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University of South Carolina

BOARD OF TRUSTEES

Buildings and Grounds Committee

February 2, 2007

The Buildings and Grounds Committee of the University of South Carolina Board of Trustees met on Friday, February 2, 2007, at 10:00 a. m. in the 1600 Hampton Street Board Room.

Members present were: Mr. William C. Hubbard, Chairman; Mr. Arthur S. Bahnmuller; Mr. James Bradley; Mr. Mark W. Buyck, Jr.; Mr. Samuel R. Foster, II; Mr. William W. Jones, Jr.; Mr. Toney J. Lister; Mr. Eugene P. Warr, Jr.; Mr. Herbert C. Adams, Board Chairman; and Mr. Miles Loadholt, Board Vice Chairman. Other Trustees present were: Mr. John W. Fields; Dr. C. Edward Floyd; and Mr. M. Wayne Staton.

Others present were: President Andrew A. Sorensen; Secretary Thomas L. Stepp; Vice President and Chief Financial Officer Richard W. Kelly; Vice President for Human Resources Jane M. Jameson; Vice President for Student Affairs Dennis A. Pruitt; Vice President for University Advancement Brad Choate; Vice Provost and Executive Dean for Regional Campuses and Continuing Education Chris P. Plyler; Assistant Vice Provost for Academic Affairs William T. Moore; Associate Vice President for Student Affairs, Gene Luna; General Counsel Walter (Terry) H. Parham; Campus Planning and Construction Director and University Architect Charles G. Jeffcoat; Dean of University Libraries Paul A. Willis; Dean of the School of Music Tayloe Harding; Director of the Department of Athletics Eric C. Hyman; University Foundations Chief Financial Officer, Russell H. Meekins; Director of Facility Services James D. Demarest; Campus Planning and Construction Executive Assistant Donna Collins; Assistant to the Vice President, Division of Business and Finance, Ken Corbett; Director of Facilities and Operations, USC Aiken, Tony Ateca; Director of Government Affairs and Legislative Liaison Johnny D. Gregory; Director of Periodicals, University Publications, Chris Horn; Director of University Communications, Division of University Advancement, Russ McKinney, Jr.; Student Government Association President Tommy Preston; Michael Watson of Watson Tate Savory Architects; Scott Garvin of Garvin Design Group; Board staff members Terri Saxon, Vera Stone, Karen Tweedy; and members of the media.

Chairman Hubbard welcomed everyone. Mr. McKinney introduced members of the media who were in attendance.

Chairman Hubbard called the meeting to order and stated that notice of the meeting had been posted and the press notified as required by the Freedom of

Information Act; the agenda and supporting materials had been circulated to the members; and a quorum was present to conduct business.

Chairman Hubbard called on Mr. Kelly to present the following items.

**I. Administrative Project Increase - 1600 Hampton Street Elevator Repairs:**

In accordance with the policy approved by the Board of Trustees, administrative approval was obtained to increase the 1600 Hampton Street Elevator Repairs budget by \$26,082. The increase funded the repair of elevator motors (rewinding of elevator field coils). During the project implementation it was discovered that the field coils were worn out and subject to failure, and therefore the decision was made to incorporate these repairs into the major project to prevent future failure and down time. The increase was funded with Renovation Reserve Funds and resulted in a total budget of \$996,082 funded with \$970,000 in Institutional Funds and \$26,082 in Renovation Reserve Funds.

Chairman Hubbard stated that this report was received as information.

**II. Koger Center - Hall of Fame:**

In recognition of the importance of the Koger Center as the premiere arts facility in the region, the Columbia Festival of the Arts - Hall of Fame Committee requested that it serve as the home of the Columbia Arts Hall of Fame. The Committee developed a Hall of Fame nomination criteria. Mr. Kelly noted that the Koger Center construction was partially funded with City of Columbia and Richland County funds, with the understanding that performing artists in Columbia would have a home. The Hall of Fame would recognize people in Columbia who contributed significantly to the arts.

The University accepted this request because of the many positive public relations opportunities which would result, at no cost to the University.

Chairman Hubbard stated that this report was received as information.

**III. Whaley House Acquisition:**

The Whaley House acquisition, for the Children's Law Center, was approved by the Executive Committee on December 18, 2006, with several contingencies including building inspection and an appraisal. The University was proceeding with the establishment of a project to authorize the procurement of the appraisal, environmental study, and building assessment. Results of those studies would be presented to the Building and Grounds Committee at a future meeting.

Chairman Hubbard stated that this report was received as information.

**IV. Woodrow Roof Replacement:**

This project, originally approved as part of the 2003/2004 CPIP (Comprehensive Permanent Improvement Plan), was postponed due to changing housing maintenance priorities. Delay in the project implementation and an increase in scope to include repairs to cornice and fascia, required an increase in the project budget.

Chairman Hubbard called for a motion to increase the project budget by \$250,000 resulting in a total project budget of \$850,000 funded with Housing

Maintenance Reserve Funds. Mr. Lister moved in favor of the motion as stated.

Mr. Jones seconded the motion. The vote was taken, and the motion carried.

Mr. Jones asked if approval of this project and others like it would result in a corresponding reduction in deferred maintenance. Mr. Kelly replied yes, and noted that most of the current projects addressed deferred maintenance.

**V. Patterson Hall Renovation:**

Mr. Buyck asked that consideration of the \$3 million increase to the Patterson Hall renovation be deferred until after it could be discussed in executive session. There were no objections.

**VI. CPIP Project - School of Medicine Clinical Assessment Center Renovation:**

This project would renovate the third floor of the Library Building on the Medical University of South Carolina V. A. Campus to establish the Clinical Assessment Center. The Center would be used to teach and assess clinical skills. The budget for the project was \$1,250,000 and was to be funded with MUSC Endowed Chair and private funds.

Chairman Hubbard called for a motion to approve the establishment of the \$1,250,000 Clinical Assessment Center Renovation with MUSC Endowed Chair and private funds as submitted. Mr. Buyck moved adoption of the motion as stated. Mr. Warr seconded the motion. The vote was taken, and the motion carried.

**VII. Beta Research Facility (Horizon I):**

Mr. Kelly stated that this and the Omega II Research Facility projects were part of Innovista on the Discovery and the Horizon blocks. The Beta Research Facility project was to construct a research facility related to engineering, energy and nanoscience that would house a combination of laboratory and office space. The request was to increase the Beta project budget by \$4 million for the future upfit of a single floor, once the research unit was identified for occupancy. Additionally, it was requested that the budget be increased by \$335,000 to upfit space for Engenuity.

Chairman Hubbard called for a motion to increase the project budget by \$4,335,000 funded with \$4,000,000 in State Institution Bonds and \$335,000 in federal grant funds. This would result in a total project budget of \$35,899,157 funded with \$25,564,157 in Research University Infrastructure Bonds, \$10,000,000 in State Institution Bonds, and \$335,000 in federal grant funds. Mr. Jones moved adoption of the motion as stated and Mr. Buyck seconded the motion.

Mr. Jones asked if Engenuity was one of the committed tenants and Mr. Kelly said it was. Chairman Hubbard, on behalf of the Committee, requested an update on the tenant status, and on how the University was meeting its proforma. President Sorensen said that he planned to include that information in his February 9<sup>th</sup>, Board of Trustees' Report. Chairman Hubbard asked that due to the project funding increase requests, an update be provided prior to the Committee's consideration of those requests.

Mr. Kelly explained that recruiting industries was extremely confidential, and he hoped he could answer any specific questions in executive session. Dr.

Sorensen added that he was scheduled to meet with the Chief Executive Officer of one prospective tenant on February 3<sup>rd</sup>, and one on February 7<sup>th</sup>.

Mr. Jones withdrew his motion and Mr. Buyck withdrew his second until after Executive Session.

**VIII. Omega II Research Facility (Discovery I):**

This item was deferred until after Executive Session.

**IX. Gambrell Hall Auditorium Renovation:**

The Gambrell Hall Auditorium was one of the first spaces renovated as part of the classroom enhancement initiative in Summer 1997, and the multi-media equipment had been upgraded and replaced as required. The space was heavily utilized for academic instruction and also served as one of the campus venues for meetings of large University groups or conferences. The interior finishes and furnishings needed to be upgraded/replaced to maintain the appearance and functionality of one of the University's premier multi-function facilities with digital presentation capabilities. The renovation would be coordinated as one phase of the larger Gambrell Renovation that was being planned. The project would be funded with Classroom Enhancement Fund balances remaining from completed projects.

Chairman Hubbard called for a motion to establish the project with a budget of \$425,000 funded with Institutional Capital Project Funds. Mr. Lister moved in favor of the motion as stated. Mr. Jones seconded the motion. The vote was taken, and the motion carried.

**X. Williams-Brice Stadium South End Zone Elevator Addition:**

This project would add an elevator at Williams-Brice Stadium to serve the Crews Building, the Zone, and the upper deck levels. The elevator would be installed in a vacant shaft of the existing elevator tower on the south end of the stadium. It would provide improved service to patrons during peak travel times while attending stadium events.

Chairman Hubbard called for a motion to establish the project with a budget of \$425,000 funded with Athletic Funds. Mr. Bahnmuller moved in favor of the motion as stated. Mr. Foster seconded the motion.

Chairman Hubbard asked if there was any risk the elevator might be removed as a result of the proposed south end zone renovations, and Mr. Hyman said no.

The vote was taken, and the motion carried.

**XI. Williams-Brice Stadium Exterior Painting - Phase II:**

This project would complete the painting of the west side light towers at Williams-Brice Stadium. Work would include painting six of the structural supports (bents) for the stadium lighting from the top of the west upper deck up to the lights/catwalk, and painting ten bents that supported the west upper deck. As funding allowed, the very top of the east side catwalk would be painted.

Mr. Lister asked how often the bents required painting. Mr. Jeffcoat said it had been approximately ten years since they had been painted. Mr.

Kelly stated the Mr. Hyman was currently developing a maintenance schedule for athletics facilities that would address this type of issue.

Chairman Hubbard called for a motion to establish the project with a budget of \$500,000 funded with Athletic Funds. Mr. Foster moved in favor of the motion as stated. Mr. Bahnmuller seconded the motion.

Chairman Hubbard asked if there was a guarantee on the painting, to assure it would last at the least, two to three years. Mr. Jeffcoat replied that there was a one-year warranty on the painting, but that he would check the bid specifications to determine if there were any additional warranties.

Dr. Floyd asked if the painting was being requested for cosmetic or necessity needs, and Mr. Hyman replied necessity, in order to protect the base structure.

Chairman Hubbard said his point was that the University needed some sort of assurance the work will last for a "reasonable period of time." He did not think a one-year warranty was reasonable, and asked that a report be provided at a future meeting, to clarify what a "reasonable expectation" would be for these types of painting projects.

Mr. Bradley asked if the Athletics Department had sufficient reserve funds to pay for the two projects, and Mr. Kelly replied yes.

The vote was taken, and the motion carried.

**XIII. Band Hall Construction:**

Mr. Buyck asked that this item of business be deferred until after the Executive Session and there were no objections.

**XIII. Athletics Master Plan - Academic Enrichment Center:**

Mr. Buyck asked that this item of business be deferred until after the Executive Session and there were no objections.

**XIV. USC Lancaster Deferred Maintenance:**

This project was established with a budget of \$100,000 funded with State 2004/05 Supplemental Funds allocated to address deferred maintenance. An additional \$17,510 was added to the project, funded with State Capital Improvement Bonds remaining at the completion of the Medford Library Expansion project.

Additional State Supplemental Funds (\$200,000) were allocated this year for Repair/Renovation on the campus. It was proposed that these funds be added to the existing project for deferred maintenance. In addition, USC Lancaster proposed adding \$100,000 to the project in operating funds.

Approval was requested to add \$200,000 in State Supplemental Funds and \$100,000 in USC Lancaster operating funds to the project, resulting in a total project budget of \$417,510 funded with \$300,000 in State Supplemental Funds, \$100,000 in USC Lancaster operating funds, and \$17,510 in State Capital Improvement Bonds.

Chairman Hubbard called for a motion to establish the project with a budget of \$417,510 as stated. Mr. Bradley moved the adoption of the motion. Mr. Adams seconded the motion. The vote was taken, and the motion carried.

**XV. Status Report on Honors Residence Hall:**

The \$36,500,000 project originally approved by the Buildings and Grounds Committee on April 29, 2005, was later revised and approved by the Committee on June 29, 2006, with a budget of \$47,600,000.

Initial construction was scheduled to begin in November 2006 and to be completed in time for an August 2008 occupancy. This schedule would have provided a nineteen-month construction time which was considered aggressive for the size and complexity of the project. However, due to the inclusion of a student dining hall in the project; other required program changes; and the demolition delay of the Towers due to the discovery of asbestos in the building ceilings, the project required extensive re-design. The redesign would require moving the construction start date, and would shorten the construction period to seventeen months. The time available for construction was contingent on all agency reviews and approvals being received on time. Mr. Kelly said it was therefore decided preferable to delay the opening of the dormitory until August 2009, to ensure the University would receive a quality project at a reasonable construction price. The new schedule would also result in a minimum negative impact to student campus life.

Chairman Hubbard asked for an explanation of the Towers demolition delay. Mr. Kelly explained that on a routine inspection South Carolina Department of Health and Environmental Control (DHEC) "found additional asbestos in an area that revealed much more asbestos than was originally thought to be there, and appropriate steps needed to be taken to address the asbestos problem." Chairman Hubbard asked who was initially responsible for determining the original amount of asbestos in the Towers. Mr. Kelly responded that the original asbestos report that was done by Davis and Floyd as part of the University's asbestos abatement recovery litigation and that trained university staff verified the asbestos locations noted in the report. The place where DHEC found additional asbestos was "typically not a place where asbestos" would be found.

Chairman Hubbard asked why it was not possible to move forward with a Spring 2009, rather than a Fall 2009 occupancy, to prevent a housing revenue loss. The major reason according to Mr. Kelly was that the "climate in the construction market" led him to believe that in opening the residence hall in less than twenty months of construction would certainly escalate the bid amounts he anticipated. The second reason was that the additional time during the summer months would allow staff to assure the operational needs to be met, and would allow them to "test the facility" prior to occupancy.

Dr. Floyd asked Mr. Kelly to address the "financial implications" of a delayed opening. He replied that they would try to delay issuing the bonds to

reduce the capitalized interest; however, if that was not possible, they would draw down the money on an as needed basis only.

Mr. Preston asked when the demolition process was expected to be completed and Mr. Jeffcoat replied by the end of March or the first of April. Mr. Kelly noted that security of the demolition site had become a concern due to public interest, which prevented pursuing demolition from more than one direction. Implosion had been considered, but would have been a more costly option.

Dr. Floyd asked what the "dollar amount" between the decrease bond costs and the lost revenue would be, due to the later occupancy date. Mr. Kelly explained that since all housing revenues were pooled, it was hard to give an exact dollar figure.

Mr. Jones asked what the impact the delayed occupancy would have on admissions. Dr. Pruitt stated that the new facility would definitely provide an advantage in competing with other institutions to attract potential honors students. However, until the new facility was ready, Maxcy would continue to be marketed. He noted that the delay could cause some upper classmen to be moved to peripheral housing locations, since every incoming freshman was guaranteed the opportunity to live on campus.

Mr. Adams asked Mr. Luna which dorms the honors students would be moved from when the new facility was ready. He replied that they would come from Capstone and Maxcy, which housed first year honor students, in addition to some honors sophomores currently located on the Horseshoe. Dean Beard, of the Honors College, designated the new facility as the primary location for first year honor students, and as the preferred location for sophomore honor students.

Mr. Foster asked if the guaranteed maximum project cost would hold with the delay, and if any more increases were anticipated. Discussion ensued on the volatility of the construction market and how it affected this and other University projects. Mr. Kelly concluded that the construction costs "were the best estimates" by professionals hired by the University, but that in many cases the estimates were not correct.

Mr. Staton asked how much the project cost would increase if kept on the original time schedule. Mr. Garvin replied that according to construction officials, changing the schedule from twenty months to sixteen to seventeen months would increase the cost by approximately twenty to thirty percent.

Chairman Hubbard asked the target date for soliciting bids on the project. Mr. Garvin said that they expected to receive bids by early May 2007. Mr. Kelly noted that the date hinged on receiving State Engineer approval of the final plans by the end of February.

Mr. Jones asked if University staff did "value engineering" on bids received. Mr. Kelly replied that "almost every project" was internally and externally value engineered, in concert with the user of the project and the University Architectural Review Committee.

Chairman Hubbard asked the target date for the start of construction and Mr. Garvin said by the end of May 2007.

**XVI. Status Report on Thomas Cooper Library Special Collections Addition:**

Chairman Hubbard said that although this item of business would probably need to be discussed in Executive Session, he wanted Mr. Kelly to give a brief project status update.

Mr. Kelly stated that Dean Willis had been very aggressive raising funds for the rare book collections addition. Out of six contractors who attended the mandatory pre-bid conference, only two submitted bids. The original project budget of \$18 million was approved, with the construction portion being \$15 million; however, the lowest construction bid came in at just under \$21 million. Mr. Watson explained that they had hoped to get the budget increased by an additional \$3 million in order to negotiate with the lowest bidder; but, because of the extensive overage, the bids were cancelled.

As a result of the high bids, Dean Willis and the architects considered redesigning the project to locate the addition to the back of the existing building, which they felt would allow the project to come in under the original budget. The redesign would require new approvals.

Mr. Hubbard invited Dean Willis to comment on the proposed redesign. He said that during the 2001 feasibility study the rear addition option was considered, but dropped. A concern of the two-wing design was the discovery of numerous utilities located on the Sumter Street side of the library that would have to be addressed prior to construction. A benefit of the redesign would reduce two construction sites to one. Even if there was not a monetary difference between the budget and low bid, he still could not justify accepting the bid as presented, since it came in at approximately \$358 per square foot.

Mr. Adams asked how building the addition at the rear of the library would affect relocating the Student Health Center in the same area. Mr. Kelly explained that the rear library addition would require one of the three remaining McBryde buildings to be torn down, and that if the other two McBryde buildings were torn down there would be room for a new building. He noted however that there was a difference of opinion as whether or not to build on the site, should the other McBryde buildings be torn down.

Dr. Floyd noted that if the McBryde dormitories were torn down, the lost housing revenue should be included in the cost of the project. Mr. Kelly noted that the loss of the one-hundred beds accounted for \$325,000 in annual housing revenue.

Mr. Bradley asked Mr. Kelly if the University would reach its credit limit and if its rating was at risk. He replied, "we are very comfortable with where our credit rating is today." He added that the Board contracted

with Lehman Brothers to review the University's current and future financial status and that the findings were scheduled to be presented at the Board's spring retreat. Preliminary reports indicated that Lehman Brothers were comfortable with the University's Moody's rating.

Chairman Hubbard asked if it would be possible to compare the cost of renovation of the Student Health Center to new construction. Mr. Luna said that a study done on the current facility found it was outdated. It was inappropriately designed in 1974 as an overnight infirmary, but served as an "ambulatory out-patient care clinic." Since 1974 the student body had increased by thirty-five percent, and the facility did not meet the current needs, nor did it allow for expanded services such as mental health care. Mental health needs had grown from nine percent to over twenty-four percent of the student body.

Mr. Preston said that he received at least one email a day from students complaining there was not enough space to accommodate their needs and, with increased enrollment, he saw the situation becoming more critical. Since the facility could not currently service all student needs, many services were outsourced, which meant increased costs for students.

Mr. Adams said that since he did not think there would be enough space for a new Student Health Center in the McBryde area if the library addition was built there, a new site for the Center should be explored. Mr. Preston asked that proximity to the center of campus be considered in exploring alternative sites. Dr. Floyd asked if centrally locating the Center was a necessity and Mr. Preston said yes, in that the majority of student who used the Center lived on campus and he didn't think they would use it if it was not conveniently located. Chairman Hubbard stated that several Committee members wanted alternative sites considered that would be close to campus.

Dr. Sorensen noted that there were two distinct issues. The first, whether additional space to provide expanded health services for students was needed, and second the optimal location for the facility. He noted that according to national studies, the need for student mental health services had risen dramatically over the past decade and hoped the Board would affirm the need for a more modern, expanded student health center.

Mr. Kelly clarified that the redesign had yet to become an option at the time the McBryde quadrangle was recommended for the new Student Health Center. He agreed that locating the addition at the rear of the library would cause them to explore alternative site for the Center.

Chairman Hubbard noted that the library redesign proposal was not ready for Board action. It was received as information to note the direction of the project to locate the addition to the rear of the library. Mr. Kelly stated that a final redesign would be presented for Architectural Design Review Committee and Board approval.

**XVII. Baseball Stadium Update:**

Mr. Kelly reported the Baseball Stadium project was proceeding. The stadium plan required identifying 2,700 parking spaces and they submitted a permit for over 3,000. He reviewed the plan in detail, which included an adjacent parking lot with 125 spaces. Approximately 2,000 spaces would be within the same walking distance as Sarge Frye Field and the Bates parking lot. Approximately 1,500 spaces would be on private property. The parking plan would require some remote parking shuttle service. The traffic plan had received City of Columbia and the neighborhood association approval. The stadium was scheduled to be completed by February 2008.

Chairman Hubbard asked if there were any plans for any new residence halls. Dr. Pruitt replied that Sasaki would be considering new residence halls as part of the University's overall Master Plan.

Mr. Preston thanked Dr. Sorensen, Dr. Pruitt, and Mr. Kelly for including students' comments in the Master Plan.

**XVIII. Development Foundation Report:**

Since the Development Foundation representative was not yet in attendance, the report was delayed until after the Executive Session.

Chairman Hubbard stated an Executive Session was needed for further discussion on the following items of business: Patterson Hall Renovation, Beta Research Facility (Horizon I), Omega II Research Facility (Discovery I), Band Hall Construction, and the Athletics Master Plan - Academic Enrichment Center. Mr. Stepp clarified that although the above matters would be discussed in Executive Session, the initial reason for the Executive Session was "a new land acquisition contractual matter that was not on the agenda," which the Board needed to consider. Mr. Adams moved to enter Executive Session and Mr. Warr seconded the motion. The vote was taken, and the motion carried.

On behalf of Chairman Hubbard, Mr. Stepp invited Mr. Kelly, Mr. Hyman, Mr. Parham, Dr. Pruitt, Dr. Plyler, Mrs. Jamison, Mr. Corbett, Mr. Demarest, Mr. Jeffcoat, Mr. Choate, and Dr. Moore to remain for Executive Session.

**Return to Open Session**

**XIX. Patterson Hall Renovation:**

Mr. Kelly reported that the Board approved the project as part of the 2003 CPIP, but that it was delayed for several years due to scheduling conflicts with summer programs and changing priorities of University Housing. The work was to be implemented in phases. Phase I was completed last summer at a budget of \$3,561,000. The request was to increase the project budget by \$3 million for Phase II, for the renovation of the electrical and mechanical system upgrades installed last summer. This resulted in a total project budget of \$6,561,000 funded with Housing Maintenance Reserve Funds. Phase II work was planned for Summer 2007.

Chairman Hubbard called for a motion to increase the project budget by \$3 million, resulting in a total project budget of \$6,561,000 funded with Housing Maintenance Reserve Funds. Mr. Jones moved adoption of the motion as stated and Mr. Bahnmuller seconded the motion. The vote was taken, and the motion carried.

**XX. Beta Research Facility (Horizon I):**

Mr. Kelly stated that the Beta (Horizon I) and the Omega II (Discovery I) Research Facility Projects were part of the Innovista. He provided a brief update on the projects and explained that last fall the Executive Committee had authorized "moving \$4 million of indirect cost recovery money into our general fund, thus freeing up \$4 million worth of institutional funds." The request was to add the \$4 million, along with a \$335,000 federal grant, to the Beta project budget.

Chairman Hubbard called for a motion to increase the project budget by \$4,335,000 funded with \$4 million in State Institution Bonds and \$335,000 in federal grant funds. This would result in a total project budget of \$35,899,157 funded with \$25,564,157 in Research University Infrastructure Bonds, \$10 million in State Institution Bonds, and \$335,000 in federal grant funds. Mr. Bahnmuller moved adoption of the motion as stated and Mr. Buyck seconded the motion. The vote was taken, and the motion carried.

The University hereby declares its official intent, pursuant to Federal Regulations, to reimburse itself from the amount of proceeds of the tax-exempt bond issue.

**XXI. Omega II Research Facility (Discovery I):**

Mr. Kelly said that this request, similar to the Beta request, was to increase the project budget by \$4 million dollars in Institutional Bonds.

Chairman Hubbard called for a motion to increase in the project budget by \$4 million funded with State Institution Bonds. This would result in a total project budget of \$33,924,516 funded with \$29,924,516 in Research University Infrastructure Bonds and \$4 million in State Institution Bonds. Mr. Bahnmuller

moved adoption of the motion as stated and Mr. Foster seconded the motion. The vote was taken, and the motion carried.

The University hereby declares its official intent, pursuant to Federal Regulations, to reimburse itself from the amount of proceeds of the tax-exempt bond issue.

**XXIII. Band Hall Construction:**

Mr. Kelly stated that the Board had previously approved just over \$7 million dollars for the Band Hall and Dance Studio facility. However, subsurface investigations of the property revealed the need to revise the foundation design for steel pylons at an estimated increase of \$2.5 million.

Chairman Hubbard called for a motion to increase the budget by \$2.5 million from State Institution Bonds, and \$600,000 from Institution Funds - the latter \$600,000 was conditioned on an initial raising of \$300,000 in private funds and a commitment to raise an additional \$300,000 by the Department of Theatre and Dance.

The resulting project total budget was \$9,829,000 (\$9,229,000 from State Institution Bonds).

Mr. Lister moved adoption of the motion as stated and Mr. Adams seconded the motion. The vote was taken, and the motion carried.

The University hereby declares its official intent, pursuant to Federal Regulations, to reimburse itself from the amount of proceeds of the tax-exempt bond issue.

**XXIII. Athletics Master Plan - Academic Enrichment Center:**

The proposed Academic Enrichment Center would be the first capital investment in the redevelopment of the Roost area for Athletics. Mr. Kelly reported that, based on current construction costs it was believed a total project budget of \$12 million will be adequate to complete the Center.

Chairman Hubbard called for a motion to increase the scope of the existing project to include design and construction of the Academic Enrichment Center, as presented, and to increase the existing project budget to \$12 million. The building's cost was estimated to be \$11 million, with a \$1 million contingency. This would result in a total project budget (including \$800,000 in prior master planning costs) of the \$12.8 million funded entirely with Athletic Department funds.

Mr. Buyck moved adoption of the motion as stated and Mr. Foster seconded the motion. The vote was taken, and the motion carried.

**XXIV. Development Foundation Report:**

Mr. Meekins reported that the Wheeler Hill and the Adesso Projects were on schedule. The University had purchased from the USC Foundation, 12.5 acres for \$5 million for the Baseball Stadium.

**XXV. Other Matters - Gift Naming Opportunity (Charlie S. Way, Jr. Palmetto Court:**

Dr. Sorensen requested permission from the Building and Grounds Committee to authorize the naming of a courtyard in the new Moore School of Business Building as the "Charlie S. Way, Jr. Palmetto Court." Mr. Adams moved in favor of the motion as stated and Mr. Jones seconded the motion. The vote was taken, and the motion carried.

Chairman Hubbard, on behalf of Board, thanked Dr. Floyd for his service to the Country as a Delegate to the General Assembly of the United Nations. Copies of the *USC Times* article regarding his service were distributed.

Since there were no other matters to come before the Committee, Chairman Hubbard declared the meeting adjourned at 1:20 p.m.

Respectfully submitted,

Thomas L. Stepp  
Secretary