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University of South Carolina
BOARD OF TRUSTEES

Buildings and Grounds Committee

October 8, 2010

The Buildings and Grounds Committee of the University of South Carolina Board of Trustees met on Friday, October 8, 2010, at 11:15 a.m. in the 1600 Hampton Street Board Room.

Members present were: Mr. Herbert C. Adams, Acting Chairman; Mr. Greg Gregory; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mr. Toney J. Lister; Mr. John C. von Lehe, Jr.; Mr. Miles Loadholt, Board Chairman; and Mr. Eugene P. Warr, Jr., Board Vice Chairman. Members absent were Mr. Mark W. Buyck, Jr., Chairman; and Ms. Leah B. Moody.

Other Trustees present were Mr. Chuck Allen; Mr. J. Egerton Burroughs; Mr. W. Lee Bussell, Sr.; Dr. C. Edward Floyd; Dr. C. Dorn Smith; Mr. Thad H. Westbrook; Mr. Mack I. Whittle; and Mr. Charles H. Williams.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Vice President for Finance and Planning William T. Moore; Vice President for Student Affairs and Vice Provost for Academic Support Dennis Pruitt; Vice President for Advancement Michelle D. Dodenhoff; Vice President for Communications Luanne Lawrence; General Counsel Walter (Terry) H. Parham; University Treasurer Susan D. Hanna; Associate Vice President for Resource Planning, Division of Finance and Planning, Edward L. Walton; Associate Vice President for Finance and Budget Director, Division of Finance and Planning, Leslie Brunelli; Associate Vice President for Facilities Tom Quasney; Associate Vice President for Housing and Student Development, Division of Student Affairs and Academic Support, Gene Luna; Associate Vice President of Business Affairs, Division of Finance and Planning, Helen Zeigler; Vice Provost and Dean of Undergraduate Studies Helen I. Doerpinghaus; Vice Provost for Faculty Development Christine W. Curtis; Director of the Alumni Association Marsha D. Cole; Director of Athletics Eric C. Hyman; Director of Capital Budgets and Financing, Division of Finance and Planning, Charlie Fitzsimons; Director of Facilities Operations and Maintenance, Division of Facilities, Jim Demarest; Director of Facilities Planning and Construction, Division of Facilities, Jeff Lamberson; Executive Director of University Housing Kirsten Kennedy; Chancellor of USC Upstate John C. Stockwell; Dean of USC Lancaster John Catalano; Dean of USC Sumter C. Leslie Carpenter; Dean of the School of Music and Interim Dean of the South Carolina Honors College Tayloe Harding; Interim Administrator for the Division of Human Resources Judith Owens; Executive Associate Athletics Director Kevin O'Connell; Chief Financial Officer, Department of Athletics, Jeff Tallant; Deputy Athletics Director Marcy Girton;

Executive Assistant to the President for Equal Opportunity Programs Bobby Gist; Special Assistant to the President J. Cantey Heath; Special Assistant to the President and Athletics Director John D. Gregory; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; Associate Director of Governmental Affairs and Legislative Liaison Casey Martin; Sr. Project Manager, Facilities Planning and Construction, Thomas Opal; Project Manager for Facilities, Planning and Construction Ann Derrick; Manager of Energy Plant Funds and Data Supervisor, Controller's Office, Deborah Crews; Department of Facilities Joy Gillespie; Chair of the Faculty Senate Patrick D. Nolan; Director of Periodicals, University Publications, Chris Horn; Director of Media Relations, Office of Communications, Margaret Lamb; Heather Mitchell, The Boudreaux Group; University Technology Services Production Manager Justin Johnson; and Board staff members Terri Saxon, Vera Stone, and Karen Tweedy.

Mr. Adams welcomed everyone. Ms. Lamb introduced members of the media who were in attendance.

Mr. Adams 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 electronically posted for the Committee; and a quorum was present to conduct business. He explained that Chairman Buyck was attending a funeral and that he would serve as Acting Chairman for this meeting.

Mr. Adams stated that there was a contractual matter which was appropriate for discussion in Executive Session. Mr. Lister moved to enter Executive Session and Mr. von Lehe seconded the motion. The vote was taken, and the motion carried.

The following persons were invited to remain: President Pastides, Secretary Stepp, Dr. Moore, Dr. Pruitt, Dr. Kresovich, Ms. Owens, Dr. Hogue, Dr. Plyler, Ms. Dodenhoff, Ms. Lawrence, Mr. Parham, Dr. Curtis, Mr. Walton, Ms. Brunelli, Mr. Quasney, Mrs. Hanna, Mr. Heath, Mr. Hyman, Mr. Tallant, Ms. Girton, Mr. Gregory, Ms. Mills, Mrs. Martin, and Ms. Lamb.

Return to Open Session

I. Project Approval (Phase II):

Mr. Adams called on Dr. Moore, who asked Mr. Quasney to present the Phase II Project Approval requests.

A. Booker T. Washington Renovation: This project was approved for Phase I design in October 2009. Booker T. Washington (BTW) is the remaining building of a three-building complex, formerly built in 1916 as the first African American high school in South Carolina. The facility requires upgrades to support usage of the auditorium and to comply with current ADA requirements.

Thanks to a very generous gift from Reverend Solomon Jackson, important upgrades and renovations would be possible. The major building upgrades would include: installation of air conditioning, a new elevator, and stairs; and modifications to the entrance, toilets, and fire alarms to meet code requirements. Also, a current classroom would be renovated to establish an Exhibit/Learning Center.

These significant improvements would enhance the student learning environment for new programs as well a support growth of the current TRIO and Arts and Sciences Department programs housed in the facility.

The anticipated budget for the project is \$2,450,000 with construction to be completed by August 2012.

Mr. Adams called for a motion to fund Phase II design and construction for a total project budget of \$2,450,000 to be funded with Private and Institutional Funds. Mr. Hubbard so moved and Mr. Lister 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.

B. Darla Moore School of Business Construction: This project was approved for Phase I design in October 2009. Approval for the gift of A/E services was received on April 2010. Alternative site approval was granted in July 2010.

The new facility would consist of 250,000 square feet featuring state-of-the-art classroom and meeting space, and modern faculty and staff offices. Also included in the program was a collaborative effort between the Darla Moore School of Business (DMSB) and the USC School of Music, to provide a 500-seat auditorium with the versatility to support both academic and music events and performances. Finally, through a partnership and grant from the Department of Energy Commercial Building Partnerships, the DMSB hoped to achieve a LEED Platinum certification.

This project would provide the University of South Carolina an opportunity to strategically locate and establish the DMSB in Innovista as a model school of International Business and an architectural sustainable enterprise and development.

The anticipated budget for the project is \$91,500,000 with construction to be completed by August 2013. The building site is at the corner of Greene Street and Assembly Street, adjacent to the Coliseum.

Mr. Adams called for a motion to fund Phase II design and construction for a total project budget of \$91,500,000 to be funded with debt serviced by National Advocacy Center

(NAC) lease payments, State Institution Bonds, Institutional Funds, and Private Gifts. Mr. Hubbard so moved and Mr. von Lehe seconded the motion.

Mr. Jones and Dr. Floyd questioned the need for the 500-seat auditorium when the Koger Center was adjacent to the new DMSB. Mr. Jones expressed his concern that there were other needs for this desirable building site. He said he hoped that full consideration of all potential projects for this site had been done. Dr. Moore and Dean Harding explained that the 500-seat auditorium would replace the Belk auditorium in the current DMSB; and with upgrades, would provide the School of Music an additional performance venue, to help address SACS accreditation standards.

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.

C. Earth and Water Sciences/Coker Life Sciences Fire Alarm Replacement:

This project was approved for Phase I design in February 2010. Prior to this, two separate projects for Earth and Water Sciences and Coker Life Sciences received approval from the Board of Trustees in December 2009. However, the Office of State Engineer requested the projects be combined into a single project because there was no fire separation between the two facilities. This project would replace the obsolete fire alarm system in Earth and Water Sciences and Coker Life Sciences, which was no longer supported by the manufacturer, with an upgraded system.

The anticipated budget for the project is \$850,000 with construction to be completed by October 2011.

Mr. Adams called for a motion to fund Phase II design and construction for a total project budget of \$850,000 to be funded with Institutional Capital Project Funds. Mr. Jones so moved and Mr. Lister 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.

D. SOM VA Campus Central Plant Chiller Replacement: This project was approved for Phase I design in February 2010, to replace two existing chillers located in Building 1 on the School of Medicine (SOM) VA Campus. These chillers supply chilled water to Buildings 1, 2, 4, and 104; they are critical to the daily operation of research labs and offices. An evaluation of the chillers determined that they were undersized, inefficient, and had exceeded their life cycle. The existing chillers were placed on-line in 1982. This project would replace the two existing 250-ton water-cooled chillers with new energy efficient chillers. The project included installation of a new control system for the specified control input/output functions for the new chillers, primary and secondary pumps, condenser, water pumps, and cooling towers. A

new brick veneer building located adjacent to the existing cooling towers would be constructed to house the new water cooled chillers.

The anticipated budget for the project is \$1.6 million with construction to be completed by December 2011.

Mr. Adams called for a motion to fund Phase II design and construction for a total project budget of \$1.6 million to be funded with Institutional Funds. Mr. von Lehe so moved and Mr. Hubbard 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.

E. Farmers Market Development Construction: This project was approved for Phase I design in April 2009. The project would renovate the 52-acre property previously used as the State Farmers' Market on Bluff Road to accommodate the Garnet Way, a premium football parking area, and to serve a variety of other University needs.

The new construction would include a mix of paved and grass parking areas to accommodate about 3,000 vehicles. Approximately sixty percent of the spaces would have an extended grass area behind each parking space, which would allow users to set up tents, tables, chairs, etc. for tailgating activities without parking in the access road. There would be several restroom facilities, an amphitheatre area near the east end of the site, and a festival walkway extending along the main pedestrian spine to be used by the football team and band to proceed to the stadium. Campus elements such as brick and wrought-iron fencing and decorative pole lights would also be included. Approximately 650 trees would be planted on the site. The work would include asbestos and lead removal as required on existing buildings, and the demolition of all existing buildings except for the 100,000 square foot shed at the northwest corner of the property and the Bojangle's restaurant building at the northeast corner of the property. Most of the current asphalt on the site would be removed.

Potential future uses of the site were currently under consideration. The potential uses included: relocating some functions in the current roost area; student satellite parking; concerts and other outdoor events; and intramural and/or athletic playing fields.

The anticipated budget for the project was \$15,500,000 with construction completion estimated in Aug 2012.

Mr. Adams called for a motion to fund Phase II construction for a total project budget of \$15,500,000 to be funded with Athletic Facilities Revenue Bonds. Mr. Hubbard so moved and Mr. Lister 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.

II. Scope Change: Cliff Apartments Life Safety Upgrades: This project was

approved for Phase II design and construction in December 2008, entitled Cliff Apartments Kitchen Renovations. Cliff Apartments was constructed in 1973 and serves Family and Graduate student housing needs.

Approval was requested to rename and rescope the original project to be able to address fire safety code issues. Therefore, the kitchen renovations would include replacement of standard range hoods with hoods that contained a built-in fire suppression system.

The anticipated budget for this project is \$850,000 with construction to be completed by August 2011. The change of scope would still allow the project to remain within the original cost estimate.

Mr. Adams called for a motion to rename and rescope the original project with no change in the original project budget of \$850,000 to be funded with Housing Maintenance Reserve Funds. Mr. Gregory so moved and Mr. von Lehe 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.

III. Safety Update Reports: Information on the following topics was distributed with the meeting materials. Due to the length of the meeting, no discussion was held.

- A. Housing Sprinkler Report Update
- B. Carolina Alert - Emergency Website
- C. Lightening Prediction System

IV. SCANA Property Report: Dr. Moore reported that SCANA wished to sell their (29+/- acres) on South Assembly Street, and would like the buyer to be USC. SCANA and USC Development Foundation officials had met, and further investigation and discussion were ongoing. SCANA requested a commitment from the University in the near future.

Dr. Moore stated that potential uses for the property were infrastructure support such as: Facilities, Environmental Health and Safety, Vehicle Maintenance, and Campus Police. These departments' current facilities were in "sub-par" condition. Additional uses for this property that had been considered were: the potential relocation of some varsity sports to this site; an additional Greek Village, with up to ten houses; relocation of University Technology Services; and the relocation of all current inhabitants of the Benson School.

Mr. Adams stated that this report was received as information.

V. USC Columbia Master Plan Report: Dr. Moore stated that comments were provided to Sasaki on the Draft Master Plan last month. Sasaki was implementing those changes and would have the final draft before year end. Once completed, the Plan would be presented to the Board.

VI. Project Approval Authority Increase Request: Dr. Moore explained that the

request was to consider linking the Board of Trustee approval authority limit to the State approval authority limit. Currently the State approves all projects greater than \$500,000; and the Board approves all projects greater than \$250,000. Linking these approval levels would: (1) continue to ensure all projects requiring State approval were first considered for approval by the Board; and, (2) would reduce the time required to gain approval on minor projects.

The current USC Policies and Procedures Manual, BTRU 1.30, Board of Trustees, Capital Planning Policy, Section II Procedures, B. Capital Budget Cycle, states "In addition, any project that has a value over \$250,000 requires Board of Trustee approval. Projects less than \$250,000 can be completed at the discretion of the various University units." The recommendation was to alter that language to state, "In addition, any project requiring State approval will first require Board of Trustees approval. Projects not requiring State approval can be completed at the discretion of the President or his/her appointed authority."

The same policy, Section II, D, Regulatory Environment, states "Projects below the state approval threshold but with a cost of \$250,000 or larger are subject to University Board approval. Projects less than \$250,000 can be completed at the discretion of the various University units." The recommendation was to alter that language to state "All projects over \$500,000 are required by the State to become capital projects and require State approval. Board of Trustees approval is required for all capital projects prior to State approval. Projects not requiring State approval can be completed at the discretion of the President or his/her appointed authority."

Mr. Whittle requested that this item of business be considered by the Fiscal Policy Committee.

VII. Requested Reports:

Dr. Moore asked that due to the late hour of the meeting, if the Committee wanted to defer the following reports. Mr. Jones requested to hear the item "A." report.

A. Timeline of Law School Roofing Replacement: Mr. Quasney explained that the Law School Roof Replacement project did not meet the State standards to qualify it as an "emergency procurement project." However in compliance with the State Procurement Code, a contract for the project had been let, and the project was scheduled for completion by the end of the year.

Mr. Quasney stated that he was currently working with the State Engineers Office to change the current State Procurement Code to increase project levels; therefore improving project time lines.

B. Percentage of Life Safety Projects vs. Others - Deferred

C. Estimated Project Cost vs. Bid Amounts - Deferred

Mr. Adams stated that these reports were received as information.

There being no other business, Mr. Adams declared the meeting adjourned at

12:45 p.m.

Respectfully submitted,

Thomas L. Stepp
Secretary