

Clemson University
Clemson, South Carolina

MINUTES
Finance and Facilities Committee
CLEMSON UNIVERSITY BOARD OF TRUSTEES

Executive Board Room
Madren Center
Clemson, South Carolina
February 2, 2023
1:45 p.m.

Call to Order

Notification as required by the South Carolina Freedom of Information Act was given at least twenty-four hours before the meeting by posting the notice and agenda on the bulletin board located on the ground floor public entrance of Sikes Hall, Clemson University and on the Clemson University Board of Trustees website. Additionally notice of, and the agenda for, the meeting was sent via email to the distribution list maintained by the Office of Media Relations which includes approximately 80 reporters and editors at the major daily newspapers, television and radio stations in S.C.

After notification as required by the Freedom of Information Act, Trustee Dukes, Chair, called the meeting to order at 1:53 p.m. with the following present:

Committee Members: David Dukes, *Chair, presiding*; Smyth McKissick, *Vice Chair*; Nikki Haley, Nicky McCarter, Mark Richardson, Bill Hendrix, *Emeritus*; and David Wilkins, *Emeritus*

Trustees: Ronnie Lee, Louis Lynn, Patti McAbee, Bob Peeler, Bill Smith, Joe Swann (via video), and Kim Wilkerson

Trustees Emeriti: J.J. Britton and Allen Wood

Administration: James P. Clements, *President*; Tony Wagner, *Executive Vice President for Finance and Operations*; Max Allen, *Vice President and Chief of Staff*; Hank Morrow, *Executive Secretary to the Board of Trustees*; Robert Donato, *Chief Strategy Officer*; Chip Hood, *General Counsel*; Robert H. Jones, *Executive Vice President for Academic Affairs and Provost*; Angie Leidinger, *Vice President for External Relations*; Brian O'Rourke, *Vice President for Development*; Amy Smith, *Vice President for University Relations and Chief Marketing Officer*; Lisa Knox, *Assistant Vice President and Executive Director for Office of Institutional Excellence*; Rick Petillo, *Chief Financial Officer*; George Askew, *Vice President for Public Service and Agriculture*; Tanju Karanfil, *Vice President for Research*; Chris Miller, *Vice President for Student Affairs*; Tracy Arwood, *Chief Ethics and Compliance Officer*; Brian Voss, *Vice President and Chief Information Officer*; and Graham Neff, *Director of Athletics*

Guests: Doug Henry, *CCIT*; Joe Galbraith, *Strategic Communications*; Beth Crocker, *Office of General Counsel*; Brian Powell, *Faculty Representative to the Board of Trustees*; Adam Fisher, *Internal Audit*; Laura Stoner, *Land and Capital Asset Stewardship*; Jeff Kallin, *Athletics*; Gary Pope, *Guest*; Todd Barnette, *Facilities*; Brandon Hall, *Athletics*; Kevin White, *Athletics*; Melinda Fischer, *Staff Senate President*; and Sally Mauldin, *Office of the Board of Trustees*

Media: Caitlin Herrington, *Post and Courier*; and Lauren Pierce, *Seneca Journal*

Sally Mauldin called roll of the committee. Trustee Dukes noted a quorum was present.

Joe Galbraith introduced media in attendance.

Information Items

1. Financial Update

Rick Petillo provided an update.

2. Facilities Update

Todd Barnette provided an update.

Executive Session

Trustee Dukes said it was necessary to go into executive session to discuss negotiations for the proposed real property transactions on the agenda, pending procurements related to the capital projects on the agenda, and to receive legal advice covered by the attorney client privilege related to those agenda items. He said no votes or action would be taken while in executive session.

Trustee Richardson moved to go into executive session. Trustee McCarter seconded the motion. The motion was approved unanimously. The committee entered into executive session at 2:18 p.m. and returned to public session at 2:27 p.m.

Action Items

1. Approval: Transfer of Property in Dominica

Laura Stoner presented the request to transfer property in Dominica. The property (198 acres) was initially gifted to Clemson in 1989 by John D. Archbold for the purpose of establishing educational and research opportunities related to the unique ecosystems on the island property. His family has continued to own and manage property adjacent to Clemson's property as well. In

2017, Hurricane Maria devastated the island, including Clemson's property, severely limiting options to rebuild. Since then, the University has conducted in depth discussions and analysis regarding the proposed transfer of this piece of property which would alleviate liability to the University while also offering an opportunity for the University to continue to participate in future research and education initiatives associated with the property.

All details regarding the proposed transfer have not yet been finalized, however the University believes transfer back to the donor's family will fulfill the original intent of the donor and allow for the property to be appropriately restored and reestablished as a cultural center and educational center supporting research initiatives.

This proposed transfer has been reviewed by individuals of the administration, the Land and Capital Asset Stewardship Committee, PSA, the Office of Land and Capital Asset Stewardship, and Office of the General Counsel who support the transfer. These groups believe this real estate transfer to be within the original intent of the donor and the best interest of the University by allowing the University the ability to participate in and have access to future research and education initiatives that are planned for the property while alleviating the liability and responsibilities that come with ownership and maintenance of a property over 1,800 miles away.

Trustee McCarter moved to approve the transfer of property. Trustee McKissick seconded the motion. The motion was approved unanimously.

2. Approval: Lease of Space in Greenville

Ms. Stoner presented the lease request. The University requests approval to enter into a new lease for 12,845 square feet in Greenville on the CU-ICAR Campus, for the College of Engineering, Computing and Applied Sciences to support graduate students and continuing education for engineering programs. This new lease would provide for a five (5) year term and is anticipated to begin in March of 2024.

The leased space will be synergistic with University programming already occurring on the CUICAR Campus in the Campbell Graduate Education Center and Greenville Technical College's Center for Manufacturing Innovation allowing for research and collaboration.

Trustee McKissick moved to approve the lease. Trustee Richardson seconded the motion. The motion was approved unanimously.

3. Approval: DOT Right-of-Way Acquisition – Old Stone Church/Cherry Road

Ms. Stoner presented the right-of-way acquisition request. The University requests approval to provide a 0.64-acre right-of-way (ROW) to SCDOT at the intersection of Old Stone Church Road and Cherry Road at no cost to allow for the continued commitment of the University to provide safe and efficient operations on and around the main campus. Over the past several years, Clemson University has been performing traffic counts to provide safe and efficient operations on and around its main campus. The intersection at Old Stone Church Road and Cherry Road has drawn attention due to the high level of congestion which occurs at the

intersection during both AM and PM peak hours. A large contributing factor of this congestion is the intersection's three-way stop.

In partnership with the City of Clemson and SCDOT, the parties have developed a proposed plan to improve the intersection to help alleviate the congestion. The improved intersection would include the addition of turn lanes, a traffic signal, pedestrian signals and crosswalks, and will be able to accommodate pedestrian features to provide crossings for a future, planned multi-use path project.

Given the engagement and agreed upon shared costs of the construction and maintenance by SCDOT, the City of Clemson, and the University, and the University's desire to provide safe and efficient operations on and around its main campus, the University believes transfer of the necessary 0.64 acres of ROW to SCDOT at no cost is appropriate.

This project has been vetted and approved by SCDOT, the City of Clemson, and the University, and the University believes it is in its best interest to pursue the project and transfer ROW as presented.

Trustee McCarter moved to approve the right-of-way acquisition. Trustee Richardson seconded the motion. The motion was approved unanimously.

4. Approval: CURF Property Acquisitions in Pendleton

Ms. Stoner presented the property acquisition request. Since 2012, the Clemson University Research Foundation (CURF) has been transitioning out of the real estate business and divesting itself of real estate holdings which do not align with the organization's mission. Several properties currently remain in CURF's real estate inventory, however, given CURF's strategic plan and established guiding principles adopted in 2017, CURF would like to gift/transition several of its remaining properties to the University at no cost. The two properties are ones which CURF has no financial investment, currently support University programs, and do not align with CURF's strategic plan.

The first property is approximately 1.39 acres located on Westinghouse Road immediately adjacent to the University's PSA Regulatory Services building, known as the CAT Building. The 1.39-acre property is a parking lot which primarily supports the CAT Building. This property is surrounded by University owned properties and is a legacy land holding which should have been conveyed to the University when it acquired the CAT Building from CURF in 2016. Additionally, all maintenance and upkeep for the parking area is managed and financially supported by PSA.

The second property is approximately 1.1 acres of vacant land located on Computer Court and immediately adjacent to the University's Information Technology Center at AMRL. This property is also a legacy land holding which should have been conveyed to the University in 2012 when it acquired the Information Technology Center from CURF. Due to the property's size and shape, it cannot be developed and has a highest and best use of combination with the adjoining property owned by the University.

The above transfers have been approved by the CURF Board, and are supported by the Administration, the LCAS Office, and the LACASC committee.

Trustee McCarter moved to approve the acquisitions. Trustee Richardson seconded the motion. The motion was approved unanimously.

5. Approval: Women's Sports Program Expansion – Change of Funding Source

Mr. Wagner presented the funding change for approval. This project provides for the construction of new facilities for women's athletics programs, including gymnastics and lacrosse, adjacent to the existing women's rowing facility. The project will provide a new women's gymnastics training facility of approximately 21,000 square feet. The gym training facility will include coaches' offices, a locker room, a student-athlete lounge, and a sports medicine room. Women's gymnastics was announced as a new sport addition in June 2021.

The project will also include a new women's lacrosse operations facility of approximately 9,000 square feet and an artificial turf field with stadium seating. The operations facility will include coaches' offices, a locker room, a student-athlete lounge, a film room, and a sports medicine room. Women's lacrosse was announced as a new sport addition in June 2021.

A 10,000 square feet addition between the existing rowing center and boathouse will serve as a Women's Elite Athlete Recovery Center. The space will include sports medicine, strength and conditioning, physical therapy and nutrition areas for the new sport additions and other women's sports.

These facilities are expected to support 135 female student-athletes including Women's Rowing and provide new competition and training facilities for use by the new additional teams. Additional sites were reviewed in the feasibility study but locating the proposed facilities adjacent to the rowing facility was determined to be most cost efficient and effective.

Finance

- Project previously approved at an estimated \$37 million, including \$10mm of Athletic Facility Revenue Bonds
- Revised funding source mix removes \$10mm of bonds and instead cash funds the entire project using \$37mm of Gifts.

Trustee Richardson moved to approve the funding change. Trustee McCarter seconded the motion. The motion was approved unanimously.

6. Approval: Performance and Wellness Center Phase 1

Graham Neff presented the proposed project. This project is to make comprehensive improvements to the Performance and Wellness Center. The project scope includes three primary areas of improvement including: 1) Volleyball and Visiting Locker Rooms; 2) Sports Medicine, Nutrition, and Strength and Conditioning; and 3) Jervy Gym fan amenities and competition

facility improvements. A 14,000 square foot renovation of existing spaces and 50,000 square foot addition will be included in the project to meet these needs.

The existing facility currently provides services for all Clemson student-athletes but serves as the primary home for Women's Volleyball and Men's and Women's Track and Field. In addition, the facility provides locker rooms for visiting Volleyball teams, Baseball teams and officials/umpires. With the addition of Women's Gymnastics and Women's Lacrosse, additional square footage is needed beyond the capacity of existing Performance and Wellness Core facilities, such as the weight room and sports medicine areas.

Anticipated facility improvements include updated locker rooms for officiating professionals, Clemson and visiting athletics teams, including new shower facilities, nutrition, bistro, and lounge spaces, and a team film room. Additionally, modernization of restrooms, concessions, seating and playing areas for competition purposes will provide adequate facilities for student-athletes, coaches, staff and fans. Raising the roof above the playing court, and additional storage for equipment are also included in the project scope.

The 85,000 square foot existing Jervey facility is 51 years old and needs significant improvements and modernization to all lower-level areas. The renovation and addition were decided to be more cost-effective than the alternative of replacing the facility with all new construction. For State approval purposes, this project is referred to as Jervey Athletic Center Renovation on the CPIP.

Trustee Richardson moved to approve the project. Trustee McCarter seconded the motion. The motion was approved unanimously.

7. Approval: Chiller Plant Phase 2

Mr. Wagner presented the proposed project. New campus buildings being planned will exceed available cooling system production and distribution capabilities by 2026 and the aging Central Energy Facility will be phased out over the next ten years, continue to move non-student facing facilities and infrastructure out of central campus. For energy cooling production facilities to remain efficient and in good condition and to keep pace with Clemson's projected growth in research and enrollment, this proposed project increases chiller capacity on a per square basis by 30% to accommodate future chiller needs.

The project work includes rejuvenating and expanding three existing chilled water plants with underground utility distribution piping upgrades, replacing aging centrifugal chiller capacity, and adding capacity for future campus buildings and chiller plant building space. Much of the project investment will support a larger shell of a chiller plant building next to the existing West Chiller Plant (located next to Littlejohn Coliseum) with extra plant bays.

Initially, this investment is expected to serve the proposed Advanced Materials Innovation Complex Building, the Lehotsky Hall replacement, the proposed Bryan Mall renovation, existing campus building HVAC improvements, and the Douthit Hill chilled water thermal storage tank.

The implementation of a district energy arrangement provides the best overall life-cycle benefit to the University over the long-term and adds flexibility in expanding the chilled water system to meet future campus needs.

Trustee Richardson moved to approve the project. Trustee McCarter seconded the motion. The motion was approved unanimously.

8. Approval: Chiller Plant Phase 2 Bond Resolution

Mr. Wagner presented the proposed bond resolution.

Trustee McCarter moved to approve the bond resolution. Trustee Richardson seconded the motion. The motion was approved unanimously.

9. Approval: Proviso Projects

Mr. Wagner presented the proposed proviso projects. The University requests approval to proceed with the three projects noted below under 2023 budget proviso 117.140. For the current fiscal year, permanent improvement projects, as defined in Title 2, Chapter 47 of the 1976 Code, where the cost is at least one million dollars but not greater than five million dollars for public research universities and not greater than two million dollars for all other public institutions of higher learning shall be exempt from the requirements of Section 2-47-50, except that a project shall not be considered approved without an institution's governing board having first voted to approve the project in a public session. Institutions shall provide a report of projects approved by their governing boards pursuant to this provision to the Chairman of the Commission on Higher Education, the Joint Bond Review Committee, and the State Fiscal Accountability Authority by November 15th of the current fiscal year.

Previously approved requests:

- Edisto REC Discovery Heritage Center Renovation – \$1,600,000 funding source changed from Federal USDA Funds & PSA Revenues to USDA Funds & PSA State Appropriations

New Projects:

- Godley Snell Research Center Annex - \$1,400,000
- Coastal REC Greenhouse - \$1,500,000

Edisto REC Discovery Heritage Center Renovation – Funded by Federal USDA Funds and PSA State Appropriations

The Edisto Research & Education Center is located in Barnwell County, where scientists have studied and developed agricultural production practices since 1937. Currently, the main research focus at Edisto REC is precision agriculture, where temporal and spatial data are used to drive agricultural management decisions to maximize resource utilization efficiency, profitability, and sustainability. Research and Extension programs currently represented at Edisto REC include: Agricultural Engineering, Animal Feed Grains, Livestock and Forages, Entomology, Irrigation,

Peanut Production, Plant Pathology, Precision Agriculture, Sensor Utilization and Automation, Soil Fertility, Weed Science, and Vegetable Production.

This project will construct roughly 2,000 square feet of lab space, a clear room, a gel room, and a PCR room in the existing Discovery Heritage Center that is currently being used for storage. A new HVAC system and laboratory exhaust system will be included. Renovation will begin Fall 2022 and will be completed in Fall 2023. The appropriation has already been approved and funded by the USDA.

Trustee assignment and involvement is not recommended.

Godley Snell Research Center Annex – Funded by Vice President of Research Renovation of the Godley Snell Research Center Annex, a building approximately 3 miles off our main campus, is needed to support biomedical research involving large animal models (sheep and goats). These animal models are vital to achieving the goals of the SCBioCRAFT COBRE, SCTRIMH COBRE, and other potential NIH RO1 grants.

Over the past 13 years, NIH has invested \$25M in our SCBioCRAFT COBRE center. Clemson has also invested heavily to support faculty and infrastructure associated with the center. Because of this funding, we have been able to purchase imaging devices for small animal imaging including an IVIS unit, micro CT, and an ultra-high frequency ultrasound that are housed at GSRC. This investment has improved the competitiveness of faculty applications for federal grant funding. We had 9 NIH RO1s funded, with \$27M additional funding coming to Clemson. Several technologies have been developed and licensed to companies as a result of Clemson's and NIH's commitment to these programs. The SCTRIMCH COBRE has brought in an additional \$5M to the University.

Up to now, projects have focused on small animal models. To enhance the translation of research from small animal models to eventual market, additional investment must be made in our capacity to perform research with larger models. With the recent addition of MRI and CT scanners at the GSRC, we have taken a critical step in making that transition. The next stage of enhancing the translation of our research is to accommodate long term housing of animal models. This will allow researchers to extend the timelines of their studies and collect more robust data sets from their projects. We do have large animal housing at GSRC, but it is limited and once it is full we will have to wait for projects to end before beginning new projects. This has the potential to create a bottleneck in the research program. Additional housing space at the Annex will give us the ability to accommodate long term projects while freeing space in the research center. This flow through of projects will enhance our efficient usage of existing equipment.

Renovation will begin Spring 2023 and will be completed in Summer 2023.

Trustee assignment and involvement is not recommended.

Coastal REC Greenhouse - \$1,500,000 State Appropriations

The Coastal Research and Education Center conducts applied research, education and public service programs on vegetable and specialty crops. The Center includes 325 acres in addition to laboratories in the Department of Agriculture U.S. Vegetable Laboratory building. The Center's research focus is developing sustainable, efficient, and economical vegetable production as well as conventional and organic pest management. The Center offers instruction and research experience to graduate students and opportunities for collaboration with scientists. The team consists of two horticulturists, a plant pathologist, a plant breeder, and a weed scientist.

This project will construct two new greenhouses that match existing USDA greenhouses. The new greenhouses will be used to increase the capacity of the vegetable breeding program for Clemson University. The greenhouses will be built on USDA property across Highway 17 for the Coastal REC property.

Construction will begin Winter 2023 and will be completed in Winter 2024. The appropriation has already been approved and funded by the State.

Trustee assignment and involvement is not recommended.

Trustee McKissick moved to approve the proviso projects. Trustee McCarter seconded the motion. The motion was approved unanimously.

Written Reports

Trustee Dukes referred to the previously distributed written reports regarding capital investment updates, Staff Senate, a Section 8.08 resolution, and an IT update.

Adjourn

There being no further business, Trustee Dukes adjourned the meeting at 2:46 p.m.

Respectfully submitted,



Hank Morrow
Executive Secretary to the Board of Trustees



Approved

21 April 2023

Date