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University of South Carolina
BOARD OF TRUSTEES

Buildings and Grounds Committee

April 7, 2009

The Buildings and Grounds Committee of the University of South Carolina Board of Trustees met on Tuesday, April 7, 2009, at 11:00 a.m. in the 1600 Hampton Street Board Room.

Members present were: Mr. Toney J. Lister, Chairman; Mr. Mark W. Buyck, Jr.; Mr. William C. Hubbard; Mr. William W. Jones, Jr.; Mr. Eugene P. Warr, Jr.; Mr. Miles Loadholt, Board Chairman; and Mr. Samuel R. Foster II, Board Vice Chairman. Members absent were Mr. Arthur S. Bahnmuller; Ms. Darla D. Moore; and Mr. Othniel H. Wienges, Jr.

Other Trustees present were: Mr. Herbert C. Adams; Mr. Chuck Allen; Mr. James Bradley; Mr. J. Egerton Burroughs; Dr. C. Edward Floyd; Mr. Michael J. Mungo; Mrs. Amy Stone; Mr. John C. von Lehe, Jr.; and Mack I. Whittle, Jr.

Others present were: President Harris Pastides; Secretary Thomas L. Stepp; Executive Vice President for Academic Affairs and Provost [Interim] and Vice President for Planning William T. Moore; Vice President and Chief Financial Officer Richard W. Kelly; Vice President for Student Affairs and Vice Provost for Academic Support Dennis Pruitt; Interim Vice President for Advancement Michelle Dodenhoff; Vice President for Information Technology and Chief Information Officer William F. Hogue; Vice Provost and Executive Dean for System Affairs and Extended University Chris P. Plyler; General Counsel Walter (Terry) H. Parham; University Treasurer Susan D. Hanna; Special Assistant to the President J. Cantey Heath; Associate Vice President for Housing and Student Development and Assistant to the Vice Provost for Special Projects, Gene Luna; Associate Vice President for Business and Facilities Helen Zeigler; Vice Provost for Faculty Development Christine W. Curtis; Executive Director of the Alumni Association, Division of University Advancement, Marsha A. Cole; Director of Athletics Eric C. Hyman; Director of Facilities, Division of Business and Finance, Tom Quasney; Director of Facilities Planning and Construction, Division of Business and Finance, Jeff Lamberson; Director of the Office of Internal Audit Alton McCoy; Director of the University Development Foundation, Office of USC Foundations, Richard H. Rockafellow; Chair of the Faculty Senate Robert G. Best; Executive Associate Athletics Director Kevin O'Connell; Deputy Athletics Director Marcy Girton; Special Assistant to the President and Athletics Director John D. Gregory; Dean of the College of Nursing Peggy O. Hewlett; Director of Administrative Services, Thomas Cooper Library, Mary Horton; Associate Director of Governmental Affairs and Legislative Liaison Casey Martin; Director of Governmental and Community Relations and Legislative Liaison Shirley D. Mills; Director of Plant and

Endowment Funds, Controller's Office, Deborah Crews; Director of Public Information, USC Lancaster, Shana Funderburk; Project Manager, Division of Campus Planning and Construction, Ann Derrick; Student Government Association President Meredith Ross; Director of the Office of Media Relations, Division of University Advancement, Margaret Lamb; Director of Periodicals, University Publications, Chris Horn; Heather Mitchell, The Boudreaux Group; University Technology Services Production Manager, Justin Johnson; Board staff members Terri Saxon, Vera Stone, and Karen Tweedy; and members of the media.

Chairman Lister welcomed everyone. Mrs. Lamb introduced members of the media who were in attendance.

Chairman Lister called the meeting to order and stated that notice of the meeting had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been circulated to the members; and a quorum was present to conduct business.

Chairman Lister stated that there were contractual matters related to gift naming opportunities, which were appropriate for discussion in Executive Session. Mr. Hubbard moved to enter Executive Session and Mr. Jones seconded the motion. The vote was taken, and the motion carried.

The following persons were invited to remain: President Pastides, Secretary Stepp, Dr. Moore, Mr. Kelly, Dr. Pruitt, Dr. Hogue, Mr. Parham, Ms. Dodenhoff, Dr. Booze, Mr. Heath, Ms. Zeigler, Mr. Quasney, Mr. Gregory, Ms. Martin, Ms. Lamb, Mrs. Saxon, Ms. Stone, and Ms. Tweedy.

Return to Open Session

Chairman Lister called on Mr. Kelly to present project approval requests.

I. Project Approvals (Phase One):

A. Farmers Market Development: The Farmers Market project would develop 50 acres of property previously owned by the Department of Agriculture into USC athletic

event parking including significant landscaping, traffic control elements, parking, drainage, walkways and lighting. Development of this property was the first step in a master plan to renovate Williams-Brice Stadium and move parking from the stadium area to the Farmers Market area to create a safe pedestrian corridor.

The anticipated budget for the project is \$15.5 million. Approval was requested to fund only the initial design and development of a cost estimate for the project.

Chairman Lister called for a motion to establish this project for Phase I Design with a budget of \$235,000 to be funded with Athletic Funds. Mr. Buyck so moved and Mr. Hubbard seconded the motion.

Discussion ensued regarding the parking plan schematic included in the presentation, and Mr. Hyman confirmed that it was only a draft, and a more detailed plan would be developed and provided to the Committee for consideration.

The vote was taken and the motion carried.

The University hereby declares its official intent, pursuant to Federal Regulations, to reimburse itself from the amount of proceeds of the tax-exempt bond issue.

B. Removal of Asbestos from Jones PSC: This project was to remove the friable, sprayed-on fire proofing above the ceilings on the north and basement portions of Jones PSC. This fire proofing contained asbestos and was delaminating and falling onto the top of the ceiling. Upon completion of this work, all sprayed-on fire proofing would be removed and asbestos risks greatly reduced from this facility. Work would be coordinated with the Registrar and College of Arts and Sciences to relocate current occupants during the construction.

The anticipated budget for the project is \$3.3 million. Approval was requested to fund only the initial design and development of a cost estimate for the project.

Chairman Lister called for a motion to establish this project for Phase I Design with a budget of \$50,000 to be funded with Institutional Capital Project Funds. Mr. Foster so moved and Mr. Hubbard seconded the motion. The vote was taken and the motion carried.

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II. Project Approvals (Phase II):

A. Preston College Fire Protection Renovation: Preston College was constructed in 1939, and was an important historical landmark building and residence hall that housed the Preston Residential College Program. Located in the Historic Horseshoe District, the facility requires the installation of a fire protection system. The building contains approximately 66,000 gross square feet.

Chairman Lister called for a motion to fund Phase II Construction for \$1,300,000 for a total project budget of \$1,500,000 to be funded with Housing Operating Funds. Mr. Loadholt so moved and Mr. Buyck seconded the motion. The vote was taken and the motion carried.

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B. Patterson Hall Renovation: Patterson Hall, a nine story residence hall containing approximately 156,000 gross square feet, located on Bull Street, originally constructed in the mid-1960's, was in need of renovation to replace worn finishes and systems, to reconfigure space to meet student preferences, and to address code upgrades.

The project was approved for Phase I Design in April 2008. Phase I Design was completed. The project scope would include converting student rooms to a suite-style arrangement and creating additional office space for Housing Administration. General renovation work would include interior electrical upgrades, elevator restoration, interior painting, new furniture, carpet, and lobby restoration. Structural modifications to address seismic code issues and the installation of a fire protection system would be included in the project.

The building would be taken off-line to allow the renovation to be completed in one phase. Construction was scheduled to begin in May of 2010 with projected completion in August of 2011.

Chairman Lister called for a motion to fund Phase II construction with a budget of \$34,900,000 for a total project budget of \$38,100,000 to be funded with Housing Operating Funds. Mr. Buyck so moved and Mr. Hubbard seconded the motion.

Mr. Whittle questioned locating Housing offices in Patterson and suggested that the Russell House was a better, more central location. Mr. Kelly responded that there was currently no available space in the Russell House, and noted the proximity of Patterson to the Russell House. Mr. Kelly added that the space in Patterson designated for the Housing offices was located in the basement of the building, and therefore not suitable for dormitory beds. The space was currently used as a cafeteria, whose business was "struggling." Therefore using the space for an administrative function was determined to be the best use of the space.

Dr. Floyd questioned the rationale for spending \$38 million to renovate Patterson Hall, rather than building a new dormitory that would cost approximately \$50 million. Mr. Kelly responded that Patterson Hall had two major issues: the first was that the current room style was not the choice of students, in that they preferred suite style rooms; and secondly there were seismic and life-safety issues.

Mr. Adams said that it would help the committee if they were provided information on the cost of addressing the seismic and safety issues, but omitting the cost to change the floor plan layout. Mr. Hubbard noted that the Committee had discussed Patterson Hall renovations approximately two years ago. Mr. Adams concluded that it would help to revisit the specific cost estimates for the proposed work.

Mr. Hubbard recalled from previous discussions that Patterson Hall would be off line for one academic year. Mr. Kelly confirmed he was correct. Mr. Whittle asked where

the 600 students displaced by the renovation project would stay while the dorm was off line. Dr. Pruitt responded that upper classmen would move off campus, to guarantee that freshmen, who would have roomed at Patterson, were provided dorm space on campus.

Mr. Whittle asked if there were stiff penalties in place related to the contract completion date and Mr. Kelly responded yes.

The vote was taken and the motion carried.

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C. Athletic Coaches Support Building Construction: This project was approved for Phase I Design in April 2008. Phase I Design was complete. The project scope was to construct a 60,000 square foot facility with offices for coaches for the majority of the University's sports programs as well as support departments and administration.

Construction was planned to begin in March of 2010, with completion expected in April of 2011.

Chairman Lister called for a motion to fund Phase II Construction with a budget of \$17,000,000 for a total project budget of \$19,000,000 to be funded with Athletic Revenue Bonds. Mr. Warr so moved and Mr. Foster seconded the motion. The vote was taken and the motion carried.

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D. Athletic Village Garage and Maintenance Facility Construction:

This project was approved for Phase I Design in April 2008. Phase I Design was complete. The project scope was to construct a parking facility for the Athletic Village that would house approximately 368 vehicles. The facility would include a façade to match the adjacent Dodie Athletic Enrichment Center. The facility would also include a maintenance and storage facility for the grounds operations on the lower level. Construction was planned to begin in 2010.

Chairman Lister called for a motion to fund Phase II construction with a budget of \$8,200,000 for a total project budget of \$8,800,000 to be funded with Athletic Revenue Bonds. Mr. Warr so moved and Mr. Foster seconded the motion.

Mr. Whittle asked how many of the 368 parking spaces would be available for student use. Mr. Kelly replied that he could not currently provide that number, since it would be dependent on the demand for spaces by the faculty, staff, and athlete' parking requests. Mr. Whittle stated that parking availability was a critical issue and putting the general student population's parking needs last, was the "tail wagging the dog."

Mr. Foster stated that, according to the architectural drawing, it appeared that the actual parking garage would not be an ordinary structure, but one with character and extra finishes. Discussion ensued on the proposed parking garage. Mr. Hyman explained that the garage was designed to complement the new Dodie Athletic Enrichment Center, and

the Coaches support building.

The vote was taken and the motion carried.

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E. Athletic Village Infrastructure Development Construction: The project was approved for Phase I Design in April 2008. Phase I Design was complete. The project infrastructure work to support the new development at the Athletic Village included the chilled water and steam piping and central plant upgrades, electrical distribution, fiber infrastructure, rough grading and earth moving, storm drainage, landscaping and irrigation, sidewalks and main pedestrian spine. Central plant upgrades would consist of an expansion of the existing plant, installation of a replacement chiller and a replacement boiler to provide additional capacity.

Work on the south end of the Athletic Village was not taking place at this time. However, utilities would be brought to a vault where they could be connected at a later date.

Construction on this portion of the infrastructure project would take place in phases that corresponded to the buildings being supported, extending over approximately two years. It was planned for construction to start in the Fall of 2009 with completion in the Fall of 2011.

Chairman Lister called for a motion to fund Phase II construction with a budget of \$15,400,000 for a total project budget of \$16,600,000 to be funded with Athletic Revenue Bonds. Mr. Warr so moved and Mr. Foster seconded the motion.

Mr. Hubbard asked for confirmation that the renderings showed all utilities would be located underground. Mr. Kelly confirmed that they would.

The vote was taken and the motion carried.

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F. Athletic Venues Construction: The project was approved for Phase I Design in April 2008. Phase I Design was complete. The project scope was to construct 12 hard-surface tennis courts and associated spectator structure and restroom facilities for 720 people. The project also included construction of the connection entry plaza to the pedestrian spine as well as demolition of the existing baseball field, Spring Sports Center, and Roost Buildings A, B, and D. Construction was planned to start in early 2010.

Chairman Lister called for a motion to fund Phase II construction with a budget of \$4,600,000 for a total project budget of \$5,300,000 to be funded with Athletic Revenue Bonds. Mr. Warr so moved and Mr. Foster seconded the motion.

Dr. Floyd questioned the cost of the project, the total Athletic Department debt, including the projects considered in the meeting, and if the University was in a position to repay the debt. Discussion ensued. Mr. Hyman responded that anticipated revenues from

the ESPN contract and from the Football Yearly Equitable Seating Plan would offset the debt. Dr. Floyd asked for the total debt. Mr. Hyman estimated a \$110 million Athletics Department debt. Committee members expressed concern, in light of the current economic climate, in the University's ability to retire the debt based on the anticipated revenue projections.

Dr. Floyd asked why the design did not include a "center court," in which "big" tennis matches could be played. Mr. Hyman replied that the tennis coaches were asked if they wanted a center court, but their response was no, that they wanted all courts equal.

Mr. Buyck suggested, as he had in prior meetings, that the term "Athletic Village" be changed to "Gamecock Village," since it was for all students at the University, not just athletes. He thought the name "Athletic" made it exclusive.

The vote was taken and the motion carried.

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II. Other Approvals:

A. Thomas Cooper Library Roof Replacement: The Thomas Cooper Library was the main Library and an important center of academic life at USC. The built-up roof system of the Library was installed in 1985 which made it 24 years old, exceeding its life expectancy and requiring replacement. The majority of the roof drains serving the original 1950's building had experienced failure and caused the remaining drains to be heavily taxed during a large rainfall. The roof repairs required the total replacement of 40,000 square feet of built-up roof system and the removal and replacement of all failed drain lines.

Chairman Lister called for a motion to establish this project with a budget of \$493,000 to be funded with Institutional Capital Project Funds. Mr. Buyck so moved and Mr. Hubbard seconded the motion. The vote was taken and the motion carried.

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B. Russell House Ballroom Renovation: This project would renovate the Russell House Ballroom to install multi-media presentation equipment in each of the three meeting spaces that could be combined to create the ballroom. Work would include installation of electrical and data infrastructure, redesign of lighting, ceiling modifications/replacement, and the purchase and installation of multi-media equipment.

Construction would begin in December 2009, with completion in Spring 2010.

Chairman Lister called for a motion to establish this project with a budget of \$495,000 funded with Institutional Capital Project Funds. Mr. Loadholt so moved. Mr. Jones seconded the motion.

Mr. Buyck questioned the priority of this project in relation to other pending projects. Mr. Kelly responded that this project did not compete against other projects,

but there were other projects that needed to be done. He said that the students had asked that the ballroom be electronically modernized. Mr. Buyck stated that he felt there were more important projects that needed to be addressed rather than spending a half a million dollars on the ballroom.

Mr. Hubbard asked Dr. Pruitt why this project was a top student request. Dr. Pruitt explained that the lights and some of the wiring in the ballroom were original. Following repairs in the ballroom from a fire approximately a year ago, the recommendation was made to replace the old wiring and lights. The lights were a major drain on electricity, with approximately 100 bulbs per light fixture. A major portion of the project was to replace the lights and wiring. The ballroom was used on a daily basis, sometimes as often as three times a day. It is the most requested room in the Russell House. Because the current audio visual equipment was inadequate, they were forced to rent equipment as needed. Dr. Pruitt clarified that the space referred to as the ballroom, was actually a multi-purpose room.

Mr. Mungo asked if the cost was based on projected costs or on bids and Mr. Kelly responded projected cost. He explained that the bid would be publicly advertised.

Chairman Lister called on SGA President Ross to provide input on the renovation on behalf of the students. She stated that as Dr. Pruitt had explained, the room was in high demand and the lights were not cost effective.

Mr. Whittle asked if more detail on the project specifics and cost breakdown would be provided to the Committee. Mr. Kelly clarified that he would provide any amount of detail the Committee requested.

President Pastides said that he thought the Board was requesting a more comprehensive view of all projects, and that he supported the proposed Russell House Ballroom renovation. He stated that it was the administration's responsibility to provide the Committee with a broader view of the projects and they would provide it.

Mr. Foster requested that any project savings between bid amount and actual cost, be reported to the Committee following completion of a project.

Mrs. Stone said that she felt part of the concern related to this project came from the fact that this space was termed the "ballroom," which implied it was "frivolous" and therefore renovations were "optional" when in actuality it served as a multi-purpose vital functions.

Ms. Ross reiterated how absolutely central the room was to student life. In addition to being used for student events, it was also used for University high-profile events. It was a vital part of recruitment in trying to make the University as attractive as possible, and renovation of it was just as important as renovation of any other facility on the Horseshoe.

Mr. Buyck stated that he had planned to vote against the project, but based on the President's comments he would support it. However, he did want to see the details used to determine the \$495,000 project estimate. Mr. Kelly said that he would provide that detail

to him by the end of the day.

The vote was taken and the motion carried.

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III. Other Business:

- Thomas Cooper Library Emergency Safety Repairs: The Thomas Cooper Library has four east and west facing corners that are clad in solid white marble panels. The walls of the base and outside edge of the plaza are clad in brick, and the plaza surface was a combination of stone edges/trim and thin brick pavers.

Over the years the exterior materials of the Library had deteriorated. The marble clad columns and roof drainage system were leaking, which resulted in rust and deterioration of the marble connections. This project would repair the primary exterior concerns; marble cladding attachment rework, plaza waterproofing and paving material replacement, brick base veneer removal and replacement, safety railing addition, and proper water run-off changes.

During the course of new construction of the Special Collection Addition to the Library, it was discovered that the support system for the existing marble panel cladding had failed and presented serious safety as well as property damage concerns. Only the weatherproof sealant was holding the panels in place. As a result of water intrusion, the mechanical system designed to support the panels has deteriorated to the point of failure.

The plaza deck surrounding the Library was designed for heavy pedestrian traffic in a central part of campus. The failure of the panels presented a serious safety and welfare concern to campus population and visitors. Due to safety concerns, removal and re-installation of the panels as well as the rework of the deck waterproofing and the veneer brick failures on the base were proceeding as an emergency procurement. The project was budgeted at \$3.5 million funded with Institutional Capital Project Funds.

This report was received for information.

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Mr. Jones requested an update on the progress of the Honors College Residential Hall. Mr. Kelly responded that the project was on schedule for completion in August 2009. Mr. Foster asked if University new construction projects still conformed to LEED certified requirements, and Mr. Kelly answered yes. Mr. Whittle asked for confirmation that the August 2009 completion date would be in time for student move-in for the Fall 2009 semester, and Mr. Kelly said it would.

IV. Gift Naming Opportunities:

Chairman Lister explained that the following Gift Naming Opportunities were presented in Executive Session without objection:

A. USC Columbia - School of Law:

1. "The Nelson Mullins Riley & Scarborough, LLP Student Lounge"
2. "The Stephen and DeAndrea Benjamin Faculty Lobby"
3. "The Willoughby and Hoefer, P. A. Library Special Collections Room"
4. "The John M. Bleecker, Jr. '60 & Anne Frances Bleecker '91 Large Library Study Area"
5. "The Honorable Randall T. Bell Library Carrel"
6. "The Culp, Elliott & Carpenter Student Organization Work Room"
7. "The Collins & Lacy Courtyard Patio"
8. "The Law Class of 2009 Student Meeting Room"

B. College of Arts & Sciences:

- "The Caroline Belser Grimball Classroom"

Chairman Lister called for a motion to approve the gift naming opportunities as presented. Mr. Buyck so moved and Mr. Hubbard seconded the motion. The vote was taken and the motion carried.

V. Development Foundation Report:

Chairman Lister called on Dick Rockafellow, who reported that the Foundation was able to effect a property exchange with USC Athletics for the USC Women's Tennis Courts property on Blossom Street for Onewood Farms in Blythewood. The tennis court property was adjacent to the former Women's Club property also owned by the Foundation. An appraisal, in a better economic climate, of the two parcels together was \$3,280,000. Although the Foundation had not attempted to market the property, they had received several interested inquiries to purchase the property.

Approval was granted for a residential Planned Unit Development [PUD] for 40 lots in Wheeler Hill. Due to a pending land swop of abutting property, the Foundation was in the process of amending the PUD for reconsideration. They hope to market the lots in the near future.

The Foundation was currently working with an attorney to expand their Limited Liability Corporations [LLC], especially on older properties, and to revise the current LLC procedures.

Mr. Rockafellow reported that efforts were underway to repayment issues with some USC schools and departments' charge accounts at The Inn at USC.

Mr. Whittle asked for an update on sales of Adesso units and Mr. Rockafellow responded that since their last report, no additional units had sold; in fact two pending transactions had fallen through. Therefore, only 18 out of 110 total units had sold. Discussion ensued. Mr. Rockafellow clarified that Holder Properties held 51 percent interest in the property, and the Foundation held 49 percent interest.

Dr. Floyd asked about the viability of using the property as a dormitory in light of the fact that the units were not selling. Mr. Pruitt noted that, although an option if the property use was converted for dormitory use, the University would probably have to buy back the 18 individual units from the owners who would not want to live within a college dormitory.

Mr. Mungo stated that this was an example of why the University should not be in the retail real estate business; they were an educational institution. He noted that

over thirty years ago he expressed his opposition to the purchase of the Wheeler Hill property, and now thirty some years later it is still not developed. He understood that the purpose of the Foundation was to purchase land that the University might ultimately need, but what he was against was expanding into the retail real estate market.

Mr. Whittle said that had the Foundation reached out to Board members and alumni who had real estate expertise, the project could have been underwritten differently.

Mr. Hubbard asked Mr. Rockafellow for the current amount of the Foundation's endowment. He responded that he would get that figure to the Board.

Mr. Whittle asked about the plans to follow up with Sasaki, the University's master planners. President Pastides called on Dr. Moore who stated that the Committee on Capital Planning was proceeding and would report their efforts to the Board.

Chairman Lister stated that the Development Foundation Report was received as information.

VI. Adjournment:

There being no other business, Chairman Lister declared the meeting adjourned at 12:25 p.m.

Respectfully submitted,

Thomas L. Stepp
Secretary