

**Capital Improvements
Joint Bond Review Committee**

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JOINT BOND REVIEW COMMITTEE MEETING

DATE: Wednesday, March 1, 2017
TIME: 9:00 a.m.
LOCATION: Room 105, Gressette Building

AGENDA

PAGE

1. Permanent Improvement Project Requests 1
2. Meeting Schedule 11

JOINT BOND REVIEW COMMITTEE

Meeting of March 1, 2017

Item Number 1

AGENCY: Department of Administration, Executive Budget Office

PROJECT/SUBJECT: Permanent Improvement Project Requests

There are nine Permanent Improvement projects pending as follows:

- 7 Establish Phase I, Pre-Design Budget
- 1 Establish Phase II, Construction Budget
- 1 Increase Phase II, Construction Budget

COMMITTEE ACTION:

Review and make recommendation of permanent improvement projects for transmittal to State Fiscal Accountability Authority or Department of Administration.

ATTACHMENTS:

Agenda Item Worksheet - Summary 6-2017

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Executive Budget Office – Capital Budgeting Unit

SUMMARY 6-2017

Summary of Permanent Improvement
Project Actions Proposed by Agencies
January 5, 2017 through January 25, 2017

Forwarded to JBRC 3/1/2017

Permanent Improvement Projects

Summary Background Information:

Establish Project for A&E Design

- (a) Summary 6-2017: JBRC Item 1. (H17) Coastal Carolina University
Project: 9613, Ingle Residence Hall Renovation
Included in Annual CIP: Yes – CIP Priority 1 of 3 in FY17
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 1/6/2017

Ref: Supporting document pages 1-7

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Student Housing Revenue	0.00	0.00	0.00	57,000.00	57,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>57,000.00</u>	<u>57,000.00</u>

Funding Source: \$57,000 Other, Student Housing Revenue, which are funds generated through housing rates charged only to students who are living in campus residence halls. The student housing rate is based on the number of bedrooms per suite or apartment, and location of the residence hall, which is approved each year by the Board of Trustees. The University did not increase housing rates on any level in FY17.

Request: Establish project and budget for \$57,000 (Other, Student Housing Revenue) to begin design work for the renovation of Ingle Residence Hall. This project encompasses upgrades to the HVAC units, electrical, IT, and fire sprinkler systems, mass notification system, as well as, some interior refurbishments. The HVAC units will be converted from a two-pipe system to a four-pipe system. This will allow the temperatures to be balanced in the rooms and common areas throughout the year. Electrical upgrades will provide for improved bathroom exhaust fans. Ingle hall was constructed in 2000, is 80,536 square feet, houses approximately 400 students and contains four administrative offices. There is one professional staff apartment as well. Due to normal wear and tear, the University Repair and Maintenance schedule dictates that these structural repairs are needed to assure that this building maintains a safe and healthy living environment for students and working environment for staff. The agency estimates that the completed project will cost approximately \$3,800,000 and no additional annual operating costs will result from the project.

- (b) Summary 6-2017: JBRC Item 2. (D50) Department of Administration
Project: 9978, Assembly St. Parking Deck Repair
Included in Annual CIP: Yes – CIP Priority 1 of 11 in FY17
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 8-18

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	0.00	0.00	0.00	3,888.00	3,888.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,888.00</u>	<u>3,888.00</u>

Funding Source: \$3,888 Other, Depreciation Reserve, which is derived from the rent account which receives rent charged to agencies.

Request: Establish project and budget for \$3,888 (Other, Depreciation Reserve) to obtain preliminary design and cost estimate for repairing the Assembly Street parking deck. The Assembly Street parking deck is a 4 story, split level, precast concrete structure that is approximately 42 years old. There are approximately 288 spaces on the deck. Access to the deck is controlled by card activated gates. Investigation has revealed that saw cut control joints were not installed in the topping slab to control the cracking which has resulted in inconsistent and jagged cracking along the joints below the topping. These joints need to be rounded and caulked to control the water infiltration to the levels below. Joints between columns and concrete block infill and the concrete columns are not caulked in all locations. The joints should be prepped and caulked on the exterior side of the deck to prevent moisture penetration. The parking deck is 100,000 gross square feet. Approximately 278 cars enter and exit the parking deck daily. The agency estimates that the completed project will cost approximately \$259,190 and no additional annual operating costs will result from the project.

- (c) Summary 6-2017: JBRC Item 3. (D50) Department of Administration
Project: 9979, Caldwell Boylston House – Exterior Repairs
Included in Annual CPIP: Yes – CPIP Priority 5 & 6 of 11 in FY17
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 19-24

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	0.00	0.00	0.00	5,100.00	5,100.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,100.00</u>	<u>5,100.00</u>

Funding Source: \$5,100 Other, Depreciation Reserve, which is derived from the rent account which receives rent charged to agencies.

Request: Establish project and budget for \$5,100 (Other, Depreciation Reserve) to obtain preliminary design and cost estimate for the exterior repair at the Boylston House. Exterior wood siding, wood windows, wood shutters and wood columns are deteriorated and recommended to be repaired. The facility has 6,545 interior square feet, is 187 years old, and is used by 100 mansion and PRT staff annually. The agency estimates that the completed project will cost approximately \$340,000 and no additional annual operating costs will result from the project.

- (d) Summary 6-2017: JBRC Item 4. (D50) Department of Administration
Project: 9980, State Library – Replace AHUs
Included in Annual CPIP: Yes – CPIP Priority 11 of 11 in FY17
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 25-32

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	0.00	0.00	0.00	9,486.00	9,486.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>9,486.00</u>	<u>9,486.00</u>

Funding Source: \$9,486 Other, Depreciation Reserve, which is derived from the rent account which receives rent charged to agencies.

Request: Establish project and budget for \$9,486 (Other, Depreciation Reserve) to establish project to replace the building air handlers which are approximately 50 years old. The project will improve temperature and humidity control throughout the building including areas housing materials requiring a higher degree of environmental stability than the current system can provide. The project will also replace the outside air unit serving all floors. Asbestos abatement will be completed as needed for the safe removal of the existing equipment. The State Library Building was constructed in 1967 and is 60,494 gross square feet. The library receives at least 22,000 visitors each year and has 45 staff. The new equipment will be more energy efficient and should lower operating costs of the air handlers themselves. The agency estimates that the completed project will cost approximately \$730,882 and additional annual operating cost savings cannot be quantified at this time.

- (e) Summary 6-2017: JBRC Item 5. (D50) Department of Administration
Project: 9981, Sumter St. HVAC System Replacement
Included in Annual CIP: Yes – CIP Priority 8 of 11 in FY17
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 33-41

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	0.00	0.00	0.00	17,600.00	17,600.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>17,600.00</u>	<u>17,600.00</u>

Funding Source: \$17,600 Other, Depreciation Reserve, which is derived from the rent account which receives rent charged to agencies.

Request: Establish project and budget for \$17,600 (Other, Depreciation Reserve) to complete a study to be performed by a professional mechanical engineering firm to help determine the best way to replace existing HVAC systems in the Sumter Street Building. These systems are up to 23 years old, well past their life performance expectancy and were not replaced when the building was renovated in 2013. A building analysis performed by Cardno Group suggested three systems be replaced, but are aware of more work to be considered as part of this project. Additionally the building presents many challenges including potential code violations, current available equipment vs. the older designs, asbestos abatement requirements, and fresh air ventilation and humidity control concerns. In consideration of the aforementioned, the proposal also includes architectural and structural engineer reimbursable expenses, and as such exceeds the 1.50% fee typically associated with a larger project. It is expected the results of the study will provide more accurate cost estimates sufficient to proceed to Phase II replacement. The building is 104 years old and is 37,501 gross square feet. The building is occupied by the Arts Commission which includes 23 staff and 1,240 visitors and Human Affairs which includes 43 staff and 1,000 visitors for a total of 2,306 persons annually. The new equipment will be more energy efficient and should lower operating costs of the air handlers themselves. The agency estimates that the completed project will cost approximately \$750,000 and additional annual operating cost savings cannot be quantified at this time.

- (f) Summary 6-2017: JBRC Item 6. (N04) Department of Corrections
 Project: 9738, Security Upgrades to Housing Unit Inmate Cells at Level 3 Correctional Inst.
 Included in Annual CPIP: Yes – CPIP Priority 1 of 7 in FY17
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 42-46

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY16 Carryforward Funds	0.00	0.00	0.00	15,000.00	15,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>15,000.00</u>	<u>15,000.00</u>

Funding Source: \$15,000 Appropriated State, FY16 Carryforward Funds, which are from general fund personnel and fringe lines of the last two budget years.

Request: Establish project and budget for \$15,000 (Appropriated State, FY16 Carryforward Funds) to begin pre-design work to furnish and install several Security Upgrades to Housing Unit Inmate Cells at Level 3 Correctional Institutions. These renovations and upgrades will consist of security window frames and glazing, opaque glazing, food flaps, cuff ports, etc. This scope of work will provide additional security to the inmate cells, housing units and correctional facility, but will also directly impact SCDC's efforts to deter contraband from entering the institutions. The agency estimates that the completed project will cost approximately \$1,000,000 and no additional annual operating costs will result from the project.

- (g) Summary 6-2017: JBRC Item 7. (U12) Department of Transportation
 Project: 9742, SCDOT Headquarters Building Guaranteed Energy Savings Contract
 Included in Annual CPIP: No
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 47-52

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

Funding Source: \$60,000 Other, State Highway Fund, which is derived from the state motor fuel user fee.

Request: Establish project and budget for \$60,000 (Other, State Highway Fund) to establish Phase I of a Guaranteed Energy Savings Contract (GESc) for the Headquarters Building located at 955 Park St. in Columbia. The contracting method is in compliance with the state procurement process for energy performance contracting. The cost of the energy performance measures and design services for the GESc and the Phase I services are to be paid from the savings realized from reduced energy costs over a 12-14 year contract term. Financing will be provided by the Master Lease Program. The Phase I pre-design services will further define the energy measures, their guaranteed cost, and financing terms for a Guaranteed Energy Savings Contract. If SCDOT does not enter into a GESc, the cost of the pre-design services will be paid from the stipend. Phase I costs will be included in the final contract costs and funded by savings. If a GESc is executed, no funds will be paid by SCDOT as they will be included in the contract. Energy measures include lighting upgrades, water conservation upgrades, HVAC airside upgrades, HVAC boiler plant, HVAC dynamic air filtration, HVAC chilled water plant, VAV retrofits with DDC controls, replace existing AHU vane axial fans, and air side and water side balancing. The Division of General Services of the Department of Administration determined, via an engineering study, that SCDOT leaving the state energy plant should not have any negative impact to General Services or the other buildings on the Statehouse grounds. The 38 year old Headquarters Building is 228,000 square feet with an 802 space parking garage. All administrative functions of SCDOT are housed in the Headquarters Building which is utilized by 900 persons. The agency estimates that the completed project will be totally funded through the State Treasurer's Department Master Lease program. The Lease will, in turn, be paid with funds realized through operating energy savings guaranteed by the Energy Service Company (ESCO). Additional annual operating cost savings of \$240,000 in years 1 thru 3 are expected.

Establish Construction Budget

- (h) Summary 6-2017: JBRC Item 8. (H12) Clemson University
 Project: 9925, Clemson House Demolition
 Included in Annual CIP: Yes – CIP Priority 4 of 6 in FY17
 JBRC/SFAA Phase I Approval: September 2016

CHE Recommended Approval: 2/21/2017

Ref: Supporting document pages 53-59

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Maintenance & Stewardship Funds	95,000.00	0.00	95,000.00	1,805,000.00	1,900,000.00
Other, Housing Improvement Funds	0.00	0.00	0.00	1,900,000.00	1,900,000.00
All Sources	<u>95,000.00</u>	<u>0.00</u>	<u>95,000.00</u>	<u>3,705,000.00</u>	<u>3,800,000.00</u>

Funding Source: \$1,900,000 Other, Maintenance & Stewardship funds, which are tuition, matriculation, and other debt retirement and plant transfers revenues that are not formally obligated to fund debt service in the current period. \$1,900,000 Other, Housing Improvement Funds, which are from bond covenant-required transfers from Housing Operations to allow for the maintenance and replacement of capital assets funded by bond issues.

Request: Increase budget to \$3,800,000 (add \$3,705,000 Other, Maintenance & Stewardship and Other, Housing Improvement Funds) to establish the Phase II construction budget to demolish the approximately 135,000 square foot Clemson House located adjacent to the Douthit Hills Student Community Construction at Clemson University. The 66 year old building was constructed in 1950 and has been the most expensive housing facility to operate. It is no longer in use by University Housing and Dining. The Clemson House does not have “good bones” worthy of reinvestment or renovation. Originally constructed as a hotel, the quality of construction and materials used are not institutional quality. Renovation of the building would require replacing the building’s exterior skin, a complete seismic retrofit, and removing the slab to create more space, resulting in only 50% space utilization. The cost to renovate the facility for use as classroom, meeting, and office or conference space would exceed the cost to construct a new building on the site. The existing facility is located on a prominent site on campus which merits a building of approximately 200,000 square feet. Renovating the existing building would result in inefficient space and leave prime University land underutilized. After demolition the Clemson House site will be developed as green space with some parking. With Douthit Hills opening in 2018 and the Business School opening in 2019, both immediately adjacent to the Clemson House site, the additional area will be put to good use. The agency estimates that the completed project will cost approximately \$3,800,000 with additional annual cost savings of \$936,000 in year 1, \$954,720 in year 2, and \$973,814 in year 3. The agency also reports the projects date for execution of the construction contract is May 2017 and for completion of construction is January 2018.

Phase II Increase

- (i) Summary 6-2017: JBRC Item 9. (J12) Department of Mental Health
Project: 9732, Harris Hospital Utility Building Renovations
Included in Annual CIP: Yes – CIP Priority 6 of 8 in FY15
JBRC/SFAA Phase II Approval: June 2015

CHE Recommended Approval: N/A

Ref: Supporting document pages 60-68

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Capital Improvement & Maintenance Fund	15,000.00	931,000.00	946,000.00	224,900.00	1,170,900.00
All Sources	<u>15,000.00</u>	<u>931,000.00</u>	<u>946,000.00</u>	<u>224,900.00</u>	<u>1,170,900.00</u>

Funding Source: \$1,170,900 Other, Capital Improvement & Maintenance Fund which is derived from irregular one time funds from legal settlements, operating revenue (Medicaid fee-for-service earned revenue), sale of land, and interest earned on the Deferred Maintenance Fund account.

Request: Increase budget to \$1,170,900 (add \$224,900 Other, Capital Improvement & Maintenance Fund) to add funds to provide sufficient design and construction dollars to allow waterproofing of the entire rear wall and ensure a long term solution is put in place to re-mediate the leaking in that area. This project is to repair/replace the Harris Hospital Utility/Support Building roof and wall waterproofing. The building is remotely located from the hospital complex, with the entire roof of the building being completely underground. The roof of the building is comprised of precast concrete framing, poured concrete deck covered with a membrane roofing system and then covered with approximately 18 inches of soil. The roofing system is leaking and allows water to enter the facility, causing concrete spalling and allowing small pieces of concrete to fall from the concrete roof framing and deck. The contract has been awarded to replace the roof to re-mediate the immediate hazard and will re-grade the surrounding area to leave it uncovered in the future. The entire rear wall is also underground. The current scope of the work awarded will replace the waterproofing to a level of six feet. The desired solution is to expose the entire rear wall, replace the waterproofing system and install a French drain system at the foundation level. The facilities in this 13,016 square foot building are 29 years old. The building houses the Central plant mechanical equipment, Maintenance, Transportation, Materials Management and Laundry Operations and is utilized by 16 people. The entire population of the hospital including over 500 staff and clients are affected by the support functions housed here. The agency reports the total projected cost of this project is \$1,170,900 and no additional operating costs will result from the project. The agency reports the date of execution of the construction contract was December 2016 and for the completion of construction is December 2017.

JOINT BOND REVIEW COMMITTEE
Meeting of March 1, 2017

Item Number 2

AGENCY: Joint Bond Review Committee

PROJECT/SUBJECT: Future Meeting Schedule

The next tentatively-scheduled meeting of the State Fiscal Accountability Authority is
May 2, 2017.

2017

January

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April

Su	Mo	Tu	We	Th	Fr	Sa
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9	10	11	12	13	14	15
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30						

May

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	1	2	3	4	5	6
7	8	9	10	11	12	13
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21	22	23	24	25	26	27
28	29	30	31			

June

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July

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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Designed by Amy, amystudio.com

COMMITTEE ACTION:

Schedule next meeting.

ATTACHMENTS:

None