

MINUTES OF BUDGET AND CONTROL BOARD MEETING

MARCH 3, 1977      2:30 P. M.

The Budget and Control Board met at 2:30 p. m. on March 3, 1977 in the Governor's Conference Room with the following members in attendance:

Governor James B. Edwards  
Mr. Grady L. Patterson, Jr.  
Mr. Earle E. Morris, Jr.  
Senator Rembert C. Dennis  
Representative T. W. Edwards, Jr.

Also attending were W. T. Putnam, P. C. Smith and W. A. McInnis.

The following items of business were considered:

WELCOME TO REPRESENTATIVE EDWARDS - Budget and Control Board members welcomed Representative T. W. Edwards, Jr., acting Chairman of the House Ways and Means Committee, to the Budget and Control Board.

MINUTES OF PREVIOUS MEETING - Budget and Control Board members had previously been furnished with minutes of the meeting held on February 15, 1977. Upon a motion by Mr. Morris, the Budget and Control Board without objection approved the minutes as written.

POLL OF FEBRUARY 25, 1977 - Budget and Control Board members gave unanimous approval to all five items included on a poll agenda dated 2/25/77 furnished along with agenda materials for the present meeting. Items included in the poll are specifically identified as such in these minutes.

CIVIL CONTINGENT FUND REQUEST - THE SENATE (POLL ITEM 1) - Senator L. Marion Gressette, on behalf of the Senate, has requested that up to \$10,000 be transferred from the Civil Contingent Fund to pay the legal expenses of the attorneys involved in legal action intended to clarify certain constitutional questions relating to the implementation of the "Home Rule" Act (Act 283 of 1975).

The Budget and Control Board without objection approved the transfer as requested by Senator Gressette.

State Auditor Putnam pointed out that a number of Civil Contingent Fund requests, including those of the Industrial Commission and the Reorganization Commission, had been approved with the understanding that the Fund would be reimbursed by means of a supplemental appropriation and that, if all encumbrances approved are required, the Fund will be about \$24,000 over-committed. The Budget and Control Board asked Senator Dennis and Representative Edwards to include the referenced reimbursements in the supplemental appropriation Bill now being developed. Senator Dennis pointed out that, at the present time, it is not known what, if any, funds are available for inclusion in a supplemental appropriation.

Information pertaining to this matter has been retained in these files and is identified as Exhibit I.

DIVISION OF GENERAL SERVICES - NAMING OF STATE PARK LABORATORY

(POLL ITEM 2) - Mr. Furman McEachern, Director of the Division of General Services, reported that the Board and the Department of Health and Environmental Control had recommended that the new laboratory at State Park Health Center be named in the memory of James A. Hayne, M.D., State Health Officer for some thirty years, during whose tenure public health services were organized in each of the State's counties and the first public health laboratory in the State was activated.

The Budget and Control Board without objection approved naming the State Park Laboratory in the memory of Dr. Hayne.

DIVISION OF GENERAL SERVICES - AIRPLANE FOR AERONAUTICS COMMISSION

(POLL ITEM 3) - Mr. Furman McEachern, Director of the Division of General Services, reported that his Division has received bids for the exchange of two airplanes for a Cessna Stationair plane for the Aeronautics Commission and recommended that the low bid of \$17,000 for the exchange, submitted by Midlands Aviation, be approved.

The Budget and Control Board without objection authorized the award for the exchange of the airplanes to Midlands Aviation for \$17,000,

as recommended by Mr. McEachern.

DIVISION OF GENERAL SERVICES - PRINTING EQUIPMENT REQUESTS (POLL ITEM 4) - Mr. Furman McEachern, Director of the Division of General Services, recommended that the following printing purchase requests be approved:

- (1) Technical and Comprehensive Education (Williamsburg Center) - To purchase one binding machine at an estimated cost of \$900; and
- (2) Technical and Comprehensive Education (Spartanburg) - To purchase one varigraph outfit at an approximate cost of \$500.

The Budget and Control Board without objection approved the printing equipment purchase requests as recommended by Mr. McEachern.

DIVISION OF MOTOR VEHICLE MANAGEMENT - IDENTIFICATION OF MENTAL RETARDATION AND MENTAL HEALTH VEHICLES (POLL ITEM 5) - In a letter to Board members, Ms. Sharon Ellington, Executive Director of Legal Advocacy for Mentally Retarded Citizens, has pointed out the demoralizing effect upon residents of Mental Retardation institutions of seeing the Agency name on the many vehicles used on these campuses. As now required, the Agency name strip is to appear below the State seal on all such vehicles except those previously exempted by the Board. Ms. Ellington has asked that the Agency name strip not be required on other Department of Mental Retardation vehicles.

Mr. Allan Spence, Director of the Division of Motor Vehicle Management, after exploring this request with officials of both the Department of Mental Retardation and the Department of Mental Health and determining that both agencies believe that not requiring the agency name strip on any of their vehicles is very desirable, recommended that the requested exemption be approved.

The Budget and Control Board without objection approved the exemption of all Department of Mental Retardation and Department of Mental Health vehicles from the agency name strip requirement, as recommended by Mr. Spence.

Information relating to this matter has been retained in these



files and is identified as Exhibit II.

DEPARTMENT OF EDUCATION - AUTHORIZATION TO ISSUE SCHOOLBOOK NOTES -

The Budget and Control Board without objection agreed to add to the agenda a request by the State Board of Education for permission to issue Schoolbook Notes in the amount of \$300,000.

Following a brief discussion, the Budget and Control Board approved a motion by Mr. Morris, seconded by Senator Dennis, authorizing the State Board of Education to issue Schoolbook Notes in the amount of \$300,000.

Information relating to this matter has been retained in these files and is identified as Exhibit III.

CAPITAL IMPROVEMENT BOND ANTICIPATION NOTES - The Budget and Control

Board without objection agreed to add to this agenda the consideration of a Resolution authorizing the issuance of \$20,000,000 of Capital Improvement Bond Anticipation Notes.

Following a brief discussion, the Budget and Control Board approved a motion by Mr. Morris, seconded by Senator Dennis, authorizing the issuance of \$20,000,000 of Capital Improvement Bond Anticipation Notes.

Information relating to this matter has been retained in these files and is identified as Exhibit IV.

DIVISION OF GENERAL SERVICES - INSURANCE ON STATE VEHICLE FLEET -

Mr. Furman McEachern, Director of the Division of General Services, accompanied by Assistant Director Rudy Counts and Paul Hawkins, Manager of Insurance Reserve Funds, reported that the State Insurance Commission has raised a question regarding the collision and comprehensive coverage carried by some State agencies not being placed with a company licensed in South Carolina. Mr. McEachern recommended that the Budget and Control Board adopt a policy that only liability coverage be carried on the State vehicle fleet and that all liability coverage be handled through the Division of General Services as provided for by statute. Mr. McEachern also recommended that the State not

provide comprehensive liability coverage and that any such coverage now carried be allowed to run out.

Following a brief discussion, the Budget and Control Board approved a motion by Senator Dennis, seconded by Mr. Morris, providing that comprehensive liability coverage not be carried on the State vehicle fleet and allowing any such coverage now carried by State agencies to run out.

Information relating to this matter has been retained in these files and is identified as Exhibit V.

DIVISION OF GENERAL SERVICES - EMPLOYMENT SECURITY BUILDING SITE

CONTRACT - Mr. Furman McEachern, Director of the Division of General Services, pointed out that the Board, at its meeting on February 15, 1977, directed the Division of General Services to review available land for possible exchange with the City of Columbia for the Employment Security Building site provided by the City. Mr. McEachern indicated that it has now been determined that the only land held by the Budget and Control Board would not be suitable for exchange with the City of Columbia and requested that further consideration of this item be carried over to a future meeting.

The Budget and Control Board without objection agreed to carry over its consideration of this item to a future meeting.

DIVISION OF GENERAL SERVICES - CHARLESTON CENTREX SYSTEM - The

Budget and Control Board without objection agreed to add to this agenda the consideration of a contract with the telephone company covering the installation of a Centrex I System for State agencies in the Charleston area. Mr. Furman McEachern indicated that the telephone company has completed its studies of the system and has made its recommendations which call for a "stand alone" system which would cost less than the amount required to provide a unified and fully coordinated system. As proposed, the System will include all agencies on the Charleston Peninsula except The Citadel, which currently has a long period remaining on a fifteen-year commitment, and some of the smaller agencies

which are beyond a two-mile radius of the ESS Office. Mr. McEachern pointed out that the change can be made by April 15, 1978 and that it will require certain additional personnel who will be under the direction of the Telecommunications Unit in the Division of General Services. Costs of the system will be recovered through agency billing as is the case in the Columbia area. Mr. McEachern recommended that the Budget and Control Board authorize the Division of General Services to enter into a three-year base termination contract covering the installation of a Centrex I System in the Charleston area.

Following a brief discussion, the Budget and Control Board approved a motion by Mr. Morris authorizing the Division of General Services to enter into a contract covering the installation of a Centrex I System for the Charleston Peninsula, as recommended by Mr. McEachern.

Information relating to this matter has been retained in these files and is identified as Exhibit VI.

FUTURE MEETING - The Budget and Control Board agreed to hold its next meeting at 2:30 p. m., March 17, 1977.

COMMITTEE TO NEGOTIATE STATE BOUNDARIES - At the request of Mr. Morris, the Budget and Control Board without objection added to the agenda an item calling for the establishment of a committee to negotiate the State's boundaries with North Carolina and Georgia. The Board was advised of an opinion of the Attorney General's Office holding that the Budget and Control may designate such a committee and that any agreement reached by the committee would have to be approved by the General Assembly. Mr. Morris indicated that prompt action on this subject is required because the deadline for settling the boundary question by mutual agreement of the states involved is August of 1977. If agreement cannot be reached by that time, the boundary question will be settled by a decree from the Associate Administrator for Coastal Zone Management of the U. S. Department of Commerce.



Budget and Control Board members agreed that this matter is of utmost importance and upon a motion by Senator Dennis, seconded by Mr. Morris, authorized the establishment of a boundary negotiating committee consisting of the Budget and Control Board, three members of the Senate to be appointed by the presiding officer of that body, and three members of the House of Representatives to be appointed by the presiding officer of that body.

Information relating to this matter has been retained in these files and is identified as Exhibit VII.

REINSTATEMENT OF MERIT INCREMENT PLAN - The Budget and Control Board without objection agreed to consider this subject at the present meeting at the request of Governor Edwards who expressed concern that, because of the present freeze on merit pay increases and the levels at which some new employees are brought onto State payrolls, long-time State employees may be being treated inequitably. Governor Edwards urged that this restriction be relaxed in some way, such as opening the merit pay increase possibility to perhaps ten percent of each agency's employees provided each agency had the funds required in its own budget.

State Auditor Putnam pointed out that the merit increment plan was suspended by action of the General Assembly and that some inequities could be encountered if the plan were to be reinstated as suggested because sufficient funds may not be available for this purpose in every agency, particularly small agencies.

Senator Dennis and Representative Edwards called attention to the General Assembly's action on the subject giving priority to (1) a one percent across the board increase and (2) the reinstatement of the merit increment plan retroactive to July 1, 1976 at a level not to exceed \$6.4 million, if the funds were to become available.

The Budget and Control Board without objection agreed that a sub-committee comprised of Senator Dennis, Mr. Morris and Mr. Putnam should

investigate this matter and recommend an appropriate course of action at a future meeting.

EXECUTIVE SESSION - Mr. Putnam announced that three items pertaining to personnel matters, two of which involve grievances, and two contractual matters have been proposed for consideration in Executive Session. The Budget and Control Board without objection agreed to consider these matters, whereupon Governor Edwards declared the meeting to be in Executive Session.

RATIFICATION OF EXECUTIVE SESSION ACTIONS - Following the Board's consideration of Executive Session items, Governor Edwards declared the meeting to be in open session and announced that the following actions had been taken during Executive Session:

- (1) Approved the settlement of a grievance case involving the Department of Health and Environmental Control;
- (2) Added to the agenda and received as information a report by Senator Waddell relating to possible litigation on the question of the State's off-shore boundaries;
- (3) Received as information the findings and recommendations of the State Employee Grievance Committee in a case involving the Department of Social Services;
- (4) Received as information a preliminary report from State Auditor Putnam on an audit of the Department of Health and Environmental Control;
- (5) Postponed action on a proposed change from a risk contract to ASO self-insurance for the State Health Insurance Plan; and
- (6) Authorized the State Auditor's Office to proceed with the acquisition of the computer program and equipment necessary to implement a centralized payroll/personnel system.

Without objection, the Budget and Control Board ratified these actions.

The meeting was adjourned at 6:15 p. m.





EXHIBIT I  
3/3/77

STATE OF SOUTH CAROLINA

THE SENATE

COLUMBIA

L. MARION GRESSETTE  
PRESIDENT PRO TEMPORE

HOME ADDRESS  
P. O. BOX 346  
ST. MATTHEWS, S. C. 29135

February 23, 1977

Mr. William T. Putman  
Secretary, Budget and Control Board  
205 Wade Hampton Office Building  
Columbia, South Carolina 29211

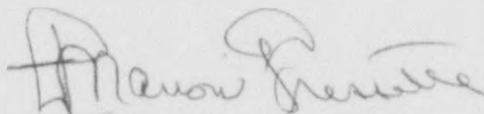
Dear Mr. Putman:

Due to serious constitutional questions relating to the implementation of Act 283 of 1975, commonly referred to as the "Home Rule" Act, that arose during the 1976 legislative session, it was the consensus of the members of the Senate that some legal action should be taken to clarify the situation. Such action would give the General Assembly an opportunity to consider additional legislation if necessary prior to adjournment. It was decided that an action arising in York County was the appropriate vehicle to use to get the issues before the Court in the most expeditious manner.

Since legal expenses have been incurred by attorneys involved in the action and since the litigation of the matter being of great state interest was suggested by the General Assembly, it is requested that legal expense incurred by attorneys be reimbursed by the State through the civil contingencies fund under the Budget and Control Board.

If further information is needed concerning the request, please do not hesitate to call upon me.

Sincerely,

  
L. Marion Gressette

LMG:sh

To \$10,000 per WTP

3/3/77

# Legal Advocacy For Mentally Retarded Citizens

195 East Bay St.  
~~102 Spring Street, Charleston~~

CHARLESTON, SOUTH CAROLINA 29403-29401

RECEIVED

FEB 07 1977

Telephone (803) ~~722-0407~~ 723-7113

REFERRED TO

ANSWERED

*Governor James B. Edwards*

LOUISE R. RAVENEL  
 Consultant

STEPHEN T. SCHACHTE  
 SUZANNE P. RAVENEL  
 Cooperating Attorneys

February 3, 1977

Governor James B. Edwards  
 State House  
 Columbia, S. C. 29202

Dear Governor Edwards:

The directive from the State Budget and Control Board concerning identification markings for state-owned vehicles has been brought to our attention. Specifically, we are concerned about vehicles used by the Department of Mental Retardation. Presently exempted from the regulation are cars assigned to the Commissioner, Deputy Commissioner and Superintendents, and vehicles used to transport residents of the institutions.

We feel strongly that vehicles used on the campuses of the institutions (sanitation trucks, maintenance trucks, etc.) also should be exempt from the identification regulation. Residents see these vehicles come and go daily. The demoralizing effect of having the words "mental retardation" confronting these handicapped people at every turn cannot be underestimated. If it is necessary to identify these vehicles by department, then why couldn't Department of Mental Retardation be assigned an agency number to be used with the state seal? The number would be on record and identifiable should any report of misuse be made, yet it would not be a constant, daily reminder to the residents.

May we have a favorable response from you and from the Budget and Control Board at your earliest convenience?

Very truly yours,

*Sharon Ellington*  
 Sharon Ellington  
 Executive Director

SE/dn

cc: Representative F. Julian LeaMond  
 Senator Rembert C. Dennis  
 Earle E. Morris, Jr., Controller General  
 Grady L. Patterson, Jr., State Treasurer



## State of South Carolina

JAMES B. EDWARDS  
GOVERNOR

OFFICE OF THE GOVERNOR  
POST OFFICE BOX 11450  
COLUMBIA 29211

February 15, 1977

Ms. Sharon Ellington  
Executive Director  
Legal Advocacy for Mentally  
Retarded Citizens  
195 East Bay Street  
Charleston, South Carolina 29401

Dear Ms. Ellington:

I am responding to your letter to Governor Edwards pertaining to the directive from the Budget and Control Board concerning identification markings for state-owned vehicles.

I am submitting your letter to the Budget and Control Board for their consideration. I will let you know when they have made a determination.

Thank you.

Sincerely,

Jim W. Meredith  
Administrative Assistant

JWM/tba

cc: Mr. Bill Putnam

bcc: Mr. Allen Spence



CHARLES D. BARNETT, Ph.D.  
Commissioner

WALTER G. FRIES, Ed.D.  
Deputy Commissioner,  
Professional Services

WALTER B. TODD  
Deputy Commissioner,  
Administration



STATE OF SOUTH CAROLINA  
DEPARTMENT OF MENTAL RETARDATION  
2712 MIDDLEBURG DRIVE  
P. O. BOX 4706  
COLUMBIA, SOUTH CAROLINA 29240

February 22, 1977

MENTAL RETARDATION COMMISSION  
James B. Berry, M.D., Chairman  
R. B. Robinson, Vice Chairman  
Mrs. Hallie B. Perry, Secretary  
Mrs. Elizabeth P. Stall  
Robert H. Lovvorn  
Vince Moseley, M.D.  
Herbert Rudnick

RECEIVED

FEB 24 1977

DIVISION OF MOTOR  
VEHICLE MANAGEMENT

Mr. Allan J. Spence  
Director, Motor Vehicle Management  
P. O. Box 633  
Columbia, South Carolina 29202

Dear Allan:

I appreciated your recent telephone call pursuant to a letter received by the Governor and others from Ms. Sharon Ellington of Charleston and dealing with certain concerns she had relative to motor vehicle decals and labels.

Ms. Ellington is the Director of the Office of Advocacy for the Handicapped in Charleston. While locally based, her mission is one of general advocacy for the mentally retarded and developmentally disabled. She is not an employee of this agency and I was unaware that she was planning to contact the Budget and Control Board about the matter of vehicle labels until a copy of her letter was received here.

In principle, Ms. Ellington requests consideration of relieving the negative labelling aspects brought about when certain less retarded clients of our agency are subjected to agency identification strips on State vehicles. Since your office has already granted DMR approval to omit both strip and decal markings on vehicles which routinely carry residents, Ms. Ellington is arguing, in effect, for the elimination of all strip (agency name) markings on vehicles which have the potential of promulgating a negative self-image in the retarded person or in the public's eye.

In reviewing our earliest position on the matter of vehicle marking, I believe it was the preference of both Mental Retardation and Mental Health to avoid agency name markings on all vehicles. My memory is that

Attachment (3)

246

Mr. Allan J. Spence  
Page Two  
February 22, 1977

we proposed two basic categories of vehicle markings: (1) License tag only for certain resident carrying vehicles and certain administrative vehicles; (2) Decal (no agency name) markings only on all remaining vehicles.

Given the choice, we would still prefer the latitude to exercise this early recommendation. Agency titling, in our opinion, can be a negative factor and really does little to aid positive vehicle identification which can come only from the vehicle license plate.

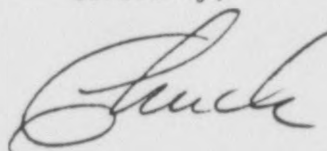
In keeping with our conversation, I called Mental Health and spoke with Deputy Commissioner Jim Reeves in Dr. Hall's absence. Mr. Reeves states that Mental Health would also prefer the options I have outlined and authorized that I indicate to you that both agencies are in complete concurrence in the matter. I actually prefer that you talk with Mental Health on this lest I provide inaccurate representation in that agency's behalf.

To sum up, our present plan is to proceed in keeping with Budget Board and Office of Vehicle Management directives to date. Our strips (agency name) markings have not been installed as yet since they are on back order. However, our preference would be to proceed as outlined in (1) and (2) in paragraph 4 above.

Thanks for the invitation to present these views.

Best regards,

Cordially,



Charles D. Barnett, Ph.D.  
Commissioner

CDB/js

cc: Dr. William S. Hall  
Mr. Jim Reeves  
Mr. Walter B. Todd

EXHIBIT III  
3/3/77

STATE OF SOUTH CAROLINA  
DEPARTMENT OF EDUCATION

CYRIL B. BUSBEE  
STATE SUPERINTENDENT OF EDUCATION



COLUMBIA

January 17, 1977

Mr. William T. Putnam, Secretary  
State Budget and Control Board  
Wade Hampton State Office Bldg.  
Columbia, S. C. 29201

Dear Mr. Putnam:

By authority vested in Section 21-459 Code of Laws of South Carolina, 1962, as amended by Act No. 994, Part II, Section 10, Acts and Joint Resolutions, 1966, the S. C. State Board of Education requests permission to issue its negotiable notes in the amount of \$300,000.00.

The notes shall be for a one year period and dated February 10, 1977 to February 10, 1978.

Attached hereto, please find Estimated Note Issue Necessary For Rental Books Purchased June 1, 1976 to December 1, 1976 and Excerpt from the Minutes of the State Board of Education Meeting, January 14, 1977 authorizing the sale of notes as listed above.

Sincerely yours,

*Cyril B. Busbee*

Cyril B. Busbee  
State Superintendent of Education

CBB:sr

Enclosures (2)

*On 2/1/77, Mr. Patterson notified Mr. Henry Zarnke of the Dept. of Education that the issuance of notes should be held in abeyance until Mr. Patterson could determine the legality of such an issue.*

16 - 248

WTP



12-29-76

STATE DEPARTMENT OF EDUCATION

OFFICE OF TEXTBOOKS

REQUEST FOR NOTE ISSUE

Enclosed, herewith, is a statement of a proposed note issue necessary in order to make payment for rental books purchased from June 1, 1976 to December 1, 1976.

You will note that we have set aside \$465,750.00 to pay outstanding notes in the amount of \$450,000.00 and interest in the amount of \$15,750.00.

We recommend that a note issue in the amount of \$300,000.00 be approved by the State Board of Education subject to the approval of the State Budget and Control Board.

It is recommended that this note issue be for a one year period and that it be dated February 10, 1977, and due February 10, 1978. We, also, recommend that bids for the notes be received at 12 o'clock noon on February 8, 1977 in the Office of the State Treasurer and that this note issue be duly advertised on January 25, 1977, February 1, 1977 and February 8, 1977.

It is anticipated that sufficient funds will be collected after February 1, 1977 to cover the purchase of additional books for the balance of the school year, the cost of rebinding, redistribution, etc.

12-29-76

# ESTIMATED NOTE ISSUE NECESSARY FOR RENTAL BOOKS PURCHASED

June 1, 1976 through November 30, 1976

Consignment Account with Central Textbook Depository		1,168,937.00
Less: New Book Inventory		<u>292,234.00</u>
		876,703.00
Less: Discount	87,670.00	
Exchange Credits	<u>21,041.00</u>	
		<u>108,711.00</u>
Net Due on Purchases		767,992.00
Less: Cash on Hand 11-30-76	714,992.00	
Estimated Collections for December and January	<u>600,000.00</u>	
Estimated Funds Available 2-1-77	1,314,992.00	
Less: Notes Due 2-12-77	450,000.00	
Interest Due 2-12-77	15,750.00	
Estimated Expenditures to 2-1-77	<u>381,000.00</u>	
	<u>846,750.00</u>	
Estimated Funds Available to Apply on Purchases		<u>468,242.00</u>
Estimated Amount for Note Issue		<u><u>299,750.00</u></u>

Notes Dated 2-12-76 due 2-12-77	450,000.00
Interest @3.50% per annum included above	15,750.00

Estimated Rental Revenue 1977-78	1,400,000.00
----------------------------------	--------------

EXCERPTS FROM MINUTES OF THE

STATE BOARD OF EDUCATION

Columbia, South Carolina

January 14, 1977

46. Office of Textbooks

01. Request to Issue Textbook Note - Mr. Henry C. Quarles, Director, Office of Textbooks, presented to the Board the attached request and recommendation for a note issue in the amount of \$300,000.00 in order to make payment for rental books purchased from June 1, 1976 to December 1, 1976. (Attachment 1)

On motion by Mr. Harmon, seconded by Mr. Kneece, the request for a note issue was approved by the Board.



EXHIBIT IV  
3/3/77

SINKLER GIBBS & SIMONS  
PROFESSIONAL ASSOCIATION  
ATTORNEYS & COUNSELLORS AT LAW  
2 PRIOLEAU STREET  
CHARLESTON, S. C. 29402

POST OFFICE BOX 340

TELEPHONE 722-3366  
AREA CODE 803

March 3, 1977

MCT  
William T. Putnam, Esq.  
State Auditor  
Post Office Box 11333  
Columbia, South Carolina 29211

Re: \$20,000,000 Bond Anticipation Notes of the  
State of South Carolina, dated March 14,  
1977

Dear Bill:

Enclosed you will find the original for the permanent records of the State Board and eight (8) copies to be certified by you and returned to me of a Resolution authorizing the above Notes.

Attached to this must be the Exhibit "A" on which Bill McGinnis is working on.

With kind regards,

Sincerely,

*Heuger*

HS:dn  
Enclosures

A RESOLUTION

AUTHORIZING THE ISSUANCE OF TWENTY MILLION DOLLARS OF BOND ANTICIPATION NOTES OF THE STATE OF SOUTH CAROLINA IN ANTICIPATION OF THE ISSUANCE OF STATE CAPITAL IMPROVEMENT BONDS OF THE STATE OF SOUTH CAROLINA.

BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF THE STATE OF SOUTH CAROLINA:

O     SECTION 1

R             As an incident to the adoption of this Resolution and  
I     the issuance of the Bond Anticipation Notes herein authorized,  
G     the State Budget and Control Board of the State of South  
I     Carolina (the State Board) finds:

N             1.     The State Board is authorized by Act No. 1377 of  
A     the Acts of the General Assembly of the State of South Carolina  
L     for the year 1968, as amended (Act 1377) to made provision for  
   the issuance of State Capital Improvement Bonds in order to  
   raise funds for the expenditures authorized by Act 1377.

   2.     Act 1377 was duly enacted by the General Assembly  
   in the year 1968 and became effective upon its approval by  
   the Governor on June 24, 1968. It has been amended by statutes  
   enacted by the General Assembly during its 1969, 1970, 1971,  
   1972, 1973, 1974, 1975 and 1976 Sessions.

   3.     Meanwhile, the limitations now controlling the  
   issuance of State Capital Improvement Bonds are set forth in  
   Act 758 of 1976 (effective March 25, 1976) and Act 759 of  
   1976 (effective May 25, 1976).

   Act 758 provides as follows:

A RESOLUTION

AUTHORIZING THE ISSUANCE OF TWENTY MILLION DOLLARS OF BOND ANTICIPATION NOTES OF THE STATE OF SOUTH CAROLINA IN ANTICIPATION OF THE ISSUANCE OF STATE CAPITAL IMPROVEMENT BONDS OF THE STATE OF SOUTH CAROLINA.

BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF THE STATE OF SOUTH CAROLINA:

O     SECTION 1

R             As an incident to the adoption of this Resolution and  
I     the issuance of the Bond Anticipation Notes herein authorized,  
G     the State Budget and Control Board of the State of South  
I     Carolina (the State Board) finds:

N             1.     The State Board is authorized by Act No. 1377 of  
A     the Acts of the General Assembly of the State of South Carolina  
L     for the year 1968, as amended (Act 1377) to made provision for  
   the issuance of State Capital Improvement Bonds in order to  
   raise funds for the expenditures authorized by Act 1377.

   2.     Act 1377 was duly enacted by the General Assembly  
   in the year 1968 and became effective upon its approval by  
   the Governor on June 24, 1968. It has been amended by statutes  
   enacted by the General Assembly during its 1969, 1970, 1971,  
   1972, 1973, 1974, 1975 and 1976 Sessions.

   3.     Meanwhile, the limitations now controlling the  
   issuance of State Capital Improvement Bonds are set forth in  
   Act 758 of 1976 (effective March 25, 1976) and Act 759 of  
   1976 (effective May 25, 1976).

   Act 758 provides as follows:



"The Budget and Control Board is hereby directed to regulate the issuance of State General Obligation Bonds (other than State Highway Bonds and State Institution Bonds) now and hereafter authorized by the General Assembly so that annual debt service requirements, excluding such requirements for Highway Bonds and Institution Bonds, will not exceed five percent of general fund revenue of the last completed fiscal year. Provided, however, that such limitation shall not apply to not exceeding fourteen million, one hundred thousand dollars of State School Bonds which are hereby authorized to be issued in the fiscal year 1975-76, and the issuance of not exceeding seventy-seven million dollars of State Capital Improvement Bonds (which shall include those State Capital Improvement Bonds necessary to retire the thirty-million-dollar bond anticipation notes now outstanding) to provide funds for the completion of any projects, programs or undertakings for which bonds have heretofore been authorized, and such bonds may be issued at any time prior to June 30, 1977."

Act 759 provides, in part, as follows:

"Section 5. In order to provide funds for the project and undertakings listed in Sections 3 and 4 of this act, the issuance of Capital Improvement Bonds in the amount of not exceeding \$86,863,921.00 is hereby

authorized; and such bonds shall be exempt from all limitations heretofore imposed upon the issuance of Capital Improvement Bonds, including those limitations imposed by the Acts of 1976 bearing Ratification Nos. R-484 and R-586, but nothing herein contained shall limit or restrict the authorizations granted by the Acts of 1976 bearing Ratification Nos. R-484 and R-586.

Section 6. The bonds authorized by this act may be issued at any time prior to June 30, 1978, in such series as shall from time to time be determined by the State Budget and Control Board."

#### SECTION 2

\$70 Million of State Capital Improvement Bonds have been issued in accordance with the limitations of Acts 758 and Act 759 so that \$93,863,921 of bonds remain to be issued.

#### SECTION 3

The State Board finds that provision should now be made to raise \$20 Million. It is intended that this sum shall be applied to provide funds for projects and undertakings whose funding is authorized by Act 758 and for those specifically authorized by Act 759. Work on all is under way. A composite list is attached hereto as Exhibit "A".

#### SECTION 4

The State Board is authorized by Act No. 116 of the Acts of the General Assembly of the State of South Carolina for the year 1965, as amended, (Act 116), to issue Bond

Anticipation Notes to provide the funds for the projects set forth in Exhibit "A".

SECTION 5

Accordingly, it is the purpose of this Resolution to:

(a) Authorize and empower the Governor and the State Treasurer to issue State Capital Improvement Bonds of the State of South Carolina, in the aggregate principal amount sufficient to provide for the payment, when due, of the Bond Anticipation Notes herein authorized, which bonds shall be dated as of an occasion which will permit the use of the proceeds thereof to meet the payment of the Bond Anticipation Notes at the maturities thereof;

(b) obligate the State of South Carolina to effect the issuance of such State Capital Improvement Bonds;

(c) authorize the Governor and State Treasurer to effect the issuance of \$20 Million of Bond Anticipation Notes for the purposes set forth above;

(d) direct the application of the \$20 Million of proceeds of the Bond Anticipation Notes herein authorized to the completion of projects, programs or undertakings for which bonds have been heretofore authorized as above recited.

SECTION 6.

It is hereby determined that temporary financing pursuant to Act 116, to the extent of \$20,000,000 in anticipation of the issuance of State Capital Improvement Bonds, shall be



immediately undertaken in accordance with the facts hereinabove set forth, and that authorization should be given to the Governor and State Treasurer which shall enable such officers to effect such temporary borrowing.

SECTION 7

That there shall be issued by the State of South Carolina Bond Anticipation Notes of the State of South Carolina, in the aggregate principal amount of \$20,000,000, which shall bear date March 14, 1977, and shall be expressed to mature on June 28, 1977.

SECTION 8

The Notes shall bear interest from March 14, 1977, payable upon the stated maturity thereof, at the rate of 2.80% per annum. The rate here fixed has been arranged by the State Treasurer who has negotiated a sale of the Notes at that rate and at par with the South Carolina National Bank, acting for itself and for The Citizens & Southern National Bank of South Carolina, Bankers Trust of South Carolina and First National Bank of South Carolina. Such arrangement is herewith approved and confirmed.

SECTION 9

The said Notes shall be appropriately numbered and shall be issued in denominations satisfactory to the purchasers and the State Treasurer. The Notes shall be payable, both principal and interest, at the principal office

of The South Carolina National Bank, in the City of Columbia, State of South Carolina.

SECTION 10

The said Notes shall be executed on behalf of the State of South Carolina by the facsimile signature of the Governor and by the manual signature of the State Treasurer, and the Great Seal of the State of South Carolina shall be reproduced thereon, and the same shall be attested by the facsimile signature of the Secretary of State.

SECTION 11

The said Notes shall be substantially in the form attached hereto as "EXHIBIT B".

SECTION 12

For the payment of the principal of and interest on the said notes, as the same shall fall due, the full faith, credit and taxing power of the State of South Carolina shall be pledged, and in addition thereto, so much of the principal proceeds of the State Capital Improvement Bonds authorized by Section 13, infra, as are necessary therefor, are hereby pledged, and the State Treasurer, upon receipt of the proceeds of said State Capital Improvement Bonds be, and he is hereby authorized to apply such proceeds to such payment.

SECTION 13

This Board authorizes the issuance of State Capital Improvement Bonds of the State of South Carolina in an aggregate principal amount sufficient to provide for the

retirement of all Bond Anticipation Notes herein authorized to be issued.

SECTION 14

The said Bond Anticipation Notes shall be forthwith prepared, executed in the manner hereinabove set forth, and thereafter delivered to the purchaser thereof, upon receipt of the proceeds thereof. The proceeds shall be paid to the State Treasurer and applied to the completion of projects, programs or undertakings for which bonds have been heretofore authorized as above recited.

SECTION 15

In adopting this Resolution, making provision for the issuance of the Bond Anticipation Notes in the amount heretofore stated and in authorizing the issuance of State Capital Improvement Bonds in an amount sufficient to pay such Bond Anticipation Notes, this Board has found and hereby certifies that the actual receipts for the preceding fiscal year from the tax levied pursuant to Chapter 5, Title 65, Code of Laws of South Carolina, 1962, as amended, exceeded 150% of the maximum annual debt service requirements for all State Ports Bonds (as such term is defined in Act 1377) now outstanding and all State Capital Improvement Bonds to be issued to provide funds for the payment of the Bond Anticipation Notes issued in anticipation of the issuance of such bonds, and that the estimate made indicates



that collections in future fiscal years will not be less than 150% of maximum annual principal and interest requirements of all State Ports Bonds and all State Capital Improvement Bonds thereafter to be outstanding, including those issued to provide funds for the payment of the Bond Anticipation Notes.

SECTION 16

A certified copy of this Resolution shall be transmitted to each of the Governor and the State Treasurer, as a means of authorizing the issuance of said Notes and apprising them of the action taken by this Board as above set forth.

---

EXHIBIT "A"

<u>AGENCY/Project</u>	<u>Project Funding Authorized By</u>	
	<u>Act R586</u> <u>3/25/76</u>	<u>Act R706</u> <u>5/25/76</u>
<u>1. ADJUTANT GENERAL'S OFFICE</u>		
1. Fees-Lockhart Armory	X	
2. " -Andrews Armory	X	
3. " -Chester Armory	X	
4. " -Bennettsville Armory	X	
5. " -Eastover Armory	X	
6. Armories-Chester, Bennettsville, Eastover		X
7. Fees-Winnsboro, Kingstree, Lyman & Marion Armories		X
<u>2. BUDGET &amp; CONTROL BOARD</u>		
1. Blatt & Gressette Bldgs.	X	
2. Parking Deck	X	
3. State House Airconditioning	X	
4. Purchase Land from Youth Services	X	
5. Lace House Land Acquisition	X	
<u>3. UNIVERSITY OF SOUTH CAROLINA</u>		
1. Horseshoe Renovation	X	
2. Cultural Center Land & Utilities	X	
3. Gambrell Hall	X	
4. Eng./Wardlaw Bldgs. Renovation	X	
5. Aiken Multipurpose Bldg. Fees	X	
6. Aiken		X
7. Coastal: Library, Classroom Fees	X	
8. Coastal: Library, Classroom		X
9. Coastal Campus Development	X	
10. Coastal: Student Union & Warehouse		X
11. Spartanburg		X

<u>AGENCY/Project</u>	<u>Project Funding Authorized By</u>	
	<u>Act R586</u> <u>3/25/76</u>	<u>Act R706</u> <u>5/25/76</u>
4. <u>CLEMSON UNIVERSITY</u>		
1. Fike Recreation Center	X	
2. Lee Hall Addition	X	
3. Biological Sciences Bldg.	X	
4. Ag. Engineering Bldg. Renovation	X	
5. Dairy Science Research Center	X	X
6. Utility System	X	X
7. Cooper Library		X
8. Small Animal Facility		X
9. Poultry Research Relocation		X
10. Sirrine Hall		X
5. <u>MEDICAL UNIVERSITY</u>		
1. Hospital Renovation	X	X
2. Business Services Bldg.	X	
3. Allied Health Sciences Bldg.	X	
4. Eye Institute	X	
5. Property Purchase	X	
6. Hospital Equipment	X	
7. Library/Adm./Clin. Science Bldg.	X	
8. Inst. for Human Development	X	
9. Quadrangle Renovation		X
10. Laboratory/Radiology/Surgery		X
6. <u>THE CITADEL</u>		
1. Barracks Renovation	X	X
2. Physical Education Bldg.	X	
3. President's House Renov. & Addn.	X	
4. WLI Parking Lot Improvement	X	
7. <u>WINTHROP COLLEGE</u>		
1. Swimming Pool	X	
2. Conservatory Airconditioning	X	
3. Tennis Courts	X	
4. McFeat Renovation	X	
5. Physical Education Facilities	X	
6. Roddey Renovation	X	
7. Bancroft Renovation	X	



Project Funding Authorized By	
Act R586	Act R706
3/25/76	5/25/76

AGENCY/Project

8. STATE COLLEGE

1. Purchase Motel for Dormitory
2. Planetarium
3. Building Renovation

9. FRANCIS MARION COLLEGE

1. Energy Facility
2. College Center
3. Stokes Renovation
4. Classroom Building
5. Warehouse
6. Campus Development
7. Library Renovation

## 10. COLLEGE OF CHARLESTON

1. Administration Building
2. Marine Biological Laboratory
3. Botanical Greenhouse Fees
4. Fine Arts Center Fees
5. Craig Union Renovation Fees
6. Greenhouse
7. Fine Arts Center
8. Energy Facility
9. Education Center
10. Craig Union
11. Outdoor Activities

## 11. LANDER COLLEGE

1. Parking Facilities
2. Library
3. Student Center/Adm. Complex Fees
4. Radio Station Property Acq.
5. Student Center

## 12. DEPT. OF EDUCATION - VOCATIONAL EDUCATION

1. Equipment for Voc. Schools
2. Construction of Voc. Schools

Project Funding Authorized By  
 Act R586                      Act R706  
 3/25/76                      5/25/76

AGENCY/Project

<u>8. STATE COLLEGE</u>		
1. Purchase Motel for Dormitory	X	
2. Planetarium		X
3. Building Renovation		X
<u>9. FRANCIS MARION COLLEGE</u>		
1. Energy Facility	X	
2. College Center	X	
3. Stokes Renovation	X	
4. Classroom Building	X	
5. Warehouse	X	
6. Campus Development	X	X
7. Library Renovation	X	
<u>10. COLLEGE OF CHARLESTON</u>		
1. Administration Building	X	
2. Marine Biological Laboratory	X	
3. Botanical Greenhouse Fees	X	
4. Fine Arts Center Fees	X	
5. Craig Union Renovation Fees	X	
6. Greenhouse		X
7. Fine Arts Center		X
8. Energy Facility		X
9. Education Center		X
10. Craig Union		X
11. Outdoor Activities		X
<u>11. LANDER COLLEGE</u>		
1. Parking Facilities	X	
2. Library	X	
3. Student Center/Adm. Complex Fees	X	
4. Radio Station Property Acq.	X	
5. Student Center		X
<u>12. DEPT. OF EDUCATION - VOCATIONAL EDUCATION</u>		
1. Equipment for Voc. Schools	X	X
2. Construction of Voc. Schools	X	X

<u>AGENCY/Project</u>	<u>Project Funding Authorized By</u>	
	<u>Act R586</u> <u>3/25/76</u>	<u>Act R706</u> <u>2/25/76</u>
<u>13. TECHNICAL &amp; COMPREHENSIVE EDUCATION</u>		
1. Beaufort Classroom/Shop Building	X	
2. Denmark Adm/Classroom/Shop Building	X	
3. Beaufort Classroom Building	X	
4. Denmark Shop Complex	X	
5. Beaufort Shop Complex	X	
6. Equipment	X	X
7. Beaufort TEC		X
8. Midlands TEC (Airport Campus) Lab/Shop		X
9. Piedmont Classrooms/Laboratory		X
10. Greenville Student Center		X
<u>14. EDUCATIONAL TELEVISION COMMISSION</u>		
1. Beaufort TV Tower & Bldg.	X	
2. Sumter TV Tower & Bldg.	X	
3. Microwave Design Study	X	
4. Headquarters Facility A&E Fees	X	
5. Headquarters Facility/USC Parking Garage	X	
6. Headquarters Facility Consultants	X	
7. Beaufort Station Equip. & Fees	X	
8. Sumter Station Equip. & Fees	X	
9. Expansion of Open Circuits	X	X
<u>15. DEPT. OF ARCHIVES &amp; HISTORY</u>		
1. Record Center	X	X
<u>16. SCHOOL FOR THE DEAF &amp; THE BLIND</u>		
1. Gymnasium - Swimming Pool	X	
2. Alarm and Sprinkler System		X
<u>17. DEPT. OF MENTAL HEALTH</u>		
1. SCSH Renovations	X	
2. Energy Facility	X	
3. Information & Fire Alarm System	X	
4. Advances to Addiction Center	X	
5. Village "B" Planning		X
6. Village "C" Planning		X
7. Thompson Bldg.		X



Project Funding Authorized By  
 Act R586                      Act R706  
3/25/76                      5/25/76

AGENCY/Project18. DEPT. OF MENTAL RETARDATION

1. **WV Fire Alarm System Fees	X	
2. WV Fire Alarm System	X	
3. WV Dormitory Renovations Fees	X	
4. WV Chapel	X	
5. CC Adm/Classroom Bldgs. Etc. Fees	X	
6. WV Clinic/ICF Fees	X	
7. WV Clinic/ICF		X
8. PD Chapel Renovation Fees	X	
9. PD Center		X
10. MC Phase II Fees	X	
11. MC Phase II	X	X
12. Laundry Equipment	X	
13. Laundry Equip. Handling & Storage	X	
14. Lea Center Fees	X	
15. Spartanburg Residential Facility		X
16. WV Sewage Treatment Fac. Fees	X	
17. MC A/C Old Dorms Fees	X	
18. WV A/C Old Dorms Fees	X	
19. WV A/C Dorms 35-39	X	
20. WV Steam Plant Expansion Fees	X	

\*\* WV is Whitten Village; CC is Coastal Center; PD is Pee Dee; and MC is Midlands Center

20. VOCATIONAL REHABILITATION

1. Greenville Rehab. Facility-Fees	X	
2. Greenville Facility		X

21. DEPT. OF CORRECTIONS

1. Women's Corr. Center	X	
2. Greenwood Center Fees, etc.	X	
3. Greenville Center Fees, etc.	X	
4. Spartanburg Center Fees, etc.	X	
5. Hospital Complex Study Fees	X	
6. MacDougall YC Paint Bldg.	X	
7. Men's Maximum Security Phase I	X	
8. MacDougall YC Roofing	X	
9. Traffic Facilities	X	
10. New and Expanded Facilities		X

<u>AGENCY/Project</u>	<u>Project Funding Authorized By</u>	
	<u>Act R586</u> <u>3/25/76</u>	<u>Act R706</u> <u>5/25/76</u>
<u>22. DEPT. OF YOUTH SERVICES</u>		
1. Goldsmith R & E Center	X	
2. East Campus Facility	X	
<u>23. FORESTRY COMMISSION</u>		
1. Tower Attendant Housing:		
(1) Anderson County	X	
(2) Beaufort County	X	
(3) Hampton County	X	
(4) York County	X	
(5) Cherokee County	X	
<u>24. DEPT. OF AGRICULTURE</u>		
1. Laboratory	X	X
<u>25. WILDLIFE &amp; MARINE RESOURCES DEPT.</u>		
1. Cooperative Research Facility	X	
2. Lake Long A & E Fees	X	
3. Dennis Center Phase II A & E Fees	X	
4. Food Technology Lab A & E Fees	X	
5. Cooperative Research Facility Fees	X	
6. Food Technology Laboratory		X
7. Dennis Wildlife Center Phase II		X
<u>26. DEPT. OF PARKS, RECREATION &amp; TOURISM</u>		
1. Keowee-Toxaway Park	X	
2. Murrell's Inlet Channel Improvement	X	
3. Barnwell State Park		X
4. Dreher Island		X
5. Camp Croft		X
6. Recreation Land Trust		X
7. Long Bluff		X

<u>AGENCY/Project</u>	<u>Project Funding Authorized By</u>	
	<u>Act R586</u> <u>3/25/76</u>	<u>Act R706</u> <u>5/25/76</u>
<u>27. AERONAUTICS COMMISSION</u>		
1. Myrtle Beach AFB-Civilian Facility	X	X
2. John Island Airport	X	
3. Lancaster County Airport	X	
4. Orangeburg Airport	X	
5. Sumter Airport	X	
6. Rock Hill Airport	X	
7. Various Projects	X	X
<u>28. EMPLOYMENT SECURITY COMMISSION</u>		
1. Administration Building	X	
<u>29. STATE HIGHWAY DEPARTMENT</u>		
1. Headquarters Building		X
<u>30. STATE PORTS AUTHORITY</u>		
1. *UP-Improvements & Site Prep.	X	
2. NC-Container Storage	X	
3. Seatrain Maint. & Parking Area	X	
4. NC-Service Road & Drainage	X	
5. UP-Extension	X	
6. CS-Container Storage Fac.	X	
7. CS-Truck Assembly Area	X	
8. NC-Site Imp. & Container Storage	X	
9. NC-Fill Additional Area	X	
10. Removal of Tanks	X	
11. CS-Property Acquisition	X	
12. NC-Warehouse	X	
13. Port Victoria Improvements	X	
14. West Bank Projects		X
* UP is Union Pier; NC is N. Charleston; and CS is Columbus Street		
<u>31. PUBLIC RAILWAYS COMMISSION</u>		
1. Office Renovation		X
2. Locomotive Overhaul		X



UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
BOND ANTICIPATION NOTE  
(ISSUED PURSUANT TO ACT NO. 116 OF THE ACTS  
OF 1965, AS AMENDED)

No. \_\_\_\_\_

\$ \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS That the STATE OF SOUTH CAROLINA hereby acknowledges itself indebted, and for value received, promises to pay to the BEARER hereof, the sum of

\_\_\_\_\_ THOUSAND DOLLARS

at the principal office of The South Carolina National Bank in the City of Columbia, State of South Carolina, on the 28th day of June, 1977, and to pay interest on said principal sum from the date hereof, at the rate of 2.80% per annum, payable upon the maturity of this Note.

Both the principal of and interest on this Note are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

THIS NOTE is one of an issue of Bond Anticipation Notes, aggregating \$20,000,000, issued by the State of South Carolina, pursuant to the authorizations of Act No. 116 of the Acts of the General Assembly of the State of South Carolina for the year 1965, as amended, in anticipation of the receipt of the proceeds to be derived from the sale of State Capital Improvement Bonds of the State of South Carolina to be issued pursuant to Act 1377 of the Acts of the General Assembly of the State of South Carolina for the year 1968, as amended. For the payment of the principal and interest on this Note, the full faith, credit and taxing power of the State of South Carolina are pledged and in addition, the proceeds to be derived from the sale of bonds, in anticipation of which this Note is issued.

THIS NOTE and the interest hereon are exempt from all State, County, Municipal, School District, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and Laws of the State of South Carolina to exist, to happen, or to be performed precedent to or in the issuance of this Note, do exist, have happened, and have been performed in regular and due time, form and manner.

IN WITNESS WHEREOF, the STATE OF SOUTH CAROLINA has caused this Note to be signed by the facsimile signature of the Governor of South Carolina and by the manual signature of the State Treasurer of South Carolina, and the Great Seal of the State to be reproduced hereon, attested by the facsimile signature of the Secretary of State of South Carolina, and this Note to be dated the 14th day of March, A. D. 1977.

BY \_\_\_\_\_  
Governor

(SEAL)

By \_\_\_\_\_  
State Treasurer

Attest:

\_\_\_\_\_  
Secretary of State

STATE OF SOUTH CAROLINA  
DIVISION OF GENERAL SERVICES  
BUDGET AND CONTROL BOARD

300 GERVAIS STREET, COLUMBIA, S. C. 29201

February 11, 1977



EXHIBIT V  
3/3/77

FURMAN E. McEACHERN, JR.  
DIVISION DIRECTOR  
803/758-2226  
RUDISILL D. COUNTS  
ASSISTANT DIVISION DIRECTOR  
803/758-2226

Honorable Grady L. Patterson, Jr.  
State Treasurer  
Post Office Drawer 11778  
Columbia, South Carolina 29211

Re: Vehicle Fleet Coverage

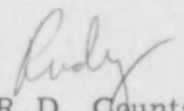
Dear Mr. Patterson:

Mr. Paul Hawkins recently discussed with you insurance coverage on the State vehicle fleet. The State Insurance Commission had raised a question regarding the collision and comprehensive coverage carried by some agencies not being placed with a company licensed in this state.

We recommend that the Budget and Control Board adopt a policy that the only insurance carried on the State fleet be limited to liability coverage and that all liability coverage be handled through this office as now provided. Even though this is covered by statute, we are constantly being asked on whose authority agencies are required to place coverage with the Insurance Reserve Fund.

We would appreciate any consideration and help you can give us.

Very truly yours,

  
R.D. Counts  
Assistant Division Director

RDC:an

cc: Mr. Paul V. Hawkins



STATE BUDGET AND CONTROL BOARD  
DIVISION OF GENERAL SERVICES

ADDENDUM TO BUDGET AND CONTROL BOARD AGENDA - MARCH 3, 1977

Centrex System for State Agencies in Charleston

The telephone company has completed studies of the telephone system and has made its recommendations. The study is available for review by Board members who desire to see it, however, based on the review by our telephone engineer and others in the Division, we recommend the development of a Centrex I system for the Charleston peninsula.

This is a similar system to the one in Columbia, but it is a "stand alone" system which would reduce costs from the amount required to provide a unified and fully coordinated system. The equipment will do the job that is required, and it will include all agencies on the peninsula except The Citadel which currently has a long remainder period on a fifteen year commitment and some of the smaller agencies beyond a two mile radius of the ESS office.

The cut-over can be made April 15, 1978, and it is anticipated that personnel will be placed under the direction of the Telecommunications unit in this Division. Costs will be recovered through agency billing as is now the case in the Columbia area. We will begin immediately to seek out location in existing State property to house the equipment and the switchboards. This will be reported to the Board at a later date.

This is a three year base termination contract which is extremely advantageous to the State. It is recommended that the telephone company be authorized to begin engineering for the installation immediately.

JAMES M. WADDELL, JR.  
SENATOR, BEAUFORT, ALLENDALE,  
COLLETON, HAMPTON AND JASPER  
COUNTIES  
SENATORIAL DISTRICT NO. 15  
SENATE OFFICE NO. 2

HOME ADDRESS:  
BOX 1026  
BEAUFORT, S. C. 29902



EXHIBIT VII  
3/3/77

COMMITTEES:  
EDUCATION  
FINANCE  
FISH, GAME AND FORESTRY, Chairman  
INTERSTATE COOPERATION  
TRANSPORTATION

March 2, 1977

To: The Honorable Earle Morris, Comptroller General

From: Senator James M. Waddell, Jr. *JMW*

Re: Delineation of Offshore Boundaries

The Attorney General's office is of the opinion that the Budget and Control Board may designate a committee which can negotiate the offshore boundary between South Carolina and our neighbor states. Prompt action should be taken regarding the designation of this committee because the deadline for letting two states settle the question by mutual agreement is August, 1977. If the states cannot reach agreement by that point, the question will be settled by a decree from the Associate Administrator for Coastal Zone Management of the U.S. Department of Commerce.

As you can see, this timetable doesn't give us much time with which to work. Essentially, we need two things:

1) The Budget and Control Board needs to appoint a committee consisting of one member of the Board, one Senator, and one member of the House and which is empowered to negotiate the offshore boundary with both Georgia and North Carolina. Any agreement the committee might reach would have to be approved by the General Assembly.

2) The Budget and Control Board needs to authorize the expenditure of the money it set aside for research into this boundary question. If an agreement cannot be reached with one or more of our neighbor states, we will have to submit written statements which back up our position. Without the money this can't be properly done.