

South Carolina Commission on Higher Education

Finance and Facilities Committee Meeting

March 2, 2023

DRAFT MINUTES

COMMITTEE ON FINANCE & FACILITIES

MARCH 2, 2023

COMMISSION ON HIGHER EDUCATION

Committee Members

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

Staff

Mr. Georges Tippens
Mrs. Yolanda Myers
Mr. Bryce Wilson

Guests

Craig Parks
Derek Gruner
David Cardenas
Beth Young
Glenn Easterby
Tyler Saas
John Loonan
Paul Patrick
Gerald Smalls
Ken Davis
Cara Hamilton
James Grigg
David Frost
Rick Anderson

University of South Carolina-Columbia
University of South Carolina-Columbia
University of South Carolina-Columbia
Central Carolina Technical College
The Citadel
Clemson University
College of Charleston
College of Charleston
South Carolina State University
South Carolina State University
Tri-County Technical College
Winthrop University
Coastal Carolina University
Medical 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 11:00 a.m. and noted the establishment of a quorum of Committee Members. He noted that Vice Chair Dolny had an excused absence.

Prior to continuing with the agenda, Dean David Cardenas of University of South Carolina's College of Hospitality, Retail and Sports Management welcomed the Commissioners to the campus and thanked them for the work they do.

2. Approval of Minutes

Chair Dalton called for the approval of the minutes from the February 2, 2023 meeting. The Committee motioned, seconded, and passed it unanimously.

3. Chair's Report

Chair Dalton welcomed everyone in attendance and provided opening remarks. He thanked University of South Carolina for its hospitality and allowing the Committee to tour the Campus Village project immediately before the meeting.

4. Permanent Improvement Project Approvals

The following projects were presented for recommendation and approval:

A. Central Carolina Technical College

- i. CCTC Main Campus Academic/Student Services Building Construction
– Increase Budget, Revise Scope (Phase II)

Central Carolina Technical College sought a recommendation from the Committee on Finance and Facilities to construct a 59,000-square foot facility to house its student services and science, math, and humanities programs. Commissioners inquired about the price per square foot and whether it was more cost effective to construct two facilities rather than one. College staff replied that because of cost escalation, it was more cost effective to move forward with the one, combined facility. Commissioners then asked about the college's enrollment trend. Staff noted that enrollment has been increasing since Pandemic lows, especially in its mechatronics, machine tools, and healthcare programs.

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

B. The Citadel

- i. Fire Pump and Water Tank Replacement
– Increase Budget (Phase II)

The Citadel sought a recommendation from the Committee on Finance and Facilities to begin construction of a replacement fire pump and water tank. After receiving an overview of the project, Commissioners asked whether the new system will meet the institution's needs, noting that the pump and water tank have the same capacity as the current infrastructure. The Citadel staff noted that the new system meets its needs, and that the original infrastructure was oversized when the institution installed it.

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

C. Clemson University

- i. Johnstone Hall/Core Campus Demolition
– Increase Budget (Phase II)

Clemson University sought a recommendation from the Committee on Finance and Facilities to move forward with demolishing Johnstone Hall and the Union Building Complex located in the central part of its campus. Commissioners asked several questions of the university to which staff needed time to provide answers, including whether asbestos abatement was included in the project budget, whether the university received multiple bids to complete the work, and whether debris from the demolition will be recycled for other uses. Clemson staff provided via email responses stating that asbestos remediation was included in the project budget, the university is using the design-build method of procurement and has not yet solicited the work, and that the university will

strive to work with the successful bidder on recycling the materials balancing it with other cost efficiencies.

Commissioner Teppara – Moved to conditionally approve subject to additional detail provided to CHE staff by March 10, 2023.

Commissioner Mobley – Seconded

The motion carried unanimously.

D. College of Charleston

- i. Berry Residence Hall and Honors Program Renovation
 - Increase Budget (Phase II)

College of Charleston sought a recommendation from the Committee on Finance and Facilities to begin renovating Berry Residence Hall, which houses residential and academic space for its Honors College. Commissioners asked whether freshmen were required to live on campus, which college staff stated they were not. Commissioners also asked about the pricing of the residence halls. College staff stated that residence halls currently are based on a tier system, with prices averaging between \$600 to \$1,000 per bed per month. However, staff added that their board of trustees is looking at moving to a more dynamic pricing structure. In regards to this renovation, prices may change, but not because of the renovation itself.

Commissioner Mobley – Moved to Approve

Commissioner Dyer – Seconded

The motion carried unanimously.

E. South Carolina State University

- i. Sojourner Truth Hall Renovation
 - Establish Project (Phase I)

South Carolina State University sought a recommendation from the Committee on Finance and Facilities to begin the planning stage of a renovation to the top 7 floors of Truth Hall, a 14-story residence hall that has capacity for 400 beds. Staff provided an overview of the facility, noting that the top seven floors have not been in use for the past 8 years due to safety concerns; there is no fire suppression system in place or trucks that can reach that high in Orangeburg. Commissioners inquired about enrollment and the need for on-campus living. Staff replied that enrollment has been strong, and that the university declined admittance to approximately 300 students this year because of lack of housing; there is very little private housing in the Orangeburg area. The Commissioners requested prior to submitting Phase II that the institution receive input from the State Fire Marshall on its plans to mitigate the risk of fire seeing how there is not a sufficient truck in the area that can reach the upper floors of Truth Hall in the case of an emergency.

Commissioner Dyer – Moved to Approve Phase One with the condition that the university speaks with the fire marshal about its plans prior to bringing the proposal back for Phase Two consideration.

Commissioner Batson – Seconded

The motion carried unanimously.

F. Tri-County Technical College

- i. Pendleton Campus Oconee Hall Renovation
 - Increase Budget (Phase II)

Tri-County Technical College sought a recommendation from the Committee on Finance and Facilities to renovate and add additional space to Oconee Hall, a 36,000-square foot facility that is original to the Pendleton Campus. Commissioners asked about enrollment trends, which staff responded were positive. Staff added that although they are seeing growth, this project also is to meet state space standards and provide additional square feet per student. When asked about future plans, staff added that they envision bringing forth a renovation request for another original building, Pickens Hall, but envision that to be approximately \$12 million due to the facility being only one-story tall.

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

G. Winthrop University

- i. Margaret Nance Residence Hall Bathroom Renovations
 - Establish Project (Phase I)

Winthrop University sought a recommendation from the Committee on Finance and Facilities to begin the planning stage of a project to update the bathrooms and perform HVAC work in Margaret Nance Residence Hall, a 128-year-old, 59,000-square foot residence hall. Winthrop University staff provided an overview of the planned project, noting that the bathrooms have not been updated in approximately 40 years. The Commissioners did not have any questions of staff.

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

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

Winthrop pulled this project from the agenda prior to the meeting.

5. Lease Approvals

A. Coastal Carolina University

- i. The Cove Bedroom Units
 - New Five-Year Lease

Coastal Carolina University sought a recommendation from the Committee on Finance and Facilities to enter into a five-year lease for student housing near its campus. University staff stated that university policy requires both freshmen and sophomore classes to live on campus and that the university has seen great demand for on-campus housing. Staff added that typically the university sees a “summer melt,” but it did not happen this past year. Commissioners asked whether the lease will bring revenue to the university, to which staff

replied it will bring in a modest amount. Staff added that the landlord is also providing \$250,000 for renovations to the property.

Commissioner Dyer – Moved to Approve

Commissioner Batson – Seconded

The motion carried unanimously.

B. College of Charleston

i. Warren Place Housing

– 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 student housing near its campus. College of Charleston noted that the terms are more expensive but there is still a margin of approximately \$300 per bed to cover operating costs. Staff added that Warren Place was the only qualified bidder on the request for proposals and that demand for college-provided housing is high in Charleston because of private market costs. Commissioners asked about provided parking. College of Charleston staff noted that there is currently a surface lot that students may use but the landlord plans on building a garage on that space. If the landlord receives necessary approvals, then there will no longer be included parking.

Commissioner Dyer – Moved to Approve

Commissioner Mobley – Seconded

The motion carried unanimously.

C. Medical University of South Carolina

i. WestEdge Parking Garage

– Five-year lease renewal, with two five-year optional extensions

Medical University of South Carolina sought a recommendation from the Committee on Finance and Facilities to renew for a period of five years, with then the option to seek up to an additional ten years, parking for its university body. Commissioners asked whether the parking structure was in the floodplain. Staff responded it was, but because it was a garage, there typically is not an issue. Commissioners then asked about the lease term, wondering why the university was seeking a term up to fifteen years. Staff responded that there is a risk another lot the university leases will be redeveloped, which will affect its parking stock. Staff added that the lease only obliges the university to lease the garage for five years; there is an option, but not a requirement to lease for up to another ten years.

Commissioner Dyer – 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 February 2023 as an

South Carolina Commission on Higher Education

Finance and Facilities Committee Meeting

March 2, 2023

informational item.

B. Study on Future Enrollment Impacts to Higher Education in South Carolina

Commissioner Dyer discussed obtaining an outside consultant to determine enrollment moving forward at the comprehensive institutions, looking at changing demographics. He felt it important to be proactive and share that with the institutions. This data would also help institutions making decisions moving forward and help the Committee when it is reviewing large, high-value projects. Commissioner Batson noted there may be some organizations, such as associations and accrediting agencies, that may have looked into that data already and be a helpful resource.

Commissioner Dyer motioned, and Commissioner Batson seconded, asking staff to research this issue, including the possibility of hiring a consultant.

C. Other Business

The meeting adjourned at 12:33 p.m.