

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, October 17, 2017 -- 10:00 A. M.

Room 252, Edgar A. Brown Building

AGENDA INDEX

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
A.	MEETING OF STATE FISCAL ACCOUNTABILITY AUTHORITY	
B.	ADOPTION OF PROPOSED AGENDA	
C.	MINUTES OF PREVIOUS MEETING	
D.	BLUE AGENDA	
1.	State Treasurer's Office	Bond Counsel Selection
2.	Office of the Comptroller General	Proviso 117.58 Report on Annual Audited Financial Statements
3.	Department of Administration, Facilities Management and Property Services	Easements
4.	Division of Procurement Services	Procurement Audit and Certification
E.	REGULAR SESSION	
1.	Department of Administration, Capital Budget Office	Permanent Improvement Projects
2.	Department of Administration, Facilities Management and Property Services	Clemson University Lease at 1 Research Drive in Greenville
3.	Department of Administration, Facilities Management and Property Services	SC Department of Administration Lease at 1628 Browning Road in Columbia
4.	Department of Administration, Facilities Management and Property Services	SC Department of Health and Human Services Lease at 4130 Faber Place in North Charleston
5.	Department of Administration, Facilities Management and Property Services	SC Department of Juvenile Justice Lease at 220 Executive Center Drive in Columbia

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, October 17, 2017 -- 10:00 A.M.

Room 252, Edgar A. Brown Building

REGULAR SESSION AGENDA INDEX -- Page 2

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
6.	Division of Procurement Services	Waiver to Extend the Maximum Time on a Multi-term Contract for the State Fiscal Accountability Authority, Division of Procurement Services
7.	Division of Procurement Services	Waiver to Extend the Maximum Time on a Multi-term Contract for Winthrop University
8.	Department of Commerce	Not Exceeding \$46,000,000 General Obligation State Economic Development Bonds
9.	Clemson University	Not Exceeding \$14,000,000 Athletic Facilities Revenue Bonds, Series 2017, of Clemson University
10.	State Fiscal Accountability Authority	Future Meeting

AGENCY: State Treasurer's Office

SUBJECT: Bond Counsel Selection

The State Treasurer's Office has provided the following notification of the assignment of bond counsel for conduit issues, other revenue issues, and special assignment of bond counsel for which Authority approval is requested:

CONDUIT ISSUES:

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel
\$35,000,000 Economic Development Bonds	Presbyterian Communities of South Carolina Conduit: JEDA	Parker Poe Adams and Bernstein	Mc Nair Law Firm
\$30,000,000 Economic Development Bonds	University Center Facilities Corporation, III Conduit: JEDA	McNair Law Firm	Pope Flynn
\$37,000,000 Economic Development Bonds	Hampton Regional Medical Center Conduit: JEDA	Nexsen Pruet	Howell Linkous Nettles

OTHER REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel
\$14,000,000 Athletic Facilities Revenue Bonds	Clemson University	Pope Flynn

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel
\$46,000,000 Economic Development Bonds	State of South Carolina Department of Commerce	Haynsworth Sinkler Boyd, PA

AUTHORITY ACTION REQUESTED:

Approve the referenced bond counsel assignment as recommended by the State Treasurer's Office.

ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

Items for October 17, 2017 State Fiscal Accountability Authority
 Bond Counsel and Issuer Counsel Selections by the State Treasurer's Office are as follows:

CONDUIT ISSUES:

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel	Date STO Approved
\$35,000,000 Economic Development Bonds	Presbyterian Communities of South Carolina Conduit: JEDA	Parker Poe Adams and Bernstein	Mc Nair Law Firm	9/18/2017
\$30,000,000 Economic Development Bonds	University Center Facilities Corporation, III Conduit: JEDA	McNair Law Firm	Pope Flynn	9/28/2017
\$37,000,000 Economic Development Bonds	Hampton Regional Medical Center Conduit: JEDA	Nexsen Pruet	Howell Linkous Nettles	9/28/2017

OTHER REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
\$14,000,000 Athletic Facilities Revenue Bonds	Clemson University	Pope Flynn	9/5/2017

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
\$46,000,000 Economic Development Bonds	State of South Carolina Department of Commerce	Haynsworth Sinkler Boyd, PA	9/13/17

STATE FISCAL ACCOUNTABILITY AUTHORITY

BLUE AGENDA

MEETING OF October 17, 2017

ITEM NUMBER 2

AGENCY: Office of the Comptroller General

SUBJECT: Proviso 117.58 Report on Annual Audited Financial Statements

Proviso 117.58 requires a report from the Comptroller General to the State Fiscal Accountability Authority of any agencies that do not submit audited financial statements by October 1st of each year.

AUTHORITY ACTION REQUESTED:

Receive as information a report on Audited Financial Statements as required by Proviso 117.58.

ATTACHMENTS:

Agenda item worksheet; Proviso 117.58; Report of agencies not in compliance with the deadline

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 17, 2017

Blue Agenda

1. Submitted By:
(a) Agency: Office of Comptroller General
(b) Authorized Official Signature: William E. Gunn



2. Subject: Proviso 117.58

3. **Summary Background Information:** Proviso 117.58 requires a report from the Comptroller General to the State Fiscal Accountability Authority of any agencies that do not submit audited financial statements by October 1 of each year.

4. What is Authority asked to do?

Receive as information

5. What is recommendation of the Agency involved? Provide information as required by Proviso 117.58

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. List of Supporting Documents:

Proviso 117.58
Report of agencies not in compliance with deadline

117.58. (GP: Year-End Financial Statements - Penalties) Agencies, institutions, and other reporting entities required to submit annual audited financial statements for inclusion in the State's Comprehensive Annual Financial Report must submit final audited financial statements to the Comptroller General not later than October first for those with fiscal year-end June thirtieth. The South Carolina Retirement Systems, Insurance Benefits, and Other Post-Employment Benefits Trust Funds administered by the South Carolina Public Employee Benefit Authority must submit their final audited financial statements no later than October fifteenth. For institutions and reporting entities with fiscal year-ends other than June thirtieth, final audited financial statements must be submitted to the Comptroller General within 120 days of that fiscal year-end. The Comptroller General shall provide a written report of each agency, institution, or other reporting entity not in compliance with this provision to the State Fiscal Accountability Authority by November thirtieth.

Agencies that did not meet the prescribed deadline---receipt still pending

South Carolina State University

South Carolina Research Authority

Agencies that submitted reports late

Denmark Technical College

Received 10/6

South Carolina Ports Authority

Received 10/6

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Easements

The Department of Administration requests approval of the following easements in accordance with SC Code of Laws:

- (a) County Location: Horry
From: Department of Administration
To: Lu Ann Rudolph
Consideration: \$700
Description/Purpose: To grant a 0.01 acre easement across uplands at the 59th Avenue North Canal where the bulkhead and fill material extend 15 feet beyond the property line for land now owned by Ms. Rudolph for the purpose of obtaining a permit to build a dock. The easement is being required by SCDHEC before the agency issues a dock permit as Ms. Rudolph's property is not by definition waterfront. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.
- (b) County Location: Beaufort
From: Department of Administration
To: Town of Hilton Head Island
Consideration: \$1
Description/Purpose: To grant a 1.68 acre permanent easement for the construction, installation, operation and maintenance of drainage improvements on property of the Department of Mental Health's Coastal Empire Community Mental Health Center. The easement is needed for the purpose of planning, laying out, building and maintaining drains, embankments, ditches, culverts, pipes and any other improvements used of useful in the collection, conveyance and drainage of surface and stormwater runoff. The easement will contain the State's standard reverter language that if the Town discontinues usage of the drainage system, the easement will terminate. The easement will be of mutual benefit to the Department of Mental Health and the Town of Hilton Head. The Division of Facilities Management and Property Services has determined that SCDMH has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Easements

- (c) County Location: Laurens
From: Department of Administration
To: Clinton-Newberry Natural Gas Authority
Consideration: Appraised value plus \$500 administrative fee
Description/Purpose: To grant a 1.228 acre easement for the purpose of erecting, constructing, installing, operating, inspecting, repairing, maintaining, replacing and removing a natural gas pipeline on property of the Department of Disabilities and Special Needs' Whitten Center. The easement is needed to provide natural gas service to the I-26 Commerce Park in Clinton. The term of the easement will be fifty (50) years. The Division of Facilities Management and Property Services has determined that DDSN has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.
- (d) County Location: Laurens
From: Department of Administration
To: Clinton-Newberry Natural Gas Authority
Consideration: Appraised value plus \$500 administrative fee
Description/Purpose: To grant a 2.785 acre easement and a 0.11 temporary easement for the purpose of erecting, constructing, installing, operating, inspecting, repairing, maintaining, replacing and removing a natural gas pipeline on property of the Department of Disabilities and Special Needs' Whitten Center. The easement is needed to provide natural gas service to the I-26 Commerce Park in Clinton. The term of the easement will be fifty (50) years. The Division of Facilities Management and Property Services has determined that DDSN has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Easements

- (e) County Location: Laurens
From: Department of Administration
To: Clinton-Newberry Natural Gas Authority
Consideration: Appraised value plus \$500 administrative fee
Description/Purpose: To grant a 0.60 acre easement and a 0.11 temporary easement for the purpose of erecting, constructing, installing, operating, inspecting, repairing, maintaining, replacing and removing a natural gas pipeline on property of the Department of Disabilities and Special Needs' Whitten Center. The easement is needed to provide natural gas service to the I-26 Commerce Park in Clinton. The term of the easement will be fifty (50) years. The Division of Facilities Management and Property Services has determined that DDSN has complied with the requirement of the statute in that the easement does not appear to materially impair the utility of the property or damage it.

AUTHORITY ACTION REQUESTED:

Approve granting the referenced easements as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 17, 2017

Blue Agenda

1. Submitted by:

- (a) Agency: Department of Administration,
Division of Facilities Management
and Property Services
- (b) Authorized Official Signature:



Ashlie Lancaster, Director

2. Subject:

EASEMENTS

3. Summary Background Information:

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

5. What is recommendation of the Department of Administration? Recommend approval of the referenced easements.

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) Lu Ann Rudolph
 - (b) Town of Hilton Head Island
 - (c) Clinton-Newberry Natural Gas Authority
 - (d) Clinton-Newberry Natural Gas Authority
 - (e) Clinton-Newberry Natural Gas Authority

SOUTH CAROLINA CODE OF LAWS

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

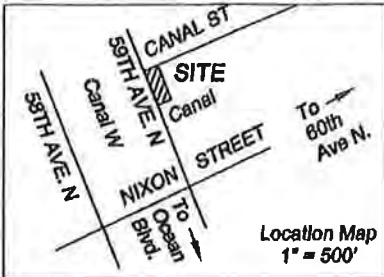
The Department of Administration, upon approval of the State Fiscal Accountability Authority, is authorized to grant easements and rights of way to any person for construction and maintenance of power lines, pipe lines, water and sewer lines and railroad facilities over, on or under such vacant lands 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 the Department of Administration, upon approval of the State Fiscal Accountability Authority, 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 Director of the Department of Administration and the State Fiscal Accountability Authority.

SECTION 10-1-130. Grant of easements and rights of way.

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 recommendation of the Department of Administration and approval of the State Fiscal Accountability Authority, whenever it appears that such easements do not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any amounts must be placed in the State Treasury to the credit of the institution or agency having control of the property involved.



CERTIFICATE OF ACCURACY

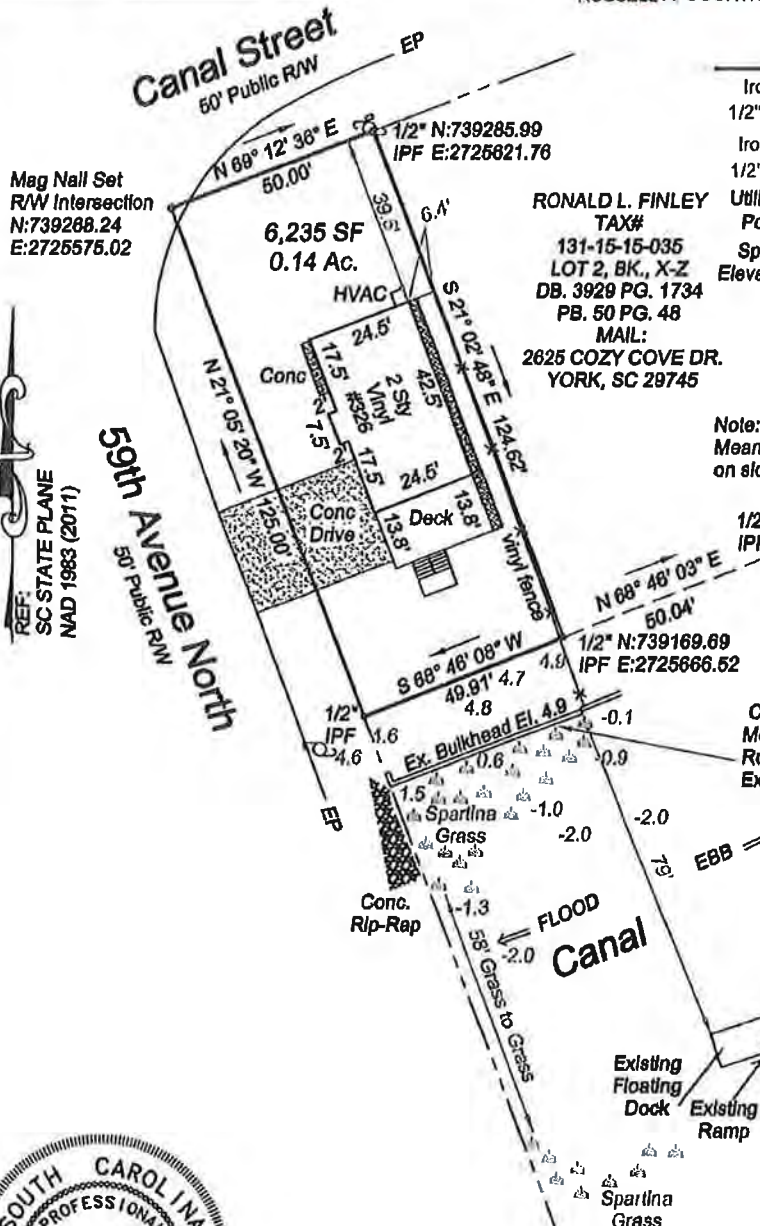
IT IS HEREBY CERTIFIED THAT THIS PLAT IS TRUE AND CORRECT TO THE ACCURACY REQUIRED IN DIVISION 4, SECTION 20-36(c) DEGREE OF ACCURACY I hereby state to the best of my professional knowledge, information, and belief, the survey shown hereon was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as specified therein; also there are no visible encroachments or projections other than shown.

Date: JULY 11 20 17

Russell A. Courtney
RUSSELL A. COURTNEY, SCPLS 27752



OCRM NOTE:
OCRM CRITICAL LINE AT BULKHEAD VERIFIED BY CHRIS STOUT ON _____



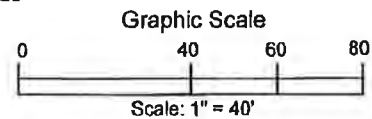
LEGEND

- Iron Old •
- 1/2" Rebar
- Iron New ○
- 1/2" Rebar
- Utilities Pole
- Spot Elevation -2.0

NOTES:

1. SURVEY SUBJECT TO FULL TITLE SEARCH
2. THIS PROPERTY MAY BE SUBJECT TO RIGHT OF WAYS, EASEMENTS OR RESTRICTIONS EITHER RECORDED OR IMPLIED
3. DEED REF: DB. 4013 PG. 2701 PLAT REF: PB. 50 PG. 48 TAX# 131-15-15-036 PIN 35210010009
4. R/W = RIGHT OF WAY
5. ELEVATIONS BASED ON NAVD 1988
6. SCALE FACTOR = 0.99979898
7. DISTANCES SHOWN ARE HORIZONTAL GROUND DISTANCES

FLOOD NOTE:
THE SUBJECT PROPERTY SHOWN HEREON DOES LIE IN AN AE 14 SPECIAL FLOOD HAZARD AREA PER F.E.M.A. PANEL # 45110 0603 H DATED 8-23-1999



Mag Nail Set
R/W Intersection
N:739288.24
E:2725575.02

REF:
SC STATE PLANE
NAD 1983 (2011)

RONALD L. FINLEY
TAX#
131-15-15-035
LOT 2, BK., X-Z
DB. 3928 PG. 1734
PB. 50 PG. 48
MAIL:
2625 COZY COVE DR.
YORK, SC 29745

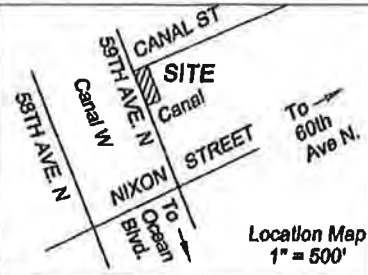
Note:
Mean High Water falls
on side of Bulkhead

Critical Line and
Mean High Water
Run along face of
Existing Bulkhead

Russ Courtney & Assoc., LLC, PLLC
Land Surveying in SC & NC
OFFICE 843-249-7733
1108-2 Sea Mountain Hwy., North Myrtle Beach, SC 29582



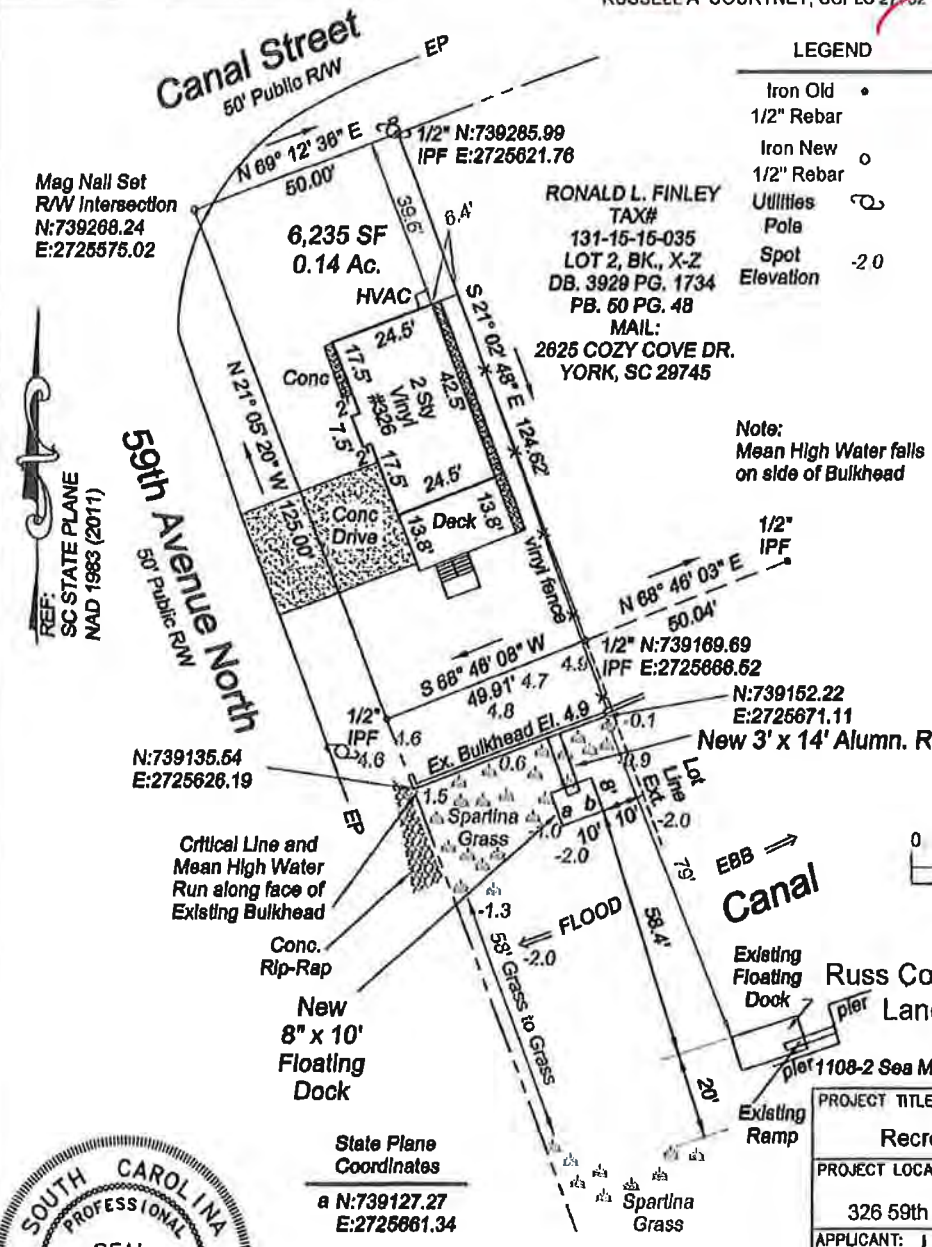
PROJECT TITLE: Existing Conditions Survey Recreational Floating Dock & Ramp	
PROJECT LOCATION: LOT 1, BK. XZ, Cherry Grove 326 59th Avenue North, North Myrtle Beach SC	
APPLICANT: Lu Ann Rudolph 4910 Connell Dr., Raleigh NC 27612	
DATE: July 11, 2017	SCALE: 1" = 40'
APPLICATION#:	SHEET OF 1 3



CERTIFICATE OF ACCURACY
 IT IS HEREBY CERTIFIED THAT THIS PLAT IS TRUE AND CORRECT TO THE ACCURACY REQUIRED IN DIVISION 4, SECTION 20-35(c) DEGREE OF ACCURACY I hereby state to the best of my professional knowledge, information, and belief, the survey shown hereon was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as specified therein; also there are no visible encroachments or projections other than shown.
 Date: JULY 11 20 17
Russell A. Courtney
 RUSSELL A. COURTNEY, SCPLS 27762



OCRM NOTE:
 OCRM CRITICAL LINE AT BULKHEAD VERIFIED BY CHRIS STOUT ON _____

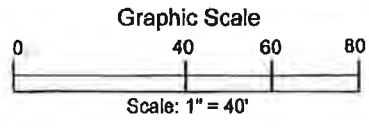


LEGEND

Iron Old	•
1/2" Rebar	○
Iron New	○
1/2" Rebar	○
Utilities Pole	⊕
Spot Elevation	-2.0

- NOTES:**
1. SURVEY SUBJECT TO FULL TITLE SEARCH
 2. THIS PROPERTY MAY BE SUBJECT TO RIGHT OF WAYS, EASEMENTS OR RESTRICTIONS EITHER RECORDED OR IMPLIED
 3. DEED REF: DB. 4013 PG. 2701
 PLAT REF: PB. 50 PG. 48
 TAX# 131-15-036
 PIN 35210010009
 4. RW = RIGHT OF WAY
 5. ELEVATIONS BASED ON NAVD 1988
 6. SCALE FACTOR = 0.99979898
 7. DISTANCES SHOWN ARE HORIZONTAL GROUND DISTANCES

FLOOD NOTE:
 THE SUBJECT PROPERTY SHOWN HEREON DOES LIE IN AN AE 14 SPECIAL FLOOD HAZARD AREA PER F.E.M.A. PANEL # 45110 0603 H DATED 8-23-1999

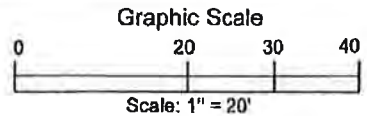


State Plane Coordinates
 a N:739127.27
 E:2725861.34
 b N:739130.71
 E:2725870.73

Russ Courtney & Assoc., LLC, PLLC
 Land Surveying in SC & NC
 OFFICE 843-249-7733
 1108-2 Sea Mountain Hwy., North Myrtle Beach, SC 29582

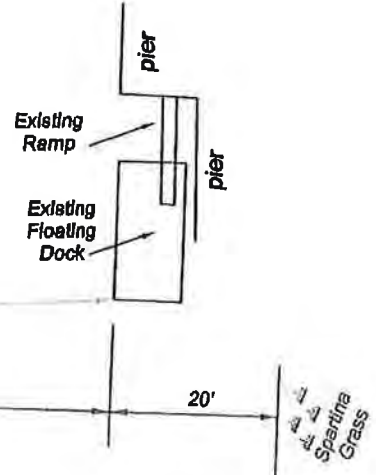
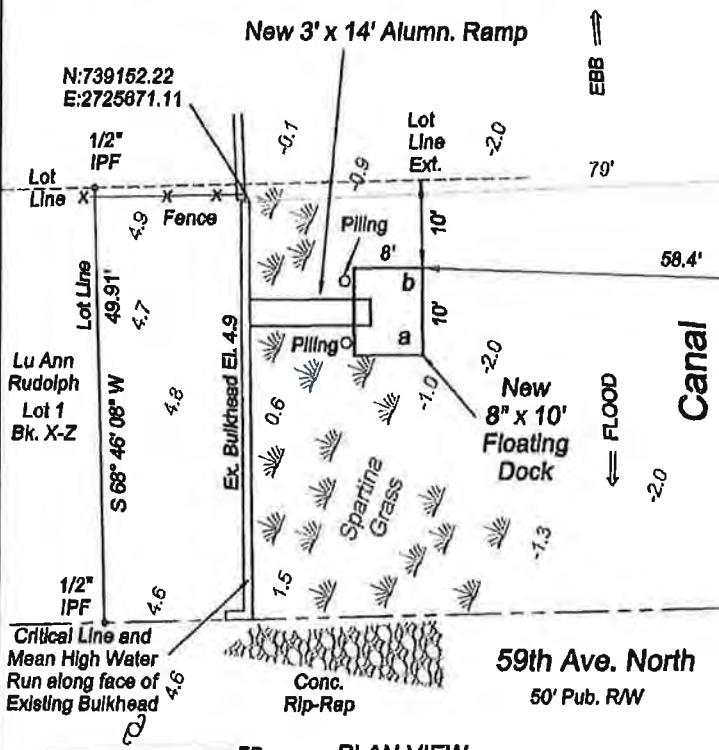
PROJECT TITLE: SITE PLAN Recreational Floating Dock & Ramp	
PROJECT LOCATION: LOT 1, BK. XZ, Cherry Grove 326 59th Avenue North, North Myrtle Beach SC	
APPLICANT: Lu Ann Rudolph 4910 Connell Dr., Raleigh NC 27612	
DATE: July 11, 2017	SCALE: 1" = 40'
APPLICATION#:	SHEET OF 2 3

(a-3)



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

ACAD:326 59AN-NMB-DOCK FOLDER :10 July 2017

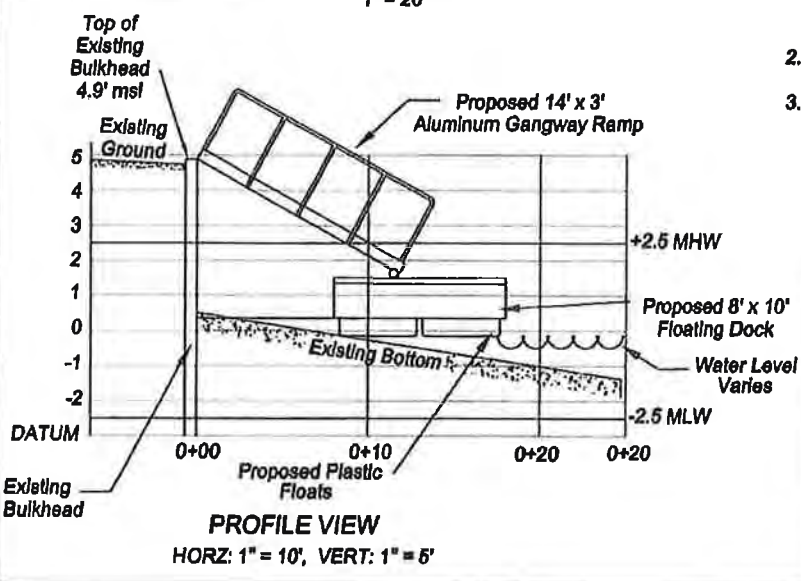


State Plane Coordinates
 a N:739127.27
 E:2725681.34
 b N:739130.71
 E:2725670.73

OCRM NOTE:
 OCRM CRITICAL LINE AT
 BULKHEAD VERIFIED BY
 CHRIS STOUT ON _____

- SITE PLAN NOTES:**
1. ALL WORKMANSHIP AND MATERIALS WILL MEET Horry COUNTY AND SC GOVERNMENTAL REGULATIONS AND REQUIREMENTS.
 2. PERMIT WILL BE REQUIRED FROM CITY OF NORTH MYRTLE BEACH PRIOR TO CONSTRUCTION.
 3. CONTRACTOR/OWNER IS RESPONSIBLE FOR SCHEDULING MEETINGS AND INSPECTIONS.

Russ Courtney & Assoc., LLC, PLLC
 Land Surveying in SC & NC
 OFFICE 843-249-7733
 1108-2 Sea Mountain, Hwy, North Myrtle Beach, SC 29582



PROJECT TITLE: Plan & Profile View Recreational Floating Dock & Ramp	
PROJECT LOCATION: LOT 1, BK. XZ, Cherry Grove 326 59th Avenue North, North Myrtle Beach SC	
APPLICANT: Lu Ann Rudolph 4910 Connell Dr., Raleigh NC 27612	
DATE: July 11, 2017	SCALE: 1" = 40'
APPLICATION#:	SHEET OF 3 3

(b)

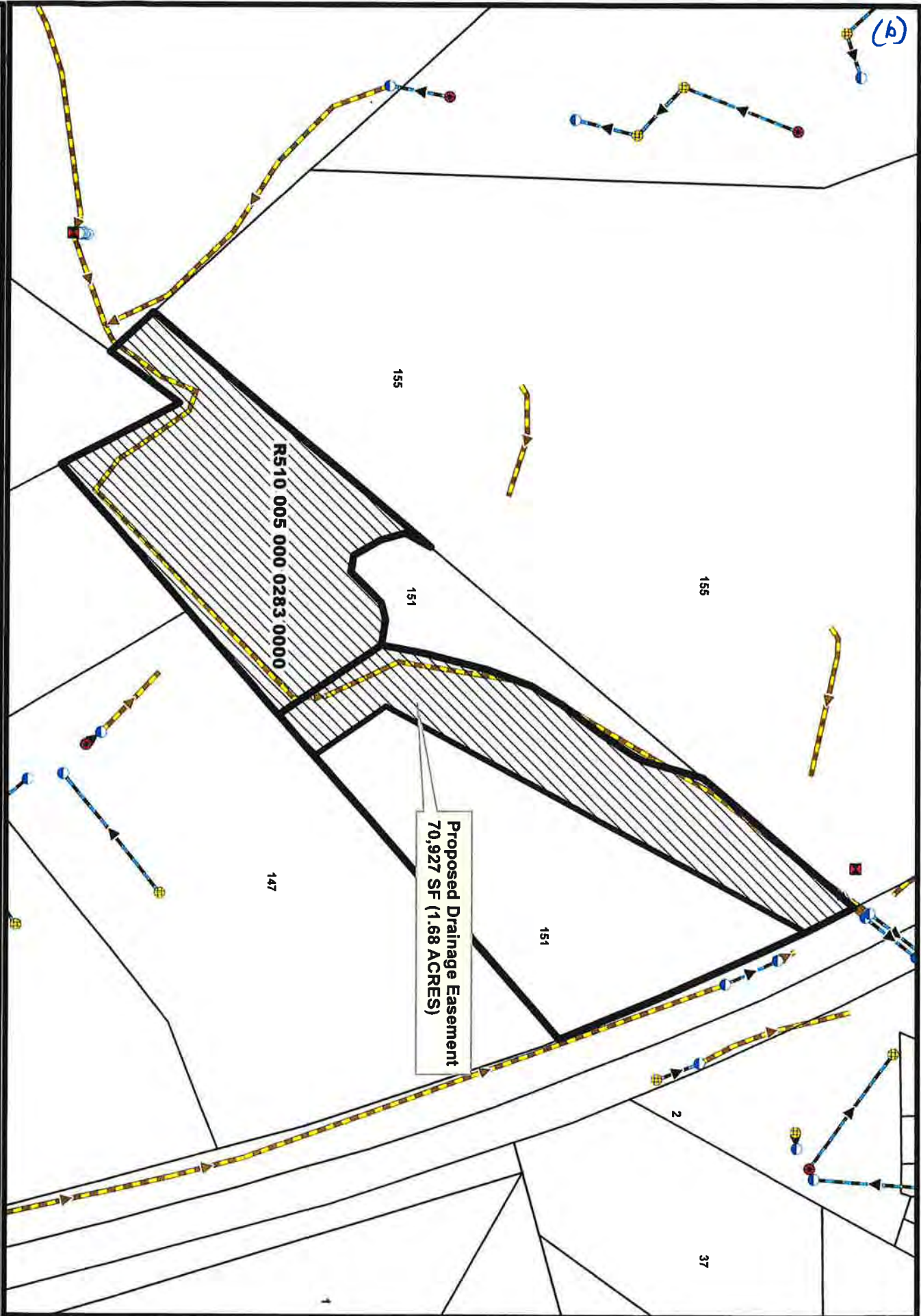
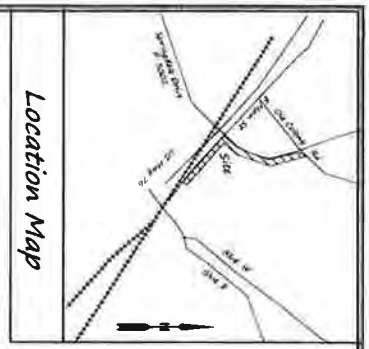


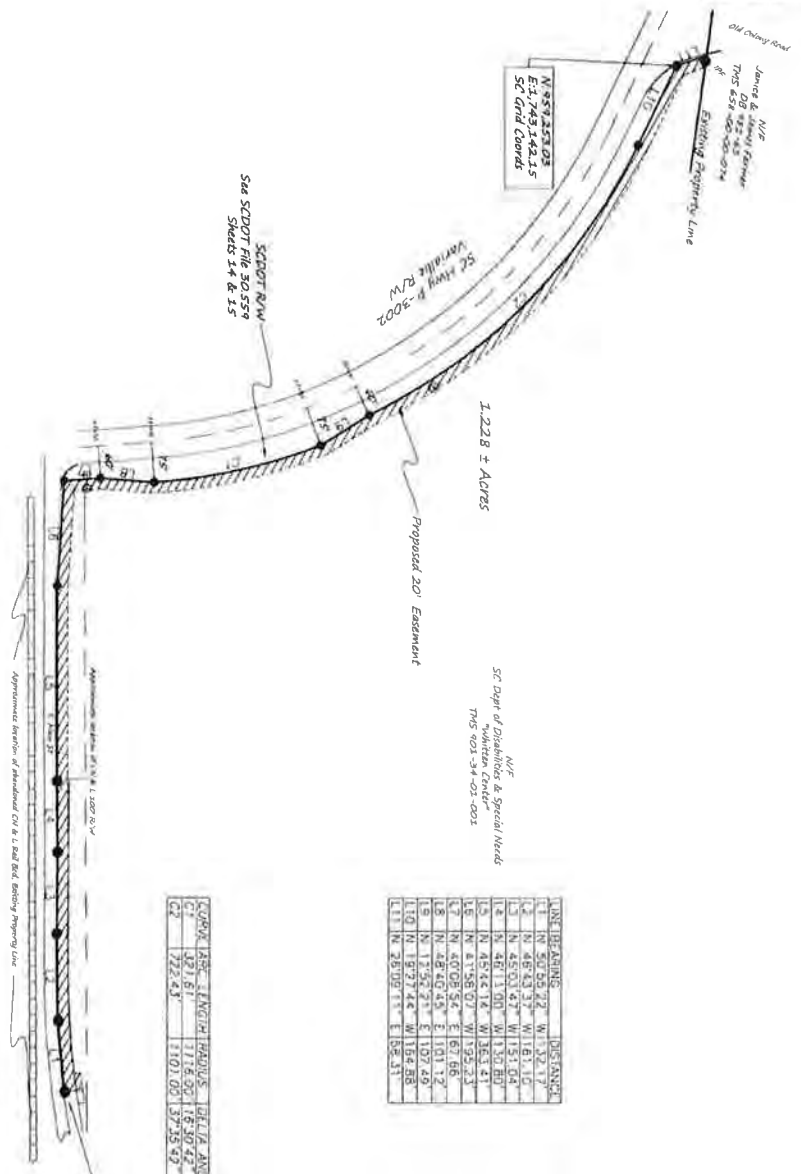
Exhibit A
 151 Dillon Road R510 005 000 0283 0000
 50
 25 0 50 100
 Feet

1 inch = 100 feet





Location Map



N 858 254.08
E 1.743 149.15
SC Grid Coords

SC Dept of Highway & Special Needs
TMS 901-34-01-001

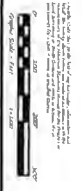
LINE	BEARING	DISTANCE
1	N 30 55 42 W	132.17
2	N 48 43 37 W	18.15
3	N 45 01 47 W	51.80
4	N 45 01 47 W	11.51
5	N 15 42 12 W	35.41
6	N 17 58 07 W	195.33
7	N 40 08 52 E	61.66
8	N 48 40 45 E	101.12
9	N 17 57 31 E	107.49
10	N 9 27 44 W	184.88
11	N 28 09 13 E	58.11

COORD.	LINE	LENGTH	BEARING	BEARING	BEARING	LENGTH
C1	4971.81	3116.00	N 69 30 42	N	51 53 53	320.50
C2	2722.43	1101.00	S 73 35 49	W	709.54	

N 9 57 102 90
E 1.743 104 49
SC Grid Coords



SC Grid North
NAD 1983 (2011)



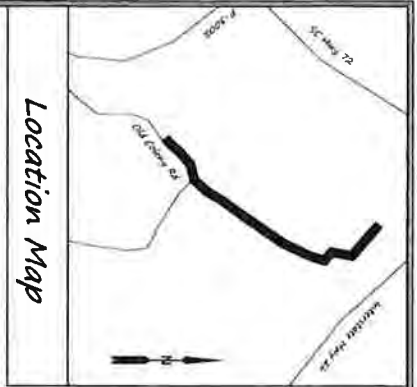
LEGEND
 (Symbol) ...
 (Symbol) ...
 (Symbol) ...

Sealing File
Citizen Newberry Natural Gas Authority
Proposed 20' Easement Site A

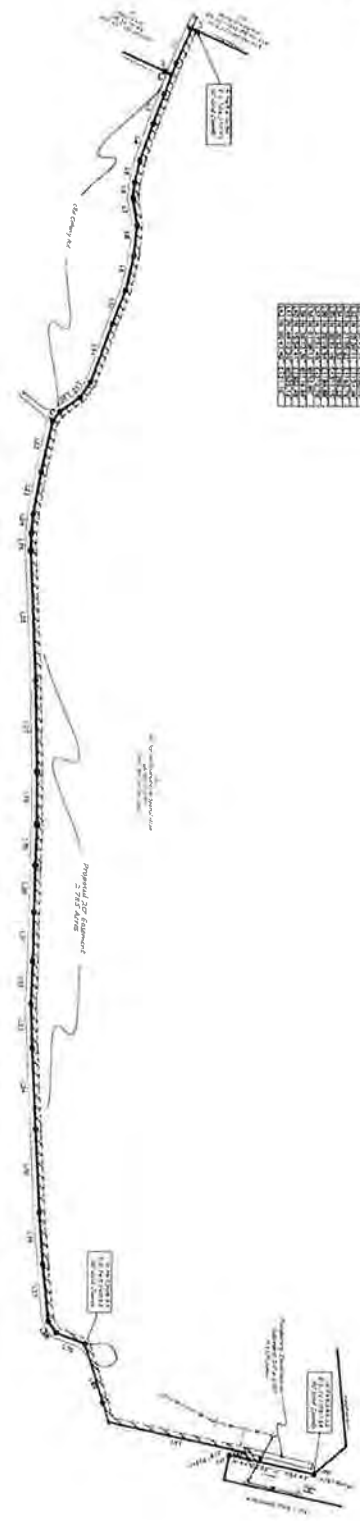
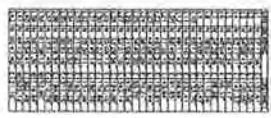
State of South Carolina
County
Landmarks

Adrian Springs, Inc.
1500 N. ...
...
...

(d)



SE Grid Mark
MAP 3043 (2012)



LEGEND

- Proposed 20' Easement
- SE Grid Mark
- Other features

Spring 2012

Clinton Newberry National and Audubon

Proposed 20' Easement, SET B

State of South Carolina

County: Laurens

Project No. 12-001

Project Name: Clinton Newberry National and Audubon

Project Location: Laurens County, South Carolina

Project Date: 12/12/11

Project Status: Final

Project Scale: 1" = 1 mile

Project Author: Africa Surveying, Inc.

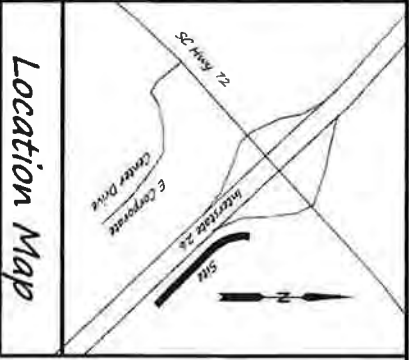
Project Date: 12/12/11

Project Status: Final

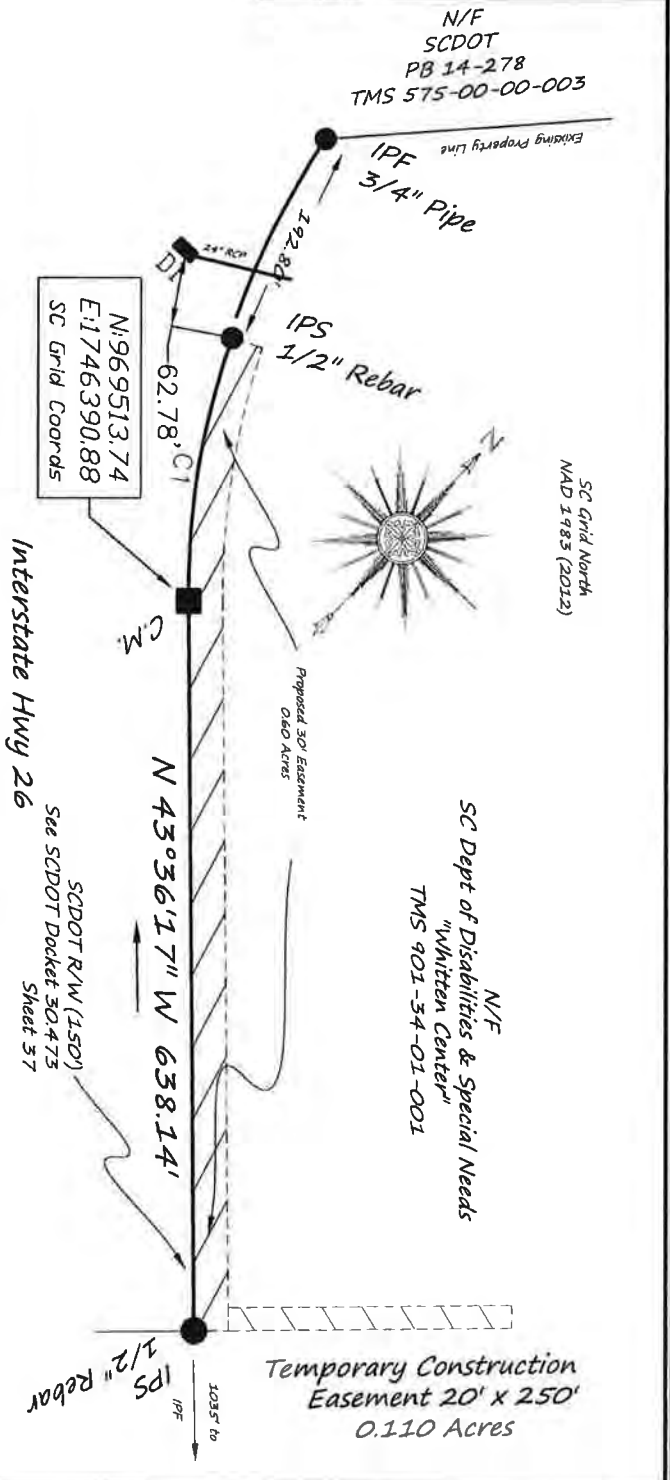
Project Scale: 1" = 1 mile

Project Author: Africa Surveying, Inc.

(e)



Location Map

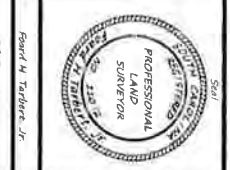


CURVE	ARC LENGTH	RADIUS	CHORD BEARING	CHORD LENGTH
C1	234.92'	658.92	N 37°45'56\" W	233.68'

I hereby state that to the best of my knowledge, information, and belief, the plan hereon was made, prepared, and issued in accordance with the requirements of the minimum Standard Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class B Survey as specified therein.



- LEGEND**
- IPF IRON PIN FOUND
 - IPS IRON PIN SET
 - SPK SPIKE
 - N/C NAIL & CAP
 - CM CONIC MONUMENT
 - MN MAGNETIC NAIL
 - O—P— OVERHEAD UTILITIES
 - X— FENCE
 - POINT



Survey for Clinton Newberry Natural Gas Authority
 Proposed 30' Easement, Sect C
 State of South Carolina
 Date of Survey: 5 August 2017
 Ref. PB: TMS 901-34-01-001
 Arthur H. Tardiff, Jr.
 Professional Land Surveyor
 Clinton, SC 29325
 Phone: (864) 333-0248
 Fax: (864) 333-0249
 County: Laurens
 Ding No: 237033-C
 Party Plan: F.N.T.

N/F
 SC Dept of Disabilities & Special Needs
 "Whitten Center"
 TMS 901-34-01-001

Temporary Construction Easement 20' x 250'
 0.110 Acres

SCDOT R/W (150)
 See SCDOT Docket 30.473
 Sheet 37

AGENCY: Division of Procurement Services

SUBJECT: Procurement Audit and Certification

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has audited the following agency and recommends certification within the parameters described in the audit report for the following agency for a period of three years.

Forestry Commission: supplies and services, \$200,000* per commitment; major fire fighting equipment per commodity codes 065, 071, 072, 073, 760, and 765, \$200,000* per commitment; consultant services, \$75,000* per commitment; and information technology, 100,000* per commitment.

*Total potential purchase commitment whether single year or multi-term contracts are used.

Based on the South Carolina Forestry Commission's response to the finding in the audit report, the Division of Procurement Services believe adequate corrective action has been implemented that will ensure compliance with the South Carolina Consolidated Procurement Code, State regulations, and the Commission's procurement policies and procedures in all material respects. The Division recommends the State Fiscal Accountability Authority grant the South Carolina Forestry Commission the certification limits noted above.

AUTHORITY ACTION REQUESTED:

In accord with Section 11-35-1210, approve the recommended certification within the parameters described in the audit report for the following limits (total potential purchase commitment whether single-or multi- year contracts are used) for the following agency:

Forestry Commission: supplies and services, \$200,000* per commitment; major fire fighting equipment per commodity codes 065, 071, 072, 073, 760, and 765, \$200,000* per commitment; consultant services, \$75,000* per commitment; and information technology, 100,000* per commitment.

*Total potential purchase commitment whether single year or multi-term contracts are used.

ATTACHMENTS:

Agenda item worksheet and attachment

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting scheduled for: October 17, 2017

Blue Agenda

1. Submitted by:

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


 John St. C. White, Materials Management Officer

2. Subject: Procurement Certification for the South Carolina Forestry Commission

3. Summary Background Information:

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of the South Carolina Forestry Commission and recommends its certification within the parameters described in the audit report for the following limits for a period of three years.

	<u>Current Certification</u>	<u>Certification Recommended</u>
I. Supplies and Services	*\$ 100,000 Per Commitment	*\$ 200,000 Per Commitment
II. Major Fire Fighting Equipment Per Commodity Codes 065, 071, 072, 073, 760 & 765	*\$ 1,000,000 Per Commitment	*\$ 1,000,000 Per Commitment
III. Consultant Services	*\$ 75,000 Per Commitment	*\$ 75,000 Per Commitment
IV. Information Technology	*\$ 75,000 Per Commitment	*\$ 100,000 Per Commitment

*Total potential purchase commitment whether single year or multi-term contracts are used.

Based on the South Carolina Forestry Commission's response to the finding in the audit report, we believe adequate corrective action has been implemented that will ensure compliance with the South Carolina Consolidated Procurement Code, State regulations, and the Commission's procurement policies and procedures in all material respects. We recommend the State Fiscal Accountability Authority grant the South Carolina Forestry Commission the certification limits noted above.

4. What is Authority asked to do?

Grant procurement certification for the South Carolina Forestry Commission by approval of the Blue Agenda.

5. What is recommendation of Authority division involved? Approve.

6. Recommendation of other office (as required)?

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

7. List of supporting documents:

- (a) Section 11-35-1210 of the Consolidated Procurement Code

§ 11-35-1210. Certification

(1) Authority. The board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The designated board office shall review the respective governmental body's internal procurement operation, shall certify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.

(2) Policy. Authorizations granted by the board to a governmental body are subject to the following:

(a) adherence to the provisions of this code and the ensuing regulations, particularly concerning competitive procurement methods;

(b) responsiveness to user needs;

(c) obtaining of the best prices for value received.

(3) Adherence to Provisions of the Code. All procurements shall be subject to all the appropriate provisions of this code, especially regarding competitive procurement methods and nonrestrictive specifications.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

State Fiscal Accountability Authority 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:

- (a) Summary 2-2018: JBRC Item 1. (H12) Clemson University
 Project: 9934, Child Care Facility Construction
 Included in Annual CPIP: Yes – CPIP Priority 2 of 6 in FY17
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 11/9/16

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Prudential Settlement Funds	0.00	0.00	0.00	100,000.00	100,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>100,000.00</u>	<u>100,000.00</u>

Funding Source: \$100,000 Other, Prudential Settlement Funds, which are settlement proceeds and related earnings from a settlement with a private insurance company.

Request: Establish project and budget for \$100,000 (Other, Prudential Settlement Funds) to begin pre-design work to construct an approximately 12,700 square foot child care facility that will serve Clemson faculty, staff and students. The Phase I pre-design budget is requested at 2% of the estimated project cost and the additional amount will allow the University to provide for additional geotechnical investigations, surveys of the site, and the required LEED cost benefit analysis. The facility will include classrooms, outdoor play areas, laundry, office spaces, storage, parking and appropriate fencing and lighting to promote safety. The location on the periphery of campus will be easily accessible by using campus transit services and allows for convenient parent drop off and pick up. The facility will be constructed and managed to meet National Association for the Education of Young Children (NAEYC) accreditation standards. Currently, there are no nationally accredited child care facilities within 25 miles of Clemson, with the exception of Head Start and other at-risk programs. Further, Clemson is the only Top 25 public university in the United States and the only major university in South Carolina that does not offer child care services. Faculty and staff have consistently listed child care as a top priority for the University. Child care services will aid in the recruitment and retention efforts of top faculty, staff and doctoral students, as well as

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

provide opportunities for enhanced work productivity. The center will be managed and operated through a third-party vendor and provide a safe, secure, and stimulating learning environment for infants, toddlers, and preschool-aged children, ages six weeks to five years old. The facility is expected to serve a maximum of 132 children on a first come, first serve basis and approximately 30 full-time staff at full capacity provided by the third party vendor. The agency estimates that the completed project will cost approximately \$5,000,000. (See attachment 1 for additional annual operating costs.)

- (b) Summary 2-2018: JBRC Item 2. (H51) Medical University of South Carolina
 Project: 9840, Basic Science Building Exterior Envelope Repairs
 Included in Annual CPIP: No
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 10/5/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Institution Capital Project Funds	0.00	0.00	0.00	105,000.00	105,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>105,000.00</u>	<u>105,000.00</u>

Funding Source: \$105,000 Other, Institution Capital Project Funds, which are excess debt service funds and remaining balances from closed projects.

Request: Establish project and budget for \$105,000 (Other, Institution Capital Project Funds) to begin Phase I schematic design to make exterior building envelope repairs to the Basic Science Building. The building had significant water intrusion during Hurricane Joaquin and Hurricane Matthew. The building is also prone to water intrusion during heavy rain storms. The work will include masonry repairs/modifications, complete window replacement, wet sealing of all existing fenestrations, complete cleaning of exterior building envelope, complete sealant replacement, prefabricated joint replacements, complete clear water repellent to exterior walls, sheet metal for roof and exterior walls, stucco repairs, and exterior waterproofing. The work also includes complete removal of the roof system down to structural deck and replacement, including all related sheet metal accessories and related work. The existing 20+ year old roof will be replaced with modified bitumen and will come with a 20 year warranty. The 47 year old building is 335,663 square feet and is utilized by 300 to 400

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

faculty and staff that are permanently housed in the building. In addition, this building is a major academic building with 400 to 500 students entering daily. The agency estimates that the completed project will cost approximately \$7,000,000.

- (c) Summary 2-2018: JBRC Item 3. (H51) Medical University of South Carolina
 Project: 9841, Storm Eye Institute Chiller Replacement
 Included in Annual CPIP: Yes – CPIP Priority 1 of 4 in FY18
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 10/5/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Institution Deferred Maintenance Funds	0.00	0.00	0.00	37,500.00	37,500.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>37,500.00</u>	<u>37,500.00</u>

Funding Source: \$37,500 Other, Institution Deferred Maintenance Funds, which are funds allocated to this account based on the Responsibility Centered Management (RCM) budgeting model adopted in 2013. State appropriations, tuition/fees and grant indirect cost recoveries are allocated to this fund. MUSC does not charge a separate plant improvement fee to the students. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of the Strategic Investment Fund retained by central administration is used to fund facilities and deferred maintenance.

Request: Establish project and budget for \$37,500 (Other, Institution Deferred Maintenance Funds) to begin Phase I schematic design to replace two existing 20+ year old failing air cooled chillers on the roof of the Storm Eye Institute. One existing 200 ton chiller has completely failed and the second existing 350 ton chiller has partially failed and currently can only operate at 50% capacity. These chillers will be replaced with one 600 ton water cooled chiller including associated cooling towers and pumps. The new chiller and tower water pumps will be located in an enclosure to protect them from outside elements. The 42 year old building is 92,605 square feet and is utilized by 200 to 250 faculty/staff and 200 to 300 patients. The agency estimates that the completed project will cost approximately \$2,500,000.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

- (d) Summary 2-2018: JBRC Item 5. (D50) Department of Administration
 Project: 9994, LLR Dorm Building #9 Renovation
 Included in Annual CPIP: Yes – CPIP Priority 1 of 3 in FY18 (R36 – LLR)
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, LLR Fire Insurance Inspection Tax Funds	0.00	0.00	0.00	55,156.00	55,156.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>55,156.00</u>	<u>55,156.00</u>

Funding Source: \$55,156 LLR Other, Fire Insurance Inspection Tax Funds, which are other operating funds in the Division of Fire & Life Safety and generated from 1% insurance funds authorized by statute requiring a portion of the tax on the fire insurance premiums collected in SC to be directed to the Division of Fire and Life Safety to be used for operation as well as capital improvement projects and support at the State Fire Academy.

Request: Establish project and budget for \$55,156 (Other, LLR Fire Insurance Inspection Tax Funds) to procure A&E services for a preliminary design and 3rd-party preliminary cost estimate to renovate the SC Fire Academy (SCFA) Dormitory Building 9 at the Monticello Road campus. The scope of work will address deferred maintenance needs and performance issues as well as recommend upgrades identified in the August 2017 feasibility study. The 23 year old dormitory was constructed in 1994 and is 22,752 square feet. The building systems are also original to the building. Approximately 6,000 persons occupy the dormitory on an annual basis. The agency estimates that the completed project will cost approximately \$3,677,039.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

Phase I Increase, Revise Scope & Change Project Name

- (e) Summary 2-2018: JBRC Item 7. (H09) The Citadel
 Project: 9611, Academic Building Replacement (Capers Hall)
 Included in Annual CPIP: Yes – CPIP Priority 1 of 8 in FY20
 JBRC/SFAA Phase I Approval: October 2014

CHE Recommended Approval: 10/5/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Capital Improvement Fee Funds	250,000.00	0.00	250,000.00	517,128.73	767,128.73
All Sources	<u>250,000.00</u>	<u>0.00</u>	<u>250,000.00</u>	<u>517,128.73</u>	<u>767,128.73</u>

Funding Source: \$767,128.73 Other, Capital Improvement Fee Funds, which is an institutional fund established to fund capital projects. This fund is a combination of Capers Hall Sinking Funds, Institutional Debt Tuition charged to students in FY18 and Foundation Cash Gifts on hand.

Request: Increase budget to \$767,128.73 (add \$517,128.73 Other, Capital Improvement Fee Funds) to increase the Phase I budget, Revise Scope and Change the Project Name to include funds to proceed with schematic design, along with adding a “Construction Manager” – At Risk” to the team to ensure this project’s success. The internal projected cost has increased since the original A-1 was submitted/approved due to the additional review of findings from a Capers Hall structural building evaluation completed as part of the early phases of programmatic design. The original estimate of \$26 million to \$37 million only minimally upgraded the seismic egress components of the original 1949 building which was to remain. The revised construction estimate of \$40 million to \$41 million accounts for future annual escalation and now includes phased demolition and construction of an entirely new facility that meets all current seismic codes. The structural building evaluation showed that upgrading the existing facility to meet full seismic requirements would equal or exceed the cost of replacing the original 1949 building. The increased cost also allows for the addition of specialty space for the new curricular area of Cybersecurity & Intelligence, plus Study Abroad programs, and accounts for the high cost of

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

construction in the Charleston area. Because of the complex phasing aspects of this project, using a CM-At Risk delivery method will result in the timeliest, economical, and successful completion of the project. The increased Phase I project budget includes fees for these professional services. The existing 68 year old Capers Hall was constructed in 1949 and is the most utilized building on campus. The vast majority of The Citadel's student population attend classes in the building and it also houses offices for a large number of faculty and staff personnel. The 75,116 square foot building houses English, History, Math, Psychology and Education departments. The new building to be constructed will be 104,844 square feet and will consist of a three-story atrium, 37 flexible classrooms, 7 computer classrooms, a 250-seat auditorium, Study Abroad/Multicultural Support, Fine Arts classroom, art gallery, sensitive compartmented information facility (SCIF), psychology lab rooms, administrative and faculty offices, and common areas as well as core support spaces. The agency estimates that the completed project will cost approximately \$51,141,915. (See attachment 2 for additional annual operating costs.)

Establish Construction Budget

- (f) Summary 2-2018: JBRC Separate Item. (H12) Clemson University
 Project: 9932, Tennis Center Construction
 Included in Annual CPIP: Yes – CPIP Priority 5 of 6 in FY17
 JBRC/SFAA Phase I Approval: September 2016

CHE Recommended Approval: Per the August 8, 2017 CHE Memorandum, this request was approved as follows: Pursuant to S.C. Code Section 2-47-40(B), the Commission now forwards this permanent improvement proposal with the recommendation that the project be approved on the condition that Clemson University add \$6 million equity to the project.

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>		<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Athletic Improvement Funds	312,500.00	0.00	312,500.00	(312,500.00)	0.00	
Athletic Fac. Revenue Bonds	0.00	0.00	0.00	12,500,000.00	12,500,000.00	
All Sources	<u>312,500.00</u>	<u>0.00</u>	<u>312,500.00</u>	<u>12,187,500.00</u>	<u>12,500,000.00</u>	

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

Funding Source: \$12,500,000 Athletic Facilities Revenue 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 a combination of athletic net revenues, ticket surcharges, and private gift funds.

Request: Increase budget to \$12,500,000 (add \$12,500,000 Athletic Facilities Revenue Bond Funds) to establish the construction budget to construct a new state-of-the-art tennis center for the men's and women's varsity tennis teams. The existing tennis center and indoor practice facilities were constructed between 1987 and 1993 and are not sufficient for today's needs. This project was established in September 2016 for Phase I, which is now complete. The new center will retain and continue to utilize existing tennis facilities, including outdoor competition courts and a 700 seat permanent stadium. The new approximately 60,000 square foot tennis center will include a new six-court indoor tennis facility, a clubhouse containing locker rooms, a training room, equipment rooms, a players' lounge, laundry and coaches' offices, a ticket office and public restroom building, two new outdoor courts, and related site work. The existing indoor facility lacks two needed courts for practice and competition in inclement weather. There is currently no designated tennis parking or suitable vehicular or disabled access to the site, which is located along Highway 93. Existing office and support facilities are too small for today's needs. The new facilities will enhance recruiting efforts, improve, student athlete playing experiences, improve opportunities for NCAA regionals and other championships, and provide for better pedestrian circulation and vehicular access. Renovating the existing indoor court building was considered but demolishing it and constructing a new facility was determined to be a more feasible alternative due to siting, ventilation, seismic and other issues. The facility will be constructed to meet Two Green Globes Certification and \$736,596 in anticipated operating cost savings over a 30 year life are expected. The primary users of the new facilities will remain the NCAA varsity men's and women's tennis programs. Each program has approximately three coaches, three support staff members and ten student athletes, totaling approximately 32 individuals who will use the facility. Additionally and as available, Clemson Campus Recreation will host intramurals, club team, and other recreation activities at the facility, as well as community-centered events such as summer tennis camps and City of Clemson sponsored tennis tournaments. Further, Clemson anticipates a total of 5,000 spectators per year for men's and women's tennis matches will also use the facilities. The agency estimates that the complete project will cost approximately \$12,500,000. The agency also reports the projects date for execution of the construction contract is January 2018 and for completion of construction is August 2018. (See attachment 3 for additional annual operating costs.)

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

- (g) Summary 2-2018: JBRC Item 9. (H51) Medical University of South Carolina Project: 9836, Basic Science Building 7th Floor Biorepository & Histology Lab Renovations
Included in Annual CPIP: Yes – CPIP Priority 4 of 4 in FY18
JBRC/SFAA Phase I Approval: June 2017

CHE Recommended Approval: 10/5/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, College of Medicine Clinical Revenue Funds	22,500.00	0.00	22,500.00	1,477,500.00	1,500,000.00
All Sources	<u>22,500.00</u>	<u>0.00</u>	<u>22,500.00</u>	<u>1,477,500.00</u>	<u>1,500,000.00</u>

Funding Source: \$1,500,000 Other, College of Medicine Clinical Revenue Funds, which is revenue generated from patient care.

Request: Increase budget to \$1,500,000 (add \$1,477,500 Other, College of Medicine Clinical Revenue Funds) to begin Phase II final design and construction for the renovation of approximately 4,000 square feet of vacant, partially demolished lab space on the 7th floor of the Basic Science Building to enable the co-location of the following labs: Histology & Immunohistochemistry Lab, Hollings Center Biorepository and Tissue Analysis Lab, Brain Bank Lab, and the Electron Microscopy and Histology Labs. The goal is to realize research efficiencies by co-locating the labs to provide enhanced quality of operations within and between each laboratory. The newly renovated labs will represent MUSC's progressive development in tissue and biorepository research and facilitate future development of the program. The 47 year old facility was constructed in 1970 and is 335,643 square feet. Approximately 10-15 faculty and staff will use the facility. The agency estimates that the completed project will cost approximately \$1,500,000. The agency also reports the projects date for execution of the construction contract is April 2018 and for completion of construction is November 2018.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

- (h) Summary 2-2018: JBRC Item 10. (H51) Medical University of South Carolina Project: 9837, Clinical Sciences Building Cooling Towers Replacement
 Included in Annual CPIP: Yes – CPIP Priority 1 of 4 in FY18
 JBRC/SFAA Phase I Approval: June 2017

CHE Recommended Approval: 10/5/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Institution Deferred Maintenance Funds	27,000.00	0.00	27,000.00	1,823,000.00	1,850,000.00
All Sources	<u>27,000.00</u>	<u>0.00</u>	<u>27,000.00</u>	<u>1,823,000.00</u>	<u>1,850,000.00</u>

Funding Source: \$1,850,000 Other, Institution Deferred Maintenance Funds, which are funds allocated to this account based on the Responsibility Centered Management (RCM) budgeting model adopted in 2013. State appropriations, tuition/fees and grant indirect cost recoveries are allocated to this fund. MUSC does not charge a separate plant improvement fee to the students. Under RCM, a Strategic Investment Fund has been created based on a percentage tax on certain college revenue streams. Approximately \$4 million of the Strategic Investment Fund retained by central administration is used to fund facilities and deferred maintenance.

Request: Increase budget to \$1,850,000 (add \$1,823,000 Other, Institution Deferred Maintenance Funds) to begin Phase II final design and construction for the replacement of three (3) cooling towers at the Clinical Sciences Building. These cooling towers are at the end of their useful life and in need of replacement. The existing structural steel support system is severely deteriorated and must be replaced. Temporary wood supports have been installed under the towers as a safety measure until the towers can be replaced. Replacement of the steel would require removal of the cooling towers. Replacement of the towers at the same time as replacement of the steel provides the most economical solution. The 42 year old facility was constructed in 1975 and is 273,899 square feet. The age of the cooling towers is estimated to date back to the 1990's. The building houses part of the ED department, clinic and office space, research labs, College of Medicine offices,

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

and some space is leased to the hospital. The facility is utilized by 1,000+ people on a daily basis. The agency estimates that the completed project will cost approximately \$1,850,000. The agency also reports the projects date for execution of the construction contract is May 2018 and for completion of construction is April 2019.

- (i) Summary 2-2018: JBRC Item 11. (H51) Medical University of South Carolina Project: 9838, Clinical Sciences Building 8th Floor Northwest Side Renovation
Included in Annual CPIP: Yes – CPIP Priority 4 of 4 in FY18
JBRC/SFAA Phase I Approval: June 2017

CHE Recommended Approval: 10/5/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes</u>		<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
		<u>Since Original Budget</u>	<u>Current Budget</u>		
Other, College of Medicine Clinical Revenue Funds	21,000.00	0.00	21,000.00	1,379,000.00	1,400,000.00
All Sources	<u>21,000.00</u>	<u>0.00</u>	<u>21,000.00</u>	<u>1,379,000.00</u>	<u>1,400,000.00</u>

Funding Source: \$1,400,000 Other, College of Medicine Clinical Revenue Funds, which is revenue generated from patient care.

Request: Increase budget to \$1,400,000 (add \$1,379,000 Other, COM Clinical Revenue Funds) to begin Phase II final design and construction for the renovation of approximately 7,000 square feet of existing lab and office space on the northwest side of the 8th floor of the Clinical Sciences Building. The goal of the renovation is to increase the operational efficiency and collaboration of the various work groups within the Department of Medicine. Renovations will create open, contemporary, functional, interchangeable, and translational office and open work areas to accommodate the department's residency and medical teaching programs, as well as the department clinical trials programs. New Variable Air Volume HVAC units will be installed for comfort control. Additional electrical circuits will be installed to support increased occupancy in cubicle areas. The existing space is original to the building and difficult to efficiently use for the departments teaching and research programs. This renovation will compliment adjacent renovations on the south end of this same

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floor. The 42 year old facility was constructed in 1975 and is 273,899 square feet. Approximately 100 Internal Medicine Residents, 28 Medical Students, 48 Department of Medicine staff, 10 Department of Medicine faculty will use the facility. The agency estimates that the completed project will cost approximately \$1,400,000. The agency also reports the projects date for execution of the construction contract is February 2018 and for completion of construction is August 2018.

- (j) Summary 2-2018: JBRC Item 12. (H51) Medical University of South Carolina Project: 9839, Thurmond Gazes Building 6th Floor Alcohol Research Center Renovations
 Included in Annual CPIP: Yes – CPIP Priority 4 of 4 in FY18
 JBRC/SFAA Phase I Approval: June 2017

CHE Recommended Approval: 10/5/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, College of Medicine Clinical Revenue Funds	34,500.00	0.00	34,500.00	2,265,500.00	2,300,000.00
All Sources	<u>34,500.00</u>	<u>0.00</u>	<u>34,500.00</u>	<u>2,265,500.00</u>	<u>2,300,000.00</u>

Funding Source: \$2,300,000 Other, College of Medicine Clinical Revenue Funds, which is revenue generated from patient care.

Request: Increase budget to \$2,300,000 (add \$2,265,500 Other, COM Clinical Revenue Funds) to begin Phase II final design and construction for the renovation of approximately 8,500 square feet along the north side and a portion of the central core of the 6th floor of the Thurmond Gazes Building for the Alcohol Research Center (ARC). The 6th floor labs are currently unoccupied and partially demolished. The project will provide for behavioral research. The renovation will create three new animal housing spaces and require the addition of an HVAC system to meet Association for Assessment and Accreditation of Laboratory Animal Care requirements. Existing lab casework, etc. will be reused where practical. The 21 year old facility was constructed in 1996 and is 200,339 square feet. Approximately 25-30 faculty and staff will use the facility. The agency estimates that the completed project will cost approximately \$2,300,000. The agency also reports the projects date for execution of the

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construction contract is April 2018 and for completion of construction is October 2018.

- (k) Summary 2-2018: JBRC Item 13. (H59) Horry Georgetown Technical College Project: 6128, Construction of Advanced Manufacturing Center - Georgetown
Included in Annual CPIP: Yes – CPIP Priority 1 of 2 in FY18
JBRC/SFAA Phase I Approval: January 2017

CHE Recommended Approval: 9/7/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
FY15-16 Capital Reserve Funds	0.00	0.00	0.00	1,500,000.00	1,500,000.00
FY16-17 Capital Reserve Funds	0.00	0.00	0.00	3,500,000.00	3,500,000.00
Federal, EDA Grant	0.00	0.00	0.00	2,785,000.00	2,785,000.00
Other, Georgetown School District Funds	0.00	0.00	0.00	2,000,000.00	2,000,000.00
Other, Georgetown County Funds	0.00	0.00	0.00	1,465,000.00	1,465,000.00
Other, College Funds	180,000.00	0.00	180,000.00	2,070,000.00	2,250,000.00
All Sources	<u>180,000.00</u>	<u>0.00</u>	<u>180,000.00</u>	<u>13,320,000.00</u>	<u>13,500,000.00</u>

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Funding Source: \$1,500,000 FY15-16 Capital Reserve Funds. \$3,500,000 FY16-17 Capital Reserve Funds. \$2,785,000 Federal, EDA Grant. \$2,000,000 Other, Georgetown School District Funds, which are an allocation of bond funds approved by the voters of Georgetown County on November 8, 2016 for equipment purchases for the Advanced Manufacturing Center. \$1,465,000 Other, Georgetown County Funds, which have been authorized and committed by the Georgetown County Council for the construction of the Advanced Manufacturing Training Center and will be available no later than June 30, 2019. \$2,250,000 Other, College Funds, which are the excess of revenues over expenses accumulated over time for the purpose of funding capital projects and for meeting local matching requirements.

Request: Increase budget to \$13,500,000 (add \$13,320,000 FY15-16 & FY16-17 Capital Reserve, Federal EDA Grant and Other, Georgetown School District, Georgetown County and College Funds) to establish the Phase II budget to construct and equip a 30,000 square foot commercial prefabricated metal building on its Georgetown campus. The building will be used to house the College's Advanced Manufacturing programs which include CNC/Machine Tool, Welding, Mechatronics and Robotics programs. The college has outgrown its existing academic space on this campus and has no available space to operate these high demand, highly skilled programs. With the construction of this facility, the college intends to increase its advanced manufacturing enrollment to more than 150 students. Graduates from these programs are in high demand across the state and have starting salaries well in advance of local averages. The facility will be used by more than 125 students and approximately 5 faculty. The project will meet Green Globes standards and with additional construction costs, fees and required Green Globes registrations, the project will result in additional net cost of \$34,277 over a 30 year life cycle. At Phase I the total projected cost of the project was \$12,000,000 but has increased primarily due to increased costs associated with ventilating the welding booths, and significantly increased equipment costs. The agency estimates that the completed project will cost approximately \$13,500,000. The agency also reports the projects date for execution of the construction contract is November 2017 and for completion of construction is June 2019. (See attachment 4 for additional annual operating costs.)

- (1) Summary 2-2018: JBRC Item 15. (D50) Department of Administration
Project: 9987, Fire Station #8 - Renovation
Included in Annual CIP: Yes – CIP Priority 2 of 3 in FY17 (R36 – LLR)
JBRC/SFAA Phase I Approval: May 2017

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

CHE Recommended Approval: N/A

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, LLR Fire Insurance Inspection Tax Funds	15,350.00	0.00	15,350.00	1,114,325.00	1,129,675.00
All Sources	<u>15,350.00</u>	<u>0.00</u>	<u>15,350.00</u>	<u>1,114,325.00</u>	<u>1,129,675.00</u>

Funding Source: \$1,129,675 LLR Other, Fire Insurance Inspection Tax Funds, which are other operating funds in the Division of Fire & Life Safety and generated from 1% insurance funds authorized by statute requiring a portion of the tax on the fire insurance premiums collected in SC to be directed to the Division of Fire and Life Safety to be used for operation as well as capital improvement projects and support at the State Fire Academy.

Request: Increase budget to \$1,129,675 (add \$1,114,325 Other, LLR Fire Insurance Inspection Tax Funds) to begin Phase II design documents and construction for the renovation of the LLR Fire Station #8 located at LLR's Monticello Road location which houses the Division of Fire and Life Safety. The intent of the renovation is to construct additional training classrooms within the existing fire station bay area. When brought for Phase I, the total estimated cost of the project was \$756,920. During the Phase I concept study field investigation of the existing facility identified additional scope that will require modifications to the existing plumbing, HVAC, electrical and fire protection systems in the apparatus bay that will be necessary to accommodate the 2nd floor addition. In addition, the existing kitchen and dining spaces will be renovated to add benefit and value for the facility's users in support of SCFA programs. An HVAC design alternative option will also be considered that would cost approximately \$18,736 if accepted with the final construction bids. The fire station has a total of 6 drive-thru apparatus (fire truck) storage bays. The concept of the proposed construction is to build a two story interior classroom in the bay closest to the fire station living area. This renovation is essential to expanding operations considering the present demand for not only current classes at the Fire Academy but also the demand for an ever expanding curriculum that continues to grow as the responsibilities of today's firefighters continues to grow as well.

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At a minimum, the additional space will serve 4 - 8 week recruit schools, (30 students at a time) as well, an additional 50 classes with 18 students in each class. The fire station was constructed in 1994 and is 23 years old.

Approximately 4,812 square foot of the 12,833 square foot facility will receive renovations to create the two classrooms. In 2017, this structure houses 4 Recruit classes annually of 25-30 basic firefighting recruit students that reside in this building for 8 straight weeks. The agency estimates that the completed project will cost approximately \$1,129,675. The agency also reports the projects date for execution of the construction contract is May 2018 and for completion of construction is November 2018.

- (m) Summary 2-2018: JBRC Item 20. (U12) Department of Transportation
Project: 9734, HQ Building Fire Sprinkler Installation and Waterproofing
Included in Annual CPIP: Yes – CPIP Priority 1 of 8 in FY16
JBRC/SFAA Phase I Approval: February 2016

CHE Recommended Approval: N/A

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes</u>		<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
		<u>Since Original Budget</u>	<u>Current Budget</u>		
Other, State Highway Funds	60,000.00	0.00	60,000.00	6,440,000.00	6,500,000.00
All Sources	<u>60,000.00</u>	<u>0.00</u>	<u>60,000.00</u>	<u>6,440,000.00</u>	<u>6,500,000.00</u>

Funding Source: \$6,500,000 Other, State Highway Funds, which are funds derived from the state motor fuel user fee.

Request: Increase budget to \$6,500,000 (add \$6,440,000 Other, State Highway Funds) to establish Phase II construction budget to install a fire sprinkler system and to waterproof certain building components at the Department of Transportation headquarters building. Phase I of this project for \$60,000 was approved by SFAA and established February 2016 with a total projected cost of \$3,748,500. The estimated cost to complete this project has increased significantly for several reasons. The agency estimate is now 2 years old, increased construction costs, additional electrical and mechanical work is required for the installation of the fire sprinkler system, and the additional cost to install a fully occupied building was accounted for in the agency estimate, but not to the extent

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SUBJECT: Permanent Improvement Projects

necessary as deemed by their third party estimator. This building is 40 years old and 242,795 square feet. Life safety code violations were found within the building affecting the ability for persons to safely exit the building in the event of a fire. At a minimum, the agency was directed back in October 2002, to install a fire sprinkler system to mitigate the code violations found. Additionally, the building has not been sealed since its construction in 1978 so the exterior walls and above basement walkways are also being waterproofed. The agency estimates that the complete project will cost approximately \$6,500,000. The agency also reports one contract will be executed for waterproofing in May 2018 with completion in January 2019 and the other contract will be executed for the fire sprinkler installation in May 2018 with completion in April 2020.

Final Land Acquisition, Revise Scope & Change Project Name

- (n) Summary 2-2018: JBRC Item 23. (H27) University of South Carolina - Columbia
 Project: 6121, SCANA Property Land Acquisition Project
 Included in Annual CPIP: Yes – CPIP Priority 1 of 9 in FY18
 JBRC/SFAA Phase I Approval: January 2017

CHE Recommended Approval: 8/3/17

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes</u>		<u>Current Budget Requested</u>	<u>Total Budget After Current Adjustment</u>
		<u>Since Original Budget</u>	<u>Current Budget</u>		
Other, Institutional Capital Project Funds	75,000.00	0.00	75,000.00	9,300,000.00	9,375,000.00
All Sources	<u>75,000.00</u>	<u>0.00</u>	<u>75,000.00</u>	<u>9,300,000.00</u>	<u>9,375,000.00</u>

Funding Source: \$9,375,000 Other, Institutional Capital Project Funds, which are generated from the portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements.

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Request: Increase budget to \$9,375,000 (add \$9,300,000 Other, Institutional Capital Project Funds), for the acquisition of 14.63 acres currently owned by the SCANA Corporation. The property is bounded by Assembly Street and Flora Drive. The 14.63 acre SCANA property is comprised of twelve parcels. One (1) parcel is located in the City of Columbia and the other eleven (11) parcels are in Richland County but not within the city limits. The parcels have street frontage on South Assembly Street and Flora Street. The properties are in close proximity to university athletics, academic and housing facilities. It contains several existing buildings, including a 67,500 square foot 110 year old mill building that is available for immediate occupancy. Maintenance work is required prior to occupancy at a total estimated value of \$950,000. Funds to complete this work have been made available by Richland County as part of the Greene Street project. It will be used for offices, storage, and maintenance shops associated with Facilities Operations and Maintenance and University Technology Services. Outdoor student recreation space will also be developed on-site. An appraisal conducted in March 2017 provided the opinion that the Hypothetical Value of the property is \$10,000,000. This assumes that the property can be developed with a single, mixed-use purpose. Additionally, the Hypothetical Value conclusion has been undertaken assuming that it will take approximately two years to facilitate the zoning change and road closing. The property is being sold by SCANA for \$9,300,000. The Phase I Environmental Site Assessment found no RECs, HRECs, or CRECs except for portions of the property being historically used to store and manage PCB containing electrical equipment and petroleum products (REC), a parcel was used as a UST facility with documented petroleum releases and regulatory NFA status (HREC), and metals and PAHs in soil and groundwater above regulatory MCLs and screening levels (REC). The site's soil and ground water was studied for contamination. A Phase II environmental analysis, following the site clean-up by SCANA, determined that levels of PCBs and VOCs were not over laboratory detection limits. The agency estimates that the land acquisition will cost approximately \$9,375,000. (See attachment 5 for additional annual operating cost savings.)

Final Land Acquisition

- (o) Summary 2-2018: JBRC Item 24. (N04) Department of Corrections
Project: 9741, Wateree River CI – Durai Property Acquisition
Included in Annual CPIP: No
JBRC/SFAA Phase I Approval: May 2017

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

CHE Recommended Approval: N/A

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Canteen Funds	20,000.00	0.00	20,000.00	1,162,820.00	1,182,820.00
All Sources	<u>20,000.00</u>	<u>0.00</u>	<u>20,000.00</u>	<u>1,162,820.00</u>	<u>1,182,820.00</u>

Funding Source: \$1,182,820 Other, Canteen Funds, which is revenue derived wholly from the canteen operations within the Department of Corrections on behalf of the inmate population, which may be retained and expended by the department for the continuation of the operation of said canteens and the welfare of the inmate population or, at the discretion of the Director, used to supplement costs of operations.

Request: Increase budget to \$1,182,820 (add \$1,162,820 Other, Canteen Funds) for the acquisition of 192.85 +/- acres, located at 317 Swift Creek Road in Rembert. The property consists of two (2) parcels of land designated as TMS #375-00-00-003 in Kershaw County and TMS #082-00-01-022 in Sumter County. This property is being offered for sale by John & Mary Durai for the purchase price of \$1,150,000. An appraisal was completed for the property on June 5, 2017 by Property Solutions and the final opinion of market value was determined to be \$1,200,000. Additionally, a Phase I Environmental Site Assessment was completed and revealed no evidence of RECs, HRECs, or CRECs and no further assessment was recommended. Lastly, an asbestos assessment was conducted on June 1, 2017 on the six structures that are located on the property. Of the representative materials sampled and analyzed during the assessment, asbestos in concentrations >1% were not identified. This property includes irrigation, grain storage, and agricultural shop/sheds which are approximately 10,000 square feet. The buildings located on the property are usable in their current condition and will not need to be renovated. If acquired, the property will be utilized as farmland. The buildings located on the property were constructed between 1998 and 2014. The agency is in need of additional irrigated land and grain storage. The present grain storage at Wateree River CI is antiquated and does not provide ample storage for harvested grain. The additional irrigated land and grain storage will enable SCDC to increase farming operations and reduce cattle and poultry food costs. The use of farm grown grain is a money saving investment in feeding Wateree River Farm's

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cattle and poultry. In addition, having the flexibility to store grain for future use enables SCDC to condition the grain for maximum dollar value as well as anticipate and take advantage of market forecasts when selling commodities. The goal of SCDC is to obtain irrigation on all productive lands; irrigated land is more productive than dry land and therefore provides a higher per acre yield. The agency estimates that the land acquisition will cost approximately \$1,182,820. The agency reports the estimated date to complete the land acquisition is December 2017. (See attachment 6 for additional annual operating costs.)

AUTHORITY ACTION REQUESTED:

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

ATTACHMENTS:

Agenda item worksheet and attachments

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

1. AGENCY
Code H12 Name Clemson University

2. PROJECT
Project # 9934 Name Child Care Facility Construction

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) FY 18-19	\$	\$	\$82,550.00	\$82,550.00
2) FY 19-20	\$	\$	\$84,201.00	\$84,201.00
3) FY 20-21	\$	\$	\$85,885.00	\$85,885.00

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

Operating Revenues

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>Maintenance</u>	<u>\$41,275.00</u>
2. <u>Utilities</u>	<u>\$41,275.00</u>
3. _____	_____
4. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$82,550.00</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: Burt R. Datto 10-25-16
Signature of Authorized Official and Title Date

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

1. AGENCY Code H09 Name The Citadel

2. PROJECT Project # 9611 Name Academic Building Replacement (Capers Hall)

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) 2021-2022	\$ 35,000.00	\$	\$	\$ 35,000.00
2) 2022-2023	\$ 40,000.00	\$	\$	\$ 40,000.00
3) 2023-2024	\$ 45,000.00	\$	\$	\$ 45,000.00

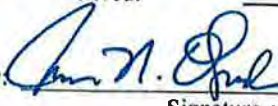
5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
Operating costs to be funded through lease payments of \$476,765 per year.

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>Utilities</u>	<u>(\$14,000.00)</u>
2. <u>Insurance</u>	<u>19,000.00</u>
3. <u>Maintenance</u>	<u>14,000.00</u>
4. <u>Supplies</u>	<u>16,000.00</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$35,000.00</u>

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

9. Submitted By:  Col. J. Openshaw, Interim VP for F&B
Signature of Authorized Official and Title

8/2/17
Date

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

1. AGENCY
Code H12 Name Clemson University

2. PROJECT
Project # 9932 Name Tennis Center Construction

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) 2017-18	\$	\$	\$36,000.00	\$36,000.00
2) 2018-19	\$	\$	\$36,720.00	\$36,720.00
3) 2019-20	\$	\$	\$37,454.00	\$37,454.00

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

Athletic Operating Funds

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities</u>	<u>26,000.00</u>
2. <u>Maintenance</u>	<u>10,000.00</u>
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$36,000.00</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: Burt A. Dalton _____ Date _____
Signature of Authorized Official and Title

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

1. AGENCY Code H59 Name Horry Georgetown Technical College

2. PROJECT Project # 6128 Name Construction of Advanced Manufacturing Center - Georgetown

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) 2019	\$ 37,500.00	\$	\$	\$ 37,500.00
2) 2020	\$ 75,000.00	\$	\$	\$ 75,000.00
3) 2021	\$ 75,000.00	\$	\$	\$ 75,000.00

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

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities (electrical, water, sewer, gas)</u>	<u>\$37,500.00</u>
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$37,500.00</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: *Shaun Hawley* VP-CFO 6/30/17
Signature of Authorized Official and Title Date

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

1. AGENCY
Code H27 Name University of South Carolina

2. PROJECT
Project # 6121 Name SCANA Property Land Acquisition Project

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

COSTS SAVINGS (see footnote in question 7) NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) FY 2018-19	\$104,000	\$	\$	\$104,000
2) FY 2019-20	\$104,000	\$	\$	\$104,000
3) FY 2020-21	\$53,500*	\$	\$	\$53,500*

* The reduced savings in FY21 assumes the added cost of grounds maintenance and irrigation for a recreation field in 2020.

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

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?
The question is not applicable since there are no additional costs.

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Custodial</u>	<u>\$70,370</u>
2. <u>Maintenance</u>	<u>\$65,500</u>
3. <u>Landscaping</u>	<u>\$82,225</u>
4. <u>Waste Management</u>	<u>\$6,477</u>
5. <u>Utilities</u>	<u>\$133,592</u>
TOTAL	<u>\$358,164*</u>

*The estimated annual operating cost of \$358,164 is approximately \$104,000 less that the annual operating costs of the areas currently occupied by the Facilities and UTS functions which would move to the SCANA site. This is due to the functions being relocated to less square footage and SCANA having a more efficient layout as compared to the existing Facilities Building. The existing Facilities Building is intended to be vacated in 2018. Demolition will occur no later than the first quarter of 2020 and possibly sooner.

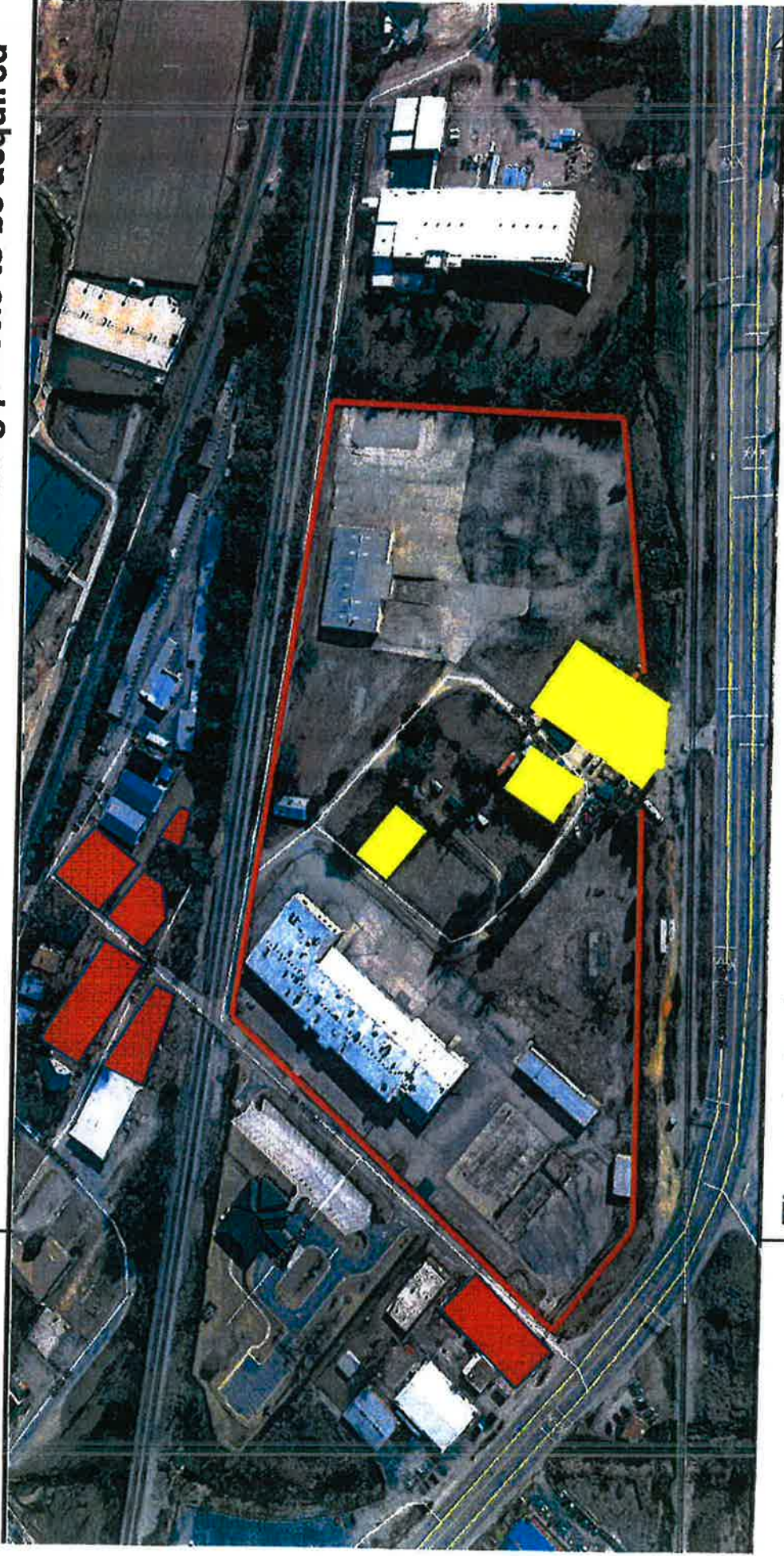
8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 0

9. Submitted By: Derek Gruner
Signature of Authorized Official and Title

April 27, 2017
Date

Exhibit B

SCANA Property Acquisition – Site Plan showing parcels to be acquired



The red shaded and red outlined areas are SCANA Properties (14.63 acres). The yellow shaded areas are owned by Campbell's Wrecker Service and are not available for purchase at appraised value at this time.

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

1. AGENCY Code N04 Name South Carolina Department of Corrections

2. PROJECT Project # 9741 Name Waterree River CI - Durai Property Acquisition

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) 2018	\$ (30,180.00)	\$	\$	\$ (30,180.00)
2) 2019	\$ (12,680.00)	\$	\$	\$ (12,680.00)
3) 2020	\$ (12,680.00)	\$	\$	\$ (12,680.00)

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

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u> Utilities (Propane Gas & Electrical) </u>	<u> \$5,300.00 </u>
2. <u> Insurance (Crop and Buildings) </u>	<u> 900.00 </u>
3. <u> Production Costs </u>	<u> 47,000.00 </u>
4. <u> Crop Yield </u>	<u> (65,880.00) </u>
5. <u> Timber Yield (once every 15 years) </u>	<u> (17,500.00) </u>
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u> (\$30,180.00) </u>

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

9. Submitted By: *By...* Director/Designee
 Signature of Authorized Official and Title

 8/29/2017
Date

AREAL TAX MAP - Kershaw County



AREAL TAX MAP - Sumter County



Permanent Improvement Project Information for October 17, 2017 SFAA Meeting

Agency/ Project No.	Agency/Project Name	Original		Date of		Phase I		Included in CPIP	Total Projected Project Cost
		Budget Approved	Budget	Original Approval	Approval	Amount	Approval		
H12-9934	Child Care Facility Construction	N/A	N/A	N/A	N/A	\$100,000.00	N/A	Yes	\$5,000,000.00
H51-9840	Basic Science Building Exterior Envelope Repairs	N/A	N/A	N/A	N/A	\$105,000.00	N/A	No	\$7,000,000.00
H51-9841	Storm Eye Institute Chiller Replacement	N/A	N/A	N/A	N/A	\$37,500.00	N/A	Yes	\$2,500,000.00
D50-9994	LLR Dorm Building #9 Renovation	N/A	N/A	N/A	N/A	\$55,156.00	N/A	Yes	\$3,677,039.00
H08-9611	Academic Building Replacement (Capers Hall)	\$250,000.00		10/14/14		\$250,000.00	10/14/14	Yes	\$51,141,915.00
H12-9932	Tennis Center Construction	\$312,500		9/20/16		\$312,500.00	9/20/16	Yes	\$12,500,000.00
H51-9836	Basic Science Building 7th Floor Biorepository & Histology Lab	\$22,500.00		6/13/17		\$22,500.00	6/13/17	Yes	\$1,500,000.00
H51-9837	Clinical Sciences Building Cooling Towers Replacement	\$27,000.00		6/13/17		\$27,000.00	6/13/17	Yes	\$1,850,000.00
H51-9838	Clinical Sciences Building 8th Floor Northwest Side Renovation	\$21,000.00		6/13/17		\$21,000.00	6/13/17	Yes	\$1,400,000.00
H51-9839	Thurmond Gazes Building 6th Floor Alcohol Research Center	\$34,500.00		6/13/17		\$34,500.00	6/13/17	Yes	\$2,300,000.00
H59-6128	Construction of Advanced Manufacturing Center - Georgetown	\$180,000.00		1/31/17		\$180,000.00	1/31/17	Yes	\$13,500,000.00
D50-9987	Fire Station #8 - Renovation	\$15,350.00		4/26/17		\$15,350.00	4/26/17	Yes	\$1,129,675.00
U12-9734	HQ Building Fire Sprinkler Installation and Waterproofing	\$60,000.00		1/26/16		\$60,000.00	1/26/16	Yes	\$6,500,000.00
H27-6121	SCANA Property Land Acquisition Project	\$75,000.00		1/31/17		\$75,000.00	1/31/17	No	\$9,375,000.00
N04-9741	Wateree River - CI Durai Property Acquisition	\$20,000.00		5/2/17		\$20,000.00	5/2/17	No	\$1,182,820.00

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

Item (a) – Clemson University – Child Care Facility Construction

The source of funds for pre-design is Other, Prudential Settlement Funds, which are settlement proceeds and related earnings from a settlement with a private insurance company.

The source of funds for construction is anticipated to be Other, Prudential Settlement Funds and Operating Funds.

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

Item (b) – Medical University of South Carolina – Basic Science Building Exterior Envelope Repairs

The source of funds for pre-design is Other, Institution Capital Project Funds, which are excess debt service funds and remaining balances from closed projects.

The source of funds for construction is anticipated to be Other, Institution Capital Project Funds.

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

Item (c) – Medical University of South Carolina – Storm Eye Institute Chiller Replacement

The source of funds for pre-design is Other, Institution Deferred Maintenance Funds, which are funds allocated to this account based on the Responsibility Centered Management (RCM) budgeting model adopted in 2013. State appropriations, tuition/fees and grant indirect cost recoveries are allocated to this fund.

The source of funds for construction is anticipated to be Other, Institution Deferred Maintenance Funds.

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

Item (e) – The Citadel – Academic Building Replacement (Capers Hall)

The source of funds for pre-design is Other, Capital Improvement Fee Funds, which is an institutional fund established to fund capital projects. This fund is a combination of Capers Hall Sinking Funds, Institutional Debt Tuition charged to students in FY18 and Foundation Cash Gifts on hand.

The source of funds for construction is anticipated to be State Institution Bonds, Capital Improvement Fees and Gifts.

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

Item (f) – Clemson University – Tennis Center Construction

The source of funds for construction is Athletic Facilities Revenue 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 a combination of athletic net revenues, ticket surcharges, and private gift funds.

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

Item (g) – Medical University of South Carolina – Basic Science Building 7th Floor Biorepository & Histology Lab Renovation

The source of funds for construction is Other, College of Medicine Clinical Revenue Funds, which is revenue generated from patient care.

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

Item (h) – Medical University of South Carolina – Clinical Sciences Building Cooling Towers Replacement

The source of funds for construction is Other, Institution Deferred Maintenance Funds, which are funds allocated to this account based on the Responsibility Centered Management (RCM) budgeting model adopted in 2013. State appropriations, tuition/fees and grant indirect cost recoveries are allocated to this fund.

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

Item (i) – Medical University of South Carolina – Clinical Sciences Building 8th Floor Northwest Side Renovation

The source of funds for construction is Other, College of Medicine Clinical Revenue Funds, which is revenue generated from patient care.

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

Item (j) – Medical University of South Carolina – Thurmond Gazes Building 6th Floor Alcohol Research Center

The source of funds for construction is Other, College of Medicine Clinical Revenue Funds, which is revenue generated from patient care.

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

Item (k) – Horry Georgetown Technical College – Construction of Advanced Manufacturing Center-Georgetown

The source of funds for construction is Capital Reserve Funds, Federal, EDA Grant, Georgetown School District Funds, which are an allocation of bond funds approved by the voters of Georgetown County on November 8, 2016 for equipment purchases for the Advanced Manufacturing Center, Georgetown County Funds, which have been authorized and committed by the Georgetown County Council for the construction of the Advanced Manufacturing Training Center and will be available no later than June 30, 2019 and College Funds, which are the excess of revenues over expenses accumulated over time for the purpose of funding capital projects and for meeting local matching requirements.

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

Item (n) – University of South Carolina-Columbia – SCANA Property Land Acquisition Project

The source of funds for the final land acquisition is Other, Institutional Capital Project Funds, which are generated from the portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements.

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

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Clemson University Lease at 1 Research Drive in Greenville

Clemson University is requesting approval to lease 12,845 square feet (SF) located at 1 Research Drive in Greenville from LICAR, LLC (the "Landlord").

Clemson University currently leases 5,400 SF at this location for the Clemson University Center for Risk Engineering and Systems Analytics (RESA), a program established by the University in 2015 as a national resource center focused on integrating interdisciplinary research. The program has grown more quickly than anticipated and the additional square footage will provide for additional research, training, lecture and collaboration spaces.

A solicitation was conducted for the full square footage required and the selected location was the only bid received.

The space will meet the state standard of 210SF/person with a density of 137SF/person. The landlord will provide an upfit allowance of \$180,000 and the term shall be for three (3) years beginning on completion of the upfit, which is estimated to be March 1, 2018. Basic rent for the first year of the term shall be \$16.50/SF. The University will be responsible for all operating expenses which are estimated to be \$6.50/SF or \$83,493 annually. After the first year, basic rent shall increase by two (2) percent annually as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RENT/SF</u>
YEAR 1	\$211,942.50	\$17,661.88 rounded	\$16.50
YEAR 2	\$216,181.35	\$18,051.11 rounded	\$16.83
YEAR 3	\$220,548.65	\$18,379.05 rounded	\$17.17
TOTAL	\$648,672.50		

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

Tenant	Location	Rate
Vacant	369 Halton Road	\$25.50/SF
Vacant	651 Brookfield Parkway	\$23.50/SF
Vacant	105 N Spring Street	\$24.00/SF

Above rates are subject to escalations over the term.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Clemson University Lease at 1 Research Drive in Greenville

The CBRE MarketView Columbia Office Q2 2017 report indicates an average rate of \$26.14/SF in the Greenville market.

The lease also provides for free parking 1,200 space parking garage.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by the Clemson University Board of Trustees on October 14, 2016, the Commission on Higher Education on September 25, 2017, and JBRC on October 10, 2017.

AUTHORITY ACTION REQUESTED:

Approve the proposed lease for Clemson University at 1 Research Drive in Greenville as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-55 and 1-11-56; Clemson University Letter Dated September 13, 2017

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 17, 2017

Regular Agenda

1. Submitted by:

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



Ashlie Lancaster, Director
Facilities Management and Property Services

2. Subject: Clemson University Lease at 1 Research Drive in Greenville

3. Summary Background Information:

Clemson University is requesting approval to lease 12,845 square feet (SF) located at 1 Research Drive in Greenville from LICAR, LLC (the "Landlord").

Clemson University currently leases 5,400 SF at this location for the Clemson University Center for Risk Engineering and Systems Analytics (RESA), a program established by the University in 2015 as a national resource center focused on integrating interdisciplinary research. The program has grown more quickly than anticipated and the additional square footage will provide for additional research, training, lecture and collaboration spaces.

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TOTAL	\$648,672.50		

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The lease also provides for free parking 1,200 space parking garage.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by the Clemson University Board of Trustees on October 14, 2016, the Commission on Higher Education on September 25, 2017, and JBRC on October 10, 2017.

4. What is SFAA asked to do? Approve the proposed lease for Clemson University at 1 Research Drive in Greenville.

5. What is recommendation of the Department of Administration? Approve the proposed lease for Clemson University at 1 Research Drive in Greenville.

6. List of Supporting Documents:

- SC Code of Laws Sections 1-11-55 and 1-11-56
- Clemson University Letter Dated September 13, 2017

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

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

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

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

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

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

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

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

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

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:

(a) a nonappropriation for the renting agency;

(b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
 - (4) rejecting an agency's request for additional space or space at a specific location, or both;
 - (5) directing agencies to be located in public space, when available, before private space can be leased;
 - (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
 - (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.
- (B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.
- (C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .



September 13, 2017

Ms. Ashlie Lancaster
Assistant Director
Division of General Services
Department of Administration
1200 Senate Street, Suite 408
Columbia, SC 29201

Finance and Operations

Clemson University
G06 Sikes Hall
Box 345302
Clemson, SC
29634-5302

P 864-656-2421
F 864-656-2008

SUBJECT: Clemson University Lease for Space
in Greenville, SC
1 Research Drive

Dear Ms. Lancaster:

Clemson University requests approval by the Joint Bond Review Committee and the State Fiscal Accountability Authority (SFAA) at their meetings on October 10 and October 17, 2017, respectively, for a new lease between LICAR, LLC and Clemson University to expand Clemson's existing space located at 1 Research Drive in Greenville, South Carolina. This lease expansion was approved by the Clemson University Board of Trustees at its October 2016 meeting.

Clemson University currently leases approximately 5,400 square feet of space in Greenville for the Clemson University Center for Risk Engineering and Systems Analytics (RESA). RESA was established in 2015 by the College of Engineering and Science as a national resource center, serving industry partners and clients, focused on integrating interdisciplinary research in risk-related science and engineering.

RESA has grown more quickly than anticipated and Clemson is requesting approval of a new lease for approximately 12,845 square feet of space in Greenville to accommodate RESA's growth. The new lease will provide for additional research, training, lecture, and collaboration spaces which will allow RESA to meet continued demand and provide technical and research services to industry partners to understand and mitigate risks linked to natural and manmade phenomena to respond to and

recover from disasters. This lease will be 100% funded from revenues generated by RESA through its work for industry partners and clients.

A solicitation was conducted by the General Services Division of the Department of Administration, and the LICAR, LLC response was the only response received. Additionally, the current building in which RESA is located has space immediately adjacent which can accommodate RESA's expansion needs, resulting in lower costs to expand given the upfit that has already occurred, as well as costs savings related to moving to another location had one been available for consideration.

Once approved, please send two of the originals back to my office for distribution. If you should have any questions or need any further documentation, please do not hesitate to contact me or Laura Stoner at (864) 283-7107.

Thank you,

A handwritten signature in blue ink, appearing to read "Brett A. Dalton".

Brett A. Dalton
Executive Vice President, Finance & Operations

Enclosure

Cc: Carol Routh
Laura Stoner

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: SC Department of Administration Lease at 1628 Browning Road in Columbia

The SC Department of Administration (Admin) is requesting approval to lease 16,966 SF located at 1628 Browning Road in Columbia from Browning Office Investment, LLC (the "Landlord") for its SC Enterprise Information System (SCEIS) staff. Admin currently leases 16,545 SF for SCEIS at this location under a lease that expired August 31, 2017 and is in holdover status. The additional 421 SF is necessary to accommodate cubicles for eight (8) additional FTEs.

A solicitation was conducted and five proposals were received, of which the selected location represents the lowest bid. The space meets the state standard of 210SF/person with a density of 135SF/person. The term of the lease shall be for seven (7) years beginning on November 1, 2017. Basic rent for the first year of the term shall be \$13.25/SF, which includes all operating and maintenance costs. Thereafter, basic rent shall increase by two and one-half (2 ½) percent annually as follows:

<u>TERM</u>	<u>PERIOD: FROM - TO</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RENT PER SF</u>
YEAR 1	11-01-2017 to 10-31-2018	\$224,799.48	\$18,733.29	\$13.25 rounded
YEAR 2	11-01-2018 to 10-31-2019	\$230,398.32	\$19,199.86	\$13.58 rounded
YEAR 3	11-01-2019 to 10-31-2020	\$236,166.72	\$19,680.56	\$13.92
YEAR 4	11-01-2020 to 10-31-2021	\$242,104.80	\$20,175.40	\$14.27 rounded
YEAR 5	11-01-2021 to 10-31-2022	\$248,042.88	\$20,670.24	\$14.62 rounded
YEAR 6	11-01-2022 to 10-31-2023	\$254,490.00	\$21,207.50	\$15.00
YEAR 7	11-01-2023 to 10-31-2024	\$260,767.44	\$21,730.62	\$15.37 rounded
TOTAL		\$1,696,769.64		

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

Tenant	Location	Rate
Vacant	220 Stoneridge Drive	\$17.00/SF
Vacant	107 Westpark Boulevard	\$16.50/SF
Office of the Adjutant General	810 Dutch Square Boulevard	\$17.43/SF
Vacant	121 Executive Center Drive	\$16.00/SF

Above rates are subject to escalations over the term.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: SC Department of Administration Lease at 1628 Browning Road in Columbia

The CBRE MarketView Columbia Office Q2 2017 report indicates an average rate of \$20.21 in the Columbia market. The lease also provides for free use of the surface lot surrounding the facility which has sufficient parking to accommodate staff and visitors.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by JBRC on October 10, 2017.

AUTHORITY ACTION REQUESTED:

Approve the proposed lease for the SC Department of Administration at 1628 Browning Road in Columbia as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-55 and 1-11-56; SC Department of Administration, SCEIS Letter Dated September 15, 2017

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 17, 2017

Regular Agenda

1. Submitted by:

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



Ashlie Lancaster, Director
Facilities Management and Property Services

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

3. Summary Background Information:

The SC Department of Administration (Admin) is requesting approval to lease 16,966 SF located at 1628 Browning Road in Columbia from Browning Office Investment, LLC (the "Landlord") for its SC Enterprise Information System (SCEIS) staff. Admin currently leases 16,545 SF for SCEIS at this location under a lease that expired August 31, 2017 and is in holdover status. The additional 421 SF is necessary to accommodate cubicles for eight (8) additional FTEs.

A solicitation was conducted and five proposals were received, of which the selected location represents the lowest bid. The space meets the state standard of 210SF/person with a density of 135SF/person. The term of the lease shall be for seven (7) years beginning on November 1, 2017. Basic rent for the first year of the term shall be \$13.25/SF, which includes all operating and maintenance costs. Thereafter, basic rent shall increase by two and one-half (2 ½) percent annually as follows:

TERM	PERIOD: FROM - TO	ANNUAL RENT	MONTHLY RENT	RENT PER SF
YEAR 1	11-01-2017 to 10-31-2018	\$224,799.48	\$18,733.29	\$13.25 rounded
YEAR 2	11-01-2018 to 10-31-2019	\$230,398.32	\$19,199.86	\$13.58 rounded
YEAR 3	11-01-2019 to 10-31-2020	\$236,166.72	\$19,680.56	\$13.92
YEAR 4	11-01-2020 to 10-31-2021	\$242,104.80	\$20,175.40	\$14.27 rounded
YEAR 5	11-01-2021 to 10-31-2022	\$248,042.88	\$20,670.24	\$14.62 rounded
YEAR 6	11-01-2022 to 10-31-2023	\$254,490.00	\$21,207.50	\$15.00
YEAR 7	11-01-2023 to 10-31-2024	\$260,767.44	\$21,730.62	\$15.37 rounded
TOTAL		\$1,696,769.64		

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

Tenant	Location	Rate
Vacant	220 Stoneridge Drive	\$17.00/SF
Vacant	107 Westpark Boulevard	\$16.50/SF
Office of the Adjutant General	810 Dutch Square Boulevard	\$17.43/SF
Vacant	121 Executive Center Drive	\$16.00/SF

Above rates are subject to escalations over the term.

The CBRE MarketView Columbia Office Q2 2017 report indicates an average rate of \$20.21 in the Columbia market. The lease also provides for free use of the surface lot surrounding the facility which has sufficient parking to accommodate staff and visitors.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by JBRC on October 10, 2017.

4. What is SFAA asked to do? Approve the proposed lease for the SC Department of Administration at 1628 Browning Road in Columbia.

5. What is recommendation of the Department of Administration? Approve of the proposed lease for the SC Department of Administration at 1628 Browning Road in Columbia.

6. List of Supporting Documents:

- SC Code of Laws Sections 1-11-55 and 1-11-56
- SC Department of Administration, SCEIS Letter Dated September 15, 2017

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

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

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

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

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

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

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

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

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

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:

(a) a nonappropriation for the renting agency;

(b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

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

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

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .



Henry McMaster, Governor
Marcia S. Adams, Executive Director

**SC ENTERPRISE INFORMATION
SYSTEMS**

Ed Pearce, Deputy Director
1628 Browning Road
Columbia, SC 29210
803.734.8083
803.734.0179 Fax

Ms. Ashlie Lancaster
The South Carolina Department of Administration
Real Property Services
1200 Senale Street, Suite 460
Columbia, South Carolina 29201

September 15, 2017

RE: Lease for 1628 Browning Rd

Dear Ms. Lancaster:

The South Carolina Enterprise Information System, a Division of The Department of Administration, requests approval by the State Fiscal Accountability Authority (SFAA) at its meeting on October 17, 2017; of a lease with Browning Office Investments, LLC represented by CE Richard Ellis for approximately 16,966 square feet of office space at 1628 Browning Road, Columbia, SC.

Five proposals were received in response to our solicitation. After evaluation we concluded that our current location best meets our needs and represent the least costly bid over the term. Among our considerations were the proximity of the location to our clients, stakeholders and partners, and avoiding the estimated \$100,000 cost of moving and the associated loss of productivity.

Additionally, we evaluated each proposed space not just in terms of the space itself, but also in terms of how well the building location and surrounding environment contribute to the overall safety and security of our employees and clients. Of the locations under consideration, our current location possesses the strongest combination of these attributes.

Thank you for your assistance in this process and for your consideration of our request.

Sincerely,

Ed Pearce
SCEIS Deputy Director

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: SC Department of Health and Human Services Lease at 4130 Faber Place Drive in North Charleston

The SC Department of Health and Human Services (DHHS) is requesting approval to continue leasing 18,981 square feet (SF) located at 4130 Faber Place Drive in North Charleston from REVA Kay Ashley Corporate Center, LLC (the "Landlord") for its Medicaid Eligibility and Community Long-Term Care divisions. Norvell Real Estate Group is the leasing agent for the facility.

A solicitation was conducted and three proposals were received. While one location was eliminated due to size, the selected location was the lowest bid of all three proposals received.

The space meets the state standard of 210SF/person with a density of 165SF/person. The landlord will provide an upfit allowance of \$101,930 in order to renovate the space to make it the largest processing center for DHHS in the State. The current lease term ends on January 14, 2018 and the term of the new lease shall be for seven (7) years beginning on January 15, 2018. Basic rent for the first year of the term shall be \$17.00/SF, which includes all operating and maintenance costs. Thereafter, basic rent shall increase by three (3) percent annually as follows:

TERM	PERIOD: FROM - TO	ANNUAL RENT	MONTHLY RENT	RENT PER SF
YEAR 1	01-15-2018 to 01-14-2019	\$322,677.00	\$26,889.75	\$ 17.00
YEAR 2	01-15-2019 to 01-14-2020	\$332,357.28	\$27,696.44	\$ 17.51 rounded
YEAR 3	01-15-2020 to 01-14-2021	\$342,328.08	\$28,527.34	\$18.04 rounded
YEAR 4	01-15-2021 to 01-14-2022	\$352,597.92	\$29,383.16	\$18.58 rounded
YEAR 5	01-15-2022 to 01-14-2023	\$363,175.80	\$30,264.65	\$19.13 rounded
YEAR 6	01-15-2023 to 01-14-2024	\$374,071.08	\$31,172.59	\$19.71 rounded
YEAR 7	01-15-2024 to 01-14-2025	\$385,293.24	\$32,107.77	\$20.30 rounded
TOTAL		\$2,472,500.40		

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: SC Department of Health and Human Services Lease at 4130 Faber Place Drive in North Charleston

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

Tenant	Location	Rate
Vacant	4401 Leeds Avenue	\$29.75/SF
Vacant	4105 Faber Place Drive	\$25.50/SF
College of Charleston	3800 Paramount Drive	\$18.14/SF
Department of Motor Vehicles	1757 Ashley River Road	\$17.00/SF

Above rates are subject to escalations over the term.

The CBRE MarketView Columbia Office Q2 2017 report indicates an average rate of \$23.47/SF in the North Charleston area and \$25.01 in the Charleston market overall. The lease also provides for free use of the surface lot surrounding the facility which has sufficient parking to accommodate staff and visitors.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by JBRC on October 10, 2017.

AUTHORITY ACTION REQUESTED:

Approve the proposed lease for DHHS at 4130 Faber Place Drive in North Charleston as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-55 and 1-11-56; DHHS Letter Dated September 14, 2017

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 17, 2017

Regular Agenda

1. Submitted by:

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



Ashlie Lancaster, Director
Facilities Management and Property Services

2. Subject: SC Department of Health and Human Services Lease at 4130 Faber Place Drive in North Charleston

3. Summary Background Information:

The SC Department of Health and Human Services (DHHS) is requesting approval to continue leasing 18,981 square feet (SF) located at 4130 Faber Place Drive in North Charleston from REVA Kay Ashley Corporate Center, LLC (the "Landlord") for its Medicaid Eligibility and Community Long-Term Care divisions. Norvell Real Estate Group is the leasing agent for the facility.

A solicitation was conducted and three proposals were received. While one location was eliminated due to size, the selected location was the lowest bid of all three proposals received.

The space meets the state standard of 210SF/person with a density of 165SF/person. The landlord will provide an upfit allowance of \$101,930 in order to renovate the space to make it the largest processing center for DHHS in the State. The current lease term ends on January 14, 2018 and the term of the new lease shall be for seven (7) years beginning on January 15, 2018. Basic rent for the first year of the term shall be \$17.00/SF, which includes all operating and maintenance costs. Thereafter, basic rent shall increase by three (3) percent annually as follows:

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The CBRE MarketView Columbia Office Q2 2017 report indicates an average rate of \$23.47/SF in the North Charleston area and \$25.01 in the Charleston market overall. The lease also provides for free use of the surface lot surrounding the facility which has sufficient parking to accommodate staff and visitors.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by JBRC on October 10, 2017.

4. What is SFAA asked to do? Approve the proposed lease for DHHS at 4130 Faber Place Drive in North Charleston.

5. What is recommendation of the Department of Administration? Approve of the proposed lease for DHHS at 4130 Faber Place Drive in North Charleston.

6. List of Supporting Documents:

- SC Code of Laws Sections 1-11-55 and 1-11-56
- DHHS Letter Dated September 14, 2017

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

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

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

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

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

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

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

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

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

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:

(a) a nonappropriation for the renting agency;

(b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
 - (4) rejecting an agency's request for additional space or space at a specific location, or both;
 - (5) directing agencies to be located in public space, when available, before private space can be leased;
 - (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
 - (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.
- (B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.
- (C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.8, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.8, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .

September 14, 2017

Ms. Ashlie Lancaster
South Carolina Department of Administration
Real Property Services
1200 Senate Street, Suite 460
Columbia, South Carolina 29201

Dear Ms. Lancaster:

The South Carolina Department of Health and Human Services (SCDHHS) requests approval by the Joint Bond Review Committee (JBRC) and the State Fiscal Accountability Authority (SFAA) at its upcoming meetings, to consider a seven-year lease with the Reva Kay Ashley Corporate Center, located at 4130 Faber Place Drive, Suite 201, North Charleston South Carolina 29405.

The SCDHHS administers the South Carolina Medicaid Program, which provides health care coverage for about one quarter of the population of South Carolina. The Community Long Term Care and Eligibility, Enrollment, and Member Services Teams have been housed in this space under the current lease since January 15, 2011. The current lease expires January 14, 2018.

SCDHHS in coordination with Facilities Management and Property Services, a Division of the SC Department of Administration initiated a competitive solicitation in August 2017 for available space to lease, in order to determine whether other suitable commercial office space alternatives were available, and to obtain the best value for the State. After reviewing the proposals submitted as a result of this solicitation, SCDHHS has determined that the current location best meets our space requirements and needs.

The proposed lease is to begin January 15, 2018, with an expiration date of January 14, 2025. The basic rental rate begins at \$17.00 in the first year and increases 3% each year thereafter.

Thank you for your assistance in this process and for your consideration of our request.

Sincerely,



Elizabeth Hutto, Deputy Director
Eligibility, Enrollment and Member Services

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: SC Department of Juvenile Justice Lease at 220 Executive Center Drive in Columbia

The SC Department of Juvenile Justice (DJJ) is requesting approval to lease 49,550 square feet (SF) located at 220 Executive Center Drive in Columbia from LSREF2 NEWTON, LLC (the "Landlord"). Colliers International is the leasing agent for the facility and on-site building management is provided through Cushman and Wakefield.

The purpose of the lease is to relocate 228 non-direct care administrative staff and training space from within the perimeter fence at the main DJJ facilities on Broad River Road to allow for repurposing existing buildings within the perimeter fence as well as certain facilities on Shivers Road to increase capacity for housing juveniles. A solicitation was conducted and five proposals were received, of which the selected location represents the lowest bid.

The space will meet the state standard of 210SF/person with a density of 161SF/person. The landlord will provide an upfit allowance of \$16.00/RSF and the term shall be for ten (10) years beginning on completion of the upfit, which is estimated to be January 1, 2018. Basic rent for the first year of the term shall be \$15.05/SF, which includes all operating and maintenance costs. The rent for for the first seven months of the first year of the term will be abated, creating a new effective rate of \$6.27 for that year and \$16.38 over the ten year term. After the first year, basic rent shall increase by three (3) percent annually as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RENT/SF</u>
YEAR 1 (first 7 months)	\$0	\$0	\$0
YEAR 1 (last 5 months)	\$310,719.80	\$62,143.96	\$15.05 rounded
YEAR 2	\$768,024.96	\$64,002.08	\$15.50 rounded
YEAR 3	\$791,313.48	\$65,942.79	\$15.97 rounded
YEAR 4	\$815,097.48	\$67,924.79	\$16.45 rounded
YEAR 5	\$839,376.96	\$69,948.08	\$16.94 rounded
YEAR 6	\$864,647.52	\$72,053.96	\$17.45 rounded
YEAR 7	\$890,413.56	\$74,201.13	\$17.97 rounded
YEAR 8	\$917,170.56	\$76,430.88	\$18.51 rounded
YEAR 9	\$944,423.04	\$78,701.92	\$19.06 rounded
YEAR 10	\$973,161.96	\$81,096.83	\$19.64 rounded
TOTAL	\$8,114,349.32		

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: SC Department of Juvenile Justice Lease at 220 Executive Center Drive in Columbia

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

Tenant	Location	Rate
Vacant	220 Stoneridge Drive	\$17.00/SF
Vacant	107 Westpark Boulevard	\$16.50/SF
Office of the Adjutant General	810 Dutch Square Boulevard	\$17.43/SF
Vacant	121 Executive Center Drive	\$16.00/SF

Above rates are subject to escalations over the term.

The CBRE MarketView Columbia Office Q2 2017 report indicates an average rate of \$20.21 in the Columbia market. The lease also provides for 6 parking spaces per 1,000 RSF (297 spaces) in building parking lot free of charge to accommodate staff and visitors. If needed, additional visitor parking is available free of charge in the building parking lot and adjacent parking lots.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by JBRC on October 10, 2017.

AUTHORITY ACTION REQUESTED:

Approve the proposed lease for DJJ at 220 Executive Center Drive in Columbia as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-55 and 1-11-56; DJJ Letter Dated September XX, 2017SC Code of Laws Sections 1-11-55 and 1-11-56; MUSC letter dated 6/20/17

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 17, 2017

Regular Agenda

1. Submitted by:

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



Ashlie Lancaster, Director
Facilities Management and Property Services

2. Subject: SC Department of Juvenile Justice Lease at 220 Executive Center Drive in Columbia

3. Summary Background Information:

The SC Department of Juvenile Justice (DJJ) is requesting approval to lease 49,550 square feet (SF) located at 220 Executive Center Drive in Columbia from LSREF2 NEWTON, LLC (the "Landlord"). Colliers International is the leasing agent for the facility and on-site building management is provided through Cushman and Wakefield.

The purpose of the lease is to relocate 228 non-direct care administrative staff and training space from within the perimeter fence at the main DJJ facilities on Broad River Road to allow for repurposing existing buildings within the perimeter fence as well as certain facilities on Shivers Road to increase capacity for housing juveniles. A solicitation was conducted and five proposals were received, of which the selected location represents the lowest bid.

The space will meet the state standard of 210SF/person with a density of 161SF/person. The landlord will provide an upfit allowance of \$16.00/RSF and the term shall be for ten (10) years beginning on completion of the upfit, which is estimated to be January 1, 2018. Basic rent for the first year of the term shall be \$15.05/SF, which includes all operating and maintenance costs. The rent for for the first seven months of the first year of the term will be abated, creating a new effective rate of \$6.27 for that year and \$16.38 over the ten year term. After the first year, basic rent shall increase by three (3) percent annually as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RENT/SF</u>
YEAR 1 (first 7 months)	\$0	\$0	\$0
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YEAR 2	\$768,024.96	\$64,002.08	\$15.50 rounded
YEAR 3	\$791,313.48	\$65,942.79	\$15.97 rounded
YEAR 4	\$815,097.48	\$67,924.79	\$16.45 rounded
YEAR 5	\$839,376.96	\$69,948.08	\$16.94 rounded
YEAR 6	\$864,647.52	\$72,053.96	\$17.45 rounded
YEAR 7	\$890,413.56	\$74,201.13	\$17.97 rounded
YEAR 8	\$917,170.56	\$76,430.88	\$18.51 rounded
YEAR 9	\$944,423.04	\$78,701.92	\$19.06 rounded
YEAR 10	\$973,161.96	\$81,096.83	\$19.64 rounded
TOTAL	\$8,114,349.32		

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

Tenant	Location	Rate
Vacant	220 Stoneridge Drive	\$17.00/SF
Vacant	107 Westpark Boulevard	\$16.50/SF
Office of the Adjutant General	810 Dutch Square Boulevard	\$17.43/SF
Vacant	121 Executive Center Drive	\$16.00/SF

Above rates are subject to escalations over the term.

The CBRE MarketView Columbia Office Q2 2017 report indicates an average rate of \$20.21 in the Columbia market. The lease also provides for 6 parking spaces per 1,000 RSF (297 spaces) in building parking lot free of charge to accommodate staff and visitors. If needed, additional visitor parking is available free of charge in the building parking lot and adjacent parking lots.

There are adequate funds for the lease according to the Budget Approval Form submitted by the agency. The lease was approved by JBRC on October 10, 2017.

4. What is SFAA asked to do? Approve the proposed lease for DJJ at 220 Executive Center Drive in Columbia.

5. What is recommendation of the Department of Administration? Approve the proposed lease for DJJ at 220 Executive Center Drive in Columbia.

6. List of Supporting Documents:

- SC Code of Laws Sections 1-11-55 and 1-11-56
- DJJ Letter Dated September XX, 2017

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

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

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

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

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

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

HISTORY: 1997 Act No. 153, Section 2; 2002 Act No. 333, Section 1; 2002 Act No. 356, Section 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, Section 13, eff August 1, 2011; 2013 Act No. 31, Section 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, Section 7.A, eff July 1, 2015.

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

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

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

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:

(a) a nonappropriation for the renting agency;

(b) a dissolution of the agency; and

- (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

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

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

HISTORY: 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.B, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .



South Carolina

DEPARTMENT OF
JUVENILE JUSTICE

Freddie B. Pough, Acting Director

P.O. Box 21069
Columbia, SC 29221-1069

www.state.sc.us/djj



Henry McMaster
Governor
State of South Carolina

September 13, 2017

Ms. Ashlie Lancaster
South Carolina Department of Administration
Real Property Services
1200 Senate Street, Suite 408
Columbia, South Carolina 29201

RE: New Lease for 220 Executive Center Drive, Columbia, SC 29210

Dear Ms. Lancaster:

At the October 10, 2017 meeting of the Joint Bond Review Committee (JBRC), the S.C. Department of Juvenile Justice (SCDJJ) requests approval to enter into a lease agreement with Colliers International for approximately 49,550 square feet of office space located at 220 Executive Center Drive in Columbia.

Acceptance of this lease agreement will allow for relocation of non-direct care staff and thereby afford SCDJJ the opportunity to re-purpose existing buildings within the perimeter fence on Broad River Road Campus (BRRRC) and Shivers Road to increase capacity for housing additional juveniles. Five (5) proposals were received in response to SCDJJ's request for solicitation with only two (2) of the proposals meeting solicitation requirements. After an evaluation of both proposals, 220 Executive Center Drive is selected as the preferred property site based on its proximity to SCDJJ campuses on Broad River and Shivers Road; available square footage aligns with space requirements for the agency; and tenant improvement allowances identified in the lease proposal.

For the reasons identified above, SCDJJ respectfully seeks approval of the lease with Colliers International which will allow for expansion of services currently provided by SCDJJ.

Thank you for your assistance in this process and for your consideration of our request.

Sincerely,

Freddie B. Pough
Acting Director

FBP/kab

AGENCY: Division of Procurement Services

SUBJECT: Waiver to Extend the Maximum Time on a Multi-term Contract for State Fiscal Accountability Authority, Division of Procurement Services

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 Authority. The Division of Procurement Services (Division) seeks Authority approval to solicit a contract with a performance term of ten (10) years after implementation for a computerized system (eCatalog System).

The Division proposes to implement an eCatalog System to (1) improve the process for ordering supplies, services, and information technology of statewide contracts for both state agencies and local government, (2) support strategic sourcing by enabling the capture of detailed spend data, (3) provide contract administration tools to improve the tracking of key milestones. The Division believes a contract performance term of ten years after implementation will:

- (a) Substantially lower the State's costs associated with its upfront investment by amortizing these costs over a longer period of time;
- (b) Promote competition among and increase innovation by competing vendors who can bring more comprehensive offerings to the table as a result of a longer time period in which to recoup their investment and startup costs;
- (c) Increase the use of the eCatalog System throughout the State; and
- (d) Reduce the impact and disruption costs to state agencies, institutions of higher education, political subdivisions, and, as well as, all statewide contract vendors.

AUTHORITY ACTION REQUESTED:

Under authority of SC Consolidated Procurement Code Section 11-35-2030(4), approve the Division of Procurement Services' request for a multi-term contract for an eCatalog System and authorize the solicitation of proposals and award of a contract with a performance term of ten (10) years after implementation.

ATTACHMENTS:

Agenda item worksheet; Memorandum in Support of a Ten-Year Performance Term; Section 11-35-2030(4) of the SC Consolidated Procurement Code

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

For meeting scheduled for: **October 17, 2017**

Regular Session

1. Submitted by:

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


John St. C. White
Materials Management Officer

2. Subject:

Waiver to extend the maximum time on a multi-term contract for State Fiscal Accountability Authority, Division of Procurement Services

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 Authority. The Division of Procurement Services (Division) seeks Authority approval to solicit a contract with a performance term of ten (10) years after implementation for a computerized system (eCatalog System).

DPS proposes to implement an eCatalog System to (1) improve the process for ordering supplies, services, and information technology off of statewide contracts for both state agencies and local government, (2) support strategic sourcing by enabling the capture of detailed spend data, (3) provide contract administration tools to improve the tracking of key milestones. The Division believes a contract performance term of ten years after implementation will:

- (a) Substantially lower the State's costs associated with its upfront investment by amortizing these costs over a longer period of time;
- (b) Promote competition among and increase innovation by competing vendors who can bring more comprehensive offerings to the table as a result of a longer time period in which to recoup their investment and startup costs;
- (c) Increase the use of the eCatalog System throughout the State; and
- (d) Reduce the impact and disruption costs to state agencies, institutions of higher education, political subdivisions, and statewide contract vendors.

4. What is Authority asked to do?

Under authority of SC Consolidated Procurement Code Section 11-35-2030(4), approve The Division of Procurement Services' request for a multi-term contract for an eCatalog System and authorize the solicitation of proposals and award of a contract with a performance term of ten (10) years after implementation.

5. What is recommendation of Authority division involved?

Approve the request as stated above.

6. Recommendation of other office (as required)?

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

7. Supporting Documents:

- A-Memorandum in Support of a Ten-Year Performance Term
- B- Section 11-35-2030(4) of the SC Consolidated Procurement Code

HENRY MCMASTER, CHAIR
GOVERNOR
CURTIS M. LOFTIS, JR.
STATE TREASURER
RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE
W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE
GRANT GILLESPIE
EXECUTIVE DIRECTOR

THE DIVISION OF PROCUREMENT SERVICES

DELBERT H. SINGLETON, JR.
DIVISION DIRECTOR
(803) 734-8018

JOHN ST. C. WHITE
MATERIALS MANAGEMENT OFFICE
(803) 737-0600
FAX: (803) 737-0639

**MEMORANDUM IN SUPPORT OF A TEN-YEAR PERFORMANCE TERM
FOR CONTRACT FOR ELECTRONIC CATALOGUE SOLUTION**

To: Grant Gillespie
From: John St. C. White and Delbert H. Singleton, Jr.
Date: 9/19/2017

Re: Request and Justification for a Ten-Year Performance Term for a Contract for an Electronic Catalogue Solution

The Division of Procurement Services ("DPS") of the State Fiscal Accountability Authority is seeking a vendor (the "Vendor") to provide an electronic catalog solution to allow State agencies, including institutions of higher education, and political subdivisions (towns, cities, counties, school districts, etc.), to shop for and order goods and services supplied under numerous statewide contracts (the "eCatalog System"). In addition to improving the process for ordering supplies, services and information technology, the eCatalog System will provide better tools to track and administer key contract milestones, help enforce contract price compliance and enable the capture of spend data which can be used to improve subsequent decisions about what to buy as well as increase the State's leverage in future pricing negotiations. For the reasons set forth in more detail below, we are seeking approval to solicit this contract for a ten year performance term in order to: (a) substantially lower the State's costs associated with its upfront investment by amortizing these costs over a longer period of time; (b) promote competition among and increase innovation by competing vendors who can bring more comprehensive offerings to the table as a result of a longer time period in which to recoup their investment and startup costs; (c) increase the use of the eCatalog System throughout the State; and (d) reduce the impact and disruption costs to state agencies, institutions of higher education, political subdivisions, and statewide contract vendors. We believe a longer-term contract is in the best interest of the State in this instance and will promote achievement of the aforementioned goals.

To understand better the complexities of this system and the necessary investments in time and money by all parties to ensure successful implementation, it will be beneficial to describe briefly the scope of the project. Currently, there are approximately 1400 statewide contracts with approximately 1100 vendors generating annual sales of roughly \$601,280,000. Each statewide contract is classified under one of over 200 contract categories currently in effect for a variety of goods, services, and information technology. Some categories may include only one type of product/service listed while others may have a dozen or more. Adding to the complexity, price files change frequently, in some cases, and can be very large. One vendor's price file, for example, contains nearly 27,000 separate items. The Vendor must work with the statewide contract vendors to migrate all of their data (product, pricing, and contract data) into the eCatalog System so that it is available in an organized, consistent, and searchable format.

In addition to the large data migration efforts, there are a number of systems the eCatalog System may need to interface with as part of the implementation. While most state agencies utilize the South Carolina Enterprise Information System (SCEIS), an SAP-based ERP system, for procurement and finance activities, institutions of higher education and political subdivisions utilize a variety of other systems for their procurement and finance activities (e.g. Ellucian, PeopleSoft, Oracle, CSI Accounting Plus, etc.). Some of these systems would benefit from being interfaced with the eCatalog System to facilitate further the ordering, tracking, auditing, and management of such entities' procurement activities. Selecting which of these systems to interface the eCatalog System with and partnering with the individual entities to create the interfaces will take time and effort.

Finally, implementation of the new system will require: (i) a comprehensive training program as a result of the number of end users of the system who are located at various state agencies, institutions of higher education, and political subdivisions; and (ii) outreach/marketing efforts directed to institutions of higher education and political subdivisions to insure their adoption of the new system. Such initiatives will take significant time to implement across the State.

Due to the lengthy and complex implementation, a seven year contract term will give the State less than five full years of use of the system (and only three or four years of full use before DPS would have to initiate a new procurement so that a replacement system, if selected, would be fully implemented by year seven). Such a short use period impacts the State in several ways. First, most of the costs incurred by the State to implement the eCatalog System will not vary regardless of whether the contract is a seven or ten year performance term. Therefore, a ten-year performance term contract will enable the State to amortize the implementation costs over a longer period reducing in half such monthly costs to the State. Similarly, a short-term contract will also negatively impact the vendors' ability to amortize their startup costs. Increasing the term of the contract should both further incentivize, and better enable, the competing vendors to offer the State more comprehensive solutions by allowing them to amortize their startup costs over a greater period of time.

Consuming a significant portion of the contract term implementing a solution and potentially having to incur those same costs again just a few years later (if a new vendor is awarded the contract at that time) does not promote procurement efficiencies. In addition, changing vendors after a relatively short period of time would be costly and disruptive for all governmental entities using the system as well as the statewide contract vendors who would have to learn, and get their contract data migrated into, a new system. Further, some institutions of higher education or political subdivisions that are not obligated to use the system may become reluctant to fully adopt it due to the possibility of having to switch to a new system relatively soon after completion of implementation.

A longer term contract will allow the State to realize substantial cost savings, reduce the disruption costs associated with re-bidding this project within a few years of it going live, lower the impact to the using agencies and statewide contractors, incentivize increased adoption of the solution by institutions of higher education and political subdivisions, and promote both increased competition by the bidding vendors and the use of more innovative solutions.

For the reasons above, we respectfully request approval to seek the State Fiscal Accountability's approval to solicit this procurement with a ten-year performance term.

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.

AGENCY: Division of Procurement Services

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

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 Authority. Winthrop University has asked the Division of Procurement Services to assist in seeking Authority approval to authorize the University to solicit a contract for up to ten (10) years for Food Services. University officials believe a contract term for up to ten years will attract more potential vendor partners to the bidding process, lower vendor production cost and lower the cost and burden of contract solicitation, award, and administration.

AUTHORITY ACTION REQUESTED:

Under authority of SC Consolidated Procurement Code Section 11-35-2030(4), approve Winthrop University's request for a multi-term contract for Food Services and authorize the solicitation of proposals and award of a contract for up to ten (10) years.

ATTACHMENTS:

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

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

For meeting scheduled for: **October 17, 2017**

Regular Session

1. Submitted by:

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


John St. C. White
Materials Management Officer

2. Subject:

Waiver to extend the maximum time on a multi-term contract for Winthrop University

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 Authority. Winthrop University has asked the Division of Procurement Services to assist in seeking Authority approval to authorize the University to solicit a contract for up to ten (10) years for Food Services. University officials believe a contract term for up to ten years will attract more potential vendor partners to the bidding process, lower vendor production cost and lower the cost and burden of contract solicitation, award, and administration.

4. What is Authority asked to do?

Under authority of SC Consolidated Procurement Code Section 11-35-2030(4), approve Winthrop University's request for a multi-term contract for Food Services and authorize the solicitation of proposals and award of a contract for up to ten (10) years.

5. What is recommendation of Authority division involved?

Consider Winthrop University's request as stated above.

6. Recommendation of other office (as required)?

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

7. Supporting Documents:

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



WINTHROP

UNIVERSITY

Office of the President

July 25, 2017

John White, P.E.
Director Procurement Services Division
Materials Management Office
1201 Main Street, Ste. 600
Columbia SC 29201

Dear Director White, P.E.,

The current food services contract for Winthrop University is set to expire June 30, 2018. Winthrop has begun the process to draft a new RFP for these services. In accordance with S.C. Code of Law Ann. 1976 §11-35-2030 and the SC Consolidated Procurement Regulations § 19-445.2135, Winthrop University is requesting approval to extend the standard five-year term of a multi-year contract to a seven-year term with three additional optional one-year expansions for our upcoming contract regarding the management and operation of food services.

Our current contract is for a single ten-year term. For this iteration, Winthrop University is requesting to issue a RFP that would cover a seven-year term with three optional one-year renewals.

We believe the shorter term with the renewal options will better serve the dynamic nature of the Winthrop Campus and help attract more potential vendor partners to the bidding process as we work to redefine our campus under our multi-year strategic plan. Our goal for food services is to:

Create a varied and dynamic dining experience for students and employees,
Partner with the University to be a draw for potential students and increase enrollment,
Build out robust catering opportunities for internal and external events on campus, and
Reinvigorate athletic concessions to enhance the spectator experience.

We look forward to working with MMO as we build out this new proposal for food services throughout the next few months. I have attached the MMO form 106 as well for your review.

Please let me know if you have any questions, or concerns with this approval request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daniel F. Mahony'.

Daniel F. Mahony, Ph.D.
President

**DETERMINATION PRIOR TO USE
OF A MULTI-TERM CONTRACT**

Based upon the following determination, the proposed multi-term contract described below is being entered into pursuant to the authority of Section 11-35-2030.(2) of the South Carolina Consolidated Procurement Code and Regulations 19-445.2135.D.(1) (2).

- Estimated requirements cover the period of the contract and are reasonably firm and continuing.
- Special production of definite quantities or the furnishing of long-term services is required to meet state needs.
- A multi-term contract will serve the best interests of the state by encouraging effective competition or otherwise promoting economies in state procurement.
- Firms which are not willing or able to compete because of high start-up cost or capital investment in facility expansion will be encouraged to participate in the competition when they are assured of recouping such costs during the period of contract performance.
- Lower production cost because of larger quantity or service requirements and substantial continuity of production or performance over a longer period of time can be expected to result in lower unit prices.
- Stabilization of the contractor's work force over a longer period of time may promote economy and consistent quality.
- The cost and burden of contract solicitation, award, and administration of the procurement may be reduced.

Explain why this determination applies to this contract:


Our current contract is for a single ten-year term. For this iteration, Winthrop University is requesting to issue a RFP that would cover a seven-year term with three optional one-year renewals.

We believe the shorter term with the renewal options will better serve the dynamic nature of the Winthrop Campus and help attract more potential vendor partners to the bidding process as we work to redefine our campus under our multi-year strategic plan. Our goal for food services is to:

- **Create a varied and dynamic dining experience for students and employees,**
- **Partner with the University to be a draw for potential students and increase enrollment,**
- **Build out robust catering opportunities for internal and external events on campus, and**
- **Reinvigorate athletic concessions to enhance the spectator experience.**

7-25-17
DATE

Winthrop University
GOVERNMENTAL BODY


SIGNATURE

SOLICITATION NUMBER

President
TITLE

Distribution: Original copy retained in contract file. Carbon copy furnished to nonresponsible bidder or offeror.

White, John

From: Overcash, Caroline Craig [<mailto:overcashc@winthrop.edu>]

Sent: Friday, September 15, 2017 10:41 AM

To: White, John

Subject: RE: Winthrop University's Food Services RFP-Draft

The current food services contract for Winthrop University is for a single ten-year term. Winthrop is requesting a seven-year term with three optional one-year renewals. The requested term is based on the need to create a dynamic dining experience for students and employees to increase participation and revenue for both the University and the vendor partner.

1. Winthrop University hopes to encouraging effective competition and gain more potential vendor participation in the selection process by offering a shorter-term than the last contract period. There is investment in both time and cost by a vendor in the campus at the beginning of a contract term. However, by allowing the three optional one-year renewals, the University has the opportunity to continue a relationship with a successful vendor who successfully increases student use of the program at the University.
2. By granting the requested term, the goal is to gain greater market share from the available population. The successful vendor will need some time to implement a marketing strategy. The University will also need some time to assess whether the vendor is successful by measuring progress against predetermined benchmarks. The greater market share the successful vendor is able to obtain, the greater flexibility both parties have to reduce costs or increase value of product to students.
3. The initial investment of the successful vendor is substantial in installing new equipment and hiring/training of personnel. A change in one food court vendor here on campus this summer has caused a space shut down for months along with the cost of construction for the new vendor due to open in the next thirty days. This also creates a disruption for students who are on campus all year. Training employees on new equipment and operation protocols are additional costs for the vendor. Winthrop wants to acknowledge that investment and maximize return for both parties by allowing a slightly longer term to the contract with the successful vendor. The University is hopeful that this term would work to promote workforce stability which is reflected in quality of product and customer service to our students.
4. Under this iteration of the food services contract, Winthrop has created a campus-wide representative committee to draft the RFP. The University is spending considerable time and effort to gain input from students, faculty, and staff in this draft. While this type of endeavor is greatly beneficial to garner the best interest of the University, as a whole, it also repurposes employees away from their primary duties for an extended time. The term requested would both allow the impact of a periodic deep review, but also be lenient enough to prevent overly taxing agency resources.

If you have any questions, or need anything further, please do not hesitate to contact me.

Caroline

Caroline Overcash

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.

AGENCY: Department of Commerce

SUBJECT: Not Exceeding \$46,000,000 General Obligation State Economic Development Bonds

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$46,000,000 General Obligation State Economic Development Bonds.

The proceeds of the bonds will be used to finance the costs of the infrastructure in connection with an investment in the State of South Carolina by Volvo Car USA, LLC.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$46,000,000 General Obligation State Economic Development Bonds.

ATTACHMENTS:

DuBose 9/28/17 letter; Resolution; NDIF

1201 MAIN STREET, 22ND FLOOR (29201-3226)
POST OFFICE BOX 11889 (29211-1889)
COLUMBIA, SOUTH CAROLINA
TELEPHONE 803 779 3080
FACSIMILE 803 765 1243
www.hsblawfirm.com

THEODORE B. DUBOSE
PUBLIC FINANCE
DIRECT DIAL NUMBER 803 540 7830
tdubose@hsblawfirm.com

September 28, 2017

Via Hand Delivery

Mr. Delbert Singleton
South Carolina State Fiscal Accountability Authority
Wade Hampton Building, Suite 600
Columbia, South Carolina 29201

Re: Request for Approval of not to exceed \$46,000,000 in General Obligation State Economic Development Bonds of the State of South Carolina (the "Bonds")

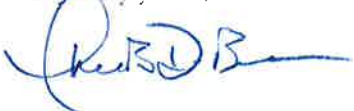
Dear Mr. Singleton:

On behalf of the South Carolina Department of Commerce, I am enclosing updated materials relating to the proposed issuance of general obligation bonds of the State of South Carolina (the "State") to finance qualifying infrastructure to support construction of a new economic development project to be located within the State. The resolution enclosed herewith has been updated from the version provided to you on August 31, 2017 to identify at Exhibit A the Project, the Project Sponsor, and the location of the Project. Moreover, all tables attached as exhibits to the resolution have been completed. Finally, the principal amount of the bonds has been increased to \$46,000,000.

The purpose of this submission is to request that the South Carolina State Fiscal Accountability Authority approve the issuance of not to exceed \$46,000,000 in General Obligation State Economic Development Bonds to be issued pursuant to Section 11-41-50(A) of the General Obligation State Economic Development Bond Act, codified at S.C. Code Sections 11-41-10 et seq. (the "Bonds").

Please do not hesitate to contact me if you have questions or require further information.

Very truly yours,



Theodore B. DuBose

Enclosures



OFFICE OF STATE TREASURER

New Debt Information Form (NDIF) - Initial Form

SFAA Approval Date: 10/17/17

Final Version Date: 00/00/00

1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: _____ Issuer: State of South Carolina Series: 2017A

Borrower (if not Issuer): _____

Bond Caption: General Obligation Economic Development BondsBond Resolution Amount: \$46,000,000.00 Est. Production/Par Amt: \$38,510,000.00

(* Used to calculate initial COI percentages; STO bond issues must use Par Amt *)

Submitted By:

ENTITY: SC Dept of Commerce
 BY: Theodore B DuBose
 ITS: Bond Counsel
 Tel: 803.540.7830
 Email: tdubose@hsblawfirm.com

Final Production/Par Amt: \$0.00**Transaction Type/Method of Sale:**

Public Offering: Competitive: Negotiated: _____
 Direct Placement: Competitive: _____ Negotiated: _____
 Governmental Loan/Governmental Purchaser
 Other: _____

MSRB (EMMA) Continuing Disclosure Requirement (Y/N): YMSRB (EMMA) Continuing Disclosure Responsible Party: STO

2. FINANCING (NEW PORTION)

Project #: _____ Project Name: Volvo Car US Operations, Inc. and Volvo Car USA LLCProject Address/Location: TBD Amount: \$45,500,000.00Project Type: Economic Development County: BerkeleyProjected Avg Interest Rate: 2.28% Final Maturity: 04/01/33

3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs, (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$	*****	*****	\$	

4. FINANCING WORKING GROUP

Financial Advisor: PRAG Disclosure Counsel: Howell LinkousBond Counsel: Haynsworth Sinkler Boyd, PA Issuer's Counsel: N/AUnderwriter: N/A Trustee: STOPaying Agent: US Bank Other: _____

5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

Volvo Car US Operations, Inc. and Volvo Car USA LLC (collectively, the "Company") have announced a major economic development expansion representing an investment of not less than \$520.5 million and the creation of no fewer than 1,910 jobs. The project includes expansion of the existing manufacturing footprint to accommodate a second vehicle and the addition of an office building on an office campus. Bond proceeds will be applied to buildings on publicly owned land, rail spur construction, road improvements, and water infrastructure.

6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	05/01/17	Secretary, DOC
JBRC Approval:	10/10/17	
SFAA Approval:	10/17/17	

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	00/00/00	N/A
JBRC Approval:	00/00/00	
SFAA Approval:	00/00/00	

7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes	No
	x

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

Yes	No
	x

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -	
Cost Estimate -	\$0

Est. Expenditures - Through 6 Months
 Est. Expenditures - Through 12 Months
 Est. Expenditures - Through 18 Months
 Est. Expenditures - Through 24 Months
 Est. Expenditures - Through 36 Months
 Est. Expenditures - Through 48 Months
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 7,446,500.00	12/31/2017	Building and road construction
\$ 22,450,500.00	6/30/2018	Building and road and rail construction
\$ 15,178,000.00	12/31/2018	Building and rail construction
\$ 425,000.00	3/31/2019	Water infrastructure
\$	00/00/00	
\$	00/00/00	
\$ 45,500,000.00		

8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 38,510,000.00	\$ 45,500,000.00	Project Fund
(b) Premium/Accr. Int.	\$ 7,384,565.10		Capitalized Interest Fund
(2) Issuer/Borrower Contr.			Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$		Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$		Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify) Type -	\$		Accrued Interest
Residual Project Sources			Other
(6) Other			Other
(a) GF -	\$		Other
(a) FF -	\$		Other
(c) OF -	\$		Other
Total Project Sources	\$ 45,894,565.10	\$ 45,894,565.10	Total Project Uses
Surplus/Deficit		\$	-

9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (Added COI entities beyond the following need an attached description **)**

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	PRAG			\$ 45,000.00	\$	\$ 45,000.00
Bond Counsel	Haynsworth Sinkler Boyd			\$ 25,000.00	\$	\$ 25,000.00
Disclosure Counsel	Howell Linkous			\$ 25,000.00	\$	\$ 25,000.00
Issuer's Counsel					\$	\$
Underwriter's Counsel					\$	\$
Transaction Counsel					\$	\$
Legal Expenses					\$	\$
					\$	\$
Rating Agency - S&P				\$ 25,000.00	\$	\$ 25,000.00
Rating Agency - Moody's				\$ 25,000.00	\$	\$ 25,000.00
Rating Agency - Fitch				\$ 26,000.00	\$	\$ 26,000.00
Underwriter's Compensation				\$ 192,550.00	\$	\$ 192,550.00
Registrar / Paying Agent	US Bank			\$ 10,000.00	\$	\$ 10,000.00
Escrow Agent					\$	\$
Accountant					\$	\$
Verification Agent					\$	\$
Printing				\$ 5,000.00	\$	\$ 5,000.00
Publishing				\$ 1,500.00	\$	\$ 1,500.00
Advertising				\$ 3,000.00	\$	\$ 3,000.00
Contingency				\$ 11,515.10	\$	\$ 11,515.10
Issuer's Fee	SC JEDA / SC SHFDA				\$	\$
				\$ 394,565.10	\$	\$ 394,565.10

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction
 Bond Counsel: % of Transaction
 Total Legal Costs: % of Transaction
 Rating Agencies: % of Transaction

0.12%	#DIV/0!
0.06%	#DIV/0!
0.13%	#DIV/0!
0.20%	#DIV/0!

UW Comp: % of Transaction
 Other COI: % of Transaction
 Total COI: % of Transaction

0.50%	#DIV/0!
0.08%	#DIV/0!
1.02%	#DIV/0!

STATE FISCAL ACCOUNTABILITY AUTHORITY

REGULAR SESSION

MEETING OF October 17, 2017

ITEM NUMBER 9

AGENCY: Clemson University

SUBJECT: Not Exceeding \$14,000,000 Athletic Facilities Revenue Bonds, Series 2017, of
Clemson University

The Authority is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$14,000,000 Athletic Facilities Revenue Bonds, Series 2017.

The proceeds of the bonds will be used to for the primary purposes of providing funds to construct and equip a tennis facility on the campus of Clemson University.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$14,000,000 Athletic Facilities Revenue Bonds, Series 2017, of Clemson University.

ATTACHMENTS:

Pope 9/5/17 letter; Resolution; NDIF



POPE FLYNN
GROUP

COLUMBIA | CHARLOTTE | SPARTANBURG

Gary T. Pope, Jr. Pope Flynn, LLC
Member 1411 Gerevan St., Suite 300
gtpope@popeflynn.com Post Office Box 11509, 29211
direct 803 554 8917 Columbia, SC 29204
fax 803 554 8999 www.popeflynn.com

September 5, 2017

Mr. Delbert H. Singleton, Jr.
Assistant Executive Director and Authority Secretary
South Carolina State Fiscal Accountability Authority
1200 Senate Street, Suite 600
Columbia, South Carolina 29201

Re Not exceeding \$14,000,000 Athletic Facilities Revenue Bonds, Series 2017 of
Clemson University, South Carolina (the "Bonds")

Dear Delbert:

On behalf of Clemson University, in connection with the authorization of the Bonds, and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") meeting scheduled for October 17, 2017, we respectfully enclose the following for consideration by the Authority:

1. A copy of a bond resolution dated April 16, 1999, of the Board of Trustees of Clemson University providing for the issuance of Athletic Facilities Revenue Bonds of Clemson University;
2. A copy of a series resolution adopted by the Board of Trustees of Clemson University on February 3, 2017, authorizing the issuance of the Bonds;
3. A proposed form of opinion of Bond Counsel; and
4. A proposed form of resolution of the Authority (an electronic copy is being provided contemporaneously with this letter).

We have provided the Office of State Treasurer with copies of the Bond Counsel Selection Form, the New Debt Information Form (NDIF) – Initial Form, and a copy of this submission package. Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,


Gary T. Pope, Jr.

c: Rick Petillo, Director of Debt and Capital Financing, Clemson University
Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer
Enclosures

A RESOLUTION

APPROVING THE ISSUANCE AND SALE OF NOT EXCEEDING \$14,000,000 PRINCIPAL AMOUNT OF ATHLETIC FACILITIES REVENUE BONDS, SERIES 2017, OF CLEMSON UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE SOUTH CAROLINA STATE FISCAL ACCOUNTABILITY AUTHORITY, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this resolution (this "Resolution"), the South Carolina State Fiscal Accountability Authority (the "Authority") finds:

Section 1.01

(a) The Board of Trustees of Clemson University (the "Board of Trustees"), the governing body of Clemson University, South Carolina (the "University"), is authorized by Article 9, Chapter 119 of Title 59 of the Code of Laws of South Carolina, 1976, as amended (the "Enabling Act") to construct and improve certain facilities of the University designated by the Board of Trustees as intercollegiate athletic facilities (the "Athletic Facilities") and to issue bonds payable from certain revenues of the Athletic Department of the University (the "Athletic Department") in order to finance such construction and improvements (the "Athletic Facilities Revenue Bonds"). The Board of Trustees is authorized by the Enabling Act to further secure such bonds of the University payable from certain revenues of the Athletic Department by the pledge of the receipts of (i) such admissions fees as may be imposed by the Board of Trustees upon persons admitted to any event held at any of the Athletic Facilities for the purpose of providing assistance in the repayment of bonds and (ii) such special student fees as may be imposed by the Board of Trustees upon persons in attendance at any academic session of the University.

(b) On April 16, 1999, the Board of Trustees adopted a resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BONDS OF CLEMSON UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATED THERETO" (the "Bond Resolution"), as a means of providing for the issuance from time to time of Athletic Facilities Revenue Bonds of a particular series pursuant to the provisions of a Series Resolution of the Board of Trustees, provided all conditions required by the Bond Resolution are met. Pursuant to the Bond Resolution, and as certified by the University, the Board of Trustees previously issued and there remain Outstanding: (a) \$5,590,000 of the originally issued \$12,335,000 Athletic Facilities Refunding Revenue Bonds, Series 2012 of Clemson University, South Carolina, (b) \$30,695,000 of the originally issued \$30,695,000 Athletic Facilities Revenue Bonds, Series 2014A, (c) \$7,670,000 of the originally issued \$9,240,000 Athletic Facilities Revenue Bonds (Taxable), Series 2014B, (d) \$9,635,000 of the originally issued \$10,545,000 Athletic Facilities Refunding Revenue Bonds, Series 2014C, (e) \$58,570,000 of the originally issued \$60,695,000 Athletic Facilities Revenue Bonds, Series 2015, and (f) \$18,445,000 of the originally issued \$18,875,000 Athletic Facilities Revenue Bonds, Series 2015B.

(c) On February 3, 2017, the Board of Trustees adopted a series resolution entitled “A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A SERIES OF ATHLETIC FACILITIES REVENUE BONDS OF CLEMSON UNIVERSITY, SOUTH CAROLINA, TO BE DESIGNATED SERIES 2017 IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING FOURTEEN MILLION DOLLARS (\$14,000,000), AND OTHER MATTERS RELATING THERETO.” (the “2017 Series Resolution”) authorizing the issuance of Athletic Facilities Revenue Bonds, Series 2017 (the “Series 2017 Bonds”) for the purpose of providing funds to construct and equip a tennis facility on the campus of the University (the “Project”).

(d) The 2017 Series Resolution authorized the use of proceeds of the Series 2017 Bonds for the purposes of: (i) providing the amount necessary, together with other available funds of the University, to defray the costs of the Project; (ii) capitalizing interest during construction, if necessary; (iii) subject to the provisions of Section 6.03 of the 2017 Series Resolution, providing money to fund the Series 2017 Debt Service Reserve Fund, if any, for the Series 2017 Bonds; and (iv) paying certain costs and expenses relating to the issuance of the Series 2017 Bonds, including a municipal bond insurance premium, if any.

(e) The Board of Trustees has determined that constructing and equipping the Project is advantageous to the University for its continued successful operation as a public institution of higher learning, and the University hereby requests the Authority to approve at this time the issuance by the University of the Series 2017 Bonds to defray the costs of constructing and equipping the Project, and other matters related thereto as set forth in the 2017 Series Resolution.

Section 1.02

The Bond Resolution and the 2017 Series Resolution, each in the form adopted by the Board of Trustees, have been presented to the Authority.

Section 1.03

The Board of Trustees has determined that all conditions precedent to the issuance of the Series 2017 Bonds, including those required by the Bond Resolution, the 2017 Series Resolution, and the Enabling Act, will be met upon the issuance of the Series 2017 Bonds.

Section 1.04

All capitalized terms used in this Resolution, but not defined herein, shall have the meaning ascribed to such terms in the Bond Resolution and the 2017 Series Resolution.

ARTICLE II

AUTHORIZATION TO ISSUE AND SELL THE SERIES 2017 BONDS

Section 2.01

The Authority hereby approves and authorizes the issuance and sale of not exceeding \$14,000,000 principal amount of Athletic Facilities Revenue Bonds, Series 2017, of the University and to sell the same in the manner and under the conditions prescribed by the 2017 Series Resolution.

Section 2.02

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted.

Dated: October 17, 2017.

CERTIFICATE OF THE CHIEF FINANCIAL OFFICER

I, the undersigned Chief Financial Officer of Clemson University, South Carolina (as such term is defined in the Bond Resolution), hereby certify as follows in connection with the petition for approval submitted by the University on September 5, 2017, to the South Carolina State Fiscal Accountability Authority in support of its proposed not to exceed \$14,000,000 principal amount Athletic Facilities Revenue Bonds, Series 2017:

(a) On April 16, 1999, the Board of Trustees of Clemson University adopted a resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BONDS OF CLEMSON UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATED THERETO" (the "Bond Resolution"), as a means of providing for the issuance from time to time of Athletic Facilities Revenue Bonds of a particular series pursuant to the provisions of a Series Resolution of the Board of Trustees, provided all conditions required by the Bond Resolution are met.

(b) Pursuant to the Bond Resolution, the Board of Trustees previously issued and there remain Outstanding: (a) \$5,590,000 of the originally issued \$12,335,000 Athletic Facilities Refunding Revenue Bonds, Series 2012 of Clemson University, South Carolina, (b) \$30,695,000 of the originally issued \$30,695,000 Athletic Facilities Revenue Bonds, Series 2014A, (c) \$7,670,000 of the originally issued \$9,240,000 Athletic Facilities Revenue Bonds (Taxable), Series 2014B, (d) \$9,635,000 of the originally issued \$10,545,000 Athletic Facilities Refunding Revenue Bonds, Series 2014C, (e) \$58,570,000 of the originally issued \$60,695,000 Athletic Facilities Revenue Bonds, Series 2015, and (f) \$18,445,000 of the originally issued \$18,875,000 Athletic Facilities Revenue Bonds, Series 2015B.

WITNESS my hands as of this 21st day of September, 2017.

CLEMSON UNIVERSITY



Brett A. Dalton
Chief Financial Officer



OFFICE OF STATE TREASURER

New Debt Information Form (NDIF) - Initial Form

SFAA Approval Date: 10/17/17

Final Version Date: 00/00/00

1. AGENCY/ISSUER & FINANCING INFORMATION

Agency #: H12 Issuer: Clemson University Series: 2017
 Borrower (if not Issuer): _____
 Bond Caption: Athletic Facilities Revenue Bonds
 Bond Resolution Amount: \$14,000,000.00 Est. Production/Par Amt: \$11,355,000.00

(* Used to calculate initial COI percentages; STO bond issues must use Par Amt *)

Final Production/Par Amt: \$0.00**Submitted By:**

ENTITY: Clemson University
 BY: Rick Petillo
 ITS: Director of Debt and Capital Financing
 Tel: (864) 656-2591
 Email: rpetill@clemson.edu

Transaction Type/Method of Sale:

Public Offering: Competitive: Negotiated: _____
 Direct Placement: Competitive: _____ Negotiated: _____
 Governmental Loan/Governmental Purchaser
 Other: _____

MSRB (EMMA) Continuing Disclosure Requirement (Y/N): YMSRB (EMMA) Continuing Disclosure Responsible Party: Clemson University

2. FINANCING (NEW PORTION)

Project #: 9932 Project Name: Tennis Center Construction
 Project Address/Location: Main Campus Amount: \$12,500,000.00
 Project Type: Athletic Facility County: Pickens
 Projected Avg Interest Rate: 4.07% (TIC) Final Maturity: 05/01/47

3. FINANCING (REFUNDED PORTION)

Series to be Refunded	Refunded Maturities	Principal Refunded	IR of Refunded Bds	Est. Yield of Refunding Bds	Est NPV Svgs. (\$)	Est NPV Svgs. (% of Ref. Bds)
		\$			\$	
		\$			\$	
		\$			\$	
Total		\$	*****	*****	\$	

4. FINANCING WORKING GROUP

Financial Advisor: Hilltop Securities Disclosure Counsel: Howell Linkous & Nettles
 Bond Counsel: Pope Flynn Issuer's Counsel: _____
 Underwriter: TBD - Competitive Trustee: _____
 Paying Agent: U.S. Bank Other: _____

5. FINANCING/PROJECT DESCRIPTION

(Briefly, explain the financing/project, the anticipated costs, & the basis for these cost estimates. Use an attachment if needed)

This project involves the construction and equipping of a new men's and women's varsity tennis facility. See Form A-1 for additional information. Costs of issuance of the bonds are calculated at the anticipated par amount of \$11,355,000 in accordance with the approved fee schedule for counsel, published schedules of rating agencies, past experience, and to take into account that certain larger items, such as the underwriter's discount, will not be known until the pricing of the bonds and will vary with market conditions.

6. FINANCING/PROJECT APPROVAL DATES

Financing Approvals		Notes:
Issuer/Borrower Approval:	02/03/17	
JBRC Approval:	10/10/17	Proposed
SFAA Approval:	10/17/17	Proposed

Project Approvals - Phase II (State Entities Only)		Notes:
Issuer/Borrower Approval:	02/03/17	
JBRC Approval:	10/10/17	Proposed
SFAA Approval:	10/17/17	Proposed

7. TAX AND ARBITRAGE MATTERS & SPEND DOWN SCHEDULE

a. Is any portion of the project, once completed, to be managed by a third-party pursuant to a management contract? (if yes, please attach copy)

Yes	No
	X

b. Will any third-party payments (from support organizations, private entities or the federal government) related to the facility, however indirectly, be used to pay debt service on the bonds?

Yes	No
	X

c. If yes to any of the above, please provide a square footage and cost estimate of the portion affected.

Sq. Footage -	
Cost Estimate -	\$0

Est. Expenditures - Through 6 Months
 Est. Expenditures - Through 12 Months
 Est. Expenditures - Through 18 Months
 Est. Expenditures - Through 24 Months
 Est. Expenditures - Through 36 Months
 Est. Expenditures - Through 48 Months
 - Estimated Expenditures: Thru FY:

Bond Proceeds	FYE	Spend Down Schedule Notes
\$ 2,655,000.00	6/30/2018	COI, and beginning construction costs
\$ 9,845,000.00	6/30/2018	Final construction costs
	00/00/00	
	00/00/00	
	00/00/00	
\$	00/00/00	
\$ 12,500,000.00		

8. ESTIMATED/ACTUAL PROJECT SOURCES AND USES

Sources	Est. Project Budget (Sources)	Est. Project Budget (Uses)	Uses
(1) Bond Proceeds: (a) Par	\$ 11,355,000.00	\$ 12,500,000.00	Project Fund
(b) Premium/Accr. Int.	\$ 1,356,520.65	\$	Capitalized Interest Fund
(2) Issuer/Borrower Contr.		\$	Debt Service Reserve Fund
(3) Debt Service Fund Trans.	\$	\$	Redemption Price/Escrow Deposit
(4) Debt Service Reserve Fund Contribution	\$	\$ 211,459.25	Cost of Issuance (Incl. UW Disc.)
(5) Other (Specify) Type -	\$	\$ 61.40	Accrued Interest
		\$	Rounding Amount
		\$	Other
		\$	Other
		\$	Other
		\$	Other
		\$	Other
		\$	Other
Total Project Sources	\$ 12,711,520.65	\$ 12,711,520.65	Total Project Uses
Surplus/Deficit		\$	-

9. ESTIMATED/ACTUAL BOND COI EXPENDITURES (Added COI entities beyond the following need an attached description *)**

COI Entity	Selected COI Vendor	Vendor #	Engagement Date (w/Engagement Ltr Attached)	Est. Fee For Services	Act. Fee For Services	(\$ Δ)
Financial Advisor	Hilltop Securities			\$ 14,000.00	\$	\$ 14,000.00
Bond Counsel	Pope Flynn			\$ 25,000.00	\$	\$ 25,000.00
Disclosure Counsel	Howell Linkous & Nettles			\$ 25,000.00	\$	\$ 25,000.00
Issuer's Counsel				\$	\$	\$
Underwriter's Counsel				\$	\$	\$
Transaction Counsel				\$	\$	\$
Legal Expenses				\$	\$	\$
				\$	\$	\$
Rating Agency - S&P					\$	\$
Rating Agency - Moody's				\$ 26,000.00	\$	\$ 26,000.00
Rating Agency - Fitch					\$	\$
Underwriter's Compensation	TBD - Competitive			\$ 83,459.25	\$	\$ 83,459.25
Registrar / Paying Agent	U.S. Bank			\$ 10,000.00	\$	\$ 10,000.00
Escrow Agent				\$	\$	\$
Accountant	Elliot Davis			\$ 10,000.00	\$	\$ 10,000.00
Verification Agent				\$	\$	\$
Printing	Image Master			\$ 5,000.00	\$	\$ 5,000.00
Publishing	lpreo			\$ 2,000.00	\$	\$ 2,000.00
Advertising	The State/Bond Buyer			\$ 1,000.00	\$	\$ 1,000.00
Contingency				\$ 10,000.00	\$	\$ 10,000.00
Issuer's Fee	SC JEDA / SC SHFDA			\$	\$	\$
				\$ 211,459.25	\$	\$ 211,459.25

Est. / Actual COI Fees (% of Transaction):

Financial Advisor: % of Transaction
 Bond Counsel: % of Transaction
 Total Legal Costs: % of Transaction
 Rating Agencies: % of Transaction

0.12%	#DIV/0!
0.22%	#DIV/0!
0.44%	#DIV/0!
0.23%	#DIV/0!

UW Comp: % of Transaction
 Other COI: % of Transaction
 Total COI: % of Transaction

0.74%	#DIV/0!
0.33%	#DIV/0!
1.86%	#DIV/0!

AGENCY: State Fiscal Accountability Authority

SUBJECT: Future Meeting

The next regular meeting of the State Fiscal Accountability Authority will be held at 10:00 a.m. on Tuesday, December 12, 2017, in Room 252, Edgar A. Brown Building.

The following is a list of proposed meetings for the State Fiscal Accountability Authority for 2018:

DATE	TIME
Tuesday, January 30	9:30 a.m.
Tuesday, March TBD	9:30 a.m.
Tuesday, May 1	9:30 a.m.
Tuesday, June 19	10:00 a.m.
Tuesday, August 21	10:00 a.m.
Tuesday, October 23	10:00 a.m.
Tuesday, December 11	10:00 a.m.

AUTHORITY ACTION REQUESTED:

Agree to meet at 10:00 a.m. on Tuesday, December 12, 2017, in Room 252, Edgar A. Brown Building. Approve the following meeting schedule for 2018:

DATE	TIME
Tuesday, January 30	9:30 a.m.
Tuesday, March TBD	9:30 a.m.
Tuesday, May 1	9:30 a.m.
Tuesday, June 19	10:00 a.m.
Tuesday, August 21	10:00 a.m.
Tuesday, October 23	10:00 a.m.
Tuesday, December 11	10:00 a.m.

ATTACHMENTS: