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University of South Carolina
BOARD OF TRUSTEES

Buildings and Grounds Committee

February 21, 2020

The Buildings and Grounds Committee of the University of South Carolina Board of Trustees met at 10:00 a.m. on Friday, February 21, 2020, in the Pastides Alumni Center's C. Edward Floyd Boardroom.

Members participating in person were Mr. William C. Hubbard, Chairman; Mr. C. Dan Adams; Mr. J. Egerton Burroughs; Ms. Leah B. Moody; Mr. Eugene P. Warr Jr.; Mr. Thad H. Westbrook; John C. von Lehe Jr., Board Chairman; and Mr. Hubert F. Mobley, Board Vice Chairman. Mr. Toney J. Lister participated via telephone; Mr. Miles Loadholt was absent.

Other Trustees participating in person were Mr. Chuck Allen; Mr. A. King Dixon II; Mr. Robert F. Dozier Jr.; Dr. C. Edward Floyd; Mr. Richard A. Jones Jr.; Dr. C. Dorn Smith III; Ms. Molly M. Spearman; Mr. Mack I. Whittle Jr.; and Mr. Charles H. Williams. Ms. Rose Buyck Newton participated via telephone.

Also present were USC Columbia Faculty Senate Chair Mark Cooper and USC Columbia Student Government President Luke Rankin.

Others present were President Robert L. Caslen Jr.; Secretary J. Cantey Heath Jr.; Vice President for Human Resources Caroline Agardy; President's Chief of Staff Mark Bieger; Presidential Faculty Fellow and Executive Assistant to the President Susan Bon; USC Beaufort Department of Computer Science Chair and Associate Professor Brian Canada; USC Union Campus Dean John Catalano; Executive Director for Strategic Initiatives Jack Claypoole;

College of Pharmacy Dean Stephen J. Cutler; Senior Associate Provost for Inclusion and Chief Diversity Officer John H. Dozier; Chief Audit Executive Pam Dunleavy; Chief Information Officer Doug Foster; Interim Provost Tayloe Harding; Palmetto College Chancellor Susan Elkins; Associate Vice President for Finance Kelly Epting; Interim Chief Development Officer Will Elliott; Chief Diversity Officer John Dozier; Director of Capital Budget and Financing Charlie FitzSimons; USC Upstate Provost and Senior Vice Chancellor for Academic Affairs Clifton P. Flynn; College of Arts and Sciences Dean Lacy Ford; University Architect Derek Gruner; Alumni Association Chief Executive Officer Wes Hickman; Vice Provost and Dean of Undergraduate Studies Sandra Kelly; University Controller Mandy Kibler; Assistant to the President for System Affairs Eddie King; Executive Director for the Office of Economic Engagement Bill Kirkland; University Treasurer Pat Lardner; The Boudreaux Group President Heather Mitchell; USC Beaufort Chancellor Al Panu; General Counsel Terry H. Parham; Office of Equal Opportunities Director Clifford Scott; Director of Public Policy and Advocacy Craig Parks; Associate Vice President for Administration and Finance and Medical Business Affairs Jeffrey L. Perkins III; Vice President for Student Affairs Dennis A. Pruitt; USC Aiken Vice Chancellor for Finance and Administration Cam Reagin; Palmetto College Faculty Senate Chair Christine Sixta Rinehart; Interim Special Assistant to the President James Smith; University Budget Director Joe Sobieralski; Interim Chief Communications Officer Jeff Stensland; Trustee Emeritus M. Wayne Staton; Athletics Director Ray Tanner; Public Relations Strategist, Executive Vice President and Chief Financial Officer Edward L. Walton; USC Office of Communications and Public Affairs, Dana Woodward; and Board support staff.

I. Call to Order

Chair Hubbard called the meeting to order, welcomed everyone and invited those at the table to introduce themselves, after which Secretary Heath confirmed those Trustees participating by telephone.

Mr. Stensland introduced members of the media joining by telephone—Ben Breiner with *The State* Newspaper; Tyler Fedor with *The Daily Gamecock*; Chris Clark with Gamecock Central; John Delbianco with *The Big Spur*, and Lucas Daprile with *The State* Newspaper.

Chair Hubbard stated notice of the meeting and the agenda had been posted and the press notified as required by the Freedom of Information Act; the agenda had been circulated and a quorum was present to conduct business.

Chair Hubbard stated there was a need to discuss contractual matters related to gift naming opportunities and a possible property acquisition appropriate for Executive Session.

MOTION FOR EXECUTIVE SESSION

Chair Hubbard called for a motion to enter Executive Session for the purpose of discussing proposed Gift Naming Agreements and a proposed agreement for the purchase of real property; Mr. Adams so moved, and Mr. Burroughs seconded the motion. A vote was taken, and the motion carried.

Chair Hubbard invited the following to remain: President Caslen, Secretary Heath, Mr. Caskey Dr. Cooper, Mr. Elliott, Mr. Parham, Mr. Rankin, and Mr. Walton.

EXECUTIVE SESSION

Executive Session Removed

RETURN TO OPEN SESSION

II. Planning Update

Chairman Hubbard called on Mr. Walton for planning updates.

A. Health Science Campus

Mr. Walton stated the proposed new Health Sciences Campus would be in the Bull Street Development District, within walking and biking distance of Prisma Health Richland Hospital and the USC Medical Park. Currently, the University owns eight acres in the district and plans are to acquire twenty acres. The Administration began sequestering funds in 2018 for this project. Potential funding sources that would contribute \$147,046,000 in cash for construction of the project and satisfy all debt include: the Excellence Initiative, other Institutional Funding, School of Medicine non-recurring State Allocations, USC Columbia ICPF Allocations, and School of Medicine Capital Reserves. Recurring funding sources would create a cash flow of \$13,658,000 to support Health Sciences Campus operations and debt service. The estimated maximum total project cost is \$285,000,000 of which \$130,000,000 would be covered through one-time University sources, including appropriations, and \$155,000,000 would be covered through use of State Institute Bonds.

Mr. Walton reviewed the Health Sciences Campus Conceptual Schedule beginning in 2019 with land acquisition, followed by Phase I approvals, RFQ and RFP processes to select the development team. Programming, schematic design, and budget estimation will take place throughout 2020. The additional acquisition of land will take place in 2021, with Phase II approvals, and finalization of design development and construction documents taking place in 2021-2023. Construction would begin in late 2024 with phased-in Medical School occupancy in mid-2025 and Research Building occupancy in late 2025. Mr. Walton advised that the Committee and Board is scheduled to consider Phase I approval at the April 24, 2020 meetings.

B. National Advocacy Center Lease

Mr. Walton reported the National Advocacy Center (NAC) is located in a 153,814 sq.ft. building at the corner of Pickens and Pendleton streets, and was built by the University in 1997 for \$38.8 million with federal funding from the Department of Justice (DOJ). The University entered into a 25-year cooperative agreement with the DOJ to provide advocacy skills and management of legal operations training. With the lease due to expire in two years, inquiries were made to ascertain the DOJ's future interest in the building. The DOJ has committed in writing their intent to renew the cooperative agreement for 20 years and proposed a rate of \$11.99 per sq.ft. with an inflation factor of 1.5% annually. In addition, it will continue to pay all indirect overhead costs, law enforcement and safety costs, and actual utilities consumed, which would equate to a full-service lease at a rate of \$30 per sq.ft. This \$4.6 million cooperative agreement would net the University \$1,844,230 per year through 2043. Chair Hubbard added that the prestige of having the National Advocacy Center located on the University campus and the goodwill created in hosting 20,000 prosecutors annually are invaluable.

Mr. Westbrook asked if this new agreement addresses scenarios should there be temporary government shutdowns in the future such as the one that occurred last year. Mr. Walton advised negotiations in progress would address that scenario. He expects to bring a proposal to the Board in the next quarter for consideration.

C. Williams-Brice Stadium Renovations

Mr. Gruner reported work is progressing in stadium zones simultaneously. The \$22.5 million project to create club space and upgrade amenities remains on budget

with 90% of the construction contingency balance remaining. The project is scheduled for completion by August 28, 2020.

D. Upgrade and Expansion of Student Union

Mr. Gruner noted the upgrade and expansion of the Student Union Space has been identified as a high priority project. National experts and constituents have been engaged in the development plans and work is underway to align the programming and scope of work with an achievable budget. Once that work is complete, a proposal would be presented to the Committee and Board for consideration.

E. Campus Village

Mr. Gruner reported work has begun on Phase I of this project, which includes abatement of Cliff Apartments.

F. South Main

Mr. Gruner reported the drawings are being finalized and the project will go out for bid this summer. It is anticipated construction will begin in late 2020 or early 2021 with completion projected in 18 to 24 months.

Chair Hubbard thanked Mr. Walton and Mr. Gruner for their reports and stated these updates were received as information.

III. Project Approvals

Chairman Hubbard called on Mr. Gruner to present projects for approval.

A. Phase II Approval

- 2019 Intramural Recreation Fields Land Acquisition, National Guard Road

Mr. Gruner reported Phase II of the Five-Year Capital Improvement Plan involves acquisition of a 300-acre parcel with an appraised value of

\$3,220,000 to support the development of intramural recreation fields and an Athletics' golf practice facility. The land is located at the west end of National Guard Road between Gamecock Park and the Congaree River. An environmental engineering firm has determined the land does not contain environmental contamination. The \$3,240,000 purchase price includes the environmental assessment and appraisal fees and will be funded with \$1,620,000 from the Wellness Fee Reserves and \$1,620,000 in Institutional Funds. Approval of the property transaction is expected from the Commission on Higher Education (CHE), the Joint Bond Review Committee (JBRC), and the State Fiscal Accountability Authority (SFAA) by June 2020 and transfer of title is anticipated to occur shortly thereafter.

Chairman Hubbard called for a motion to recommend full Board approval to acquire the property for \$3,240,000 to be funded with \$1,620,000 of Wellness Fee Reserves and \$1,620,000 of Institutional Funds. Ms. Moody so moved, and Mr. Warr seconded the motion. The vote was taken, and the motion carried. Mr. Burroughs abstained from voting.

B. Phase I Approvals

1. Intramural Recreation Fields Site Development I, National Guard Road

Mr. Gruner stated approval is requested for Phase I development of a portion of the National Guard Road property for soccer, multi-use, and softball recreation fields in stages as funding is allocated. The first stage will develop four to five natural turf fields with lighting, irrigation, gravel parking, a modular off-grid restroom building, and road paving. Utility infrastructure will include

electricity for field lighting and information technology cabling for cameras and security call boxes. Phase I will cost \$50,000, funded with Wellness Fee Reserves. Completion of the first stage of recreation fields is anticipated in late 2021 or early 2022.

Chair Hubbard called for a motion to recommend full Board approval of Phase I intramural recreation site development with a budget of \$50,000, funded with Wellness Fee Reserves. Mr. Adams so moved, and Mr. Westbrook seconded the motion. The vote was taken, and the motion carried. Mr. Burroughs abstained from voting.

2. War Memorial Maintenance Renovation

Mr. Gruner noted the War Memorial was constructed in 1935 at the southeast corner of Pendleton and Sumter streets and is listed on the National Register of Historic Places. The renovation project will address maintenance, accessibility, and life safety concerns. The current occupants will be relocated so that the War Memorial can be returned to a more public, ceremonial use and recognize contributions of our military in conflicts spanning World War I to present. Though programmatic elements such as a stair, elevator and new restrooms will be added, utmost care will be exercised to ensure the architectural integrity is not diminished in the process of the renovation. The Phase I design budget is \$66,000 and will be funded with Institutional Capital Project Funds (ICPF).

Chair Hubbard called for a motion to recommend full Board approval for Phase I design of the War Memorial Maintenance Renovation project with

a budget of \$66,000 funded with Institutional Capital Project Funds. Mr. Adams so moved, and Mr. Burroughs seconded the motion. The vote was taken, and the motion carried.

C. Other Approvals Below the \$1 million Level

1. Russell House Air Handler Units Replacement

Mr. Gruner stated approval is requested to fund replacement of a 70-ton and a 100-ton air handler unit mounted on the roof of the Russell House that serve the main dining area. Projected cost of the project is \$500,000 and will be funded with Institutional Capital Project funds. The units will be replaced during the temperate season between November of 2020 and January of 2021.

Chair Hubbard called for a motion to recommend full Board approval to fund replacement of the Russell House air handler units with a budget of \$500,000 to be funded with Institutional Capital Project funds. Mr. Burroughs so moved, and Mr. Lister seconded the motion. The vote was taken, and the motion carried.

2. Classroom Building HVAC Equipment Replacement and Repairs

Mr. Gruner stated this project would create a fund source to allow for repair or replacement of failing classroom building HVAC equipment with a budget of \$975,000 to be funded with Institutional Capital Project funds.

Chair Hubbard called for a motion to recommend full Board approval to fund this Classroom Building HVAC Equipment Replacement and Repairs project with a budget of \$975,000 to be funded with Institutional Capital Project Funds. Mr. Lister so moved, and Mr. Loadholt seconded the motion. The vote

was taken, and the motion carried.

3. 1600 Hampton Street Annex Mechanical Renovation

Mr. Gruner stated approval is requested to fund the replacement and upgrade of HVAC equipment serving the 1600 Hampton Street Annex with a budget of \$500,000 to be funded with Education and General Maintenance Reserve Funds. The four-story 1600 Hampton Street Annex building was constructed in 1958 and contains 31,872 gross square feet. It is the headquarters of the Department of Law Enforcement and Safety.

Chair Hubbard called for a motion to recommend full Board approval to fund this project with a budget of \$500,000 to be funded with Education and General Maintenance Reserve Funds. Mr. Loadholt so moved, and Ms. Moody seconded the motion. The vote was taken, and the motion carried.

4. 1600 Hampton Street Parking Garage Maintenance Renovation III

Mr. Gruner advised structural engineers contracted by USC Parking Services performed a condition evaluation of the 1600 Hampton Street Parking Garage. Their evaluation report recommended maintenance and repairs to the garage be conducted in phases based on priority. The first phase was completed the summer of 2017 and the second phase was completed in late 2019. This project is the third phase and focuses on concrete deck crack repair, removal of corrosion and painting of steel structural members to prevent future corrosion, adding deck drains to remove ponding water, and an upgrade and modernization of the elevator. The request is to fund this project with a budget of \$740,000 to be funded with Auxiliary Maintenance Reserve Funds. Auxiliary

Maintenance Reserves are generated from parking revenue and set aside for maintenance and renewal. Construction is scheduled to begin in late 2020.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully fund this project with a budget of \$740,000 to be funded with Auxiliary Maintenance Reserve Funds. Mr. Loadholt so moved, and Ms. Moody seconded the motion. The vote was taken, and the motion carried.

5. Close-Hipp Plaza Maintenance: Belk Auditorium Roof Replacement

Mr. Gruner stated the scope of this project, previously labeled “Close-Hipp Roof Replacement” in the Five-Year Capital Improvement Plan, has been re-focused to address the more urgent need to replace the waterproofing under the plaza entry to the Close-Hipp Building, which serves as the roof of the Belk Auditorium. Approval is requested to establish and fully fund this project with a budget of \$800,000 to be funded with Institutional Capital Project Funds (ICPF). ICPF funds are generated from a portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements. Design will commence immediately following approval and completion of the project is anticipated no later than the summer of 2021.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully this project with a budget of \$800,000 to be funded with Institutional Capital Project Funds. Mr. Warr so moved, and Mr. Westbrook seconded the motion. The vote was taken, and the motion carried.

6. Honors College Residence Flooring Project

Mr. Gruner stated this request is to approve a project to replace worn flooring throughout the Honors College Residence with a budget of \$975,000 to be funded with Housing Maintenance Reserve Funds. The Honors College Residence, constructed in 2009, is a six-story residential building containing 192,794 gross square feet. The project will remove and replace the original carpet and vinyl tile floor finishes throughout. Design will commence immediately following approval and the floor replacement will occur during the summer of 2020.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully fund this project with a budget of \$975,000 to be funded with Housing Maintenance Reserve Funds. Mr. Westbrook so moved, and Ms. Moody seconded the motion. The vote was taken, and the motion carried.

7. USC Aiken Pacer Commons Roof Replacement

Mr. Gruner stated this request is to approve a project to return the USC Aiken Pacer Commons' roof to a watertight envelope. He noted the roof was improperly constructed resulting in damage to the walls; therefore, remedy is being pursued with the contractor which could result in recovery of repair costs. There is an urgent need to move forward with this project; therefore, approval is requested to establish and fully fund this project with a budget of \$625,000 to be funded with USC Aiken Housing Maintenance Reserve. Construction will begin the fall of 2020 with a phased approach to allow for relocation of affected

students to other available dorm suites.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully fund this project with a budget of \$625,000 to be funded with USC Aiken Housing Maintenance Reserve. Mr. Loadholt so moved, and Mr. Lister seconded the motion. The vote was taken, and the motion carried.

8. USC Upstate Rampey Interior Modifications

Mr. Gruner stated this request is to approve a project to renovate the interior of the Rampey Building to accommodate the relocation of Counseling Services to the building. This project budget has been established at \$400,000 and will be funded with USC Upstate Institutional Capital Project Funds. The work is scheduled to commence in 2020.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully fund this project with a budget of \$400,000 to be funded with USC Upstate Institutional Capital Project Funds. Mr. Adams so moved, and Mr. Lister seconded the motion. The vote was taken, and the motion carried.

9. USC Upstate Chiller Replacement at Palmetto House

Mr. Gruner stated this request is to approve a project to replace an aging chiller at the Palmetto House student residence building with a budget of \$500,000 to be funded with USC Upstate Housing Maintenance Reserves. The work is scheduled to bid this summer and with construction beginning in November of 2020.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully fund this project with a budget of \$500,000 to be funded with USC Upstate Housing Maintenance Reserve. Mr. Adams so moved, and Mr. Lister seconded the motion. The vote was taken, and the motion carried.

10. USC Upstate New Tankless Water Heater System at Palmetto Villas

Mr. Gruner stated this request is to approve a project to replace aged water heaters at the Palmetto Villas student residence building with a tankless system with a budget of \$300,000 to be funded with USC Upstate Housing Maintenance Reserve Funds. The Palmetto Villas is a group of residential buildings constructed in 1985 with a total of 81,004 gross square feet containing approximately 400 beds. The work is scheduled to commence in May of 2020 with a completion target date of late July.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully this project with a budget of \$300,000 to be funded with USC Upstate Housing Maintenance Reserve. Mr. Lister so moved, and Mr. Adams seconded the motion. The vote was taken, and the motion carried.

11. USC Upstate Miscellaneous Housing Upgrades

Mr. Gruner stated this request is to approve a project to replace aged finishes and mechanical and electrical equipment at on-campus residential buildings that provide approximately 1,100 student beds—the Palmetto Villas,

Palmetto House, and the Magnolia House—with a budget of \$400,000 to be funded with USC Upstate Housing Maintenance Reserves. Initial work is scheduled to begin in May 2020 with a completion target date of late July. Other work will extend to later dates.

Chairman Hubbard called for a motion to recommend full Board approval to establish and fully fund this project with a budget of \$400,000 to be funded with USC Upstate Housing Maintenance Reserve. Mr. Lister so moved, and Mr. Adams seconded the motion. The vote was taken, and the motion carried.

12. Building Name Change for the former Law Center: “Science and Technology Building”

Mr. Gruner stated the old Law Center was recently repurposed to become a facility providing chemistry labs and classrooms. An academic and research space for Artificial Intelligence within the College of Engineering and Computing will be created on the fifth floor. As such, this request is to rename the old Law Center the Science and Technology Building to reflect the science and technology programs that inhabit the renovated building. Though there is no cost to make this change in the database, some site signage will be updated as part of the renovation project.

Chairman Hubbard called for a motion to recommend full Board approval to rename the old Law Center the Science and Technology Building. Mr. Westbrook so moved, and Ms. Moody seconded the motion. The vote was taken, and the motion carried.

IV. Naming of USC Union Central Campus Building

Mr. Lister stated Colonel Whitener served as Dean of USC Union for several years and as interim chancellor of USC Spartanburg; he also served as superintendent at West Point. Chairman Hubbard called for a motion to recommend full Board approval to name the USC Union Central Campus Building the William J. Whitener Central Building. Mr. Lister so moved, and Ms. Moody seconded the motion. The vote was taken, and the motion carried.

V. Gift Naming Opportunities

Chairman Hubbard stated the following gift naming opportunities were presented in Executive Session without objection and are presented in Open Session for approval:

A. Athletics

1. DuBose Family Recruiting Work Room
2. Michael W. Massey, Jr. Physician Office
3. Prisma Health Sports Medicine Center

B. School of Medicine – Columbia

- Charles S. and Donna H. Bryan Health Sciences Library

Chairman Hubbard called for a motion to recommend full Board approval of these gift naming opportunities as presented. Mr. Burroughs so moved, and Mr. Warr seconded the motion. The vote was taken, and the motion carried.

VI. Adjournment

There being no other business to come before the committee, Chairman Hubbard declared the meeting adjourned at 11:25 a.m.

Respectfully submitted,



J. Cantey Heath, Jr.
Secretary