

MINUTES OF
BUDGET AND CONTROL BOARD
MEETING

February 4, 1988

State of South Carolina
State Budget and Control Board

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
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JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 4, 1988

MEMORANDUM

TO: Budget and Control Board Division Directors
FROM: William A. McInnis, Deputy Executive Director *WAM*
SUBJECT: Summary of Board Actions at February 4, 1988, Meeting

This listing of actions is not the minutes of the referenced meeting. It is an unofficial (meaning it has not been approved by the Board) summary of the Board actions taken at that meeting. The minutes of the meeting are presented in a separate, much more detailed document which becomes official when approved by the Board at a subsequent meeting.

1. Launched the formal process for preparing recommendations for additional authorizations for inclusion in the capital improvement bond bill by considering staff recommendations which included 91 projects and purposes estimated to cost \$313,629,539;
2. Agreed that the Election Commission should allow counties the option of choosing either electronic or punch card voting systems;
3. Authorized \$6,000,000 for the Greenville Performing Arts Center with the matching requirement outlined in the proviso;
4. Doubled the amount recommended for the USC Columbia Music Building A&E to bring the amount to \$916,500;
5. Added Winthrop College Conservatory of Music project, \$1,900,000 to the list of recommendations;
6. Approved the Ports Authority Charleston Harbor Deepening project (\$40,338,700) for inclusion in its recommendations to the General Assembly;
7. Added John de la Howe School Old Dairy Renovation project, \$700,000, to the list of recommendations;
8. Added USC Aiken Education/Business Building A&E, \$463,125, to the list of recommendations; and

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9. Agreed that no new items will be considered for addition the list of recommendations as it was approved by the Board today without unanimous consent of the Board and that only item #20 (Department of Corrections), proposed provisos and any deletions will be considered further when the matter is addressed again, after agreeing to staff recommendations which totalled \$197,450,914 and which resulted from the following adjustments of the \$313,629,539 total on the staff recommended list:
- (a) the carryover of the Department of Corrections item (a reduction of \$119,700,000); and
 - (b) the addition of:
 - (1) \$458,125 for the USC Columbia Music Building A&E
 - (2) \$463,125 for the USC Aiken Education/Business Building A&E
 - (3) \$1,900,000 for the Winthrop College Conservatory of Music Renovation/Addition; and
 - (4) \$700,000 for the John de la Howe School Old Dairy Renovation.

/dw

MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

FEBRUARY 4, 1988

3:30 P. M.

The Budget and Control Board met at 3:30 p.m. on Thursday, February 4, 1988, in the Governor's conference room in the State House, with the following members in attendance:

Governor Carroll A. Campbell, Jr., Chairman;
Mr. Grady L. Patterson, Jr., State Treasurer;
Mr. Earle E. Morris, Jr., Comptroller General;
Senator James M. Waddell, Jr., Chairman, Senate Finance Committee;
Representative Robert N. McLellan, Chairman, House Ways & Means Committee.

Also attending were:

William A. McInnis	Secretary
A. Baron Holmes, IV, Ph.D.	Assistant Executive Director
Philip G. Grose, Jr.	Assistant Executive Director
Donna K. Williams	Assistant to Board Secretary
Other Board staff	
Q. Whitfield Ayres, Ph.D.	Governor's Dir., Budget & Social Policy
Luther F. Carter, Ph.D.	Governor's Exec. Asst. Finance & Planning
George M. Lusk	Senior Assistant Comptroller General
Michael Ey	Senate Finance Committee
Scott R. Inkley, Jr.	Ways & Means Committee Dir. of Research
Susan K. Hooks	Ways & Means Committee Research Analyst

Capital Improvement Bond Recommendations

Mr. McInnis reminded the Board that the purpose of this meeting is to launch the formal process through which the Board will prepare its recommendations for additional authorizations for inclusion in the capital improvement bond bill. He advised that, under the terms of Act 237 of 1975, the Board's recommendations are due to the General Assembly by February 15, 1988.

Mr. McInnis distributed a package of materials containing staff recommendations on projects proposed for funding and background materials. He noted the inclusion of a schedule which showed that a projected \$100 million annual program could be handled well within the 5% debt service limitation but which would require an average increase of about \$9 million in debt service appropriations during the first three years.

He noted that the package also included a sheet on the Capital Expenditure Fund (CEF) which showed a range of possibilities on what would be available from that source in 1987-88 from about \$6 million to some \$44.4 millions.

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Mr. McInnis also pointed out that the package included a listing of the 37 college and university projects recommended by the Commission on Higher Education (CHE) with an indication of how the staff recommendations related to CHE's recommendations. He called attention to the fact that this list of 37 projects excluded the 25 technical education requests CHE had included in its complete listing of 62 recommended projects.

As an illustration of the increased capability of the Department of Corrections to expend capital improvement bond funds, Mr. McInnis called the Board's attention to the sheet in the package which showed that that Department had drawn the following in connection with the Lieber project (beginning in 1982-83); the McCormick project (beginning in 1984-85); and the Broad River project (beginning in 1986-87):

<u>Project</u>	<u>Amount Drawn</u>	<u>Draw Period</u>	<u>Avg. Monthly Draw</u>
Lieber	\$18,072,296	5½ years	\$ 273,823
McCormick	19,885,344	3½ years	473,461
Broad River	19,650,235	1½ years	1,091,124

Mr. McInnis also noted that the package distributed to the members included a preliminary draft of a spend-out plan for the projects included on the list of recommendations by Board staff. He emphasized that it is only a beginning version which needs much additional work before it could be considered final.

Mr. McInnis advised the Board that the Department of Corrections (about \$119 million) and the Department of Youth Services (about \$12.2 million) projects recommended by staff for approval account for about 42% of the total recommended. He noted that higher education projects recommended by the Commission on Higher Education totalled about \$141.6 million and he pointed out that the projects recommended by staff total about \$30.6 million against the CHE total but he also observed that staff had recommended funding for architectural and engineering work on a number of projects estimated to cost upwards of \$80 million. The items recommended by staff were as follows:

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AGENCY/Project	Recommended Funding CIB Unless Noted
1. The Citadel	
1. Bond Hall Renovation	6,186,000
Total, The Citadel.....	6,186,000
2. Clemson University (E&G)	
1. Engineering Innovation Center, A&E	750,000
2. Brackett Hall Renovation	5,125,000
Total, Clemson University (E&G).....	5,875,000
3. Clemson University (PSA)	
1. Animal Rsrch Compliance Facil, A&E & Site Work	700,000
2. Fruit Research Station Replacement	1,500,000
3. Swine Farrowing Facilities	350,000
4. Vegetable Research Support Facilities	500,000
5. Newman Hall Renovation	800,000
6. Edisto Center: Laboratory Building, A&E	240,000
Total, Clemson University (PSA).....	4,090,000
4. College of Charleston	
1. Central Energy Facility Expansion	1,500,000
Total, College of Charleston.....	1,500,000
5. Francis Marion College	
1. Stokes Administration Building Expansion	1,920,000
Total, Francis Marion College.....	1,920,000
6. Lander College	
1. Old Main Renovation, A&E	436,000
Total, Lander College.....	436,000
7. South Carolina State College	
1. Machine Shop Renovation	100,000
2. Counseling & Self-Development Center	250,000
Total, South Carolina State College.....	350,000
8. University of South Carolina	
1. Columbia: Renovations	5,200,000
2. Columbia: Music Building, A&E	458,250
3. Coastal: Business Administration Building, A&E	468,000
4. Spartanburg: Campus Life Center, A&E	370,500
5. Beaufort: Renovations	500,000
6. Lancaster: Maintenance Building	191,000
7. Lancaster: Starr Hall Renovation	605,000
8. Union: Main Building Renovations	2,100,000
9. Salkehatchie: Renovations	700,000
Total, University of South Carolina.....	10,592,750

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AGENCY/Project	Recommended Funding CIB Unless Noted	
9. Winthrop College		
1. Johnson Hall Renovation/Addition	3,200,000	
Total, Winthrop College.....		3,200,000
10. Medical University		
1. Biomedical Research Facility, A&E	585,000	
Total, Medical University.....		585,000
11. State Board for Technical & Comprehensive Education		
1. State Board: Statewide System Equipment	10,000,000	CEF
2. Denmark: Physical Plant Building	643,760	
3. Beaufort: Coleman Hall Renovation	67,000	
4. Beaufort: Owen Hall Renovation	275,460	
5. Beaufort: Anderson Hall Renovation	297,000	
6. Greenville: Technical Resource Center	3,000,000	
Total, State Board for Technical & Comprehensive Ed.....		14,283,220
12. Department of Education		
1. School Bus Purchase (500)	15,225,000	CEF
Total, Department of Education.....		15,225,000
13. Educational Television Commission		
1. State Record Facilities Purchase	4,020,000	
2. State Record Facilities Construction/Renov.	4,765,000	
3. Equipment	7,500,000	CEF
4. Instructional Television Fixed Service: Channel Groups E & F	4,000,000	
Total, Educational Television Commission.....		20,285,000
14. Opportunity School		
1. Improvements	195,000	
Total, Opportunity School.....		195,000
15. School for the Deaf & the Blind		
1. Robertson Hall Improvements	85,000	
2. Thackston Hall Improvements	275,000	
Total, School for the Deaf & the Blind.....		360,000
16. State Library		
1. State Library Expansion/Renovation, A&E	403,900	
Total, State Library.....		403,900
17. Department of Mental Health		
1. Byrnes Medical Center: General Renovation	3,000,000	Dept
Total, Department of Mental Health.....		3,000,000

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AGENCY/Project	Recommended Funding CIB Unless Noted	
18. Department of Mental Retardation		
1. Community Residences (7 8-bed units)	<u>2,100,000</u>	Dept
Total, Department of Mental Retardation.....		2,100,000
19. John de la Howe School		
1. Cottage Renovation: Part 2	<u>500,000</u>	
Total, John de la Howe School.....		500,000
20. Department of Corrections		
1. 808-Bed Medium Security Institution	28,000,000 #	
2. 808-Bed Medium Security Institution	28,000,000 #	
3. Kirkland: 50-bed Maximum Security Unit	1,800,000	
4. Appalachian Region: 384-bed Female Inst	12,000,000	
5. Lower Savannah: 96-bed Addition (Work Release)	250,000	
6. Campbell: 96-bed Addition (Work Release)	250,000	
7. Palmer: 96-bed Addition (Work Release)	250,000	
8. Greenwood: 192-bed and Cafeteria Addition	1,200,000 #	
9. Givens Youth: 192-bed Addition	1,200,000	
10. MacDougall Youth: 192-bed Addition	1,250,000 #	
11. Walden: 96-bed Addition	250,000 #	
12. Goodman: 96-bed Addition	250,000	
13. Replacement of Central Correctional Inst	<u>45,000,000</u> L-P?	
Total, Department of Corrections.....		119,700,000
<p>#NOTE: If double-celling in all five new prison facilities is approved by the federal judge in Richmond, projects 1, 2, 8, 10, and 11, above (representing 2,096 beds and \$58,700,000), can be removed.</p> <p>If double-celling is allowed in <u>half</u> of the five new prison facilities, one 808-bed prison and the MacDougall project, representing 1,052 beds and \$29,250,000, can be removed from this list.</p>		
21. Department of Youth Services		
1. Dormitories, 5 20-bed (New Campus)	3,627,410	
2. Administration Building (New Campus)	1,488,168	
3. Social Services/Activity Bldg. (New Campus)	545,662	
4. Cafeteria (New Campus and Birchwood)	1,047,918	
5. Gymnasium (New Campus)	1,295,946	
6. Perimeter Fence (New Campus and Birchwood)	1,048,000	
7. Ball Field with Fencing (R&E Relocation)	45,739	
8. Activity Building (R&E Relocation)	555,529	
9. Gymnasium (R&E Relocation)	1,319,382	
10. Road, Parking & Sidewalks (New Campus)	450,960	
11. Santee Dorm. Renov. (New Campus Max. Sec. Unit)	56,370	
12. School Building Renovation (R&E Relocation)	282,131	
13. Laundry (R&E Relocation)	45,096	

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AGENCY/Project	Recommended Funding CIB Unless Noted	
14. Infirmary (R&E Relocation)	229,178	
15. Group Homes Relocation (3)	<u>125,000</u>	
Total, Department of Youth Services.....		12,162,489
22. Department of Agriculture		
1. Columbia Market Site Preparation	<u>960,000</u>	
Total, Department of Agriculture.....		960,000
23. Wildlife and Marine Resources Department		
1. Charleston: Cooperative Research Facil Renov	177,000	
2. Hatchery Construction and Renovation	<u>500,000</u>	
Total, Wildlife and Marine Resources Department.....		677,000
24. Coastal Council		
1. Beach Restoration Fund	<u>12,000,000</u>	
Total, Coastal Council.....		12,000,000
<p>Proviso: To require that these funds would be used for local beach restoration projects as a part of beach restoration plans approved by the Coastal Council and would be matched on a 60% State, 40% local basis by funds provided by local project sponsors.</p>		
25. Department of Parks, Recreation and Tourism		
1. State Parks Utility, Roads and Parking Repairs	1,700,000	
2. Cheraw State Park Development	6,400,000	
3. Santee Canal State Park: Phase 2	<u>1,500,000</u>	
Total, Department of Parks, Recreation & Tourism.....		9,600,000
26. Aeronautics Commission		
1. Purchase 1 Helicopter and Spare Parts	<u>1,500,000</u>	CEF
Total, Aeronautics Commission.....		1,500,000
27. Ports Authority		
1. Charleston Harbor Deepening	<u>40,338,700</u>	
Total, Ports Authority.....		40,338,700

Proviso: To record State's intention to provide these funds over an eight-year period as its share of this \$115 million project and to restrict the availability of these funds so that the Budget and Control Board and the Joint Bond Review Committee may make available to the Ports Authority not more than \$7,200,000 in 1988-89; not more than \$6,000,000 in 1989-90; not more than \$5,400,000 in 1990-91 and 1991-92; and may, prior to June 30, 1992, schedule the availability of the balance of the funds authorized.

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<u>AGENCY/Project</u>	<u>Recommended Funding</u> <u>CIB Unless Noted</u>
28. State Law Enforcement Division	
1. Automatic Fingerprint Identification System	3,500,000 CEF
2. Main Building Renovation & HVAC Replacement	710,000
3. Serology Lab Renovation & HVAC Replacement	37,000
4. Main Building Roof Replacement	<u>50,000</u>
Total, State Law Enforcement Division.....	4,297,000
29. Adjutant General's Office	
1. Union Armory Expansion/Renovation	580,000
2. Armory Improvements	250,000
3. Armory Construction: 251st Evac. Hospital	<u>625,000</u>
Total, Adjutant General' Office.....	1,455,000
30. Election Commission	
1. Uniform Electronic Voting System	<u>3,502,480</u>
Total, Election Commission.....	3,502,480
31. Budget and Control Board	
1. Fire Academy Relocation	350,000?
2. Asbestos Survey & Emergency Abatement, Phs 2	<u>10,000,000</u>
Total, Budget and Control Board.....	10,350,000
32. Greenville Performing Arts Center	<u>6,000,000</u>
Total, Greenville Performing Arts Center.....	6,000,000

Provided that these funds must be matched on a dollar-for-dollar value basis by contributions provided by the governing bodies of Greenville County and the City of Greenville.

TOTAL, ALL SOURCES.....\$313,629,539

Capital Expenditure Fund.....(37,725,000)
Lease Purchase.....(45,000,000)
Capital Improvement Bonds.....(230,904,539)

Capital Improvement Bond portion may be reduced to:
\$172,204,539 if full double-celling is allowed; or to
201,654,539 if half double-celling is allowed.

If the \$45,000,000 included for replacing CCI is to be funded by Capital Improvement Bonds, the bond amounts would be:

\$275,904,539 Total
\$217,204,539 If full double-celling is allowed
\$246,654,539 If half double-celling is allowed

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NOTES:

1. Add proviso requiring special monitoring procedure for all A&E project authorizations which provides for participation of designated staff of the State Engineer's Office and/or Property Management unit of the Division of General Services in design work on these particular projects. Review and concurrence by the Budget and Control Board and the Joint Bond Review Committee should be required when the project feasibility study is completed; when schematic drawings are completed; and when plans and specifications are completed.

2. Funds should be authorized by General Assembly for projects approved so that the funds might come from capital improvement bond proceeds or the Capital Expenditure Fund. The Board should suggest the types of projects it deems appropriate for funding from these sources and should identify them in its recommendations.

3. A general provision to limit the authorized funds which may be put on the draw schedule in 1990-91 should be included. It might read as follows:

The Budget and Control Board, after review by the Joint Bond Review Committee, may schedule and make available for draw during fiscal year 1990-91 not more than \$65 million of the bond funds authorized in this act.

* * * * *

Regarding item #30, relating to the Election Commission, Mr. Morris suggested that the Board propose that counties of their own volition improve the mechanics of their voting systems. He proposed that, when counties opt for new systems, the State provide matching funds on a 70% State-30% local basis for either electronic or punch card systems. He noted that this would have to be worked out legislatively.

Senator Waddell agreed that the State should not mandate what types of systems are to be used by the locals.

Mr. Patterson noted that any system should have redundancy to assure that data are not lost.

Governor Campbell agreed that counties should have options on types of systems to be used.

Following this discussion, upon a motion by Mr. Morris, seconded by Senator Waddell, the Board agreed that the Election Commission should allow counties the option of choosing either electronic or punch card voting systems.

Mr. Patterson called the Board's attention to item #32 on the list of staff recommendations, relating to the Greenville Performing Arts Center, and noted that \$6 million is included for the center and that the accompanying proviso would require that these funds must be matched on a dollar-for-dollar value basis by contributions provided by the governing bodies of Greenville County and the City of Greenville.

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board approved item #32, which would authorize \$6,000,000 for the Greenville Performing Arts Center with the matching requirement outlined in the proviso.

Mr. McLellan asked that the Board discuss the use of the Capital Expenditure Fund, noting that it is an integral part of the proposed package. He indicated that this proposed use of the Capital Expenditure Fund is a recognition that that Fund will still exist and, in view of the current discussions regarding the combining of the CEF with the general reserve, he questioned whether that is a valid assumption.

Governor Campbell observed that his idea of the Capital Expenditure Fund is that, if monies are available in the Fund at the end of the year, those funds will be used to pay for previously-approved capital improvements. He said that his idea of the CEF doesn't assume that the Fund will be used for projects in addition to everything else approved.

Mr. McLellan said that he has a problem with the assumption that the Fund will be there at all. He further pointed out that separate legislation will have to be introduced before the Fund could be used.

Governor Campbell explained that his position is that the Board will approve 100% of the projects for the maximum amount agreed upon for bonds. He said he assumed that, if funds are available at year-end, projects will be earmarked for Capital Expenditure Fund expenditure and will be taken off the approved bond list, thereby bringing down the bonded indebtedness.

Mr. McLellan noted that among the items proposed by staff for funding from the CEF are buses for the Department of Education and TEC equipment. He questioned the status of these projects if there is a midyear deficit in 1990 and funds are not available.

Governor Campbell expressed his view that those projects are appropriate for bonds and because they are included in the bond bill, bonds could be issued for the projects rather than paying cash from the Fund if the cash were not there. He reiterated the view that all projects would be included for a maximum level agreed upon and, if there is no Capital Expenditure Fund, bonds would be issued for the projects. He further said his concept is, if Capital Expenditure Fund monies are available, cash will be paid for the projects and the bond issue will be reduced by the amount paid in cash.

Governor Campbell expressed the view that the projects would be covered both ways.

Mr. Patterson observed that the option of providing cash for buses in the appropriations bill exists.

Mr. McInnis pointed out that Note 2 on page 6 of the staff recommendations was staff's effort to deal with this issue. He noted that it is similar to the approach taken with an earlier funding of prison facilities which authorized them to be funded from bond proceeds, the Capital Expenditure Fund or by lease purchase agreements. He noted that the staff recommendation is that all of the projects on the Board's list of recommendations be authorized for funding from either bond proceeds or cash from the CEF and that the Board suggest which projects could be funded by the CEF.

Mr. McLellan indicated that he will not belabor the point, but indicated his view that, if the Fund is eliminated, the size of the bond bill will be expanded.

Governor Campbell explained that that is what the Board is trying to keep from doing.

Mr. McLellan commented that the Fund is highly vulnerable.

Governor Campbell indicated that that is why he suggested the Board first agree upon the maximum amount it would recommend before beginning to choose individual projects. He noted that, if the double-celling appeal is denied, money will be taken away from education and youth services. He expressed the hope that the court will be reasonable in the appeal.

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Senator Waddell noted that that appeal should be settled before the Board recommends a capital improvement bond bill as it impacts the proposed bill tremendously. He advised that the Legislature could pass a joint resolution to authorize the Board to delay the submission of its recommendations to the General Assembly.

Mr. Patterson suggested that the Board go down the list of staff recommendations to move the process along.

Board members raised no questions on items 1 through 7 on the list of staff recommendations (relating to 1, The Citadel; 2, Clemson University (E&G); 3, Clemson University (PSA); 4, College of Charleston; 5, Francis Marion College; 6, Lander College; and 7, South Carolina State College).

Regarding item #8(2), USC Columbia Music Building A&E, Mr. McInnis advised that the staff notion in proposing the separation of the architectural and engineering portion from the full authorization in this case and in a number of the projects is to give the projects more review and to provide for more involvement by the Board and the Bond Committee in that review process. He pointed out that the effort would aimed at developing a better understanding of how the several projects respond to particular program needs of the proposing agencies; at subjecting the design process to oversight by the Board and the Bond Committee through staff dedicated to work closely with these significant projects (generally, those costing in excess of \$5 million) in the interest of reducing costs where possible; and at providing an opportunity for the Board and the Committee at appropriate points in the design process to check off on the projects.

Mr. McInnis advised the Board that the recommended A&E amounts are based on the assumption that the total overall project fee is to be 6½% of the estimated project cost which he said was in the range estimated by the State Engineer as being appropriate for general estimating purposes. He said that the State Engineer had advised that about 75% of the total fee is required to get the project through the plans and specifications stage. He said the resulting 4.875% (6.5% times 75%) had been applied to the estimated costs of the several projects to determine the A&E amounts recommended.

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Senator Waddell agreed that separating the A&E portion is a good process in that it makes it possible to firm up project cost figures.

Mr. Patterson said he thought the proposal for A&E authorizations on certain larger projects was a great idea which would afford an opportunity to review in detail the needs of each project and, in that process, save a lot of money.

Senator Waddell said he would have to argue with Mr. McInnis regarding the amounts calculated for A&E work. He noted that the State Engineer says that using $3/4$ of $6\frac{1}{2}\%$ (4.875%) for A&E costs is adequate, but others have told him that 5% to $6\frac{1}{2}\%$ is more reasonable. He asked if the Board could make some adjustment in these amounts.

Mr. McInnis advised that the State Engineer has said that some projects may require specialized consulting which could mean that the A&E costs would be higher but that we are assuming the average here.

Senator Waddell said he would not argue with the State Engineer but Mr. McLellan said we should be consistent in this matter. Senator Waddell again expressed the view that the 4.875% figure is low.

In response to the idea of accepting American Institute of Architects figures, Mr. McInnis noted that his understanding is that that approach would produce numerous figures because of the nuances among project types. He said he had discussed this matter on three occasions with the State Engineer and that he has accepted what the State Engineer has said. Mr. McInnis said his understanding is that a total fee of $6\frac{1}{2}\%$ is a reasonable general figure for the handling of an entire project and that it takes $3/4$ of that $6\frac{1}{2}\%$ (or 4.875%) to get the project through the plans and specifications stage.

Senator Waddell again expressed the view that the 4.875% figure is low and noted that he wants the projects to be ready to go with the funding provided. But, he said he bows to the three, four, five votes against him on this issue.

Mr. Morris advised that he is not voting against Senator Waddell but, rather, with the State Engineer.

Senator Waddell advised that there will be many requests submitted to the Bond Committee for projects coming in over the bid amount.

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With regard to item 8(2) on the staff recommendations, relating to the USC Columbia Music Building A&E project, in response to Mr. McLellan, Mr. McInnis advised that the CHE priority for this project is #35 of 37 recommended projects. (Mr. McInnis again noted that CHE had recommended 37 college and university projects which with 25 TEC projects comprised CHE's original list of 62 recommended projects.)

Mr. Morris noted that the A&E monies shown in the staff recommendations for the USC Columbia Music Building project are only half of what is needed and noted that he wants to fund all of the project, not half of it.

Mr. Patterson asked if there hadn't been some mention of other sources of funds for this USC project and Mr. McInnis confirmed that there had been but not by USC officials.

Mr. McLellan noted that there were 34 other projects on the list recommended by CHE ahead of the USC Music Building project and he pointed out that all of the 37 projects recommended by CHE are not on the list recommended by staff.

Mr. Morris again suggested that the funding for item 8(2) be doubled to provide for the A&E for the \$18.8 million facility proposed by USC.

In response to Governor Campbell's question regarding staff's recommendations as compared with those of CHE, Mr. McInnis advised that staff had not recommended any second projects for colleges and universities in getting to CHE's priority 20 in an attempt to spread the wealth.

Mr. McLellan said it is not a question of the institutions getting all they want and he observed that a geographic rather than a needs approach seems to have been taken in making the recommendations.

Mr. Morris commented that the Board has its own priorities just as CHE does.

Governor Campbell noted that the staff recommendations include the top 20 CHE recommendations with four exceptions.

Following this discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board agreed to double the amount in item #8(2), USC Columbia Music Building A&E, to bring the amount to \$916,500.

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In response to Mr. McLellan's question regarding A&E funding for other projects, Mr. McInnis advised that staff had picked up along the way that there possibly was another source of funds for the Music Building project which is why the staff recommendation was based on half of the requested total.

Senator Waddell moved that the Board add the USC Aiken Education Business Building A&E (4.875% of \$9,500,000) to the list of projects recommended. His motion was not seconded.

Mr. McLellan observed that this will be the fattest bond bill ever seen.

Upon a motion by Mr. McLellan, seconded by Mr. Morris, the Board added the Winthrop College Conservatory of Music project (CHE priority 9 of 37), \$1,900,000, to the list of recommendations.

Governor Campbell cautioned the Board that it could add all the projects it wants, but it will have to go back and cut the list.

Mr. McLellan expressed concern about item #13, ETV, and asked if the Board and Bond Committee can stream in the draws as they are needed for these projects and he noted that ETV will need \$4 million this fall for the purchase of the State Record facilities.

Mr. McInnis expressed the view that the priority schedule can accommodate items 13(1) and 13(2) which are the State Record facilities purchase and the construction and renovation work on those facilities.

Mr. McLellan advised that, in relation to #19, the John de la Howe School, he had talked with Representative McAbee who had expressed surprise that the Old Dairy Renovation project is not included in the recommendations along with the Cottage Renovation project because they are related. He noted that it is a joint venture with Clemson University. Mr. McInnis commented that he was not aware of any connection between the two project.

Mr. Morris noted that the Dairy renovation project cost is \$700,000. Governor Campbell said he would be interested in receiving information about the project which was then passed over.

Regarding item #20, Department of Corrections, Governor Campbell noted that the total is based on the anticipation that there can be no

double-celling. He said that he did not wish to approve these recommendations on that premise. He noted that the Nelson agreement is ridiculous and suggested that the Board, in making its recommendations to the General Assembly, not get out front of any decisions to be made by the courts. He said that he would rather stand his ground and take out items 20(1) and 20(2) until a ruling on double-celling has been received.

Mr. McLellan cautioned Board members that taking out 20(1) and 20(2) doesn't vacate \$58 million for other projects.

Governor Campbell advised that the Board should not anticipate the ruling with funds the State doesn't have.

Mr. Patterson noted that the thirteen facilities included in item 20 would add millions of dollars to the annual operating budget of the State.

Governor Campbell noted that there are other mandates facing the State such as school buses, mental health, and youth services. He noted that other states and the federal government are double-celling and suggested that the Board should not move out on the prisons item now.

With regard to item 20(13), Department of Corrections Replacement of Central Correctional Institution, Senator Waddell observed that the Board will have to make a decision about lease purchase or worthwhile projects will be sacrificed. He indicated that there is no argument about the added cost of doing the project by means of a lease purchase but he said that other factors are involved.

Mr. Patterson observed that lease purchase financing approach simply puts the cost in the annual operating column rather than in the debt service column.

Senator Waddell observed that it is a matter of time and needs and that some projects have to be done.

Mr. Morris also said that the Board needs to decide the CCI financing issue and Mr. Patterson observed that the process is underway on the lease purchase approach. Mr. Morris commented that the CCI RFP Committee has assumed that lease purchase will be the means of financing the project but that that decision has not yet been made.

Mr. McInnis said that staff has thought a lot about this question. He asked why the cost of the CCI replacement would not be treated as an exception within the bond program in view of the fact that its cost will be paid from the general fund under either the bond approach or the lease purchase approach.

Mr. McLellan said it is a matter of expediency and he said it apparently would be cheaper to do the CCI project with bonds.

Mr. Patterson said that the draws for the CCI project (\$3 million, \$6.5 million, \$13 million, \$13 million, \$6.5 million, and \$3 million) could be accommodated within the bond program.

In further discussion, Senator Waddell questioned the logic of including only A&E funds for projects of the higher education institutions while provision is made for the complete funding of prisons. He expressed the view that the Department of Corrections cannot spend \$56 million in two years on the two prisons at top of the list of staff recommendations. Mr. McInnis did not disagree with Senator Waddell that the Department would not spend \$56 million in two years but he did remind the Board that one thing the Department of Corrections has learned in recent years, as evidenced by the schedule in the handout, is to spend bond funds faster. He said this is due in part to the use of prototype designs which substantially shorten the time involved in getting projects under construction.

Governor Campbell expressed the view that the Department cannot build as quickly as the schedule calls for. He asked that the Board allow time for a decision on double-celling and the Board agreed to pass over item #20, relating to the Department of Corrections, until a ruling has been received on double celling.

In regard to item #27 on the staff recommendation list relating to the Ports Authority, Senator Waddell observed that including the entire amount throws the bill out of kilter. He suggested that the Board authorize the full project and treat it on a cash flow basis.

Governor Campbell agreed that the harbor deepening project is unique. However, he pointed out that the State has to make a commitment to the project

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Regular Session -- February 4, 1988 -- Page 17

in order to obtain federal funds. He said that there is no question but that the project has an eight-year funding cycle.

Mr. McInnis suggested that the bonds for the Ports Authority project are either authorized or they are not and he asked Senator Waddell to repeat his idea for treating that question.

Senator Waddell reiterated that including the full \$40.3 million amount skews the bill and uses space needed for other projects. He said it should be a separate issue.

Following further discussion, upon a motion by Senator Waddell, seconded by Mr. Patterson, the Board approved the Ports Authority Charleston Harbor Deepening project (\$40,338,700) for inclusion in its recommendations to the General Assembly. Governor Campbell asked staff to draft a letter to convey word of this Board recommendation to the Chairman of the Ports Authority this afternoon.

Mr. Patterson asked that the Board eliminate note #3 on page 6 (proposed proviso to limit the authorized funds which may be put on the draw schedule in 1990-91 to not more than \$65 million of the funds authorized). He expressed concern that a provision like this could make it impossible to pay bills on released projects when they come due.

Mr. McInnis said the idea of the note is to discipline the allocation process so as to ensure that some room on the priority schedule is available in 1990-91 to accommodate authorizations to be made in 1990 when the whole question of bond authorizations is visited again.

Mr. Patterson said the way to deal with that is to schedule the initiation of projects.

Senator Waddell and Mr. McLellan said they liked the idea in note #3.

In further discussion, Governor Campbell asked that the Board hold on a decision on note #3 until March.

Senator Waddell advised that a concurrent or joint resolution should be drawn to allow the Board to submit its proposed bond bill after February 15.

General Services Division staff member Charles Shaw reported that Clemson University architectural students will be involved in the proposed John de la

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Regular Session -- February 4, 1988 -- Page 18

Howe School renovation projects and will work with School's students as clients.

Upon a motion by Mr. McLellan, the Board added to #19, John de la Howe School, the Old Dairy Renovation project, \$700,000.

Upon a motion by Senator Waddell, the Board added to #8, USC, the Aiken Education/Business Building A&E, \$463,125.

Following further discussion, Governor Campbell announced and the Board agreed without objection that no new items will be considered for addition to the list of recommendations as it was approved by the Board today without unanimous consent of the Board and that only item #20 (Department of Corrections), proposed provisos and any deletions will be considered further when the matter is addressed again.

Information relating to this matter has been retained in these files and is identified as Exhibit 1.

Adjournment

The meeting was adjourned at 4:20 p.m.

[Secretary's Note: In compliance with Code §30-4-80, public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary and in the Press Room in the State House, near the Board Secretary's office in the Wade Hampton Building, and in the lobby of the Wade Hampton Office Building at 9:00 a.m. on Monday, February 1, 1988.]

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD

Meeting of February 4, 1988 -- 3:30 P. M.

Governor's Conference Room, State House

REGULAR SESSION AGENDA INDEX

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
	Budget and Control Board	Capital Improvement Bond Recommendations

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD
BUDGET & CONTROL BOARD STAFF RECOMMENDATIONS
PERMANENT IMPROVEMENT PROJECTS PROPOSED FOR FUNDING

AGENCY/Project	Recommended Funding CIB Unless Noted	
1. The Citadel		
1. Bond Hall Renovation	<u>6,186,000</u>	
Total, The Citadel.....		6,186,000
2. Clemson University (E&G)		
1. Engineering Innovation Center, A&E	750,000	
2. Brackett Hall Renovation	<u>5,125,000</u>	
Total, Clemson University (E&G).....		5,875,000
3. Clemson University (PSA)		
1. Animal Rsrch Compliance Facil, A&E & Site Work	700,000	
2. Fruit Research Station Replacement	1,500,000	
3. Swine Farrowing Facilities	350,000	
4. Vegetable Research Support Facilities	500,000	
5. Newman Hall Renovation	800,000	
6. Edisto Center: Laboratory Building, A&E	<u>240,000</u>	
Total, Clemson University (PSA).....		4,090,000
4. College of Charleston		
1. Central Energy Facility Expansion	<u>1,500,000</u>	
Total, College of Charleston.....		1,500,000
5. Francis Marion College		
1. Stokes Administration Building Expansion	<u>1,920,000</u>	
Total, Francis Marion College.....		1,920,000
6. Lander College		
1. Old Main Renovation, A&E	<u>436,000</u>	
Total, Lander College.....		436,000
7. South Carolina State College		
1. Machine Shop Renovation	100,000	
2. Counseling & Self-Development Center	<u>250,000</u>	
Total, South Carolina State College.....		350,000

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

8. University of South Carolina		
1. Columbia: Renovations	5,200,000	
2. Columbia: Music Building, A&E	458,250	
3. Coastal: Business Administration Building, A&E	468,000	
4. Spartanburg: Campus Life Center, A&E	370,500	
5. Beaufort: Renovations	500,000	
6. Lancaster: Maintenance Building	191,000	
7. Lancaster: Starr Hall Renovation	605,000	
8. Union: Main Building Renovations	2,100,000	
9. Salkehatchie: Renovations	700,000	
Total, University of South Carolina.....		10,592,750
9. Winthrop College		
1. Johnson Hall Renovation/Addition	3,200,000	
Total, Winthrop College.....		3,200,000
10. Medical University		
1. Biomedical Research Facility, A&E	585,000	
Total, Medical University.....		585,000
11. State Board for Technical & Comprehensive Education		
1. State Board: Statewide System Equipment	10,000,000	CEF
2. Denmark: Physical Plant Building	643,760	
3. Beaufort: Coleman Hall Renovation	67,000	
4. Beaufort: Owen Hall Renovation	275,460	
5. Beaufort: Anderson Hall Renovation	297,000	
6. Greenville: Technical Resource Center	3,000,000	
Total, State Board for Technical & Comprehensive Ed.....		14,283,220
12. Department of Education		
1. School Bus Purchase (500)	15,225,000	CEF
Total, Department of Education.....		15,225,000
13. Educational Television Commission		
1. State Record Facilities Purchase	4,020,000	
2. State Record Facilities Construction/Renov.	4,765,000	
3. Equipment	7,500,000	CEF
4. Instructional Television Fixed Service: Channel Groups E & F	4,000,000	
Total, Educational Television Commission.....		20,285,000
14. Opportunity School		
1. Improvements	195,000	
Total, Opportunity School.....		195,000

EXHIBIT

FEB 4 1988

NO. 1

STATE BUDGET & CONTROL BOARD

15. School for the Deaf & the Blind		
1. Robertson Hall Improvements	85,000	
2. Thackston Hall Improvements	275,000	
Total, School for the Deaf & the Blind.....		360,000
16. State Library		
1. State Library Expansion/Renovation, A&E	403,900	
Total, State Library.....		403,900
17. Department of Mental Health		
1. Byrnes Medical Center: General Renovation	3,000,000	Dept
Total, Department of Mental Health.....		3,000,000
18. Department of Mental Retardation		
1. Community Residences (7 8-bed units)	2,100,000	Dept
Total, Department of Mental Retardation.....		2,100,000
19. John de la Howe School		
1. Cottage Renovation: Part 2	500,000	
Total, John de la Howe School.....		500,000
20. Department of Corrections		
1. 808-Bed Medium Security Institution	28,000,000 #	
2. 808-Bed Medium Security Institution	28,000,000 #	
3. Kirkland: 50-bed Maximum Security Unit	1,800,000	
4. Appalachian Region: 384-bed Female Inst	12,000,000	
5. Lower Savannah: 96-bed Addition (Work Release)	250,000	
6. Campbell: 96-bed Addition (Work Release)	250,000	
7. Palmer: 96-bed Addition (Work Release)	250,000	
8. Greenwood: 192-bed and Cafeteria Addition	1,200,000 #	
9. Givens Youth: 192-bed Addition	1,200,000	
10. MacDougall Youth: 192-bed Addition	1,250,000 #	
11. Walden: 96-bed Addition	250,000 #	
12. Goodman: 96-bed Addition	250,000	
13. Replacement of Central Correctional Inst	45,000,000 L-P?	
Total, Department of Corrections.....		119,700,000

NOTE: If double-celling in all five new prison facilities is approved by the federal judge in Richmond, projects 1, 2, 8, 10, and 11, above (representing 2,096 beds and \$58,700,000), can be removed.

If double-celling is allowed in half of the five new prison facilities, one 808-bed prison and the MacDougall project, representing 1,052 beds and \$29,250,000, can be removed from this list.

EXHIBIT

FEB 4 1983 NO. 1

STATE BUDGET & CONTROL BOARD

21. Department of Youth Services		
1. Dormitories, 5 20-bed (New Campus)	3,627,410	
2. Administration Building (New Campus)	1,488,168	
3. Social Services/Activity Bldg. (New Campus)	545,662	
4. Cafeteria (New Campus and Birchwood)	1,047,918	
5. Gymnasium (New Campus)	1,295,946	
6. Perimeter Fence (New Campus and Birchwood)	1,048,000	
7. Ball Field with Fencing (R&E Relocation)	45,739	
8. Activity Building (R&E Relocation)	555,529	
9. Gymnasium (R&E Relocation)	1,319,382	
10. Road, Parking & Sidewalks (New Campus)	450,960	
11. Santee Dorm. Renov. (New Campus Max. Sec. Unit)	56,370	
12. School Building Renovation (R&E Relocation)	282,131	
13. Laundry (R&E Relocation)	45,096	
14. Infirmary (R&E Relocation)	229,178	
15. Group Homes Relocation (3)	125,000	
Total, Department of Youth Services.....		12,162,489
22. Department of Agriculture		
1. Columbia Market Site Preparation	960,000	
Total, Department of Agriculture.....		960,000
23. Wildlife and Marine Resources Department		
1. Charleston: Cooperative Research Facil Renov	177,000	
2. Hatchery Construction and Renovation	500,000	
Total, Wildlife and Marine Resources Department.....		677,000
24. Coastal Council		
1. Beach Restoration Fund	12,000,000	
Total, Coastal Council.....		12,000,000
Proviso: To require that these funds would be used for local beach restoration projects as a part of beach restoration plans approved by the Coastal Council and would be matched on a 60% State, 40% local basis by funds provided by local project sponsors.		
25. Department of Parks, Recreation and Tourism		
1. State Parks Utility, Roads and Parking Repairs	1,700,000	
2. Cheraw State Park Development	6,400,000	
3. Santee Canal State Park: Phase 2	1,500,000	
Total, Department of Parks, Recreation & Tourism.....		9,600,000
26. Aeronautics Commission		
1. Purchase 1 Helicopter and Spare Parts	1,500,000	CEF
Total, Aeronautics Commission.....		1,500,000

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

27. Ports Authority

1. Charleston Harbor Deepening	40,338,700	
Total, Ports Authority.....		40,338,700

Proviso: To record State's intention to provide these funds over an eight-year period as its share of this \$115 million project and to restrict the availability of these funds so that the Budget and Control Board and the Joint Bond Review Committee may make available to the Ports Authority not more than \$7,200,000 in 1988-89; not more than \$6,000,000 in 1989-90; not more than \$5,400,000 in 1990-91 and 1991-92; and may, prior to June 30, 1992, schedule the availability of the balance of the funds authorized.

28. State Law Enforcement Division

1. Automatic Fingerprint Identification System	3,500,000	CEF
2. Main Building Renovation & HVAC Replacement	710,000	
3. Serology Lab Renovation & HVAC Replacement	37,000	
4. Main Building Roof Replacement	50,000	
Total, State Law Enforcement Division.....		4,297,000

29. Adjutant General's Office

1. Union Armory Expansion/Renovation	580,000	
2. Armory Improvements	250,000	
3. Armory Construction: 251st Evac. Hospital	625,000	
Total, Adjutant General's Office.....		1,455,000

30. Election Commission

1. Uniform Electronic Voting System	3,502,480	
Total, Election Commission.....		3,502,480

31. Budget and Control Board

1. Fire Academy Relocation	350,000?	
2. Asbestos Survey & Emergency Abatement, Phs 2	10,000,000	
Total, Budget and Control Board.....		10,350,000

32. Greenville Performing Arts Center

	6,000,000	
Total, Greenville Performing Arts Center.....		6,000,000

Provided that these funds must be matched on a dollar-for-dollar value basis by contributions provided by the governing bodies of Greenville County and the City of Greenville.

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

TOTAL, ALL SOURCES.....\$313,629,539

Capital Expenditure Fund.....(37,725,000)

Lease Purchase.....(45,000,000)

Capital Improvement Bonds.....(230,904,539)

Capital Improvement Bond portion may be reduced to:

\$172,204,539 if full double-celling is allowed; or to

201,654,539 if half double-celling is allowed.

If the \$45,000,000 included for replacing CCI is to be funded by Capital Improvement Bonds, the bond amounts would be:

\$275,904,539 Total

\$217,204,539 If full double-celling is allowed

\$246,654,539 If half double-celling is allowed

NOTES:

1. Add proviso requiring special monitoring procedure for all A&E project authorizations which provides for participation of designated staff of the State Engineer's Office and/or Property Management unit of the Division of General Services in design work on these particular projects. Review and concurrence by the Budget and Control Board and the Joint Bond Review Committee should be required when the project feasibility study is completed; when schematic drawings are completed; and when plans and specifications are completed.

2. Funds should be authorized by General Assembly for projects approved so that the funds might come from capital improvement bond proceeds or the Capital Expenditure Fund. The Board should suggest the types of projects it deems appropriate for funding from these sources and should identify them in its recommendations.

3. A general provision to limit the authorized funds which may be put on the draw schedule in 1990-91 should be included. It might read as follows:

The Budget and Control Board, after review by the Joint Bond Review Committee, may schedule and make available for draw during fiscal year 1990-91 not more than \$65 million of the bond funds authorized in this act.

STATE GENERAL OBLIGATIONS SUBJECT TO DEBT SERVICE LIMITATION*

(\$ MILLIONS)

Fiscal Year	**General Fund Revenue	#Debt Service Limitation	Outstanding July 1, 1987	D E B T		S E R V I C E		Total as A % of Prior Year Revenue
				#Projected Additional	Total	Change		
1986-87	2,681							
1987-88	2,875	134.0	98.9	0.0	98.9			3.688%
1988-89	3,043	143.8	95.9	12.9	108.9	+10.0		3.788%
1989-90	3,194	152.1	92.5	25.6	118.1	+9.2		3.882%
1990-91	3,354	159.7	89.2	37.7	126.9	+8.8		3.973%
1991-92	3,521	167.7	74.5	49.3	123.8	-3.1		3.691%
1992-93	3,698	176.1	74.5	60.5	135.0	+11.2		3.834%
1993-94		184.9	71.7	71.3	143.0	+8.0		3.867%

* Capital Improvement Bonds and School Bonds. School Bonds are paid off in 1990-91.

** 5% annual growth assumed.

Limitation amount is 5% of prior completed year revenue after adjustments to remove certain debt service transfers.

Assumes issue of \$100 million of Capital Improvement Bonds each year starting in the Spring of 1988. Interest rate of 7% and a 17-year repayment period (equal principal repay) assumed.

EXHIBIT
FEB 4 1988
NO. 1
STATE BUDGET & CONTROL BOARD

A

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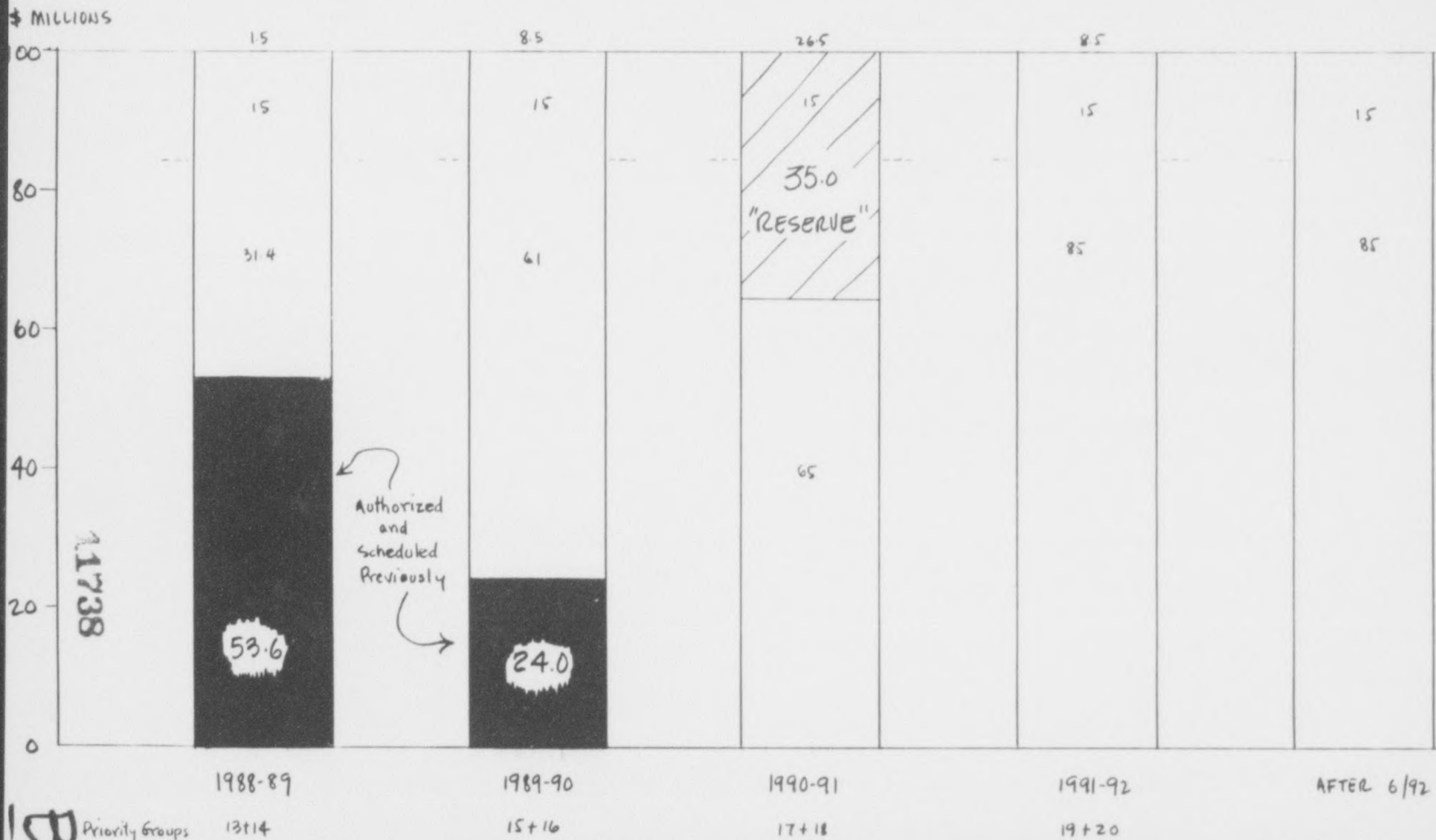
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EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

CAPITAL IMPROVEMENT BOND PROGRAM



B

EXHIBIT

FEB 4 1988 NO. 1

Capital Expenditure Fund (CEF)

STATE BUDGET & CONTROL BOARD

1) Should the CEF be anticipated as a source of financing that allows Bond Bill authorizations beyond limits suggested by the current/projected amounts of Issuance/Draw?

a) No, the CEF is designed to take the state to a pay-as-you-go capital improvements system.

b) Generally no, but the Prison situation will force us for several years to make the CEF an add on to the Issuance/Draw limit.

c) Yes, our debt burden is rather low compared to past years, and since South Carolina is a growing state, we need to borrow to provide facilities.

2) How much money from the CEF should be considered as available for funding items recommended in the 1988 Bill?

Probable Percentage Left After Mid-Year Cuts

FY88	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>
24.425 million	\$6.11	\$12.21	\$18.33	\$24.25 millions
34.425 million	\$8.61	\$17.21	\$25.83	\$34.425 millions
44.425 million	\$11.10	\$22.21	\$33.31	\$44.425 millions
FY89	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>
1% FY87 revenue (26.928 million)	\$6.732	\$13.464	\$20.196	\$26.928 millions
2% FY87 revenue (53.885 million)	\$13.471	\$26.943	\$40.413	\$53.885 millions
3% FY89 revenue (61.331 million)	\$15.333	\$30.666	\$45.998	\$61.331 millions

3) What should the CEF money be spent on? Since this is the only predictable money for major one-time expenditures, should it be targeted for things that have life cycle under 15 years:

- a) equipment
- b) school buses, helicopters and planes
- c) routine medium/minor renovations
- d) beach renourishment and dredging that must be repeated within 15 years?

EXHIBIT

FEB 4 1988

NO. 1

HIGHER EDUCATION
(Excluding Technical Education)

STATE BUDGET & CONTROL BOARD

Priority Order as Ranked by Commission on Higher Education

#	College/University	Project	Amount
✓ 1.	The Citadel	Bond Hall Renovation	\$5,586,000 + 600,000
✓ 2.	USC Lancaster	Maintenance Building	191,000
✓ 3.	SC State College	Machine Shop Renovation	100,000
4.	MUSC	Colcock Hall Renovation	750,000
✓ 5.	USC Union	Main Building Renovations	2,100,000
✓ 6.	USC Columbia	Renovations	5,200,000
✓ 7.	Winthrop College	Johnson Hall Renovation/Addition	3,200,000
✓ 8.	College of Charleston	Central Energy Expansion	1,500,000
9.	Winthrop College	Conservatory of Music	1,900,000
10.	USC Salkehatchie	Library Computer Building	2,144,000
✓ 11.	Francis Marion College	Stokes Administration Building	1,920,000
✓ 12.	USC Lancaster	Starr Hall Renovation	605,000
✓ 13.	SC State College	Counseling & Self Development Center	250,000
A+E 14.	USC Spartanburg	Campus Life Center	7,598,000
A+E 15.	USC Coastal	Business Administration Building	9,600,000
A+E 16.	Clemson University	Engineering Innovation Center	15,000,000
✓ 17.	USC Beaufort	Renovations	500,000
18.	The Citadel	Utility Distribution System Renov.	1,500,000
A+E 19.	MUSC	Biomedical Research Facility	12,000,000
A+E 20.	Lander College	Renovation Old Main Building	8,950,000
21.	USC Spartanburg	Campus Development	2,430,000
22.	College of Charleston	Sottile Memorial Auditorium Renov.	1,000,000
23.	The Citadel	Perimeter Road & Parking	536,000
24.	College of Charleston	Expansion of Energy Management System	500,000
25.	Clemson University	Freeman Hall Renovation	5,500,000
26.	Clemson University	Water Filtration Plan Improvements	5,900,000
27.	The Citadel	Library Expansion/Renovation	745,000
28.	Francis Marion College	Maintenance & Storage Building Exp.	260,000
29.	USC Aiken	Administration Building Renovation	1,000,000
30.	Lander College	Renovation Barksdale	549,000
31.	The Citadel	Thompson Hall Renovation	1,770,000
32.	USC Sumter	Maintenance Building	235,000
33.	USC Columbia	Student Service Building	5,230,000
34.	Francis Marion College	Perim. Rd/Pkng/Wlks/Lghts/Storm Drain	1,068,000
A+E 35.	USC Columbia	Music Building	18,800,000
36.	SC State College	Arts & Science Building	6,000,000
37.	USC Aiken	Education Business Building	9,500,000
Total			<u>\$141,617,000</u>

bbr/c&u
2/3/88

11740

D

DEPARTMENT OF CORRECTIONS
CAPITAL IMPROVEMENT BOND FUNDS DRAWN
FISCAL YEARS 1982-83 THROUGH 1987-88

Proj. #	Project Name	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	Total Drawn	No. of Years	Average Amount Drawn Per Month
7758	Lieber	97,386.69	2,323,486.86	5,840,013.81	7,915,199.74	1,781,582.20	114,631.37	18,072,295.67	5½	273,822.66
8623	McCormick			749,987.60	11,009,959.26	6,804,783.37	1,329,614.23	19,885,344.46	3½	473,460.58
9069	Broad River					13,442,725.29	6,197,510.16	19,650,235.45	1½	1,091,124.19
Total		97,386.69	2,323,486.86	6,590,001.41	18,925,159.00	22,029,090.86	7,641,755.76	57,607,875.58		

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

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11741

2/3/88
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EXHIBIT

FEB 4 1988

NO. 1

STATE BUDGET & CONTROL BOARD

DRAFT

REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

11742

<u>Project Name</u>	<u>Total</u>	<u>Group 13 July-Dec 88</u>	<u>Group 14 Jan-June 89</u>	<u>Group 15 July-Dec 89</u>	<u>Group 16 Jan-June 90</u>	<u>Group 17 July-Dec 90</u>	<u>Group 18 Jan-June 91</u>	<u>Group 19 July-Dec 91</u>	<u>Group 20 Jan-June 92</u>	<u>After June 92</u>
The Citadel										
1. Bond Hall Renovation	6,186,000		250,000		750,000		4,186,000		1,000,000	0
Clemson University										
1. Engineering Innovation Center, A&E	750,000		375,000		375,000		0		0	0
2. Brackett Hall Renovation	5,125,000		500,000		1,000,000		2,000,000		1,625,000	0
Clemson University (PSA)										
1. Animal Research Compliance Fac. A&E & Site Work	700,000		250,000		450,000		0		0	0
2. Fruit Research Station Replacement	1,500,000		300,000		750,000		450,000		0	0
3. Swine Farrowing Facilities	350,000		150,000		200,000		0		0	0
4. Vegetable Research Support Facilities	500,000		250,000		250,000		0		0	0
5. Newman Hall Renovation	800,000		675,000		125,000		0		0	0
6. Edisto Center: Labroatory Building, A&E	240,000		0		240,000		0		0	0
College of Charleston										
1. Central Energy Facility Expansion	1,500,000		750,000		750,000		0		0	0
Francis Marion College										
1. Stokes Administration Building Expansion	1,920,000		107,000		600,000		1,213,000		0	0

EXHIBIT

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STATE BUDGET & CONTROL BOARD

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REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

Project Name	Total	Group 13 July-Dec 88	Group 14 Jan-June 89	Group 15 July-Dec 89	Group 16 Jan-June 90	Group 17 July-Dec 90	Group 18 Jan-June 91	Group 19 July-Dec 91	Group 20 Jan-June 92	After June 92
Lander College										
1. Old Main Renovation, A&E	436,000		50,000		386,000		0		0	0
South Carolina State College										
1. Machine Shop Renovation	100,000		100,000		0		0		0	0
2. Counseling & Self-Development Center	250,000		250,000		0		0		0	0
University of South Carolina										
1. Columbia: Renovations	5,200,000		500,000		1,000,000		2,100,000		1,600,000	0
2. Columbia: Music Building, A&E	458,250		258,250		200,000		0		0	0
3. Coastal: Business Administration Bldg., A&E	468,000		275,000		193,000		0		0	0
4. Spartanburg: Campus Life Center, A&E	370,500		200,000		170,500		0		0	0
5. Beaufort: Renovations	500,000		200,000		300,000		0		0	0
6. Lancaster: Maintenance Building	191,000		191,000		0		0		0	0
7. Lancaster: Starr Hall Renovation	605,000		0		300,000		305,000		0	0
8. Union: Main Building Renovations	2,100,000		100,000		500,000		1,000,000		500,000	0
9. Salkehatchie: Renovations	700,000		320,000		380,000		0		0	0
Winthrop College										
1. Johnson Hall Renovation/Addition	3,200,000		100,000		400,000		1,500,000		1,200,000	0

EXHIBIT

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STATE BUDGET & CONTROL BOARD

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REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

<u>Project Name</u>	<u>Total</u>	<u>Group 13 July-Dec 88</u>	<u>Group 14 Jan-June 89</u>	<u>Group 15 July-Dec 89</u>	<u>Group 16 Jan-June 90</u>	<u>Group 17 July-Dec 90</u>	<u>Group 18 Jan-June 91</u>	<u>Group 19 July-Dec 91</u>	<u>Group 20 Jan-June 92</u>	<u>After June 92</u>
Medical University										
1. Biomedical Research Facility, A&E	585,000		585,000		0		0		0	0
State Board for Technical & Comprehensive Education										
1. State Board: Statewide System Equipment	10,000,000 CEF		7,500,000		2,500,000		0		0	0
2. Denmark: Physical Plant Building	643,760		100,000		543,760		0		0	0
3. Beaufort: Coleman Hall Renovation	67,000		67,000		0		0		0	0
4. Beaufort: Owen Hall Renovation	275,460		275,460		0		0		0	0
5. Beaufort: Anderson Hall Renovation	297,000		297,000		0		0		0	0
6. Greenville: Technical Resource Center	3,000,000		0		1,800,000		1,200,000		0	0
Department of Education										
1. School Bus Purchase (500)	15,225,000 CEF		15,225,000		0		0		0	0
Educational Television Commission										
1. State Record Facilities Purchase	4,020,000		4,020,000		0		0		0	0
2. State Record Facilities Construction/Renov.	4,765,000		705,000		4,060,000		0		0	0
3. Equipment	7,500,000 CEF		0		2,500,000		4,000,000		1,000,000	0
4. Instructional Television Fixed Service: Channel Groups E & F	4,000,000		650,000		1,080,000		2,270,000		0	0
Opportunity School										
1. Improvements	195,000		195,000		0		0		0	0

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SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

<u>Project Name</u>	<u>Total</u>	<u>Group 13 July-Dec 88</u>	<u>Group 14 Jan-June 89</u>	<u>Group 15 July-Dec 89</u>	<u>Group 16 Jan-June 90</u>	<u>Group 17 July-Dec 90</u>	<u>Group 18 Jan-June 91</u>	<u>Group 19 July-Dec 91</u>	<u>Group 20 Jan-June 92</u>	<u>After June 92</u>
School for the Deaf & the Blind										
1. Robertson Hall Improvements	85,000		85,000		0		0		0	0
2. Thackston Hall Improvements	275,000		0		275,000		0		0	0
State Library										
1. State Library Expansion/Renovation, A&E	403,900		203,900		200,000		0		0	0
Department of Mental Health										
1. Byrnes Medical Center: General Renovation	3,000,000 Dept		200,000		500,000		1,300,000		1,000,000	0
Department of Mental Retardation										
1. Community Residences (7 8-bed units)	2,100,000 Dept		300,000		900,000		900,000		0	0
John de la Howe School										
1. Cottage Renovation: Part 2	500,000		500,000		0		0		0	0

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EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

<u>Project Name</u>	<u>Total</u>	<u>Group 13 July-Dec 88</u>	<u>Group 14 Jan-June 89</u>	<u>Group 15 July-Dec 89</u>	<u>Group 16 Jan-June 90</u>	<u>Group 17 July-Dec 90</u>	<u>Group 18 Jan-June 91</u>	<u>Group 19 July-Dec 91</u>	<u>Group 20 Jan-June 92</u>	<u>After June 92</u>
Department of Corrections										
1. 808-Bed Medium Security Institution	28,000,000 #		7,250,000		14,000,000		6,750,000		0	0
2. 808-Bed Medium Security Institution	28,000,000 #		0		2,500,000		10,500,000		15,000,000	0
3. Kirkland: 50-bed Maximum Security Unit	1,800,000		500,000		1,300,000		0		0	0
4. Appalachian Region: 384-bed Female Inst	12,000,000		360,000		7,000,000		4,640,000		0	0
5. Lower Savannah: 96-bed Addition (Work Release)	250,000		250,000		0		0		0	0
6. Campbell: 96-bed Addition (Work Release)	250,000		250,000		0		0		0	0
7. Palmer: 96-bed Addition (Work Release)	250,000		250,000		0		0		0	0
8. Greenwood: 192-bed and Cafeteria Addition	1,200,000 #		700,000		500,000		0		0	0
9. Givens Youth: 192-bed Addition	1,200,000		500,000		700,000		0		0	0
10. MacDougall Youth: 192-bed Addition	1,250,000 #		0		0		1,250,000		0	0
11. Walden: 96-bed Addition	250,000 #		100,000		150,000		0		0	0
12. Goodman: 96-bed Addition	250,000		100,000		150,000		0		0	0
13. Replacement of Central Correctional Inst	45,000,000 L-P7		1,500,000		8,500,000		26,500,000		8,500,000	0

NOTE: If double-celling in all five new prison facilities is approved by the federal judge in Richmond, projects 1, 2, 8, 10, and 11, above (representing 2,096 beds and \$58,700,000), can be removed.

If double-celling is allowed in half of the five new prison facilities, one 808-bed prison and the MacDougall project, representing 1,052 beds and \$29,250,000, can be removed from this list.

EXHIBIT

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STATE BUDGET & CONTROL BOARD

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REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

Project Name	Total	Group 13 July-Dec 88	Group 14 Jan-June 89	Group 15 July-Dec 89	Group 16 Jan-June 90	Group 17 July-Dec 90	Group 18 Jan-June 91	Group 19 July-Dec 91	Group 20 Jan-June 92	After June 92
Department of Youth Services										
1. Dormitories, 5 20-bed (New Campus)	3,627,410		47,410		2,580,000		1,000,000		0	0
2. Administration Building (New Campus)	1,488,168		20,000		1,468,168		0		0	0
3. Social Services/Activity Bldg. (New Campus)	545,662		15,000		530,662		0		0	0
4. Cafeteria (New Campus and Birchwood)	1,047,918		25,000		1,022,918		0		0	0
5. Gymnasium (New Campus)	1,295,946		25,000		1,270,946		0		0	0
6. Perimeter Fence (New Campus and Birchwood)	1,048,000		48,000		1,000,000		0		0	0
7. Ball Field with Fencing (R&E Relocation)	45,739		0		45,739		0		0	0
8. Activity Building (R&E Relocation)	555,529		285,529		270,000		0		0	0
9. Gymnasium (R&E Relocation)	1,319,382		0		119,382		1,200,000		0	0
10. Road, Parking & Sidewalks (New Campus)	450,960		15,000		435,960		0		0	0
11. Santee Dorm. Renov. (New Campus Max. Sec. Unit)	56,370		31,370		25,000		0		0	0
12. School Building Renovation (R&E Relocation)	282,131		182,131		100,000		0		0	0
13. Laundry (R&E Relocation)	45,096		45,096		0		0		0	0
14. Infirmary (R&E Relocation)	229,178		179,178		50,000		0		0	0
15. Group Homes Relocation (3)	125,000		125,000		0		0		0	0
Department of Agriculture										
1. Columbia Market Site Preparation	960,000		900,000		60,000		0		0	0
Wildlife and Marine Resources Department										
1. Charleston: Cooperative Research Facil Renov	177,000		177,000		0		0		0	0
2. Hatchery Construction and Renovation	500,000		100,000		400,000		0		0	0

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

Project Name	Total	Group 13 July-Dec 88	Group 14 Jan-June 89	Group 15 July-Dec 89	Group 16 Jan-June 90	Group 17 July-Dec 90	Group 18 Jan-June 91	Group 19 July-Dec 91	Group 20 Jan-June 92	After June 92
Coastal Council										
1. Beach Restoration Fund	12,000,000	3,000,000		3,000,000		6,000,000		0		0
Proviso: To require that these funds would be used for local beach restoration projects as a part of beach restoration plans approved by the Coastal Council and would be matched on a 60% State, 40% local basis by funds provided by local project sponsors.										
Department of Parks, Recreation and Tourism										
1. State Parks Utility, Roads and Parking Repairs	1,700,000		100,000		650,000		950,000		0	0
2. Cheraw State Park Development	6,400,000		500,000		1,000,000		2,500,000		2,400,000	0
3. Santee Canal State Park: Phase 2	1,500,000		0		250,000		1,250,000		0	0
Aeronautics Commission										
1. Purchase 1 Helicopter and Spare Parts	1,500,000 CEF		1,200,000		300,000		0		0	0

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

11749

REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

Project Name	Total	Group 13 July-Dec 88	Group 14 Jan-June 89	Group 15 July-Dec 89	Group 16 Jan-June 90	Group 17 July-Dec 90	Group 18 Jan-June 91	Group 19 July-Dec 91	Group 20 Jan-June 92	After June 92
Ports Authority										
1. Charleston Harbor Deepening	40,338,700		3,000,000		5,900,000		4,200,000		4,900,000	22,338,700
Proviso: To record State's intention to provide these funds over an eight-year period as its share of this \$115 million project and to restrict the availability of these funds so that the Budget and Control Board and the Joint Bond Review Committee may make available to the Ports Authority not more than \$7,200,000 in 1988-89; not more than \$6,000,000 in 1989-90; not more than \$5,400,000 in 1990-91 and 1991-92; and the balance after June of 1992.										
State Law Enforcement Division										
1. Automatic Fingerprint Identification System	3,500,000 CEF		1,700,000		1,500,000		300,000		0	0
2. Main Building Renovation & HVAC Replacement	710,000		70,000		640,000		0		0	0
3. Serology Lab Renovation & HVAC Replacement	37,000		37,000		0		0		0	0
4. Main Building Roof Replacement	50,000		50,000		0		0		0	0
Adjutant General's Office										
1. Union Armory Expansion/Renovation	580,000		240,000		340,000		0		0	0
2. Armory Improvements	250,000		250,000		0		0		0	0
3. Armory Construction: 251st Evac. Hospital	625,000		250,000		375,000		0		0	0

EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

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REVISED

SPEND-OUT PLAN ON REQUESTED CAPITAL IMPROVEMENT BONDS

Project Name	Total	Group 13 July-Dec 88	Group 14 Jan-June 89	Group 15 July-Dec 89	Group 16 Jan-June 90	Group 17 July-Dec 90	Group 18 Jan-June 91	Group 19 July-Dec 91	Group 20 Jan-June 92	After June 92
Election Commission										
1. Uniform Electronic Voting System	3,502,480		3,502,480		0		0		0	0
Budget and Control Board										
1. Fire Academy Relocation	350,000 ?		350,000		0		0		0	0
2. Asbestos Survey & Emergency Abatement, Phs 2	10,000,000		2,150,000		4,850,000		3,000,000		0	0
Greenville Performing Arts Center	6,000,000		3,000,000		0		3,000,000		0	0
Provided that these funds must be matched on a dollar-for-dollar value basis by contributions provided by the governing bodies of Greenville County and the City of Greenville.										
TOTAL	313,629,539		70,439,804		86,662,035		95,464,000		38,725,000	22,338,700



EXHIBIT

FEB 4 1988 NO. 1

STATE BUDGET & CONTROL BOARD

State of South Carolina

CARROLL A. CAMPBELL, JR.
GOVERNOR

Office of the Governor

POST OFFICE Box 11369
COLUMBIA 29211

February 4, 1988

Mr. Robert V. Royall, Jr.
Chairman
State Ports Authority
P. O. Box 727
Columbia, SC 29202

Dear Mr. Royall:

At its meeting on February 4, 1988, the Budget and Control Board agreed to recommend to the General Assembly for inclusion in the 1988 Capital Improvement Bond Bill \$40,338,770 for the Charleston Harbor Deepening project.

The Board made this recommendation to record the State's intention to provide these funds over an eight-year period as its share of this \$115 million project and to restrict the availability of these funds so that the Budget and Control Board and the Joint Bond Review Committee may make available to the Ports Authority not more than \$7,200,000 in 1988-89; not more than \$6,000,000 in 1989-90; not more than \$5,400,000 in 1990-91 and 1991-92; and may, prior to June 30, 1992, schedule the availability of the balance of the funds authorized.

Sincerely,

A handwritten signature in dark ink, appearing to read "Carroll A. Campbell, Jr.", written over a horizontal line.

Carroll A. Campbell, Jr.
Chairman, Budget and Control Board

11751

T H E E N D