate must remind the issuing authority that the tentative allocation is made final after the issuing authority chairman or other duly authorized official or agent of the issuing authority, before the issue is made, certifies the issue amount and the projected date of issue, as is required by subsection (B) of this section. It also may include other information considered relevant by the board secretary.

(B) The chairman or other authorized official or agent of an issuing authority issuing any private activity bond for which a portion of the state ceiling has been allocated tentatively shall execute and deliver to the board secretary an issue amount certificate setting forth the exact amount of bonds to be issued and the projected bond issue date which date must not be more than ten business days after the date of the issue amount certificate and it must be before the state ceiling allocation involved expires. The issue amount certificate may be an executed copy of the appropriate completed Internal Revenue Service form to be submitted to the Internal Revenue Service on the issue or it may be in the form of a letter which certifies the exact amount of bonds to be issued and the projected date of the issue.

(C) In response to the issuing authority's issue amount certificate required by subsection (B) of this section, the board secretary is authorized to issue and, as may be necessary, to revise a certificate making final the ceiling allocation approved previously by the board on a tentative basis, if the secretary determines that:

- (1) the issuing authority's issue amount certificate specifies an amount not in excess of the approved tentative ceiling allocation amount;
- (2) the issue amount certificate was received prior to the issue date projected and that the certificate is dated not more than ten days prior to the issue date projected;
- (3) the issue date projected is within the time period approved previously for the tentative ceiling allocation; and
- (4) the bonds when issued and combined with the total amount of bonds requiring a ceiling allocation included in issue amount certificates submitted previously to the board by issuing authorities do not exceed the state ceiling for the calendar year. Except under extraordinary circumstances, the board secretary shall issue this certificate within two business days following the date the issue amount certificate is received.

(D) In accordance with Section 149(e)(2)(F) of the Code, the secretary of the Budget and Control Board is designated as the state official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(E) Any tentative or final state ceiling allocation granted by the board before the effective date of this act remains valid as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. The allocations expire in accordance with the regulations under which they were granted or extended and their validity may be extended or reinstated in accordance with the provisions of Sections 1-11-500 through 1-11-570.



**SECTION 1-11-560. Time limits on allocations.**

(A) Any state ceiling allocation approved by the board is valid only for the calendar year in which it is approved, unless eligible and approved for carry-forward election or unless specified differently in the board certificates required by Section 1-11-550.

(B) Unless eligible and approved for carry-forward election or unless specified differently in board certificates required by Section 1-11-550, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the board.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one consecutive calendar days to a total of not more than one hundred twenty-one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the board may reinstate for a period of not more than thirty-one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 1-11-550 to the board secretary before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the board secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the board's records by the board secretary.

(G) Ceiling allocations which are eligible and approved for carry-forward election are not subject to the validity limits of this section. The board shall join with the issuing authorities involved in carry-forward election statements to meet the requirements of the Internal Revenue Service.

STATE BUDGET AND CONTROL BOARD  
MEETING OF April 28, 2015

REGULAR SESSION  
ITEM NUMBER 1

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AGENCY: Patriots Point Development Authority

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SUBJECT: Extension Request for Repayment of Interagency Loan

The Patriots Point Development Authority requests the Board approve an extension of the intergovernmental loan originally made to the Authority in June of 2009. The purpose of the loan was to make emergency repairs to the USS Laffey. Repayment of the loan was originally due on December 1, 2010. The Board extended the loan for a two year period in May of 2011 and for a two year period in May of 2013. To date, Patriots Point has paid \$500,000.00 in principal and approximately \$400,000.00 in interest. As reflected in a letter dated April 16, 2015 from the State Treasurer's Office to Patriots Point, the total debt service due is \$9,004,082.88, consisting of \$8,700,000.00 in principal and \$304,082.88 in interest.

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BOARD ACTION REQUESTED:

Consider approving the Patriots Point Development Authority's request for an extension of the interagency loan.

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ATTACHMENTS:

Letter dated April 23, 2015, from Patriots Point to Budget and Control Board; Letter dated April 16, 2015, from State Treasurer's Office to Patriots Point

# PATRIOTS POINT

\* HOME OF THE USS YORKTOWN \*

April 23, 2015

Ms. Marcia Adams  
Executive Director  
State Budget and Control Board  
Columbia, South Carolina

Dear Ms. Adams,

On behalf of the Patriots Point Development Authority Board, I am requesting that the Patriots Point Development Authority be placed on the State Budget and Control Board agenda for April 28, 2015 for the purpose of requesting a six month extension on repayment of the loan for the restoration of the USS Laffey.

This extension, if approved, will allow the Patriots Point Development Authority Board to complete the negotiation of a new lease on sixty one acres of land at Patriots Point, which will provide a significant increase in revenue. Upon completion and approval of the lease, the agency will submit a loan repayment plan and repayment term to the appropriate approval authority for principal and interest, prior to the end of the six month extension.

The agency also proposes to remit a payment of \$500,000 by June 1, 2015 for interest that has accrued over the past two years, with the remainder of the payment applied to the principal balance of the loan.

The cost of restoration of the USS Laffey was \$11,901,642. Patriots Point borrowed \$9.2 million from the State. Over the past six years we have allocated almost \$3 million in cash above the loan amount, for the cost of restoration of the ship, and we have repaid \$500,000 in principal and another \$391,000 in interest on the loan. Our commitment to the repayment of this obligation is without reservation. Our business plans envision a program of tenant leases and operational revenue that will ensure that the tax payers of South Carolina will never be obligated to pay for the maintenance and operation of these historic ships which benefit all of our State's citizens.

Thank you for your very kind consideration and assistance.

Sincerely,



R. Mac Burdette  
Executive Director  
Patriots Point Development Authority

CC: Ray Chandler, Chairman

40 Patriots Point Road, Mt. Pleasant, South Carolina 29464

843-884-2727

[www.patriotspoint.org](http://www.patriotspoint.org)

**THE HONORABLE CURTIS M. LOFTIS, JR.**  
State Treasurer

April 16, 2015

Mr. R. Mac Burdette  
Executive Director  
Patriots Point  
40 Patriots Point Road  
Mount Pleasant, South Carolina 29464-4377

Dear Mr. Burdette:

Principal and interest on the loan made pursuant to that certain Interagency Agreement executed by and between Patriot's Point Development Authority, the South Carolina State Budget and Control Board, and the State Treasurer of South Carolina on June 30, 2009, and extended in May, 2011 and May 2013, will become due on May 1, 2015. The total debt service due that date is \$9,004,082.88, consisting of \$8,700,000 in principal and \$304,082.88 in interest.

Please contact us at your earliest convenience to coordinate delivery of this payment.

Very truly yours,



F. Richard Harmon, Jr.  
Senior Assistant State Treasurer

c: The Honorable Curtis M. Loftis, Jr.  
Mrs. Marcia S. Adams

STATE BUDGET AND CONTROL BOARD  
MEETING OF April 28, 2015

REGULAR SESSION  
ITEM NUMBER 2

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AGENCY: MUSC/Public Employee Benefit Authority, Employee Insurance Program

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SUBJECT: Update – MUSC’s Patient Centered Medical Home (PCMH) Pilot Project

The Board will receive an update on MUSC’s Patient Centered Medical Home (PCMH) pilot project.

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BOARD ACTION REQUESTED:

Receive as information.

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ATTACHMENTS:

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AGENCY: Executive Budget Office

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SUBJECT: Airplane Acquisition

Code Section 1-11-405 states that no aircraft may be purchased, leased, or lease-purchased for more than a thirty-day period by any state agency without the prior authorization of the Budget and Control Board and the Joint Bond Review Committee. Clemson University requests approval to purchase an aircraft to serve the needs of its Athletic Department.

Clemson Athletics currently owns and operates one aircraft, a 1998-model King Air C90-B airplane. Historically, Clemson has owned two aircraft for Athletic Department and university use. However, one of the aircraft, a 1977 Commander 690B, was sold in 2011 due to increasing maintenance needs and difficulty securing replacement parts. Since then, Clemson has been conducting business using only one aircraft supplemented by charter services. The demand for the existing aircraft is very high, and the unpredictable nature of recruiting schedules makes charter flights both difficult to schedule and expensive. The purchase of an additional aircraft would allow the department to be more cost-efficient for longer haul trips than the existing aircraft or charter options.

Clemson is proposing the purchase of a 2006 or newer Citation CJ2+. This is a turbo fan jet aircraft that seats up to 8 passengers and flies at speeds significantly faster than the agency's existing aircraft. This aircraft will be more efficient for medium and long distance travel, has low operating costs compared to other aircraft, and will require only one additional staff pilot. These aircraft are also readily available in the used aircraft market.

The target cost of the aircraft is \$4.5 million. IPTAY has committed \$4.5 million for the purchase of the aircraft, and if the purchase price exceeds \$4.5 million the university has the opportunity to request additional funds from IPTAY. If IPTAY funds are not available for the entire purchase amount, athletic revenues will be used to make up the difference. As the plane will be used primarily for athletics, the athletics department will pay all operations and maintenance costs from athletic revenues. Annual fixed costs for pilot salaries, insurance and overhead are estimated at \$330,289 and annual direct costs per hour for fuel, maintenance and engine overhauls are estimated at \$379,126 annually.

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BOARD ACTION REQUESTED:

Consider authorizing Clemson University to purchase an airplane.

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ATTACHMENTS:

Agenda item worksheet; Letter from Clemson dated April 2, 2015; Market Price Summary for Citation CJ2+



## BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

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Meeting Scheduled for: April 28, 2015

Regular Agenda

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**1. Submitted by:**

(a) Agency: Executive Budget Office

(b) Authorized Official Signature:

\_\_\_\_\_  
Brenda Hart, Director

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**2. Subject: Aircraft Acquisition**

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**3. Summary Background Information:**

Code Section 1-11-405 states that no aircraft may be purchased, leased, or lease-purchased for more than a thirty-day period by any state agency without the prior authorization of the Budget and Control Board and the Joint Bond Review Committee. Clemson University requests approval to purchase an aircraft to serve the needs of its Athletic Department.

Clemson Athletics currently owns and operates one aircraft, a 1998-model King Air C90-B airplane. Historically, Clemson has owned two aircraft for Athletic Department and university use. However, one of the aircraft, a 1977 Commander 690B, was sold in 2011 due to increasing maintenance needs and difficulty securing replacement parts. Since then, Clemson has been conducting business using only one aircraft supplemented by charter services. The demand for the existing aircraft is very high, and the unpredictable nature of recruiting schedules makes charter flights both difficult to schedule and expensive. The purchase of an additional aircraft would allow the department to be more cost-efficient for longer haul trips than the existing aircraft or charter options.

Clemson is proposing the purchase of a 2006 or newer Citation CJ2+. This is a turbo fan jet aircraft that seats up to 8 passengers and flies at speeds significantly faster than the agency's existing aircraft. This aircraft will be more efficient for medium and long distance travel, has low operating costs compared to other aircraft, and will require only one additional staff pilot. These aircraft are also readily available in the used aircraft market.

The target cost of the aircraft is \$4.5 million. IPTAY has committed \$4.5 million for the purchase of the aircraft, and if the purchase price exceeds \$4.5 million the university has the opportunity to request additional funds from IPTAY. If IPTAY funds are not available for the entire purchase amount, athletic revenues will be used to make up the difference. As the plane will be used primarily for athletics, the athletics department will pay all operations and maintenance costs from athletic revenues. Annual fixed costs for pilot salaries, insurance and overhead are estimated at \$330,289 and annual direct costs per hour for fuel, maintenance and engine overhauls are estimated at \$379,126 annually.

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

Authorize Clemson to purchase an airplane.

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

Consider authorizing Clemson to purchase an airplane.

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**6. Recommendation of other Division/Agency (as required)?**

- (a) Authorized Signature: \_\_\_\_\_  
(b) Division/Agency Name: \_\_\_\_\_
- 

**7. List of Supporting Documents:**

1. Letter from Clemson, dated April 2, 2015
2. Market Price Summary for Citation CJ2+



April 2, 2015

Ms. Allyn Powell  
Manager, Capital Budgeting  
Executive Budget Office  
1205 Pendleton Street, Suite 529  
Columbia, SC 29201

Dear Ms. Powell:

Clemson University requests approval from the Budget and Control Board and the Joint Bond Review Committee to acquire an aircraft under the provisions of SC Code Section 1-11-405. The proposed aircraft acquisition, description, justification, cost, source of funding, and other relevant information are provided below.

Historically, Clemson has owned two aircraft for Athletic Department and university use. In 2011, one of the aircraft, a 1977 model Commander 690B, was sold due to the unavailability of replacement parts and the need for a major overhaul. At the same time, one of the university's pilots retired. Due to the unavailability of replacement parts and the desire not to replace the retired pilot at that time, Clemson chose to conduct business with one plane and the use of charter services.

Clemson Athletics currently owns and operates one aircraft, a 1998-Model King Air C90-B airplane. The existing aircraft is used primarily by the Athletic Department. The increasing high demand for this aircraft and the unpredictability of usage has created an environment where the Athletic Department and the university would benefit from purchasing an additional aircraft. Specifically, sudden flight changes and the unpredictable nature of coaches' recruiting schedules support the need for an additional university-owned aircraft. This additional aircraft would allow the department to be more cost-efficient for longer haul trips than our existing aircraft and would result in reducing and nearly eliminating the need for private charters.

Considering that Clemson's primary aircraft use is, and will continue to be, for the Athletic Department, our initial assessment regarding aviation services considered the following:

1. Availability and distance of charter services
2. Predictability of travel requirements
3. Ability for short notice changes
4. Cost of operations vs. charter service fees
5. Potential cost of acquisition
6. Availability of funds

Powell Letter  
Page 2  
April 2, 2015

Taking these factors into consideration, the Athletic Department conducted an assessment of the used aircraft market place to find the appropriate aircraft to meet the university's needs within our budget. As a result, we conclude that a 2006 or newer Citation CJ2+ would be the best selection for a new aircraft. This aircraft is a turbo fan jet that seats up to 8 passengers and flies at speeds significantly faster than the King Air. This aircraft is efficient for medium and long distance travel, has comparatively low operating costs, has a reputation for reliability within the aviation industry, and will only require one additional staff pilot. The Citation CJ2+ is also readily available in the used aircraft market (see Appendix 1 for Market Summary information).

The exact airplane and costs associated with its purchase has not been determined as approval to make a specific offer on a specific plane requires approval from the Budget and Control Board and the Joint Bond Review Committee. Upon approval from both JBRC and the Budget and Control Board, we will engage an aviation broker service to analyze and evaluate current available aircraft based on age, price, total hours flown, maintenance schedules, etc., and make the purchase for us, based upon our parameters.

IPTAY has committed \$4.5 million for the purchase the new aircraft. If the purchase price exceeds \$4.5 million, the Athletic Department has the opportunity to request additional funds from IPTAY. If additional IPTAY funds are not available, the amount above \$4.5 million will be provided from athletic revenues.

As the plane will be used primarily for athletics, the Athletic Department will pay all operations and maintenance costs from athletic revenues, as it does for the existing plane. Annual fixed costs for pilots' salaries, insurance and overhead are estimated at \$330,289 and annual direct costs per hour for fuel maintenance and engine overhaul, based on 365 hours, are estimated at \$379,126, totaling \$709,415 annually.

Please let me know if you need additional information in preparing this item for approval.

Sincerely,



Graham Neff  
Associate Director of Athletics / CFO

Attachments

## Appendix 1: Market Summary

### Market Summary for CITATION/CJ2+ Market Summary (Aircraft Available For Sale)

	14-Aug	14-Sep	14-Oct	14-Nov	14-Dec	15-Jan	Average
<b>Aircraft for Sale</b>	15	12	11	11	12	13	12
<b>For Sale by End User</b>	6	4	4	4	5	5	5
<b>For Sale w/ Exclusive Broker</b>	5	5	3	3	3	3	4
<b>For Sale with Dealer</b>	4	3	4	4	4	5	4
<b>Domestic</b>	6	4	4	4	5	6	5
<b>International</b>	9	8	7	7	7	7	8
<b>Average Asking Price</b>	\$ 4,514,038	\$ 4,436,758	\$ 4,862,051	\$ 4,770,663	\$ 4,944,854	\$ 4,887,711	\$ 4,736,013
<b>High Asking Price</b>	\$ 5,950,000	\$ 5,950,000	\$ 5,950,000	\$ 5,950,000	\$ 5,950,000	\$ 5,950,000	\$ 5,950,000
<b>Low Asking Price</b>	\$ 3,510,000	\$ 3,510,000	\$ 3,510,000	\$ 3,450,000	\$ 3,450,000	\$ 3,250,000	\$ 3,446,667
<b>Average Year</b>	2009	2008	2009	2009	2010	2010	2009
<b>Average Airframe TT</b>	1194	1451	1459	1413	1266	1335	1357
<b>Average Engine TT</b>	1172	1516	1562	1469	1151	1254	1374
<b>Aircraft New To Market</b>	3	1	2	1	3	1	2

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

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

**Establish Project for A&E Design**

- (a) Summary 6-2015: JBRC Item 1. Clemson University  
Project: 9922, Football Operations Facility Construction  
Funding Source: \$1,500,000 Other, Private Athletic Gift funds, which are gifts received from individuals, corporations and other entities that are to be expended for their restricted purposes.  
Request: Establish project and budget for \$1,500,000 (Other, Private Athletic Gift funds) to begin design work to construct a football operations facility at Clemson. Football operations facilities are a major component of competitiveness in the conferences in which Clemson competes for student athletes. Currently, the majority of Clemson's facilities are located in the west end zone of Memorial Stadium, with some functions shared with other programs. The best practice is to have one operations center adjacent to the indoor and outdoor practice fields. The current facilities do not have exclusive training and rehabilitation space for football, co-located food services or a weight room comparable with other football facilities throughout the nation. As NCAA governance changes impact the staffing and programming provided to student athletes, more space will be needed to accommodate these changes. The project will include the construction of an approximately 157,000 square foot facility to house all football operation functions, including coaches' offices, team meeting rooms, student-athlete and coach locker rooms, a weight room, a training room, an equipment room and related spaces. It will be constructed near the indoor and outdoor football practice facilities and will serve 120 players, 10 coaches and 50 support staff.
- (b) Summary 6-2015: JBRC Item 2. Clemson University  
Project: 9923, Electrical Distribution System Upgrades and Replacements  
Funding Source: \$1,125,000 Other, Maintenance and Stewardship Funds, which are which are comprised of tuition, matriculation and other debt retirements and plant transfer revenues that are restricted to support capital investments and that are not formally obligated to fund debt service in the current period.

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

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Request: Establish project and budget for \$1,125,000 (Other, Maintenance and Stewardship Funds) to begin design work to upgrade the main campus electrical distribution system at Clemson. A majority of Clemson's electric infrastructure was constructed in the 1950's and 1960's. More than 70% of the main substation gear and manual switching, transformers, electrical conductors and system protection equipment are beyond a 50 year life. These components are subject to failure and, because older systems do not have as many built in redundancies, the failure of a single piece of equipment has in multiple cases resulted in a power outage to the entire campus. This multi-year project will replace much of the electrical distribution system, creating a redundant loop feed system to eliminate single point system failures and adding automation capability to all switches. This will reduce outage durations and allow the new central operations location to monitor and control an automated distribution system. The remaining outdoor overhead infrastructure will be relocated underground. Additional metering and controls equipment will also be installed in some buildings. The project will also make modifications to the campus electrical system to improve system reliability in areas which have a higher probability of failure impacting major academic research and student life activities.

(c) Summary 6-2015: JBRC Item 3. University of South Carolina - Beaufort

Project: 9516, Hilton Head Island Hospitality Management Facility Construction  
Funding Source: \$367,500 Other, Private funds, which are gifts received from individuals, corporations and other entities that are to be expended for their restricted purposes.

Request: Establish project and budget for \$367,500 (Other, Private Funds) to begin design work to construct an academic facility to house the third and fourth year Hospitality Management Program at USC Beaufort. Currently, hospitality management courses are only taught at the USC Bluffton campus. The new 39,150 square foot facility will be located on Hilton Head Island and will include classrooms, a culinary lab, a library, offices and support spaces. It will also house the Osher Lifelong Learning Institute, which offers support for mature students and continuing education. The town of Hilton Head sees this program as a vital component of expanding their hospitality driven industries and the local industry has expressed an interest in expanding the available facilities for this program. The Town of Hilton Head, the Beaufort-Jasper

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

Higher Education Commission and private donors have all made commitments to donate funding to assist with the construction of this facility. The facility will serve 200 students, 30 faculty and staff, and 1,600 clients annually.

(d) Summary 6-2015: JBRC Item 4. Budget and Control Board

Project: 9950, North Towers/DSS Building Window and Roof Replacements

Funding Source: \$22,275 Other, Depreciation Reserve funds, which are derived from the rent account which receives rent charged to state agencies for use of state buildings.

Request: Establish project and budget for \$22,275 (Other, Depreciation Reserve funds) to begin design work to replace the roof and windows on the North Tower building at the Department of Social Services in Columbia. The 133,818 square foot building is 42 years old and the roof and windows are both original to the building. It houses approximately 500 staff and serves 1,500 clients annually. The roof is experiencing leaks of increasing frequency and complexity and is in need of replacement. The windows are also experiencing frequent leaks. General Services had a feasibility study done by a building envelope consultant to study the various issues with the windows and the study recommended the windows be replaced. The scope of the project will include replacing the existing roof and coping, removing and replacing all existing windows, replacing sealant at precast concrete wall panel joints, power washing existing precast wall panels and replacing the penthouse wall panels.

(e) Summary 6-2015: JBRC Item 5. Budget and Control Board

Project: 9951, PEBA - Modification of Existing HVAC

Funding Source: \$34,250 Other, PEBA funds which are funds that PEBA is allowed to use for the administration of the agency from the SC Retirement System and Employee Insurance Program trust funds.

Request: Establish project and budget for \$34,250 (Other, PEBA funds) to begin design work to modify the HVAC system at the Gressette Collins Building in Columbia, which houses the Public Employee Benefits Authority (PEBA). The 65,500 square foot facility serves 203 staff. The existing 79 water source units, located in the building above the ceilings, are over 20 years old and in need of replacement. As these systems are all reaching the end of their useful life, General Services and the agency are looking at a comprehensive overhaul of the system to make it more efficient and to eliminate problems with the flow of

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

water throughout the system and contaminants in the cooling water. These contaminants have impacted both the water source units and the two cooling towers installed in 2008. The scope of the project will involve modifications to the ceilings and ceiling lighting, as well as the installation of new piping and duct work throughout the building. The agency is exploring two potential solutions to the water flow issue. One would involve adding a heat exchanger and modifying piping to create a closed loop system while the other would involve replacing the two cooling towers installed in 2008. The solution to be used will be determined during pre-design.

(f) Summary 6-2015: JBRC Item 6. Budget and Control Board

Project: 9952, PEBA - Carpet Replacement

Funding Source: \$6,094 Other, PEBA funds which are funds that PEBA is allowed to use for the administration of the agency from the SC Retirement System and Employee Insurance Program trust funds.

Request: Establish project and budget for \$6,094 (Other, PEBA funds) to begin design work to replace the carpet at the Gressette Collins Building in Columbia, which houses PEBA. The facility serves 203 staff. The existing carpet in the 65,500 square foot facility is 27 years old, is worn and is wrinkling in many places creating a trip hazard for employees. The new carpeting will have a rubber base to help prevent similar problems in the future. Approximately 62,302 square feet of carpet will be replaced in the project.

(g) Summary 6-2015: JBRC Item 7. Vocational Rehabilitation Department

Project: 9608, Rehabilitation Engineering and ITTC Parking Lots and Road Repaving

Funding Source: \$10,000 Federal funds, which are general operating funds derived from the State Vocational Rehabilitation Services Grant to be used in the provision of vocational rehabilitation services.

Request: Establish project and budget for \$10,000 (Federal funds) to begin design work to repair and resurface parking lots and roadways at the Vocational Rehabilitation Department's State Office Complex in West Columbia. The existing parking lots and roadways are over 29 years old and are in need of repair and resurfacing. This project will include approximately 14,000 square yards of roadway and parking lot that serves seven buildings and approximately 200 vehicles weekly. During the pre-design phase, subsurface investigations and borings will be performed to determine the depth of the deterioration of the roadways and the amount of roadway to be repaired and resurfaced.



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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

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- (h) Summary 6-2015: JBRC Item 8. Department of Parks, Recreation and Tourism  
Project: 9754, Hunting Island State Park Beach Restoration  
Funding Source: \$105,000 Other, Park Revenue funds which are revenues generated by state parks through admissions, camping, retail sales and other miscellaneous sources.  
Request: Establish project and budget for \$105,000 (Other, Park Revenue funds) to begin design work to renourish the beach at Hunting Island State Park in Beaufort County. The beach was last renourished in 2007 and six groins were installed in 2008. The project has performed as designed and has slowed erosion significantly. However, additional renourishment and groins are needed to maintain a safe high tide beach for park visitors. The park serves between 1 million and 2 million visitors annually and renourishment will impact approximately two miles of beach in the campground and day use areas and will install two new 400 foot groins. Pre-design work will include surveys, soil samples of underwater sediments and permit applications.

### **Establish Construction Budget**

- (i) Summary 6-2015: JBRC Item 9. College of Charleston  
Project: 9654, Rutledge Rivers Residence Hall Renovation  
Funding Source: \$11,000,000, which includes \$8,000,000 Excess Debt Service funds, which are revenues generated by the Capital Improvement Fee that are in excess of the current debt service required for bonds, \$2,000,000 Housing Revenue funds, which are revenues generated by the Student Housing fee and paid only by students who reside in on-campus housing, and \$1,000,000 College Fee funds, which are generated by a portion of the student bill not specifically earmarked or dedicated for debt service, auxiliary enterprises, or student clubs and activities that have been put towards the Renovation Reserve.  
Request: Increase budget to \$11,000,000 (add \$10,835,000 - \$8,000,000 Excess Debt Service, \$1,835,000 Other, Housing Revenue and \$1,000,000 Other, College Fee funds) to renovate the Rutledge Rivers Residence Hall at the College of Charleston. Rutledge Rivers is a 26,386 square foot residence hall that was vacated during the fall of 2013 following the discovery of moisture intrusion and leaking water pipes. The renovation will include repairs to address condensation problems and water pipe leaks, as well as the remediation of mold, mildew and asbestos containing materials. Portions of the interior of the facility will also be reconfigured to bring the facility into compliance with

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

current ADA standards. Many of the existing mechanical, electrical and plumbing systems are original to the building, which is 41 years old. The facility cannot be used by students until it is repaired, as previous repairs revealed asbestos containing materials that would create a potential airborne hazard to the building's occupants. Previous attempts at a less comprehensive repair and remediation effort met with limited success. A feasibility study conducted by an independent architectural and engineering firm recommended a comprehensive renovation in order to permanently resolve the facility's extensive health and safety concerns. The renovation will include demolishing all existing systems within the building and replacing them with an energy efficient HVAC system, a new plumbing system to include supply piping, waste piping and water efficient fixtures, a new electrical distribution system with energy efficient lighting fixtures and controls and a fire suppression system. The new equipment will be seismically restrained in accordance with code requirements and the interior of the facility will be reconfigured to meet current ADA standards. It will serve 107 residents and include 10 ADA compliant spaces. The renovation will be performed to Green Globes Two Globe certification. The project was approved for pre-design in June 2014, which is now complete. The agency reports the total projected cost of this project is \$11,000,000 with savings of \$4,500 annually as a result of this project. The agency also reports the projected date for the execution of the construction contract is May 2015 with completion of construction in May 2016.

- (j) Summary 6-2015: JBRC Item 10. College of Charleston  
Project: 9656, Physical Plant Renovation  
Funding Source: \$3,555,000 Other, College Fee funds, which are generated by a portion of the student bill not specifically earmarked or dedicated for debt service, auxiliary enterprises, or student clubs and activities that have been put towards the Renovation Reserve.  
Request: Increase budget to \$3,555,000 (add \$3,502,000 Other, College Fee funds) to begin renovate the interior of the Physical Plant building, located at 133 Calhoun Street. The 122 year old 22,770 square foot building was purchased by the College 40 years ago. The renovations will address building and fire code deficiencies as well as ADA compliance issues. These renovations will include a new first floor, rear exits and stairs, a commercial fire sprinkler system and upgraded fire alarm system, new ADA bathrooms on the first floor and ADA access between the multi-level second floor spaces. The renovations

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

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will also create new office spaces within the existing footprint to allow the consolidation of the Physical Plant Department, which was newly expanded to include Residence Life facilities staff. In total, the facility will house 191 staff.

The project was approved for pre-design in October 2014, which is now complete. The agency reports the total projected cost of this project is \$3,555,000 with no additional operating costs or savings as a result of this project. The agency also reports the projected date for the execution of the construction contract is October 2015 with completion of construction in October 2016.

(k) Summary 6-2015: JBRC Item 11. College of Charleston

Project: 9659, 11 Glebe Street Renovation

Funding Source: \$1,100,000 Other, College Fee funds, which are generated by a portion of the student bill not specifically earmarked or dedicated for debt service, auxiliary enterprises, or student clubs and activities that have been put towards the Renovation Reserve.

Request: Increase budget to \$1,100,000 (add \$1,100,000 Other, College Fee funds) to renovate the historic house at 11 Glebe Street at the College of Charleston. The renovation will convert the 3,230 square foot building from student housing to academic support offices in an effort to better preserve the historic building and address E&G space shortages. Built in 1854, the building has significant structural and asbestos issues. The building is not currently on the College's IT network or fire alarm system, and as such network cabling and a fire sprinkler installation will need to be installed to support this building's use as an E&G facility. The renovation will slightly modify the interior layout to make it more functional as office space and to make the building ADA accessible. Building systems will also be replaced. The renovated facility will house the School of Language, Culture, and World Affairs Dean and six staff members. The Dean's Office serves as the central office to address the needs of students and faculty within the school. The renovated building will serve six staff and 6,500 students. The project was approved for pre-design in January 2015, which is now complete. The agency reports the total projected cost of this project is \$1,100,000 with no additional operating costs or savings as a result of this project. The agency also reports the projected date for the execution of the construction contract is September 2015 with completion of construction in March 2016.

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

- (l) Summary 6-2015: JBRC Item 13. Department of Motor Vehicles  
Project: 9609, Orangeburg DMV Renovation  
Funding Source: \$350,000 Other, DMV Miscellaneous Revenue funds, which are DMV operating revenues that have been set aside for capital improvements.  
Request: Increase budget to \$350,000 (add \$345,125 Other, DMV Miscellaneous Revenue funds) to renovate the Orangeburg office of the Department of Motor Vehicles. The project will renovate the entire 2,500 square foot facility and will include data, telephone, and building renovations along with asbestos abatement. The renovations will increase the flow of customers through the office by increasing the number of customer service counters by 25% and creating a dedicated enclosed testing area for knowledge testing. The renovation will also address ADA deficiencies in the office area, create two new offices, replace the HVAC system and duct work, and upgrade the building electrical system. The current facility was built in 1975 and has not undergone significant renovation since that time. The office serves 19 employees and processes 92,000 transactions annually. The agency reports the total projected cost of this project is \$350,000 with operating savings of \$1,000 annually as a result of this project. The agency also reports the projected date for the execution of the construction contract is March 2015 with completion of construction in July 2016.

### **Increase Budget**

- (m) Summary 6-2015: JBRC Item 14. John de la Howe School  
Project: 9515, Cafeteria Roof and Plumbing Replacement  
Funding Source: \$351,300 Other, EIA funds which are EIA revenues received by the agency for campus improvements.  
Request: Increase budget to \$351,300 (add \$103,668 Other, EIA Funds) to repair the cafeteria roof at John De La Howe school and to replace plumbing throughout the facility. The project was initiated as a staff level project in February 2013 and increased in July 2014. The scope of the project includes the replacement and re-design of the existing 44 year old roof as well as replacing cast iron sewage piping below the concrete floors, which has collapsed in several locations making the restrooms unusable. It also includes the replacement of the rooftop air handler units and associated duct work. After the budget was increased in July, the Office of the State Engineer (OSE) worked with John de la Howe to prepare the project for bidding. OSE noted some concerns

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AGENCY: Executive Budget Office

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SUBJECT: Permanent Improvement Projects

regarding the original A&E in regards to the plumbing improvements and the proposed roof changes. With guidance from OSE, John de la Howe had some additional detailed A&E work done. This detailed A&E work resulted in a scope change and a projected cost of \$247,632.47, including a 10% contingency. John de la Howe proceeded to put the project out for bid, with the air handler units bid as an option. When the project was bid, the lowest bid, with contingency, came in at \$351,300 due to the complexity and location of the project. The agency reports the total projected cost of this project is \$351,300, including the air handler units, with no additional operating costs or savings as a result of this project. The agency also reports the projected date for the execution of the construction contract is May 2015 with completion of construction in August 2015.

#### **Establish Project for Preliminary Land Studies**

- (n) Summary 6-2015: JBRC Item 16. University of South Carolina - Beaufort  
Project: 9517, Hilton Head Island Hospitality Management Facility Land Acquisition  
Funding Source: \$20,000 Other, Private funds, which are gifts received from individuals, corporations and other entities that are to be expended for their restricted purposes.  
Request: Establish project and budget for \$20,000 (Other, Private Funds) to procure investigative studies required to adequately evaluate property on Hilton Head Island prior to purchase. The town of Hilton Head has offered to donate approximately nine acres of land near the intersection of Office Park Road and Pope Avenue to USC Beaufort to accommodate the construction of an academic facility to house the third and fourth year Hospitality Management Program. The town of Hilton Head and other local entities have also committed to donate funding to assist with the construction of the facility. The local community sees this program as a vital component of expanding their hospitality driven industries and local industry has expressed an interest in expanding the available facilities for this program.

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#### **BOARD ACTION REQUESTED:**

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

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ATTACHMENTS: Attachments

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

1. AGENCY Code H-15 Name College of Charleston

2. PROJECT Project # 9654 Name Rutledge Rivers Residence Hall Renovation

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

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1)	\$	\$	\$ 4,500.00	\$ 4,500.00
2)	\$	\$	\$	\$ 0.00
3)	\$	\$	\$	\$ 0.00

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

Housing fund

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>New energy efficient HVAC system</u>	<u>\$4,500.00</u>
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$4,500.00</u>

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

9. Submitted By: Stephen C. DeLoane EVP for Business Affairs                      4/9/2015  
 Signature of Authorized Official and Title                      Date

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

1. AGENCY Code R40 Name South Carolina Department of Motor Vehicles

2. PROJECT Project # 9609 Name Orangeburg DMV

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) 2016-2017	\$	\$	\$ 1,000.00	\$ 1,000.00
2) 2017-2018	\$	\$	\$ 1,000.00	\$ 1,000.00
3) 2019-2020	\$	\$	\$ 1,000.00	\$ 1,000.00

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

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

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

	<u>COST FACTORS</u>	<u>AMOUNT</u>
1.	A new HVAC system will be installed	\$3,000.00
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
	TOTAL	\$3,000.00

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: *Chris Blair*      03/13/15  
Signature of Authorized Official and Title      Date

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

### **Item (a) – Clemson University – Football Operations Facility Construction**

The source of funds for pre-design is \$1,500,000 Other, Private Athletic Gift funds, which are gifts received from individuals, corporations and other entities that are to be expended for their restricted purposes.

The source of funds for construction will also be Other, Private Athletic Gift funds.

The University reports that no increase in any student fee or tuition will be required for this project.

### **Item (b) – Clemson University – Electrical Distribution System Upgrades and Replacements**

The sources of funds pre-design is \$1,125,000 Other, Maintenance and Stewardship funds which are comprised of tuition, matriculation and other debt retirements and plant transfer revenues that are restricted to support capital investments and that are not formally obligated to fund debt service in the current period.

The source of funds for construction will include both Maintenance and Stewardship funds and Institution Bonds, which are long term debt instruments issued by the State Treasurer's Office in the name of the university and are pledged to be repaid with tuition and fees.

The University reports that no increase in any student fee or tuition will be required for this project.

### **Item (c) – University of South Carolina – Hilton Head Island Hospitality Management Facility Construction**

The sources of funds pre-design is \$367,500 Other, Private funds which are gifts received from individuals, corporations and other entities that are to be expended for their restricted purposes.

The source of funds for construction will also be Private funds.

The University reports that no increase in any student fee or tuition will be required for this project.

### **Item (i) – College of Charleston – Rutledge Rivers Residence Hall Renovation**

The total amount required for construction is \$11,000,000, which is split among three funding sources:

\$8,000,000 Excess Debt Service funds, which are revenues generated by the \$483 per semester Capital Improvement Fee that are in excess of the current debt service required for bonds,

\$2,000,000 Housing Revenue funds, which are revenues generated by the Student Housing fee and paid only by students who reside in on-campus housing, and

\$1,000,000 College Fee funds, which are generated by a portion of the student bill not specifically earmarked or dedicated for debt service, auxiliary enterprises, or student clubs and activities that have been put towards the Renovation Reserve.

The University reports that no increase in any student fee or tuition will be required for this project.



**Item (j) – College of Charleston – Physical Plant Renovations**

\$3,555,000 College Fee funds, which are generated by a portion of the student bill not specifically earmarked or dedicated for debt service, auxiliary enterprises, or student clubs and activities that have been put towards the Renovation Reserve.

The University reports that no increase in any student fee or tuition will be required for this project.

**Item (k) – College of Charleston – 11 Glebe Street Renovations**

\$1,100,000 College Fee funds, which are generated by a portion of the student bill not specifically earmarked or dedicated for debt service, auxiliary enterprises, or student clubs and activities that have been put towards the Renovation Reserve.

The University reports that no increase in any student fee or tuition will be required for this project.

**Item (n) – University of South Carolina - Hilton Head Island Hospitality Management Facility Land Acquisition**

\$20,000 Other, Private funds, which are gifts received from individuals, corporations and other entities that are to be expended for their restricted purposes.

**Permanent Improvement Project Information for April 28, 2015 B&CB Meeting**

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CPIP	Total Projected Project Cost
H12-9922	Clemson University - Football Operations Facility Construction	\$1,500,000 for pre-design	4/28/15	\$1,500,000	4/28/15	CP/IP 2014 Year 1	To Be Determined
H12-9923	Clemson University - Electrical Distribution System Upgrades and Replacements	\$1,125,000 for pre-design	4/28/15	\$1,125,000	4/28/15	CP/IP 2014 Year 3	To Be Determined
H36-9616	University of South Carolina Beaufort - Hilton head Island Hospitality Management Facility Construction	\$367,500 for pre-design	4/28/15	\$367,500	4/28/15	CP/IP 2014 Year 3	To Be Determined
F03-9950	Budget and Control Board - North Towers/DSS Building Window and Roof Replacement	\$22,275 for pre-design	4/28/15	\$22,275	4/28/15	No	To Be Determined
F03-9951	Budget and Control Board - PEBA Modifications to Existing HVAC	\$34,250.34 for pre-design	4/28/15	\$34,250	4/28/15	No	To Be Determined
F03-9952	Budget and Control Board - PEBA Carpet Replacement	\$6,093.75 for pre-design	4/28/15	\$34,250	4/28/15	No	To Be Determined
H73-9608	Vocational Rehabilitation Department - Rehabilitation Engineering & ITTC Parking Lots & Road Repaving	\$10,000 for pre-design	4/28/15	\$10,000	4/28/15	CP/IP 2015, Year 1	To Be Determined
P28-9754	Department of Parks, Recreation and Tourism - Hunting Island State Park Beach Restoration	\$105,000 for pre-design	4/28/15	\$105,000	4/28/15	CP/IP 2014, Year 3	To Be Determined
H15-9654	College of Charleston - Rutledge Rivers Residence Hall Renovation	\$165,000 for pre-design	6/17/14	\$165,000	6/17/14	CP/IP 2014, Year 1	\$11,000,000
H15-9656	College of Charleston - Physical Plant Renovation	\$53,000 for pre-design	10/14/14	\$53,000	10/14/14	CP/IP 2014, Year 1	\$3,555,000

**Permanent Improvement Project Information for April 28, 2015 B&CB Meeting**

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CIP in CIP	Total Projected Project Cost
H15-9659	College of Charleston - 11 Glebe Street Renovation	\$16,500 for pre-design	1/27/15	\$16,500	1/27/15	No	\$1,100,000
R40-9609	Department of Motor Vehicles - Orangeburg DMV Renovation	\$4,875 for pre-design	1/27/15	\$4,875	1/27/15	CPIP 2014, Year 3	\$350,000
L12-9515	John De La Howe - Cafeteria Roof/Plumbing Replacement	\$247,632	2/12/13	\$170,000	7/10/14	No	\$351,300
H36-9517	University of South Carolina Beaufort - Hilton Head Island Land Acquisition for Hospitality Management Facility	\$20,000 for preliminary studies	4/28/15	\$20,000	4/28/15	CPIP 2014 Year 3	\$20,000

STATE BUDGET AND CONTROL BOARD  
MEETING OF April 28, 2015

REGULAR SESSION  
ITEM NUMBER 5

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AGENCY: Procurement Services Division

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SUBJECT: Waiver to Extend the Maximum Time on a Multi-term Contract for the University of South Carolina

Section 11-35-2030(4), of the SC Consolidated Procurement Code limits the maximum time for any multi-term contract to seven years unless otherwise approved by the Board. The University of South Carolina has asked the Division of Procurement Services to assist in seeking Board approval to authorize the University to solicit a contract for up to ten (10) years for Sports Marketing and Media Rights. University officials believe a contract term of ten years will provide a greater opportunity for returns on the investments made in the relationships and sponsorships that are forged by the contractor and attract greater upfront capital investments in sports facilities.

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BOARD ACTION REQUESTED:

Under authority of SC Consolidated Procurement Code Section 11-35-2030(4), consider the University of South Carolina's request for a multi-term contract for Sports Marketing and Media Rights and authorize the solicitation of proposals and award of a contract for up to ten (10) years.

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ATTACHMENTS:

Agenda item worksheet; Letter of request from the University of South Carolina; Section 11-35-2030(4) of the SC Consolidated Procurement Code

**BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET**

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**For meeting scheduled for: April 28, 2015**

**Regular Session**

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**1. Submitted by:**

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

  
John St. C. White  
Interim Materials Management Officer

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**2. Subject:**

Waiver to extend the maximum time on a multi-term contract for the University of South Carolina

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**3. Summary Background Information:**

Section 11-35-2030(4), of the SC Consolidated Procurement Code limits the maximum time for any multi-term contract to seven years unless otherwise approved by the Board. The University of South Carolina has asked the Division of Procurement Services to assist in seeking Board approval to authorize the University to solicit a contract for up to ten (10) years for Sports Marketing and Media Rights. University officials believe a contract term of ten years will provide a greater opportunity for returns on the investments made in the relationships and sponsorships that are forged by the contractor and attract greater upfront capital investments in sports facilities.

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

Under authority of SC Consolidated Procurement Code Section 11-35-2030(4), consider the University of South Carolina's request for a multi-term contract for Sports Marketing and Media Rights and authorize the solicitation of proposals and award of a contract for up to ten (10) years.

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**5. What is recommendation of Board division involved?**

Consider the University of South Carolina's request as stated above.

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

- (a) Authorized Signature: \_\_\_\_\_
  - (b) Division/Agency Name: \_\_\_\_\_
- 

**7. Supporting Documents:**

- A-Letter of request from the University of South Carolina
  - B- Section 11-35-2030(4) of the SC Consolidated Procurement Code
-



ASSOCIATE VICE PRESIDENT FOR  
BUSINESS AFFAIRS

March 9, 2015

John White  
Materials Management Office  
1201 Main Street, Suite 600  
Columbia, SC 29201

Re: Sports Marketing and Media Rights Contract Term

Dear Mr. White:

The University of South Carolina contracts with a national sports marketing firm to sell advertising and media rights related to its Athletics program. These services include all radio, television and print sponsorship rights as well as video/scoreboard signage and related advertising rights where there is a relationship to the Athletics program and athletic events. Sale of these advertising and media rights range from products such as TV and radio ads, to services such as monetizing use of official athletic logos, to media programs such as game programs, and TV shows. The current contract produces approximately \$6.5 million in revenue annually for the Athletics program.

There are several major companies who provide these services for university athletics programs. The term of the contracts for these services typically range in length from 10-15 years. Our past contracts have been for terms of approximately 10 years. A longer length of the contractual commitment has provided a greater opportunity for returns on the investments made in the relationships and sponsorships that are forged by the contractor. They have also encouraged greater upfront capital investments by allowing a longer amortization period, enabling the contract to produce greater total revenue during its term.

This contract is an important revenue source for the University's Athletics program. Allowing this contract to be awarded for a 10 year term, will best position us to maximize the revenue producing capacity of this contract.

I appreciate your consideration of this request and would be happy to answer any questions or concerns you may have.

Very truly yours,

A handwritten signature in black ink, appearing to read "Helen Zeigler". The signature is fluid and cursive, with the first name "Helen" written in a larger, more prominent script than the last name "Zeigler".

Helen Zeigler  
Associate Vice President, Business Affairs

c: Ray Tanner, Athletic Director  
Ed Walton, Chief Operating Officer

**SECTION 11-35-2030. Multiterm contracts.**

(1) Specified Period. Unless otherwise provided by law, a contract for supplies, services, or information technology must not be entered into for any a period of more than one year unless approved in a manner prescribed by regulation of the board. The term of the contract and conditions of renewal or extension must be included in the solicitation and funds must be available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods must be subject to the availability and appropriation of funds for them.

(2) Determination Prior to Use. Before the utilization of a multi-term contract, it must be determined in writing by the appropriate governmental body that:

(a) estimated requirements cover the period of the contract and are reasonably firm and continuing; and

(b) such a contract serves the best interests of the State by encouraging effective competition or otherwise promoting economies in state procurement.

(3) Cancellation Due to Unavailability of Funds in Succeeding Fiscal Periods. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract must be canceled.

(4) The maximum time for a multiterm contract is five years. Contract terms of up to seven years may be approved by the designated board officer. Contracts exceeding seven years must be approved by the board.

HISTORY: 1981 Act No. 148, Section 1; 1997 Act No. 153, Section 1; 2006 Act No. 376, Section 34.



STATE BUDGET AND CONTROL BOARD  
MEETING OF April 28, 2015

REGULAR SESSION  
ITEM NUMBER 6

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AGENCY: The Citadel

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SUBJECT: Not Exceeding \$14,000,000 Aggregate Principal Amount Athletic Facilities  
Taxable Refunding Revenue Bonds, In One or More Series

The Board is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$14,000,000 Aggregate Principal Amount Athletic Facilities Taxable Refunding Revenue Bonds, In One or More Series.

The proceeds of the Series 2015 bonds will be used for refunding the Series 2010 Athletic Facilities Taxable Refunding Revenue Bond of The Citadel.

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BOARD ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$14,000,000 Aggregate Principal Amount Athletic Facilities Taxable Refunding Revenue Bonds, In One or More Series.

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ATTACHMENTS:

Cook 4/6/15 letter; Resolution

Haynsworth  
Sinkler Boyd, P.A.

ATTORNEYS AND COUNSELORS AT LAW

134 MEETING STREET, THIRD FLOOR (29401-2240)  
POST OFFICE BOX 340 (29402-0340)  
CHARLESTON, SOUTH CAROLINA  
TELEPHONE 843.722.3366  
FACSIMILE 843.722.2266  
WEBSITE [www.hsblawfirm.com](http://www.hsblawfirm.com)

JEREMY L. COOK  
DIRECT DIAL NUMBER 843.724.1117  
EMAIL [jcook@hsblawfirm.com](mailto:jcook@hsblawfirm.com)

April 6, 2015

Delbert H. Singleton, Jr.  
South Carolina Budget & Control Board  
Wade Hampton Office Building, 6<sup>th</sup> Floor  
Columbia, South Carolina 29201

Re: Not Exceeding \$14,000,000 The Citadel, the Military College of South  
Carolina Athletic Facilities Taxable Refunding Revenue Bond, Series 2015

Dear Delbert:

Please find enclosed the approval documents related to the above-referenced bond issue which I have requested be included on the agenda for the April 28<sup>th</sup> Budget & Control Board meeting. If I can provide you with any additional information, please do not hesitate to let me know.

Thank you very much for your assistance.

With best regards, I remain

Sincerely,

HAYNSWORTH SINKLER BOYD, P.A.



Jeremy L. Cook

Enclosures

cc: F. Richard Harmon, Jr.

A RESOLUTION APPROVING THE ISSUANCE BY THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA OF NOT EXCEEDING \$14,000,000 AGGREGATE PRINCIPAL AMOUNT ATHLETIC FACILITIES TAXABLE REFUNDING REVENUE BONDS, IN ONE OR MORE SERIES, PURSUANT TO THE PROVISIONS OF TITLE 59, CHAPTER 121 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED.

WHEREAS, the Board of Visitors as the governing entity of The Citadel, the Military College of South Carolina ("The Citadel"), an institution of higher learning of the State of South Carolina and an agency thereof, has been authorized to issue bonds pursuant to Title 59, Chapter 121 of the Code of Law of South Carolina 1976, as amended, in order to raise monies for "athletic facilities" for The Citadel and to pledge for the payment of such bonds; and

WHEREAS, the Board of Visitors of The Citadel has previously made general provision for the issuance of athletic facilities revenue bonds of The Citadel through the means of a resolution entitled "A Resolution Providing for the Issuance and Sale of Athletic Facilities Revenue Bonds of The Citadel, the Military College of South Carolina, and Other Matters Related Thereto" adopted September 14, 2002 ("the Bond Resolution"); and

WHEREAS, it is provided in and by the Bond Resolution that, upon adoption of a "Series Resolution" there may be issued one or more series of Bonds for the purposes of refunding obligations incurred to expand, improve, construct or acquire Athletic Facilities (as defined therein) and of obtaining funds for the expansion, improvement, construction or acquisition of additional Athletic Facilities or to reimburse The Citadel for qualifying expenditures made for such purposes; and

WHEREAS, in order to refund athletic facilities taxable refunding revenue bonds of The Citadel which were issued in 2010, and to pay related financing costs and expenses, the Board of Visitors of The Citadel has made provision for the issuance of athletic facilities taxable refunding revenue bonds of The Citadel in the principal amount of not exceeding \$14,000,000 through the means of a resolution entitled "A Resolution Providing for the Issuance and Sale of One or More Series of Athletic Facilities Taxable Refunding Revenue Bonds of The Citadel, the Military College of South Carolina in the Aggregate Principal Amount of Not Exceeding Fourteen Million Dollars (\$14,000,000) and Other Matters Related Thereto" adopted April 25, 2015 (the "Series Resolution"); and

WHEREAS, The Citadel under and pursuant to the provisions of Title 59, Chapter 121 of the Code of Laws of South Carolina, 1976, as amended (the "Act") has petitioned the State Budget and Control Board for its approval of the issuance by The Citadel pursuant to the Act of its Athletic Facilities Taxable Refunding Revenue Bonds, in one or more series, in the aggregate principal amount of not exceeding \$14,000,000 (the "Bonds"), secured by a pledge of certain Special Student Fees and certain other Additional Revenue, all as provided in the Bond Resolution, through a public or a private sale as approved by the State Treasurer and determined by The Citadel to be most advantageous; and

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

Section 1. It is hereby found, determined and declared by the Board that the Petition submitted by The Citadel contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 59-121-340 of the Act.

Section 2. As described herein, the proposal of The Citadel to issue the Bonds through a public or private sale is hereby approved.

Section 3. After due consideration, approval is hereby given to (i) the issuance of not exceeding \$14,000,000 of Athletic Facilities Taxable Refunding Revenue Bonds of The Citadel in one or more series, in order to raise money for the purposes set forth herein, such Bonds to be in such principal amounts, shall be sold, be dated, mature, bear interest, and be subject to redemption in such manner as the State Treasurer shall approve; (ii) the distribution of a Preliminary Official Statement, if necessary, in connection with the sale of the Bonds in such form as shall be approved by the State Treasurer; and (iii) the taking by the State Treasurer of such further action and the granting of approval by the State Treasurer of such further action by The Citadel as shall not be inconsistent with the foregoing provisions of this Resolution and as may be necessary to consummate the sale of the Bonds.

Section 4. This Resolution shall take effect immediately.

Summary of Refinancing Proposal for  
The Citadel

Outstanding bonds proposed to be refinanced	Approximately \$11,895,000 Taxable Refunding Revenue Bonds, Series 2010 of The Citadel, the Military College of South Carolina
Interest rate of bonds refinanced	6.94%
Interest rate of refinancing bonds	4.48%
Projected net present value savings (net of costs)	\$2,072,578
Projected net present value savings as a percentage of the bonds refinanced	17.4%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	0.4% 1.4%
Underwriting	0
Legal fees	\$18,750
Rating agency fees	0
Advisory fees	\$25,000
Bond trustee/registrar	0
Accounting and verification	0
Credit enhancement/bond insurance	0
Publication, printing, contingencies and all other expenses	0
Total	\$43,750

Prepared by: Jeremy L. Cook, Haynsworth Sinkler Boyd, P.A., Jay Glover/Emily Abrantes, PFM, and Jay Puchir, The Citadel  
Date: April 6, 2015

STATE BUDGET AND CONTROL BOARD  
MEETING OF April 28, 2015

REGULAR SESSION  
ITEM NUMBER 7

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AGENCY: Budget and Control Board

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SUBJECT: Future Meeting

The next regular meeting of the Budget and Control Board will be held at 10:00 a.m. on Tuesday, June 16, 2015, in Room 252, Edgar A. Brown Building.

State Fiscal Accountability Authority Meetings in 2015

Tuesday, August 11  
Tuesday, October 27  
Tuesday, December 15

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BOARD ACTION REQUESTED:

Agree to meet at 10:00 a.m. on Tuesday, June 16, 2015, in Room 252, Edgar A. Brown Building.

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ATTACHMENTS: