

South Carolina Commission on Higher Education

Finance and Facilities Committee Meeting

February 2, 2023

DRAFT MINUTES

COMMITTEE ON FINANCE & FACILITIES

FEBRUARY 2, 2023

COMMISSION ON HIGHER EDUCATION

Committee Members

Mr. Charleston Dalton, Chair
Ms. Linda Dolny, Vice Chair
Mr. Paul Batson
Mr. Edgar Dyer
Mr. Patrick White
Mr. Hugh Mobley
Mr. Dino Teppara

Staff

Dr. Rusty Monhollon
Mr. Georges Tippens
Mr. Bryce Wilson
Mrs. Yolanda Myers
Ms. Leslie Williams
Ms. Tina Seale
Mr. Chris Glenn

Guests

Beth Bell
Craig Parks
Derek Gruner
John Loonan
Darryl Bridges
Ralph Davis
Taylor Hucks
Dave Attard
James Grigg
Justin Oates
Glenn Easterby
Dr. Hope Rivers
Paige Childs
Barry Morgan
Chayse Crocker
Julie Banks
Beth Young
Cara Hamilton
Cam Reagan

Clemson University
University of South Carolina-Columbia
University of South Carolina-Columbia
College of Charleston
Francis Marion University
Francis Marion University
Francis Marion University
Medical University of South Carolina
Winthrop University
Winthrop University
The Citadel
Piedmont Technical College
Piedmont Technical College
Piedmont Technical College
Piedmont Technical College
Piedmont Technical College
Central Carolina Technical College
Tri-County Technical College
University of South Carolina-Aiken

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 10:30 a.m. and noted the establishment of a quorum of Committee Members. He noted that Commissioner Teppara is planning on joining the meeting later.

2. Approval of Minutes

Chair Dalton called for the approval of the minutes from the December 1, 2022 meeting. The Committee motioned, seconded, and passed it unanimously.

3. Chair's Report

Chair Dalton welcomed everyone in attendance and provided opening remarks.

4. Permanent Improvement Project Approvals

The following projects were presented for recommendation and approval:

A. Francis Marion University

- i. Environmental Science/Forestry Building-Land XFER
– Phase II Land Acquisition

Francis Marion University sought a recommendation from the Committee on Finance and Facilities to acquire 68 acres of land adjacent to its campus from its Foundation at no cost. Commissioners inquired about the purpose of the land acquisition, which staff responded is to support its environmental sciences and forestry programs, both of which have already been approved by the Commission. Francis Marion University staff added the General Assembly has appropriated \$18 million to construct a facility for the programs and, when questioned, stated is sufficient to construct the facility. Commissioners also asked about uses of nearby land and ownership. Francis Marion Staff stated that the surrounding land is either owned by the foundation, private landowners, or the state.

Commissioner Dolny – Moved to Approve
Commissioner White – Seconded
The motion carried unanimously.

B. Piedmont Technical College

- i. Addition for Health Sciences Expansion
– Increase Budget, Revise Scope (Phase II)

Piedmont Technical College sought a recommendation from the Committee on Finance and Facilities to begin construction of a 27,000-square foot building to relocate its health sciences programs. This request is a revision of the original project proposal, which sought to build a connector building and continue use of its existing two facilities. Commissioners asked with expected growth in the programs, whether the college felt the 27,000 square feet was sufficient to replace its existing 20,000 square feet of space. College staff stated they are planning for that now, but do not intend to renovate the existing buildings because they have structural integrity issues. Commissioners also inquired about the college's enrollment and its free tuition program. College staff stated enrollment has increased over the past three semesters and added that it will continue offering free tuition as long as it receives adequate funding to support that program.

Commissioner Batson – Moved to Approve
Commissioner White – Seconded
The motion carried unanimously.

C. Tri-County Technical College

- i. Transportation and Logistics Hub – Building and Land – Phase I
– Establish Project (Phase I)

Tri-County Technical College sought a recommendation from the Committee on Finance and Facilities to procure due diligence studies related to acquiring 5.2 acres of land and 4,900 square feet of industrial space adjacent to its

Anderson County campus from its foundation. Commissioners asked about the land and college staff noted that the foundation procured an environmental site assessment as part of its due diligence which found no impacts. In addition to asking about enrollment, commissioners asked what programs are served in Anderson County. Staff stated that enrollment has increased, which bucks the trend of community colleges nationally. Staff added that the Anderson County campus handles its CDL certification, and the plan would be to move and expand its engine repair programs to this location from its Pendleton Campus.

Commissioner Batson – Moved to Approve

Commissioner Dolny – Seconded

The motion carried unanimously.

D. University of South Carolina - Aiken

i. Softball Facility Construction

– Establish Project (Phase I)

University of South Carolina - Aiken sought a recommendation from the Committee on Finance and Facilities to begin the planning stage of a project relocating and constructing a new softball field. University officials stated that by relocating the field near the baseball stadium, it could gain efficiencies by sharing utilities and parking lots. In addition, staff stated that the university plans to use the current footprint to build a “Dreamport”/Cyber Center in partnership with the South Carolina National Guard; the latter funding the construction with a \$10,000,000 appropriation it received from the General Assembly. Commissioners inquired about the funding source to construct the new field, noting that the documentation appears to suggest that this project will deplete the institutional fund account. University staff stated that they are planning on using a reserve account instead that has an uncommitted balance of \$14,000,000 and it will continue to use institutional funds to perform maintenance work on campus.

Commissioner Mobley – Moved to Approve

Commissioner Batson – Seconded

The motion carried unanimously.

E. University of South Carolina - Columbia

i. Woodrow College Renovation

– Establish Project (Phase I)

University of South Carolina - Columbia sought a recommendation from the Committee on Finance and Facilities to begin the planning stage of a complete interior renovation of Woodrow College, a 102-bed residence hall located in the historic area of its campus. Commissioners asked about the renovation cost per bed and square foot, suggesting that it appeared high. Staff noted that the building is in complete need of renovation and that the finished product will be equivalent to new construction, with the systems not needing future renovation until another twenty to thirty years. Commissioners also asked about the price point, questioning whether the housing rate will go up after completion. University staff stated that the residence hall is currently in the middle of its offerings and staff did not believe it would change. Staff also offered to provide CHE staff information on its residence hall pricing structure.

Commissioner Mobley – Moved to Approve

Commissioner Batson – Seconded

The motion carried unanimously.

F. Winthrop University

- ii. Phelps Hall: Auxiliary Building Infrastructure & Building Envelope Upgrade
– Increase Budget, Revise Scope (Phase II)

Winthrop sought a recommendation from the Committee on Finance and Facilities to begin the construction phase of a project to replace the roof on Phelps Hall. After deliberation about Winthrop's financials and bonding the project vs using cash on hand, the Commissioners postponed action on the project until its next meeting, scheduled for March 2, 2023.

Commissioner White – Moved to postpone consideration until March 2, 2023.

Commissioner Batson – Seconded

The motion carried unanimously.

5. Lease Approval

A. College of Charleston

- ii. Student Fitness Center
– New Five-Year Lease

College of Charleston sought a recommendation from the Committee on Finance and Facilities to enter into a five-year lease for fitness center space for use of its student body. Committee Members asked about the project being funded by general tuition and fees and questioned whether the college has explored making it a fee-based service. College staff opined that they believe it is a benefit for all of the students and they have not considered making it a fee-based service. When asked about usage, college staff stated that approximately 12 percent of the student body uses the space at any given day. Staff added that the college's plan is to return the fitness center to college-owned space and that it would no longer need to lease space.

Commissioner Mobley – Moved to Approve

Commissioner White – Seconded

The motion carried unanimously.

6. Other Business

A. Permanent Improvement Project Staff Approvals

Georges Tippens provided an overview of the projects staff approved during December 2022 and January 2023 as an informational item.

B. CPIP Analysis

Georges Tippens provided an overview of the CPIP Analysis staff provided to members of the Joint Bond Review Committee and State Fiscal Accountability Authority in January. Staff noted that it included information on the capital renewal needs over the five-year period for each of the thirty-three public institutions of higher learning.

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C. CHE Quarter 2 Budget Report

Mr. Wilson provided an overview of the agency's budget as of December 31, 2022.

D. Other Business

Commissioner Dyer requested time at the next meeting to discuss a proposal to study demographic and other factors that may affect the financial health of the public institutions of higher learning.

Georges Tippens reminded the Committee that the next meeting will be on-site at the University of South Carolina-Columbia.

The meeting adjourned at 12:09 p.m.