

**MEETING MINUTES**

COMMITTEE ON FINANCE & FACILITIES

SEPTEMBER 7, 2023

COMMISSION ON HIGHER EDUCATION

A meeting of the South Carolina Commission on Higher Education's Finance and Facilities Committee was held on September 7, 2023. This meeting was advertised in accordance with the South Carolina Freedom of Information Act.

**1. Call to Order**

Commissioner Paul Batson, Chair, called the meeting to order at 10:30 a.m. and noted the establishment of a quorum of Committee Members. Upon Commissioner Batson's request, Scheri Eichelberger introduced guest attendees.

Committee members present for this meeting were Commissioner Paul Batson; Commissioner Edgar Dyer, Vice Chair; Commissioner Dino Teppara; Commissioner Jennie Bryson (attended via Zoom); and Commissioner Patrick White (attended via Zoom). The members of the Committee adopted the agenda as presented.

Other Board of Commissioners members present for this meeting were Commissioner Sellers; and Commissioner Bettie Rose Horne.

Commission on Higher Education staff that attended this meeting were Dr. Rusty Monhollon; Georges Tippens; Bryce Wilson; Yolanda Myers; Scheri Eichelberger; Leslie Williams; Christopher Glenn; Yarley Steedly; Bryce Wilson; Corey Gheesling; and Dr. Mariam Dittmann.

Guest attendees from colleges and universities in-person were Beth Bell, Clemson University; Paul Patrick and John Loonan, College of Charleston of Charleston; Joe Greenthal and James Colbert, Lander University; and Barry Morgan, Hope Rivers, Paige Childs, and Bryan White, Piedmont Technical College.

Additional guests included a host of representatives from colleges and universities who attended via Zoom.

**2. Approval of Minutes**

Chairman Batson called for approval of the minutes. Commissioner Dyer motioned for the approval of the minutes from the August 3, 2023, meeting. Commissioner Mobley seconded, and the motion passed unanimously.

**3. Chair's Report**

Chairman Batson thanked the Spartanburg Community College and the University of South Carolina-Upstate for hosting events for the meetings held in June. Chair Batson also introduced Scheri Eichelberger, the new Operations Analyst in the Commission on Higher Education's Office of Internal Operations and Administration.

**4. Permanent Improvement Project Approvals**

The following projects were presented for recommendation and approval:

**A. Clemson University**

- i. Littlejohn Coliseum and Swann Pavilion: Establish Project (Phase I)  
Clemson University sought the recommendation of the Committee on Finance and Facilities to establish the planning stage to renovate and expand Littlejohn Coliseum and Swann Pavilion, which the university uses for its basketball and gymnastics programs. The Phase I budget is \$600,000 based on an estimated construction

budget of \$40.0 million and is being funded by athletic gifts and donations. When asked by Commissioners how Phase II would be funded for this project, Clemson staff stated that athletic gifts and donations would fund the second stage of the project. Commissioners also asked how Clemson would make up for the deficit if the cost of the project exceeds the projected budget amount. The university replied that cash on hand would be made available.

Commissioner White moved to approve, and the motion was seconded by Commissioner Teppara. The motion passed unanimously.

ii. Jervey Athletic Center Renovations and Performance Wellness: Increase Budget (Phase II)

Clemson University sought the recommendation of the Committee on Finance and Facilities for a Phase II request to renovate and expand the Jervey Athletic Center, another athletic auxiliary facility for the university. Clemson's request is to renovate approximately 19,000 square feet of existing space and construct a 50,000-square foot addition. The space primarily serves Clemson's women's volleyball program and the men's and women's track and field programs. The total budget for the project is \$50,000,000 with proposed financing from athletic gifts and donations and a revenue bond issuance.

Commissioners questioned Clemson as to why there was a shift in funding for the project since the Phase I submittal, which showed that the entire project would be funded by athletic gifts and donations. Clemson stated the shift occurred so Littlejohn Coliseum and Swann Pavilion renovations and expansions would be a fully funded project by cash on hand. With the university's planned issuance of a \$20.0 million athletic revenue bond, Commissioners pointed out that this would put Clemson near their debt ceiling cap. University staff stated they were aware that the bond issuance would place them near their cap and that paying down approximately \$6.0 million of the principal balance annually over the next 2-3 years would decrease the margin of the debt ceiling.

Commissioner Dyer moved to approve, and the motion was seconded by Commissioner Teppara. The motion passed unanimously.

iii. Bryan Mall High Rise Renovations (Manning Hall): Phase II Budget Increase

Clemson University sought the recommendation of the Committee on Finance and Facilities to revise the scope and increase the budget of its already-approved Bryan Mall High Rise project. Bryan Mall consists of three high-rise residence halls. Clemson University is renovating all three but implementing the construction phases in a staggered fashion. This request is to begin renovations for the 2nd of the three residence halls, Manning Hall, which is 102,000 square feet and 55-years-old. The requested budget increase is \$52,000,000 and the proposed financing is a housing revenue bond issuance. Commissioners asked about the progress of the work on Byrnes Hall, the first of the three residence halls for which the university began renovations. Clemson staff stated that the renovations are going according to plan, and it anticipates occupancy of Byrnes Hall by fall 2025. Commissioner also inquired as to whether water intrusion has been identified during renovations. The university stated that no water intrusion had been identified during the renovations, to its knowledge.

Commissioner Dyer moved to approve, and the motion was seconded by Commissioner Teppara. The motion passed unanimously.

**B. College of Charleston**

- i. Central Energy Facility and Piping Infrastructure Upgrades: Increase Budget/Revise Scope (Phase II)

The College of Charleston sought a recommendation from the Committee on Finance and Facilities to initiate the construction phase of a project to replace infrastructure related to its central energy and piping systems. The initial request was for \$10.0 million to fund the construction, but the college updated their request to \$15.0 million to fund construction using college fees. The college plans to implement the construction in phases and will seek a budget increase in fiscal 2024-25 to complete the final stage, which is estimated to cost \$5.0 million.

Commissioner Dyer moved to approve, and the motion was seconded by Commissioner Teppara. The motion carried unanimously.

- ii. Simons Center for Arts Renovation/Expansion: Phase II Budget Increase

The College of Charleston sought a recommendation from the Committee on Finance and Facilities to increase the budget of its \$50.0 million project to renovate and expand the Simons Arts Center by an additional \$4.0 million. According to the college, inflationary pressures are the cause of the request for a budget increase. The college intends to fund the project with excess debt service. After hearing an introduction from college staff, Commissioners had no additional questions.

Commissioner Dyer moved to approve, and Commissioner Teppara seconded the motion. The motion carried unanimously.

**C. Lander University**

- i. Student Dining Hall Renovation: Establish Project (Phase I)

Lander University sought a recommendation from the Committee on Finance and Facilities to renovate its dining hall. The university entered into a contract with a vendor to provide food services in August. As part of the required deliverables, the vendor agreed to invest \$4.0 million in infrastructure updates. Lander University requested to use \$2.5 million of those funds to upgrade and update the university's dining hall. Commissioners requested more details regarding the 7-year food service contract agreement into which the university entered with the vendor. The university stated that should the contract be terminated; it would be liable for funding the remainder of the project. However, the university stated they do not anticipate a termination of the contract as this project moves towards completion in 2024.

Commissioner Dyer moved to approve, and Commissioner Teppara seconded the motion. The motion carried unanimously.

**D. Piedmont Technical College**

- i. Family Life Conference Center: Establish Project (Phase I)

Piedmont Technical College sought a recommendation from the Committee on Finance and Facilities to begin phase 1 to renovate and its Family Life and Conference on its Greenwood Campus. The requested scope is to more than double the size of the existing space, which will allow the institution to hold large events and lease the space to regional stakeholders for events. The budget request is \$300,000 based on an estimated construction cost of \$20.0 million and is being funded by college funds. The college stated that they will be using state appropriated funds that have already been approved to construct the facility and that the college and community are prepared to pay any differences if inflation were to affect the construction estimate. Commissioners asked if local entities would

assist in funding the project. Piedmont Technical College stated it is using funds received from local entities as well as state appropriations.

Commissioner Dyer moved to approve, and Commissioner White seconded the motion. The motion carried unanimously.

ii. Land Acquisition – Edgefield Center for Manufacturing Excellence: *Establish Project (Phase I)*

Piedmont Technical College sought a recommendation from the Committee on Finance and Facilities to begin procuring necessary studies related to receiving 8.6 acres of land from Edgefield County. The college intends to use this property to construct a center for manufacturing excellence. The proposed budget is \$20,000 to procure the studies and is being funded from college fees. Commissioners asked questions regarding funding for the project. The college stated that the land was donated and that it will use funds procured from the Savannah River Site settlement.

Commissioner Dyer moved to approve, and Commissioner Teppara seconded the motion. The motion carried unanimously.

**E. Spartanburg Community College**

i. P Dan Hull Building: *Establish Project (Phase I)*

Spartanburg Community College sought a recommendation from the Committee on Finance and Facilities to initiate the planning stage to reroof the P Dan Hull Building, a 94,000-square foot facility. The proposed budget is \$30,000 based on a projected \$2.3 million and is being funded from college plant funds.

Commissioner Dyer moved to approve, and Commissioner Teppara seconded the motion. The motion carried unanimously.

**F. Winthrop University**

i. Courtyard Apartments: *Establish Project (Phase I)*

Winthrop University sought a recommendation from the Committee on Finance and Facilities to begin studies on a Phase I land acquisition. The \$20,000 budget request is to require the necessary studies related to a proposal purchase of a 103,500-square foot residential structure on 4.6 acres of land from the university's foundation. The \$20,000 budget will be funded by the auxiliary housing revenue account. Winthrop staff estimate the purchase price will be \$10.4 million and that if acquired, the property will need \$3.0 million for renovation. Commissioners inquired about why renovation costs are so high considering the building is a relatively new facility. Staff stated the main reasons for the high renovation costs are the HVAC unit and the roof, both of which have reached their life expectancies.

Commissioner White moved to approve, and Commissioner Teppara seconded the motion. The motion carried unanimously.

**5. Other Business**

**A. Permanent Improvement Projects Staff Approvals: August**

Georges Tippens provided an overview of the projects staff approved during the month of August as an informational item.

**B. Commissioner Batson reminded the group that he has tasked Commissioners Dyer and White to work with staff on developing a Committee Charter. His goal is for the Committee to review a**

**South Carolina Commission on Higher Education**

Finance and Facilities Committee Meeting

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draft at its next meeting.

When there were no more comments or remarks, the meeting adjourned at 11:56 a.m.