

South Carolina Commission on Higher Education

Finance and Facilities Committee Board Meeting

October 1, 2020

DRAFT MINUTES

COMMITTEE ON FINANCE & FACILITIES

OCTOBER 01, 2020

TIME 11:00 A.M.

COMMISSION ON HIGHER EDUCATION

Committee Members

Mr. Charles Dalton, Chair
Ms. Linda Dolny, Vice Chair
Mr. Paul Batson
Mr. Edgar Dyer
Mr. Patrick White

Other Commissioners

Mr. Hugh Mobley

Guests

Carol Routh
Darry Bridges
Anna Lucas
Gregg Weigle
Brad Taylor
Dan Bozard
Kyle Wagner
Michael Hughes
Christy Brandon
John Catalano

Staff

Dr. Rusty Monhollon
Ms. Yolanda Myers
Ms. Shakara Smith
Mr. Georges Tippens
Mr. Bryce Wilson

Clemson University
Francis Marion University
Herald Office Solutions
Medical University of South Carolina
Medical University of South Carolina
Northeastern Technical College
Northeastern Technical College
SC Department of Administration
State Tech System Office
University of South Carolina

For the record, notification of the meeting was made to the public as required by the Freedom of Information Act.

1. Call to Order

Chair Dalton called the meeting to order at 11:05 a.m. and noted the establishment of a quorum of committee members.

2. Approval of Minutes

A motion was made (Dyer), seconded (White) and carried to approve the minutes of the September 3, 2020 Finance and Facilities Committee meeting.

3. Chair's Report

Chair Dalton welcomed everyone in attendance and thanked the committee and institutions for their work. He introduced the new CHE Commissioner and welcomed Commissioner Hugh Mobley to the meeting. He then moved into two permanent improvement project approvals.

4. Permanent Improvement Project Approvals

The following projects were presented:

- A. Medical University of South Carolina
 - i. Basic Science Building Air Handler Unit #1 (West Side) Replacement
 - Establish Phase II Construction Budget

Commissioner Dalton asked Mr. Tippens to describe the project. Mr. Tippens explained that Medical University of South Carolina sought recommendation of the Commission on Higher Education to begin the Phase II construction stage of replacing a 200,000-cubic feet per minute (cfm) air handler with two 100,000 cfm air handlers that would serve six floors on the west side of the campus's Basic Science Building. He shared that the projected cost for the project is \$4.872 million to be funded by institutional capital project funds and by proceeds from the sale of another property, which Commissioners questioned the high cost. Commissioner Dalton then called on MUSC staff to share further details relating to the project. MUSC staff discussed the drivers behind the relative high project costs, which is added infrastructure costs associated with replacing a single unit with two smaller units. He further explained two units would result in operating cost savings. Commissioner Dolny asked MUSC staff if the proposed air handler would help reduce pathogens in the air, such as COVID-19, to which MUSC staff confirmed that it would due to the air handlers only bringing in external air rather than recirculating interior air. Commissioners inquired whether the university had a backup plan or a plan to increase student fees should the project not be funded by the state, which MUSC staff responded that student fees would not increase, and the project would be postponed. Commissioners then inquired whether the property was in a flood zone, which MUSC staff confirmed that it was not. Chair Dalton then asked for a motion to approve Phase II of the project, which was made (Dolny) and seconded (Batson). The Committee carried the motion to approve the project.

- B. Northeastern Technical College
 - i. Marlboro Campus Renovations
 - Establish Project (Phase I)

Mr. Tippens explained that Northeastern Technical College sought recommendation of the Commission on Higher Education to begin the Phase I design stage of a project to perform renovations to its Marlboro Campus, which consists of a single, 43,000-square foot former Winn-Dixie grocery store in Bennettsville, South Carolina. The request is for \$82,657 based on a total project cost \$5.5 million. He explained that the proposal will renovate 18,200 square foot of unused space within the building and add 11,560 square foot to perform exterior work including replacing the roof. Commissioner Dalton called on Northeastern Technical College (NETC) President, Dr. Kyle Wagner, to provide an overview of the project. President Wagner shared the history of the project and that the college received a \$4.5 million federal grant to support the project. Commissioner Dalton questioned about the college's enrollment. President Wagner responded that fall enrollment has increased gradually over the last few years and he anticipates further increases in enrollment post completion of the project. He then explained there is demand for certain programs, such as the need for its diesel technology and manufacturing program, due to the college's proximity to the Dillon, South Carolina inland port. Commissioner Dolny questioned how the college will secure the remaining funds needed to complete the project. President Wagner responded that the college's Foundation will fund \$220,000 and the college's capital fee account and maintenance fees paid by students will be utilized as well. The

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college is also in the process of requesting that the federal government provide funding from COVID-19 relief funds. He added that there will not be an increase in student fees. Chair Dalton then asked for a motion to approve Phase I of the project, which was made (Batson) and seconded (Dolny). The Committee carried the motion to approve the project.

5. Other Business

A. Election of Chair and Vice Chair

Commissioner Dalton opened the floor for nominations for the Chair of the Committee on Finance and Facilities. Commissioner Batson motioned to nominate Commissioner Dalton, and Commissioner Dyer seconded the nomination. The Committee carried the motion to approve reelect Commissioner Dalton as chair. Chair Dalton then opened the floor for nominations for the Vice Chair of the Committee on Finance and Facilities. Commissioner Dyer motioned to nominate Commissioner Batson, which Commissioner Batson respectively declined. Commissioner Batson then nominated Commissioner Dolny, and Commissioner Dyer seconded. The Committee carried the motion to approve the nomination.

B. Permanent Improvement Project Staff Approvals for September

Commissioner Dalton asked Mr. Tippens to describe the September Permanent Improvement Project Staff Approvals. Mr. Tippens shared that six projects were approved of which three were closing out projects in reducing their budgets, and three were increasing project budgets. He shared that University of South Carolina-Columbia requested an increase in budget of \$150,000 as a transfer from another project with an excess budget. He further explained that two approvals included statutory appropriations, with one from York Technical college for \$2.5 million, and a second from USC Union for \$1.4 million. In addition, Mr. Tippens shared that he approved two lease requests from MUSC.

Adjournment

Being no other business before the Committee, Chair Dalton adjourned the meeting at 11:42 a.m.