

Purchase of Leased Modular Buildings at Burgess Elementary

Policy Reference:

OE-13: The superintendent shall assure that physical facilities support the accomplishment of the board's **Results** policies, are safe and properly maintained.

Background Information: The modular classrooms that are currently located on the Burgess Elementary School campus are part of the modular buildings that HCS is currently leasing. We currently have leased modulares at BES and at Myrtle Beach Primary School. A singular leased modular building that was located at Aynor Elementary was returned to the leasing company this past summer. These are the only three (3) locations where leased modular units were placed.

Following the removal of the fifth grade classes from Burgess Elementary School to the new St. James Intermediate School this past summer, the main building remains effectively full with a Functional Capacity of 100% based on the 2017-18 45-Day Modified ADM report. This, combined with the continued growth in the St. James area, indicates a very high likelihood that additional classrooms will be imminently needed.

There are four (4) classrooms located in the current Burgess Elementary School modular buildings, plus a restroom unit. Additionally, all of the ramps, sidewalks, and canopies are already in place and are fully functional. Staff believes it would be in the best interest of the District to purchase these two year-old units.

The leasing company has provided a price for the turn-key as-is purchase of the units as shown in the table below. This is approximately 35% of the cost to purchase all-new units including ramps, setup, and delivery, or 45% of the cost for purchasing the classroom units. Prices below are effective through July 31, 2018. If the purchase is not completed by this date, we will be required to renew a 12 month lease.

Purpose: To purchase modular units currently on lease at Burgess Elementary School to assist with projected growth in the St. James attendance area.

For Further Information: Mark Wolfe, Executive Director of Facilities, 843-488-6967, or Daryl Brown, Chief Officer for Support Services, 843-488-6774

Recommended Action: Approve purchase of modular classroom units currently being leased at Burgess Elementary School.

Estimated Project Cost: \$202,500

Recurring ____ Non-recurring X

Funding Sources: It is recommended that the Board authorizes the utilization of Unassigned Fund Balance in the amount \$202,500.00

Unit Size:	Unit Type:	Cost to Purchase:
28' x 65'	Double Classroom (2)	\$75,700.00
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14' x 39'	Restroom Unit	\$36,100.00
	Purchase Price for 4 classrooms and restroom facility:	\$187,500.00
	*Purchase Price plus 8% SC Sales Tax:	\$202,500.00