



South Carolina Department of Transportation

COMMISSION MINUTES

January 19, 1996

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MINUTES

DEPARTMENT OF TRANSPORTATION COMMISSION

Meeting of

Janaury 19, 1996

MINUTES
DEPARTMENT OF TRANSPORTATION COMMISSION
January 19, 1996

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MINUTES
DEPARTMENT OF TRANSPORTATION Commission
OF
SOUTH CAROLINA

January 19, 1996

The regular monthly meeting of the Department of Transportation Commission was held at the Spartanburg County Council Chambers Office at 366 North Church Street in Spartanburg, South Carolina at 9:00 a.m. on January 19, 1996. In compliance with the "Freedom of Information Act" the news media was advised in writing of the time, date and place of this meeting.

Present

H. B. "Buck" Limehouse, Chairman Presiding
Joseph Jefferson
Gary M. Loftus
B. Bayles Mack
Jack E. Mullinax
S. Lyman Whitehead

Absent

Francis L. Willis

Also Present: B. K. Jones, Director

SECTION 1: The Minutes for the meeting of December 14, 1995 copies of which had been previously mailed to each member of the Commission, were approved.

SECTION 2: The Commission unanimously passed a motion accepting a report by the Department for the sale of surplus right of way property, as shown in detail in the Appendix.

SECTION 3: The Commission unanimously passed a motion accepting a report by the Department of quitclaim deeds, as shown in detail in the Appendix.

SECTION 4: The Commission unanimously passed a motion approving the establishment of a \$250,000.00 fund utilizing ISTEPA Enhancement sources to assist in the implementation of the Palmetto Greenways Plan, as shown in detail in the Appendix.

SECTION 5: The Commission unanimously passed a motion to approve the request of the Pickens County Delegation to name the newly constructed bridge on North Fishtrap Road (SC 37) in Pickens County, in honor of the late Samuel H. Lusk, contingent upon adoption of a concurrent resolution by the general assembly naming the bridge for Mr. Lusk, as shown in detail in the Appendix.

SECTION 6: The Commission unanimously passed a motion approving the action of the Department amending an existing agreement with the Santee Wateree Regional Transportation Authority (RTA) by adding \$148,682.00 of Federal Section 5311 (18) funds, from unobligated balances, for the purchase of two 40-foot - ADA equipped buses, as shown in detail in the Appendix.

SECTION 7: The Commission unanimously passed a motion revising the June 9, 1995 allocation of Federal and State Mass Transit Project Funds, as shown in detail in the Appendix.

SECTION 8: The Commission unanimously passed a motion approving the action of the Department in extending existing construction contracts to include additional resurfacing work, as shown in detail in the Appendix.

SECTION 9: The Commission unanimously passed a motion rescinding its action on the dates indicated in adding sections of roads, as shown, to the State Highway System:

Addition
Number

Darlington County

1356



Watkins Street extending from Road S-133 westerly -
approximately 0.1 mile
Designated S-1356
Added to System 1/16/92

1357



Popular Avenue from Road S-133 westerly -
approximately 0.25 mile
Designated S-1357
Added to System 1/16/92

Note: These roads are being removed at the request of the
CTC and are being added to the Local Paving Program.

SECTION 10: Pursuant to Code Section 57-5-80, the Commission unanimously passed a motion removing the following described road section from the State Highway System:

Addition
Number

Anderson County

1051



Drives at the Pendleton High School adjacent to Road S-300 and Wharley Circle in Pendleton - approximately 0.27 mile
Designated S-1051
Added to System 7/19/79

Note: This removal is recommended since this road serves as a driveway for the school.

SECTION 11: Pursuant to Code Section 57-5-70, the Commission unanimously passed a motion adding the following roads to the State Highway System, maintenance jurisdiction by the Department of such roads to become effective when construction to State Highway standards shall have started:

Addition
Number

Horry County

1373



Section of road (old location of SC Route 544) just south of Socastee from SC Route 544 northerly across the Intracoastal Waterway to SC Route 544 - approximately 1.2 miles
Designated S-611

1374



Section of road (old location of SC Route 544) from Road S-611 just east of SC Route 544 northerly - approximately 0.11 mile
Designated S-612

1375



Section of road (old location of SC Route 544) from S-611 just east of SC Route 544 southerly - approximately 0.1
Designated S-613

Addition
Number

Horry County, continued

1376



Frontage road for SC Route 544 and S-611 just west of
SC Route 544 southerly -
approximately 0.28 mile
Designated S-615

Note: These additions are recommended to assign secondary
numbers due to the relocation of SC Route 544.

Sumter County

1468



Melvin Street extending from Road S-642 (Bradham Boulevard) to
Atwell Street -
approximately 0.35 mile
To be designated S- 1468

1469



Atwell Road extending from McLean Street crossing Road S-714
(Paul Street) to deadend -
approximately 0.4 mile
To be designated S-1469

1470



Churchill Drive extending from US Route 521 (Camden Highway)
in a southern direction -
approximately 0.26 mile
To be designated S-1470

1471



Winchester Court extending from Churchill Drive westerly
to deadend -
approximately 0.35 mile
To be designated S-1471





1472



Antelope Road extending from Road S-91 (Stamey Livestock
Road) in a northeasterly direction to deadend -
approximately 0.65 mile
To be designated S-1472

Addition
Number

Sumter County, continued

- | | | |
|------|--|--|
| 1473 |  | West Dal Road extending from Road S-91 (Stamey Livestock Road) to Antelope Road - approximately 0.2 mile
To be designated S-1473 |
| 1474 |  | Mayrant Road extending from Road S-1048 in a northerly direction to New Hope Church on Road S-263 - approximately 0.55 mile
To be designated S-1474 |
| 1475 |  | Enter Street extending from Road S-504 (Jordan Street) westerly - approximately 0.2 mile
To be designated S-1475 |
| 1476 |  | McLeary Lane extending from Road S-33 (McCrays Mill Road) to Canty Lane - approximately 0.2 mile
To be designated S-1475 |

SECTION 12: On motion of Commissioner Loftus, seconded by Commissioner Mack, the Commission unanimously passed a motion appointing, on a temporary basis, Larry C. Duke, Deputy Director of Finance and Administration, to serve on the Horry County Transportation Authority Board and that his service begin immediately upon formation of the board by Horry County.

SECTION 13: On motion of Commissioner Mack, seconded by Commissioner Whitehead, the Commission unanimously passed a motion approving the Application of the South Carolina Department of Transportation for State Infrastructure Bank Pilot State Designation, as shown in detail in the Appendix.

SECTION 14: On motion of Commissioner Loftus, seconded by Commissioner Whitehead the Commission unanimously passed a motion that for fiscal year 1997-1998 the system upgrade portion of the STIP remain funded at the \$114 million level.

SECTION 15: On motion of Commissioner Mack, seconded by Commissioner Whitehead, the Commission unanimously passed a motion to expand the distance requirement for which logos can be sold to businesses in the rural areas.

01/19/96

SECTION 16: The Commission received a recommendation from the Department regarding maximum speed limits. A summary of the non-interstate speed limit study is shown in detail in the Appendix.

SECTION 17: Commissioner Mack nominated Commissioner Loftus for the position of First Vice Chairman, the nomination was seconded by Commissioner Whitehead. The nominations were then closed and Commissioner Loftus was elected First Vice Chairman by acclamation.

SECTION 18: Commissioner Loftus nominated Commissioner Jefferson for the position of Second Vice Chairman, the nomination was seconded by Commissioner Mack. The nominations were then closed and Commissioner Jefferson was elected Second Vice Chairman by acclamation.

SECTION 19: On motion of Commissioner Loftus, seconded by Commissioner Whitehead the Commission unanimously passed a motion to proceed with four laning 701, if and when North Carolina four lanes from Whiteville down to the state line in the Tabor City/701 area, that South Carolina will continue the four laning to Highway 9, which is already four lanes. Chairman Limehouse asked that a caveat be added to this motion giving South Carolina some control of the entry point. Commissioner Loftus stated that the entry point would be mutually agreed upon.

SECTION 20: There being no further business to come before the Commission, the meeting was adjourned at 10:30 a.m.

Larry C. Duke
Secretary

H. B. "Buck" Limehouse
Chairman

APPENDIX

DEPARTMENT OF TRANSPORTATION COMMISSION

Meeting of

January 19, 1996

SALE OF SURPLUS RIGHT OF WAY PROPERTY - LAND

1. File 42.146A.1 - Route I-85/SC 9 - Spartanburg County

Bids were taken by the Department on November 16, 1995, for the sale of surplus right of way property for adjoining owners only because the subject was landlock with no access. As a result, an award was made to the highest bidder.

Description

Amount

All that certain piece, parcel or tracts of land, totaling approximately 0.93 of an acre of land, located on the northeast side of SC Route 9 and I-85 in Spartanburg County and being shown as a portion of Tracts 120, 120-A and 121 on plans sheets 35 and 36 of the South Carolina Department of Transportation Plans for Route I-85/SC Route 9, File 42.146A and Tax Map Numbers 2-51-00-116, 2-51-00-117 and 2-51-00-118.

\$106,000.00

.....
Day Enterprises, Inc.
P. O. Box 6, 1912 S. Ridge Avenue
Kannaplois, North Carolina 28082-0006

This matter is reported to the Commission in accordance with the requirements of Code Section 57-5-340.

1/10/96

SURPLUS RIGHT OF WAY PROPERTY - LAND

1. File 40.673 - SC Route 215 - Richland County

During acquisition of right of way for construction of SC Route 215 in Richland County, under File 40.673, the Department acquired right of way from the Martin D. Young by Right of Way Easement dated September 2, 1969.

Upon completion of construction to relocate SC Route 215 and at the request of an adjoining owner, it was determined that the Old SC Route 215 Roadbed was surplus property and should revert to the original adjacent owner. Therefore, a gratis quitclaim deed conveying 0.5 of an acre of land to Martin D. Young was executed on April 24, 1995.

2. File 8.686 - Road S-37 - Berkeley County

Under File 8.686, the Department acquired right of way for construction of improvements on Road S-37 in Berkeley County Lent's Red and White Stores, A Partnership by Condemnation Notice dated September 1, 1994.

During negotiations by our Legal Section with an adjacent landowner, an agreement was reached that the Department would convey the uneconomic remainder due to the relocation of Road S-482. Therefore, a gratis quitclaim deed conveying approximately 0.07 of an acre of land to Lent's Red and White Stores, A Partnership, was executed on October 6, 1995.

3. File 9.393 - Route I-26 - Calhoun County

Under File 9.393, the Department acquired property for the construction of a Wastewater Treatment Facility along Route I-26 in Calhoun County, from Arthur Madden by Title to Real Estate dated June 19, 1986, and E. James Roof by Title to Real Estate dated June 26, 1986.

During negotiations by our Legal Section, an agreement was reached that the Department would transfer ownership of the Wastewater Treatment Facility to the Calhoun County, whereby in return, the County would maintain and be responsible for the facility in the future. Therefore, a gratis quitclaim deed conveying approximately 1.245 acres of land to Calhoun County was executed on December 5, 1995.

4. File 30.746 - Roads S-23 & S-40 - Laurens County

Under File 30.746, the Department acquired right of way for construction of improvements on Road S-40 in Laurens County from Palmetto Bank, Trustee by Title to Real Estate dated March 9, 1993.

During negotiations with an adjacent landowner, an agreement was reached that in exchange of property needed from their property, the Department would convey a portion of the old roadbed to them, upon completion and acceptance of the project. Therefore, a gratis quitclaim deed conveying approximately 0.16 of an acre of land to Palmetto Bank, Trustee, was executed on December 5, 1995.

5. File 40.147A/32.761 - Route I-26 - Lexington/Richland County

Under File 40.147A, the Department acquired right of way for construction of improvements on Road S-674 (Piney Woods Road) in Richland County from Palmetto Machinery, Inc. by Condemnation Notice dated April 12, 1993.

During negotiations by our Legal Section with the adjacent landowner, an agreement was reached that the Department would convey the excess right of way due to the shifting of Road S-674 (Piney Woods Road). Therefore, a gratis quitclaim deed conveying approximately 0.23 of an acre of land to Palmetto Machinery, ETAL, was executed on December 5, 1995.

6. File 727.473 - U. S. Route 278 - Beaufort/Jasper County

During acquisition of right of way for construction of improvements to U. S. Route 278 Connector and rights of access points in Beaufort County, under file 727.473, the Department acquired right of way from Union Camp Corporation by Title to Real Estate dated October 27, 1993.

At the request of an adjoining owner, an investigation was made and it was determined by our Engineering Section that three rights of access points were no longer needed and could be relinquished. Therefore, a gratis quitclaim deed conveying approximately 0.34 of an acre of land to Del Webb Communities, Inc., was executed on December 8, 1995.

10. File 23.262A - U. S. Route 25 - Greenville County

Under File 23.446, the Department acquired right of way for construction on U. S. Route 25 in Greenville County from D. L. Davenport and J. R. Davenport by Right of Way Easement dated December 29, 1959, and from John W. Bryant and Lydia Bryant by Right of Way Easement dated January 21, 1960.

During negotiations by our Legal Section with an adjacent landowner, an investigation was made and it was determined that this property was no longer needed and could be relinquished. Therefore, a gratis quitclaim deed conveying approximately 0.727 of an acre of land to Dorothy B. and M. Wayne Davenport was executed on December 21, 1995.

11. File 31.210 - U. S. Route 15 & SC Route 154 - Lee County

During acquisition of right of way for construction of improvements on SC Route 154 in Lee County, the Department acquired right of way by Deed to Right of Way from Robert E. Muldrow dated April 11, 1941, under File 31.210.

At the request of an adjoining owner, an investigation was made by our District Engineering Office and it was determined that the Present 100' x 100' sight easement could be reduced to a New 5.70' x 39.56' triangular area. Therefore, a quitclaim deed conveying approximately 0.003 of an acre of land to Bishopville Petroleum Company, Inc., was executed on December 21, 1995, for consideration of \$2,750.00.

12. File 35.495 - SC Route 912 - Marlboro County

Under File 35.253, the Department acquired right of way for construction on SC Route 912 in Marlboro County from Marie W. Chavis by Deed to Right of Way dated April 14, 1948.

During negotiations by Property Acquisitions & Negotiations, Inc. (PAN, Inc.) with an adjacent landowner, an agreement was reached that in exchange of property needed for right of way the Department would convey a portion of the old roadbed. Therefore, a gratis quitclaim deed conveying approximately 0.27 of an acre of land to Blease Chavis and Marie W. Chavis was executed on December 21, 1995.

This matter is reported to the Commission in accordance with the requirements of Code Section 57-5-340.

Recommendations - 1/19/96

Proposal for SCDOT Participation in the Palmetto Greenways Initiative

It is recommended the Commission approve the establishment of a \$250,000.00 fund utilizing ISTEA Enhancement sources to assist in the implementation of the Palmetto Greenways Plan. Consistent with the requirements of the ISTEA, State and local public agencies may make application to the SCDOT for funds to construct projects that are identified in the strategic Greenways Plan. The required match for these funds is to be furnished by Greenways Initiative or local sponsoring governmental entities.

Recommendations - 1/19/96

Samuel H. Lusk Bridge

It is recommended that the Commission approve a request by the Pickens County Delegation to name the newly constructed bridge on N. Fishtrap Road (SC 37) in Pickens County. The Delegation wishes to name the bridge in honor of the late Samuel H. Lusk who was a very prominent citizen of the Crosswell Community where the new bridge is located. This approval is contingent upon satisfactory adoption of a concurrent resolution by the General Assembly naming the bridge for Mr. Lusk. The Department agrees to erect appropriate signs at the site utilizing Pickens County Transportation Commission "C" funds, not to exceed the \$500.00 limit.

Recommendation - 1/18/96

Item No: DMT-729

**AMENDMENT TO THE SANTEE WATEREE REGIONAL TRANSPORTATION AUTHORITY
FISCAL YEAR 1995-96 FEDERAL TRANSIT ADMINISTRATION (FTA) SECTION
5311 (18) RURAL TRANSPORTATION PROGRAM**

It is recommended that the Commission approve the SCDOT amending an existing agreement with the Santee Wateree Regional Transportation Authority (RTA) by adding \$148,682 of Federal Section 5311 (18) funds, from unobligated balances, for the purchase of two 40-foot ADA-equipped buses. These funds will replace a like amount (\$148,682) of State Mass Transit Funds under contract with the Santee Wateree RTA and increase the level of Federal participation from 0% to eighty percent (80%).

This action will relieve the budgetary constraints directly impacting the State Mass Transit Fund program and involves one of the few remaining major capital purchases carried forward from previous fiscal years.

Approval by the Commission is requested.

Recommendation: 1/19/96

Items No.: DMT-792

Amended Allocation of Mass Transit Funds

It is recommended that the Commission revise the June 9, 1995 allocation of Federal and State Mass Transit Project Funds to include the projects contained in the attached schedule.

-Schedule Next-

STATE MASS TRANSIT FUND
 ALLOCATIONS FOR FISCAL YEAR 1995-'96
 (IN DOLLARS)

Implementing Agency	Program Sponsor(s)	Project Description	Project Area	Net Project Cost		
				Total Project Cost	SCDOT'S Federal	Share State
DMT-792 Santee Wateree Regional Transportation Authority	State General Fund	Administration of vanpool project	Santee-Lynches Region	\$5,883	\$0	\$5,000
State General Fund			TOTALS:	\$5,883	\$0	\$5,000

Recommendations 01/19/96

EXTENSION OF CONSTRUCTION CONTRACT

It is recommended that the Commission approve the action of the Department in extending an existing construction contract to include additional work, as follows:

OCONEE COUNTY:

Contract of U. S. Group, Inc. - File No. 37.734 - extended to include an additional section of Project FAP IM-STP-85-1(079) (File No. 37.734) consisting of the placement of two chain link gates on SC Route 11 at the property corner of the S. C. Department of Parks and Tourism to provide for fire protection access to Lake Hartwell State Park property.

Estimated Cost of Extension	\$ 700.00
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This extension was authorized by the Department prior to formal approval by the Commission since the adjacent work had reached such a stage of completion that the contractor involved could not accept the additional work unless it was authorized without delay.

Application of the South Carolina Department of Transportation for State Infrastructure Bank Pilot State Designation

Introduction

The South Carolina Department of Transportation is responding to the invitation by the USDOT for states willing to test various innovative financing mechanisms relative to state infrastructure banks. S.C. has been one of the leading states in developing innovative financing techniques in conjunction with FHWA. The implementation of a State Transportation Infrastructure Bank in S.C. is a natural evolution for the SCDOT in its strategy to facilitate increased transportation infrastructure investment in the state.

The SCDOT has identified \$1.7 billion in projects that are strategic to the continued economic growth within the state, but due to their cost, remain unfunded in a realistic timeframe. These projects are:

• Conway Bypass	Myrtle Beach	\$ 436,000,000
• Carolina Bays Parkway	Myrtle Beach	\$ 700,000,000
• Grace Bridge Replacement	Charleston	\$ 330,000,000
• Southern Connector	Greenville	\$ 160,000,000
• Bobby Jones Expressway	North Augusta	\$ 40,000,000
• Cross Island Connector	Hilton Head	\$ <u>81,000,000</u>
Total		\$1,747,000,000

As part of a funding strategy, SCDOT will use public/private partnerships and/or innovative financing techniques to accelerate these key projects and certain other projects that will fit within the framework required for innovative financing.

Several projects have been identified, in addition to the above listed, and Request For Proposals have been issued or will be issued in the immediate future:

• Sea Island Expressway	Charleston Co.	\$ 30,000,000
• Fantasy Harbor Bridge	Myrtle Beach	\$ 15,000,000

The SCDOT looks forward to working with FHWA to make this pilot program successful.

Status of State Infrastructure Bank legislation in S.C.

The SCDOT is currently in the process of drafting enabling legislation, with the bill being introduced in early February, for action by the General Assembly this term (ending June 1). This enabling legislation is essential for the formation of the SIB. The following discussion about the structure and operations of the infrastructure bank is reflected in the proposed legislation, which the Legislature may or may not modify.

Structure of the South Carolina Transportation Infrastructure Bank (SCTIB)

- **Purpose**

The South Carolina Transportation Infrastructure Bank (SCTIB or Bank) may make loans or provide other assistance to a public or private entity in an amount equal to all or part of the cost of carrying out an eligible project. The loan or other assistance provided for such project may be subordinated to any other debt financing for the project. No funds from the infrastructure Bank can be used in the form of a grant. Funds or other assistance from federal sources in SCTIB are subject to applicable federal laws, regulations and procedures.

- **SCTIB Management and Operations**

The SCTIB will be governed by a board composed of five directors (Board), comprised of 3 members appointed by the South Carolina Department of Transportation (SCDOT), one of which SCDOT will designate as chairman, 1 member appointed by the State Treasurer and 1 member appointed by the Governor. All members shall serve 2 year terms; terminable at the will of the appointing agency or officer.

The Board will adopt bylaws, subject to the approval by the SCDOT.

The Board may establish advisory committees as it deems appropriate, which may include individuals from the private sector with banking and financial expertise.

- **Authority of the Board**

The Board has the authority to:

- (a) Apply for, receive, administer and comply with the conditions and requirements respecting any grant, gift or appropriation of property services or monies.
- (b) Make loans to finance the costs of qualified projects, to acquire, hold and sell borrower obligations evidencing the loans at such prices and in such manner as the Board shall deem advisable, and to pledge borrower obligations to secure bonds issued pursuant to this section.

- (c) Enter into contracts, arrangements and agreements, either directly or indirectly, with other persons, public authorities, political subdivisions, municipalities and private enterprises and execute and deliver all trust agreements, loan agreements and other instruments necessary or convenient to the exercise of the powers granted hereunder.
- (d) Expend funds to obtain accounting, management, legal, financial, consulting and other professional services necessary to the operations of the Bank.
- (e) Expend funds credited to the Bank as the Board deems reasonable, and as approved by SCDOT, for the costs of administering the operations of the Bank.

The Board will ensure that the Bank maintains on a continuing basis a sufficient investment grade rating on its debt issuances or has sufficient level of bond or debt instrument insurance to maintain the viability of the Bank.

- **Definition of eligible projects**

An eligible project is a project providing public benefits either by enhancing mobility and safety, promoting economic development, increasing the quality of life and general welfare of the public.

- **Selection Criteria**

The Board shall determine which projects are eligible and then select from them which projects may receive loans or other financial support from the Bank.

The Board may consider, but shall not be limited to, the following criteria in making its determination:

- (a) The projected feasibility of the project and the amount and degree of risk assumed by the Bank.
- (b) The local support of the project expressed by resolutions by the governing body(s) in the area(s) in which the project will be located and financial or in kind contributions to the project.
- (c) The project is consistent with the adopted transportation plan of the appropriate Metropolitan Planning Organization, if applicable, and is consistent with the SCDOT transportation plan; and the existing highway system of the area served by the project is not adversely affected by the project.
- (d) The governing body(s) of the county or the unincorporated municipality in which the project is to be located provides to the Bank a resolution which makes a finding that the project is essential to economic development in such political subdivision(s) and/or the Bank receives a resolution or certificate from the Advisory Coordinating Council for Economic Development of the South Carolina Department of Commerce that such project is essential to economic development in the State.

- (e) The loan or other assistance is necessary to repair and/or reconstruct highways and bridges damaged or destroyed as a result of a natural disaster or in the event of an emergency situation.

Financial Structure

• SCTIB Capitalization

The following sources may be used to capitalize the SCTIB:

- (1) Funds from any lawful sources made available by SCDOT, including any required federal match;
- (2) Federal funds made available to the Bank;
- (3) Contributions and donations from public authorities, political subdivisions and private entities;
- (4) Funds from any lawful sources made available by the General Assembly;
- (5) Proceeds of bonds issued by the Bank ;
- (6) Any other lawful source as deemed appropriate by the Board.
- (7) All monies paid or credited to the Bank, by contract or otherwise, donations, payment of principal and interest on loans made from the Bank and any interest earnings which may accrue from the investment or reinvestment of the Bank monies.

• Separation of Accounts

The SCTIB shall maintain separate accounts of funds for state highway and state transit (State Accounts) and separate accounts for federal highway and federal transit funds (Federal Accounts).

All accounts shall be held in trust with the State Treasurer.

• Eligible Project costs:

With respect to the Federal Accounts, the SCTIB will follow all applicable federal laws, requirements, procedures and guidelines in regards to establishing, operating and providing assistance from the bank.

With respect to the State Highway Account, eligible project costs are limited to: Preliminary engineering, traffic and revenue studies, environmental studies, right of way, legal and financial costs associated with the development of the project, construction, construction management and facilities and other costs necessary for the start up of the project.

With respect to the State Transit Account, eligible project costs are limited to: Capital expenditures for transit equipment and facilities.

- **Types of assistance anticipated to be provided by the SCTIB**

In addition to making loans, SCTIB may use funds to provide other forms of assistance, including but not limited to:

- (1) provide credit enhancements
- (2) serve as a capital or debt reserve for bond or debt instrument financing
- (3) subsidize interest rates
- (4) ensure the issuance of letters of credit and credit instruments
- (5) provide bond or debt financing instrument security
- (6) provide other lawful forms of debt financing and methods of leveraging funds that are approved by the Board, and in the case of federal funds, as allowed by law and that relate to the project with respect to which such assistance is being provided.

- **Limitation of obligation on the part of the State of South Carolina**

The contribution of state funds from any source into the SCTIB shall not be construed as a commitment, guarantee, or obligation on the part of the State of South Carolina, or its agencies, to any third party, nor shall any third party have any right against the State of South Carolina, or its agencies, for payment solely by virtue of the contribution. Any security or debt financing instrument or guarantee issued by the SCTIB specifically is not and should not be construed to be backed by the full faith and credit of the State of South Carolina, or its agencies, and does not constitute a commitment, guarantee or obligation of the State of South Carolina or its agencies.

The SCTIB shall have no taxing power.

- **Investment Income**

Investment income generated by funds contributed to an account of the bank will be:

- (a) For Federal Accounts:
 - Credited and invested according to Federal law, guidelines and procedures.
- (b) For State Accounts:
 - Credited to the account that generates the income

Loan Terms

The Board shall determine the form and content of any loan applications, loan agreements and borrower obligations, including the term and rate or rates of interest on any loan. At the option of the Board, the loan agreement may provide for deferred funding, intercept commitments and may be made as secured or unsecured obligations of a qualified borrower. Each loan shall be made pursuant to a loan agreement between the Bank and the qualified borrower.

The term of any loan or credit instrument shall not exceed 30 years.

Notwithstanding the foregoing, loans made by the Bank hereunder which are financed through application of federal monies shall be made in accordance with federal law, regulations and procedures.

A qualified borrower may receive, apply, pledge, assign and grant security interests to the Bank in project revenues, and, in the case of a governmental unit, its other legally available revenues or special sources to secure its obligations under loan agreements and borrower obligations and may fix, revise, charge, pledge and collect fees, rates, rents assessments and other charges of general or special application for the operation or services of any qualified project, as may be provided under state law. A qualified borrower, which is a political subdivision of the State, may utilize any statute authorizing the issuance of secured indebtedness, whether secured by revenues, any special source or ad valorem taxes, to evidence its obligation to the Bank.

The SCDOT may make loans to the SCTIB at terms agreeable to the SCDOT and the Bank.

- **Existing legislation that may restrict SCTIB's ability to render certain types of financial assistance:**

The State Constitution prohibits the outright guarantee of the full faith and credit of the State for the indebtedness of a private party. This should not significantly impact the operations of the Bank since the enabling legislation will limit the Bank's obligations to exclude the full faith and credit of the State.

SCTIB Financial Plan

- **Innovative Projects underway**

Conway Bypass

The Conway Bypass project in Myrtle Beach is a Public/Private Partnership in which the SCDOT, Horry County, Horry County Transportation Authority and Fluor Daniel Corporation have entered into a joint venture to fund the completion of the Conway Bypass (\$436 million), pending a favorable March referendum on a sales tax increase to finance the project. This project is a Federal-Aid project utilizing the loan provisions of ISTEA and several TEO-45 innovations. In addition, Horry County will have additional resources to construct the Carolina Bays Parkway (\$700 million) and other projects identified in a County Transportation Plan. Total project construction under this plan financed by the sales tax increase will be close to \$1.4 Billion in the next 15 years.

- **Potential Candidates for the SCTIB**

The SCDOT anticipates that four (4) projects during 1996 will reach a point where the SCTIB could facilitate project financing.

Cross Island Connector (Hilton Head)

The Cross Island Connector project was begun in the late 1980's as a State funded toll road. The project is a four lane, limited access highway which provides a bypass of the overcrowded main artery on Hilton Head Island. Faced with a shortage of state funds the project was converted to a Federal-Aid toll project in the early 1990's. In competing with other projects statewide for federal funds, it was obvious to the SCDOT that the project could not be completed in a reasonable timeframe and should be moved along to a point where permanent financing could be obtained to complete the project. Currently, construction is at a point, where with financing in place, it is economically prudent to let a final contract for the total completion of the project in early March. As a result, the SCDOT is in the process of issuing up to \$60 million in State Highway Bonds to provide for permanent financing. The proceeds of this bond issue will be loaned to the State Turnpike Authority to complete construction of the project. Under the terms of a loan agreement, tolls collected by the Turnpike Authority from the project will be used to repay the SCDOT. Toll collection and maintenance of the facility will be funded by the tolls. Since it is the intention of the SCDOT to move this transaction under the SCTIB "after the fact", the transaction and agreements will be modeled to fit the SCTIB requirements. It is the intention of the SCDOT to use the loan provisions of ISTEA on this project and currently, the SCDOT is working with the FHWA Division Office to structure project agreements to cover the unfolding status of this project.

Southern Connector (Greenville)

The Southern Connector is envisioned as a 16 mile, 4 lane, limited access highway looping around the southern portion of Greenville County between I385 and I185. The estimated cost of the project is \$160 million. A draft environmental document and public hearings have been completed. Even though the project is in the STIP, the limited funding fails to complete the project in a reasonable timeframe. Thus, the SCDOT issued a request for proposals in August, 1995 for the financing, design, construction and possible operation of the facility. Three proposals have been received from major players in the construction industry and the SCDOT is in the process of evaluating these proposals. The SCDOT Commission should select the top ranked proposal by early March, 1996, with negotiations with the selected proposer commencing immediately thereafter. It is anticipated that a development agreement will be completed by early this summer.

At this stage of the competitive process, the SCDOT cannot divulge details of the proposals, but possible SCTIB assistance could include a loan and/or letter of credit to another entity.

Should the possibility of a loan/letter of credit exist, probable sources of capitalization could include issuance of State Highway Bonds or use of State Funds made available to the SCTIB by the General Assembly. At this time, SCDOT does not anticipate federal funds to be used for this project, but negotiations could result in a mix of financing sources including some portion of current Federal-Aid apportionment.

Sea Island Expressway (Johns Island, Charleston Co.)

The Sea Island Expressway is envisioned as a 15 mile, 4 lane limited access highway (est. \$30 million) across Johns Island from the suburbs of Charleston to Kiawah, Seabrook and Wadmalaw Islands. Current access to the busy resorts of Kiawah and Seabrook are by treacherous 2 lane winding roads. The project is in the Charleston area STIP, but funding is not probable in the foreseeable future. At the request of a local citizens group, in August 1995, the SCDOT issued a Request for Proposals for the financing, environmental studies, design, construction and possible operation of this facility. Proposals are due in early March, 1996. The SCDOT has conducted public meetings on the Islands to gauge public support for the proposed project and lay the groundwork for a partnership between local, state and private partners to complete the project. Should public funding or supplemental financial assistance be needed to finance the project, the SCTIB would be the logical agent.

Fantasy Harbor Bridge (Myrtle Beach)

The Fantasy Harbor Bridge project is another crossing of the Intracoastal Waterway west of Myrtle Beach. With the continued development of Waccamaw Pottery retail complex and the adjacent Fantasy Harbor Entertainment complex, coupled with traffic in and out of Myrtle Beach, traffic conditions on US route 501 continue to create gridlock. The developer of the entertainment complex, the county and city of Myrtle Beach approached the SCDOT with a plan to develop an additional crossing of the Intracoastal Waterway to provide additional access to the complex. In addition to providing a direct access to the entertainment complex, the eastern leg of the crossing would provide better access to the Myrtle Beach International Airport located on the former Myrtle Beach Air Force Base. The City of Myrtle Beach has an interest in completion of the project since it becomes the base leg of a long planned inter-city loop around the airport to the western side of the Intracoastal Waterway. Estimated cost of the project is \$15 million.

The county formed a entertainment district under State law to collect admission tax in the Fantasy Harbor complex for use to build infrastructure. The county has pledged this source of revenue to repay a possible loan from the SCTIB to finance a portion of the project. The SCDOT is negotiating with the airport (city) for funding of a portion of the project and looking to possible base closure funds for the remainder. It is the intention of the SCDOT to advertise for proposals in March, 1996, for a design/build concept to complete the project. SCDOT staff will simultaneously continue to work on environmental permitting and with local interests to put together the remainder of the financing package. It is probably not unreasonable for a financing plan to be finalized with subsequent negotiation of the design/build contract by fall, 1996.

Potential Capitalization of the SCTIB-Now and Future

Even though the proposed enabling legislation will allow many sources of capitalization of the SCTIB, the probable sources of initial capitalization will include loans from the SCDOT (proceeds from State Highway Bond Issues), possible State funds provided by the General Assembly and quite possibly a small part of the current years Federal-Aid apportionment.

Longer term plans include approximately \$10 million per year from the Federal-Aid apportionment as either capitalization for the fund or debt service backing for the SCDOT on its borrowings to finance the fund.

It is not anticipated that the Bank will issue bonds in the foreseeable future, but as repayments of current loans reach a level that could support a bond issue, the Board has the flexibility within the enabling legislation to do so.

Summary

Non-Interstate Speed Limit Study

As requested by the *Governor's Executive Order of December 1*, the South Carolina Department of Transportation recently completed a study of the interstate routes to determine a reasonable maximum speed limit. As the second part of that directive, the remaining routes were analyzed to determine a reasonable maximum speed limit. This study focuses on those routes.

Prior to the oil embargo in the early 1970's, some non-freeway routes were designed and posted for 60 MPH. However, since 1974 all non-interstate routes have been posted at 55 MPH in keeping with the National speed limit law. Most routes built since this time have been designed at 55 MPH.

This study consisted of an evaluation of:

- Design Speeds
- Accident Rates
- Operating Speeds
- Specific routes

A number of routes throughout the State were selected as a sample for analysis. All routes were rural four-lane divided routes. These routes were chosen since they had the potential for posting higher speeds. The horizontal and vertical curves were analyzed for design speeds. Sight distance at intersections was also studied to determine safe operating speeds.

The infrastructure of the studied routes varied depending on the geographical location and the topography, adjacent land use, and traffic pattern. This study revealed no correlation between the accident rate and the posted speed limit. Some routes had low accident rates along the entire study area. Others had accident rates above the average accident rate for the entire route. Most routes had one or two locations with high accident rates while the remaining sections had low rates. These locations were generally near the approaches to grade separated or at-grade intersections.

The actual available stopping sight distance at unsignalized intersections was determined during the field inspection. The greater the speed through an intersection the greater the stopping sight distance required for the through traffic. On a majority of the routes the sight distance was adequate to meet the present posted speed limit; however, there were several intersections which had restricted sight distance due to the geometry of the highway or the alignment of the intersection. If the speed limits are raised, these locations may require geometric improvements or a reduction in speed limit in the vicinity of the intersection, to comply with design standards.

The 1995 data from the speed monitoring stations was reviewed to determine the 85th percentile speed for non-freeway routes. The operating speeds of all motorists using certain routes in South Carolina are currently monitored and recorded over a 24 hour period during each quarter of each year. These locations were chosen to obtain the random sampling of motorists' speeds on all types of routes. The results of the findings are used to calculate the 85th percentile speed which, in turn, is used to help determine the speed at which a route should be posted. The 85th percentile speed is defined as the speed at which 85% of the motorists are traveling at or below. The 1995 data from speed monitoring stations indicate that 65% of motorists exceed the speed limit of 55 MPH and 35% exceed 60 MPH on the selected routes. The 85th percentile speed for the selected non-freeway routes was approximately 63 MPH.

From our study, we found that some facilities can be safely traveled at speeds greater than 55 MPH and their design can support these higher speeds. Most of these routes are found in the lower part of the State. However, other routes would not qualify for higher limits due to design or accident rates. Roads with curb and gutter sections will not qualify for higher posted speeds unless there are paved shoulders between the travelway and the curb. This is an AASHTO design criteria.

This study was not as conclusive as the study of the interstate system regarding one maximum speed limit, since the routes varied in geographic location, adjacent land use, traffic patterns, typical sections, and the topography of the area. We did identify some multilane rural divided routes that could support a 60 MPH speed limit. Most other routes would not support a higher limit. Also, the lack of a divided roadway greatly increases the accident potential. Therefore, only divided highways with adequate raised or grass medians should be considered for higher limits.

If the decision is made to increase the maximum speed limits for highways in South Carolina, the SCDOT could support the maximum limits shown below:

Rural Interstates and Freeways.....	70 MPH
Urban Interstates and Freeways.....	65 MPH
Multilane Rural Divided Primary Highways.....	60 MPH
All Other Routes.....	55 MPH

The Department should maintain the authority, as currently stated in the *Code of Laws of South Carolina* to determine and declare reasonable and safe speed limits based on engineering evaluations, geometric design, and accident data but not to exceed the above maximum limits.

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