

MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 1 1971

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The Budget and Control Board met in the Conference Room of the Governor's Office at 10:30 a. m. on Wednesday, December 1, 1971, with all Board members in attendance. The meeting was also attended by Messrs. P. C. Smith and W. T. Putnam.

The following business was transacted.

UNIVERSITY OF SOUTH CAROLINA - STADIUM EXPANSION - Mr. Harold Brunton, Vice-President for Business Affairs of the University of South Carolina, appeared before the Board and requested approval for additional expansion of the stadium. He specifically requested that the construction limit be raised to \$8,900,000 and that the low bid for the second phase, in the amount of \$1,912,000, be accepted. Mr. Brunton further asked that the University be permitted to sell the surplus stands to Saluda High School for \$22,000.

The Board approved each of these requests.

GENERAL SERVICES - Mr. Furman E. McEachern, Director of the General Services Division, appeared before the Budget and Control Board and presented the following items.

ANNUAL REPORTS - Mr. McEachern advised the Board that an editor was needed to review annual reports of the various departments and to assist in their preparation. He further stated that he had found a well qualified individual whom he could hire at an annual salary of \$15,000. Governor John C. West indicated that, prior to staffing this position on a permanent basis, he would like for the General Services Division to review

the annual report requirements for the purpose of eliminating unnecessary items either by direction of the Budget and Control Board, or if necessary, by legislative action.

It was agreed that the applicant, James Haynesworth, should be hired as a consultant for three or four months at a fee approximating a \$15,000 annual salary, and that he be assigned the duty of conducting the study mentioned above.

INSURANCE SINKING FUND - Mr. McEachern furnished the Board with a copy of the findings of the South Carolina Department of Insurance with respect to the operation of the Insurance Sinking Fund, but he advised the Board that the findings were not an actuarial study. He, therefore, requested that he be permitted to retain the A. M. Best Company for the purpose of conducting a true actuarial study which would include the possibility of insuring State-owned automobiles and other employee insurance.

The Board authorized Mr. McEachern to negotiate such a contract. A copy of the report of the Insurance Department has been retained in these files and is designated as Exhibit I.

STATE PARK HEALTH CENTER RENOVATIONS - Mr. McEachern reported that Hill-Burton funds were available to renovate the Farmer Building at the State Park Health Center and stated that such repairs were absolutely necessary if Federal funds were to continue to be used in this facility.

The Board agreed that the Hill-Burton funds should be used and authorized the General Services Division to pro-

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ceed with the renovations. However, the Board expressed its concern over the ultimate usage of this hospital and requested that Dr. Kenneth Aycock be contacted and asked for his thoughts as to future plans for the facility.

LAND USAGE STUDY - The Budget and Control Board was furnished with a study entitled Evaluation of Land Requirements at the Bull Street Site which had been prepared by the Planning and Grants Division. However, it was determined that the study was made with certain preconceived ideas as to the necessity of various programs, whereas the planning of such activities has not yet been completed.

The Board accepted the study as information, and Mr. P. C. Smith agreed to ask Dr. A. C. Flora, of the Finance Division, to conduct a study of the various proposed programs of the Commission of the Blind and other affected agencies to determine the necessity for the facilities in question. A copy of the study made by the Planning and Grants Division has been retained in these files and is designated as Exhibit II.

LEASE OF PROPERTY TO U. S. NAVY - Mr. McEachern received Board approval to lease a small amount of property (.28 acres) to the U. S. Navy. This property is located in Charleston County.

PURCHASE OF AUTOMOBILES - Mr. McEachern received Board approval for the purchase and trade of various automobiles for the State of South Carolina. A list of the automobiles has been retained in these files and is designated as Exhibit III.

DESTRUCTION OF BUILDINGS - STATE PARK - The Board authorized

the destruction of certain small buildings which are presently located in the State Park Health Center.

COLUMBIA AIRPORT PROPERTY - Mr. McEachern reported that Mr. L. L. Hester, former Senator from McCormick County, had requested that the State sell him certain property which is located at the Columbia Airport. However, the Board declined to approve this sale.

ADJUTANT GENERAL'S DEPARTMENT - Major General Robert L. McCrady had indicated that he feels that the listing of War Veterans from the State of South Carolina by his Department is a redundant effort and has inquired as to the possibility of terminating this project. The Board requested that Mr. P. C. Smith contact the Adjutant General concerning this matter.

G. C. MERCHANT, JR. - RETIREMENT - The Board was advised that a question had arisen as to the benefits to which Mr. G. C. Merchant, Jr., Director of the South Carolina Aeronautics Commission, will be entitled upon his retirement from active service with the State. Although the Office of the Attorney General has issued an official opinion concerning the matter, the Director of the Retirement System, Mr. Tatum Gressette has taken issue with the findings.

The Board agreed to defer any particular action as Mr. Merchant's retirement date is not imminent.

RALPH A. DURHAM - RETIREMENT - As the Budget and Control Board had received information concerning a possible question of appropriate retirement benefits which might accrue to Mr. Ralph A. Durham of the Department of Education, it requested that Mr. P. C. Smith ascertain all of the facts involved, that they may be presented at a later date.

BUDGET 1972-73 - The Board reviewed the budget of the Governor's Office at the request of Governor John C. West. It was pointed out that the bulk of the increases requested involved monies for matching Federal funds, much of which will be returned to the county and local governments.

After much discussion, the Board agreed that it should recommend a balanced budget with no tax increase and no "blanket" raise for either teachers or State employees. In its decision the Board members indicated that, since such raises would necessarily be accompanied by a corresponding tax increase, the amount of both was properly a Legislative function.

Governor John C. West advised the members that he agreed with this decision as far as the Budget and Control Board was concerned, but that he would probably recommend salary increases and certain new programs in his annual message to the Legislature. He also stated that he would probably recommend new tax increases to cover these expenditures.

There being no further business, the meeting was adjourned at 12:45 p. m.

AGENDA MATERIALS
AND SUPPORTING DOCUMENTS
FOR THE MEETING OF
DECEMBER 1, 1971



STATE OF SOUTH CAROLINA
DEPARTMENT OF INSURANCE

FEDERAL LAND BANK BUILDING - 1401 HAMPTON STREET
COLUMBIA, SOUTH CAROLINA 29201

JOHN W. LINDSAY
CHIEF INSURANCE COMMISSIONER

November 12, 1971

EXHIBIT I
DECEMBER 1, 1971

INSURANCE COMMISSION

LESTER L. BATES
EDWARD KRONBERG
CLAUDE E. MCCAIN
JAMES C. SELF
E. FORT WOLFE

Mr. Furman E. McEachern, Jr.
Director, Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

RECEIVED

NOV 13 1971

DIVISION OF
GENERAL SERVICES

Dear Furman:

I am pleased to transmit to you the report of Mr. B. G. McCandless, Chief Examiner of the Insurance Department, concerning the operation of the Sinking Fund. I think the report speaks for itself in that the Fund has been extremely well managed and on a most conservative basis. It would appear that expansion of the Fund activities is most feasible in the light of the financial condition of the Fund. It also seems to be apparent that upward adjustments by way of retention are indicated in the existing operations.

After further reflection on our conference of last week, the staff and I are of the firm opinion that the entire State Insurance Program should be coordinated under the direction of a Risk Manager. The results of the Bond Study indicate a wide variety of coverages and no systematic pattern of coverage. It may be that this anomaly is a result of various statutes, but this further dictates proper planning in terms of insurance objectives and levels of protection desired. There are many programs which suggest themselves by way of expansion. For example, the automobile liability insurance on State vehicles could be provided under the Fund and I am sure that a study of the State Agencies would produce a kaleidoscopic pattern similar to the Fidelity and Performance Bonds.

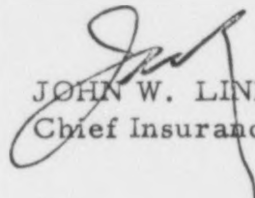
I have given some further thought to the position of the Risk Manager and it is my best judgment that such a position should be responsible to the Budget and Control Board or such individual as the Board may direct within the framework of the Board. The individual would certainly be free to consult with the Insurance Department and we would be of all the assistance possible.

Page Two
Mr. McEachern
November 12, 1971

I do not think it is feasible that an individual could serve two masters if he were a member of the Insurance Department staff and in reality responsible to the Budget and Control Board, because of the fiscal nature of the responsibility.

I would be more than glad to discuss this with you in greater detail at your convenience.

Very truly yours,


JOHN W. LINDSAY
Chief Insurance Commissioner

JWL:ml
Enclosures

cc: Mr. P. C. Smith
State Auditor
205 Wade Hampton Office Building
Columbia, South Carolina 29201

November 10, 1971

Mr. Furman E. McEachern, Jr.
Director, Division of General Services
South Carolina State Budget and Control Board
300 Cervaais Street
Columbia, South Carolina

Dear Mr. McEachern:

In accordance with your request, we have made a limited study of certain phases of the operations of the Insurance Sinking Fund. Our study was based on the information contained in your Annual Reports to the General Assembly of South Carolina.

We have compared the average results of the insurance operations of the South Carolina Insurance Sinking Fund for the period from July 1, 1962 to June 30, 1970, with the average results of one years operations with respect to fire and extended coverage of twenty (20) licensed insurers whose average surplus to policyholders approximated the balance of the Insurance Fund at June 30, 1970.

The following report is respectfully submitted,

15/
B. G. McCANDLESS
Chief Examiner

BGMCC/vfd

The Insurance Sinking Fund operating under the Division of General Services provides fire and allied lines insurance coverage including sprinkler leakage and boiler explosion on all state, county and public school buildings and their contents in the State of South Carolina. The Sinking Fund recently secured a Difference In Condition contract which provides for all risk coverage excluding fire and extended coverage; and this protection is made available to the various state, county and public school authorities on an optional basis.

At June 30, 1970, the Fund had insurance in force of \$1,437,839,370 covering 9,351 separate risks, whose values range from \$5,000 to over \$10,000,000. The Fund retains the first \$250,000 of loss on each and every risk, with reinsurance for 100% of the excess loss above that amount. Of the total number of risks 8,211 or 88%, representing \$520,166,000 or 36% of the insurance in force, are valued at less than the Funds present net retention. The remaining 1,140 or 12% of the number of risks range in values from \$250,000 to over \$10,000,000. The Funds net retention of these risks amount to \$285,000,000 or another 20% of the insurance in force. The Funds aggregate net amounts at risk is \$805,166,000 or 56% of the insurance in force, with the remaining \$632,674,000 reinsured.

The following exhibit shows a comparison of pertinent ratios used by the Department to test compliance with statutes and regulations and to analyze operations of licensed insurers, with comparable ratios developed from our study of the Fund.

	<u>Insurance Companies</u>	<u>Insurance Sinking Fund</u>
1. <u>Net Premium Written</u> Policyholders Surplus	265.82%	5.17%
2. <u>Largest Net Risk</u> Policyholders Surplus	1.88	.88
3. <u>Losses Incurred</u> Premiums Earned	54.68%	49.98%
(Loss Adjustment Expense	4.67%	- 0 -
(Commission, Brokerage, Other	25.31	- 0 -
4. (General Expense	12.91	6.14
(Taxes, Licenses, Fees	<u>3.57</u>	<u>- 0 -</u>
(Total Expenses	<u>46.46%</u>	<u>6.14%</u>
5. Underwriting Gain (Loss)	<u>(1.14%)</u>	<u>43.88%</u>

Salient points to be noted from the above exhibit are (1) The insurers have only 38¢ of policyholders surplus for each \$1.00 of net premiums written; the Fund has \$19.34 for each \$1.00 of premiums. (2) The largest net retention, any one risk, is limited by statute to 10% of the policyholders surplus; the Fund has less than 1% net retention on any one risk. (3) The loss ratio of the Fund is lower

than that of the insurers; and it is to be noted that the premium rates charged by the Fund are less than Bureau rates charged by the insurers. (4) The Fund shows total underwriting expenses of approximately 6% of premiums earned, as compared to 46% of premiums earned by the insurers. (5) The Fund has a net underwriting gain of almost 44% of the premiums earned.

Our study covered fire and extended coverage losses paid by the Sinking Fund during an eight (8) year period from July 1, 1962 to June 30, 1970. Several interesting points were noted. During this period 85.3% of the number of losses paid were less than \$10,000 and 98.1% were less than \$100,000. The reinsurer participated in only six (6) of the losses to the extent of \$1,017,151. The amount recovered from the reinsurer represented approximately 20% of the total fire losses paid.

It was also noted that fire losses greatly exceeded extended coverage losses and that the majority of the fire losses paid were on school properties. School property losses represented nearly 80% of the total of fire losses paid. In contrast to this, state property losses were 17% of the losses paid, leaving only 3% of the losses applicable to county properties.

The Fund has a balance in excess of \$28,000,000 and the assets are invested in notes, bonds and other securities of good quality. It is obvious from the favorable underwriting results achieved over

the past several years that the Fund has been operating on a sound basis. Certainly, the premiums in the aggregate have been more than adequate to pay the losses incurred in every year that the Fund has been in operation. It also appears that the balance in the Fund is more than sufficient to meet the present insurance needs; and that additional lines of business could be written, provided a more favorable reinsurance program could be negotiated.

We note that during the past eight (8) years, the Fund has paid reinsurance premiums of \$2,510,000 for which it recovered \$1,017,151 in losses. The average of six (6) losses in which the reinsurer participated was \$325,545 with the largest amounting to \$441,472. The Fund would have been \$1,492,849 better off to have retained all the risks and eliminated the reinsurance premium altogether during this period. It would, however, have been exposed to a catastrophe which could have reversed the situation. It is to be noted that the reinsurer in 1969 raised the Fund's retention from \$150,000 to \$250,000 with no reduction in reinsurance premiums. The reinsurer had a loss ratio of only 40.52% on a \$150,000 retention. Had the \$250,000 retention been in effect for the entire period under review, the reinsurer's loss ratio would have been reduced to 21%. This raises the question as to the reasonableness of the reinsurance premium. We feel that a review of the reinsurance contract should be undertaken, and the the Fund's objective, with

respect to the use of reinsurance, should be reappraised. We feel, also, that the Fund may be able to negotiate a more favorable reinsurance contract with a larger net retention, but with an annual aggregate excess above \$2,500,000 which would maintain the integrity of the present Fund. The reinsurance contract should be negotiated directly with the reinsurer or its intermediary with the contract providing for return of underwriting profits in excess of negotiated figures.

We would conclude, therefore, that the premiums currently charged by the Fund are adequate in the aggregate. The Annual Reports from which we made our study did not show premiums by class of risk. We do note that the amount of losses from school properties are by far the greatest of the three classes of risks insured. It is assumed that premiums charged are related directly to the experience of the various classes. We would suggest that the Fund keep statistical premium and loss records, which would be developed by line and by class of business in order that proper rate levels could be maintained. We would also suggest that insurance accounting procedures be applied to the development and reporting of income, losses and expenses.

In Summary, we feel that the Fund has been well managed and if it has erred, it has erred on the side of conservatism. The Fund is now developing investment income which is almost equal to the Fund's net losses.

EXHIBIT II
DECEMBER 1, 1971

STATE OF SOUTH CAROLINA



OFFICE OF THE GOVERNOR

THIS REPORT WAS
PREPARED BY
COMMUNITY AFFAIRS SECTION
STATE PLANNING AND GRANTS DIVISION
FOR
SOUTH CAROLINA BUDGET AND CONTROL BOARD

NOVEMBER 16, 1971

EVALUATION OF LAND REQUIREMENTS
AT THE BULL STREET SITE

COLUMBIA, SOUTH CAROLINA

Introduction

This report addresses the problem of property utilization at the Bull Street Site. Existing plans for the expansion or improvement of existing facilities developed unilaterally by the Department of Mental Health, the Commission for the Blind and the Division of General Services are in conflict, and a controversy has developed regarding the future disposition of this property. The Budget and Control Board has requested the Community Affairs Section, State Planning and Grants Division to review the plans and offer recommendations regarding the judicious use of the Bull Street Site for development.

Thus, the primary objective of this study is to coordinate the detailed planning work already completed by the agencies involved, and to offer alternative solutions to the conflicts that have arisen. It does not represent an indepth analysis.

Recently, representatives of State Planning and Grants Division met with the agencies involved both collectively and individually. The discussions focused upon the following aspects:

1. Long and short-range goals
2. Site and locational requirements
3. Current status of facility planning
4. The relationship of existing and proposed facilities to surrounding land uses.

The findings are outlined in the following paragraphs.

Findings

The Bull Street Site consists of 364.7 acres of which 350.2 acres (96.0 percent) are owned by the Department of Mental Health, 9.1 acres (3.6 percent) by the Division of General Services, and 5.4 acres (1.4 percent) by the Commission for the Blind (refer to Map 1).

MAP I
GENERAL LOCATION MAP



This study focuses on the northern portion of the site (north of Colonial Drive) consisting of 94.4 acres of which 66.0 acres (70.0 percent) is currently vacant. Existing development includes the Department of Mental Health Administration Building, the Adult Training and Adjustment Center operated by the Commission for the Blind, the J. Marion Sims Building, and five residential structures owned by the Department of Mental Health (refer to Map 2). The State Hospital complex is located immediately south of the study area, and the new Columbia Hospital is located immediately north of the site.

The current plans of the Department of Mental Health, the Commission for the Blind, and the Division of General Services are described below.

Department of Mental Health

The Department of Mental Health has developed a sophisticated planning capability. Long-range facility plans have been prepared for the Bull Street Site as well as for other development sites within the Columbia area.

As shown on Map 3, that portion of the Bull Street Site north of Colonial Drive and east of the existing J. Marion Sims Building is reserved for the medical school. This area has been reserved for this purpose for almost two decades.

The area north of Confederate Avenue and west of Bull Street is currently being used as residential property by certain staff members of the Department of Mental Health.

Commission for the Blind

The 5.4 acres now occupied by the Commission for the Blind was originally owned by the South Carolina Association of the Blind and has been devoted to training and educational activities benefiting the blind for over 40 years.

[illegible][illegible]

MAP 2
EXISTING LAND USE

New
Columbia Hospital

BULL STREET

J.M. SIMS
BLDG.

COMM FOR THE
BLIND

MENTAL
HEALTH
BLDG.

SUMMERVILLE AVENUE

VICTORIA STREET

WALLACE STREET

Hwy 90

MAP 2
EXISTING LAND USE

New Columbia Hospital

BULL STREET

J.M. SIMS BLDG.

COMM. FOR THE BLIND

MENTAL HEALTH BLDG.

SUMMERVILLE AVENUE

VICTORIA STREET

WALLACE STREET

MAP 2

EXISTING LAND USE

New
Columbia Hospital

BULL STREET

STREET

AVENUE

SUMMERVILLE

AVENUE

VICTORIA

STREET

WALLACE

STREET

J.M SIMS
BLDG.

COMM FOR THE
BLIND

MENTAL
HEALTH
BLGD.

AGRICULTURAL

DRIVE

[illegible]

**MAP 2
EXISTING LAND USE**

New
Columbia Hospital

J.M. SIMS
BLDG.

COMM FOR THE
BLIND

MENTAL
HEALTH
BLDG.

BULL
STREET

SUMMERVILLE
AVENUE

VICTORIA
STREET

WALLACE
STREET

RECREATION

**MAP 2
EXISTING LAND USE**

New Columbia Hospital

BULL STREET

J.M. SIMS BLGD.

COMM FOR THE BLIND

MENTAL HEALTH BLGD.

SUMMERVILLE AVENUE

VICTORIA STREET

WALLACE STREET

PARKWAY DRIVE

[illegible]

MAP 2
EXISTING LAND USE

New
Columbia Hospital

BULL STREET

J.M. SIMS
BLDG.

COMM. FOR THE
BLIND

MENTAL
HEALTH
BLDG.

SUMMERVILLE AVENUE

VICTORIA STREET

WALLACE STREET

STREET

STREET

MAP 2
EXISTING LAND USE

New
Columbia Hospital

BULL STREET

J.M. SIMS
BLDG.

COMM FOR THE
BLIND

MENTAL
HEALTH
BLDG.

STREET

AVENUE

SUMMERVILLE

AVENUE

VICTORIA STREET

WALLACE STREET

STREET

Hwy

In March 1970, the Commission for the Blind began planning the construction of a new Adult Training and Adjustment Center to replace their deteriorating physical plant. The plans are now complete and call for construction in four or five phases over a five year period.

The facility will be used for the training of the adult blind who have reached an advance stage of development. A downtown location (access to bus routes, taxis, jobs, etc.) and proximity to other health facilities are considered essential for this type of facility.

Division of General Services

The Division of General Services provides and maintains facilities for the Health and Welfare agencies of the State. The Division, as a matter of policy, is attempting to house functional groupings (as determined by the South Carolina State Government Organization manual) within the same geographical area. At present, the Health and Welfare agencies are interspersed throughout the city.

The Division of General Services has completed plans for expansion of the J. Marion Sims Building. The new addition would accommodate both the growing space needs of the State Board of Health and the remaining Health and Welfare Agencies. Approximately 90 percent of the additional space has already been allocated, however, and anticipated growth will necessitate a continuing building program.

The proposed expansion of the J. Marion Sims Building will eliminate existing parking space. To replace this space and to accommodate the increased parking demand of the expanded facility, an additional 1.3 acres is required. The additional property must come from the Department of Mental Health holdings as shown in Map 3.

MAP 3
CURRENTLY PROPOSED LAND USE

DIVISION OF GENERAL SERVICES
 EXISTING PROPOSED
 COMMISSION FOR THE BLIND

New
Columbia Hospital

Proposed Medical
School Site

Proposed
Residential
Complex
(Dept. of
Mental
Health)

Proposed Training &
Adjustment Center

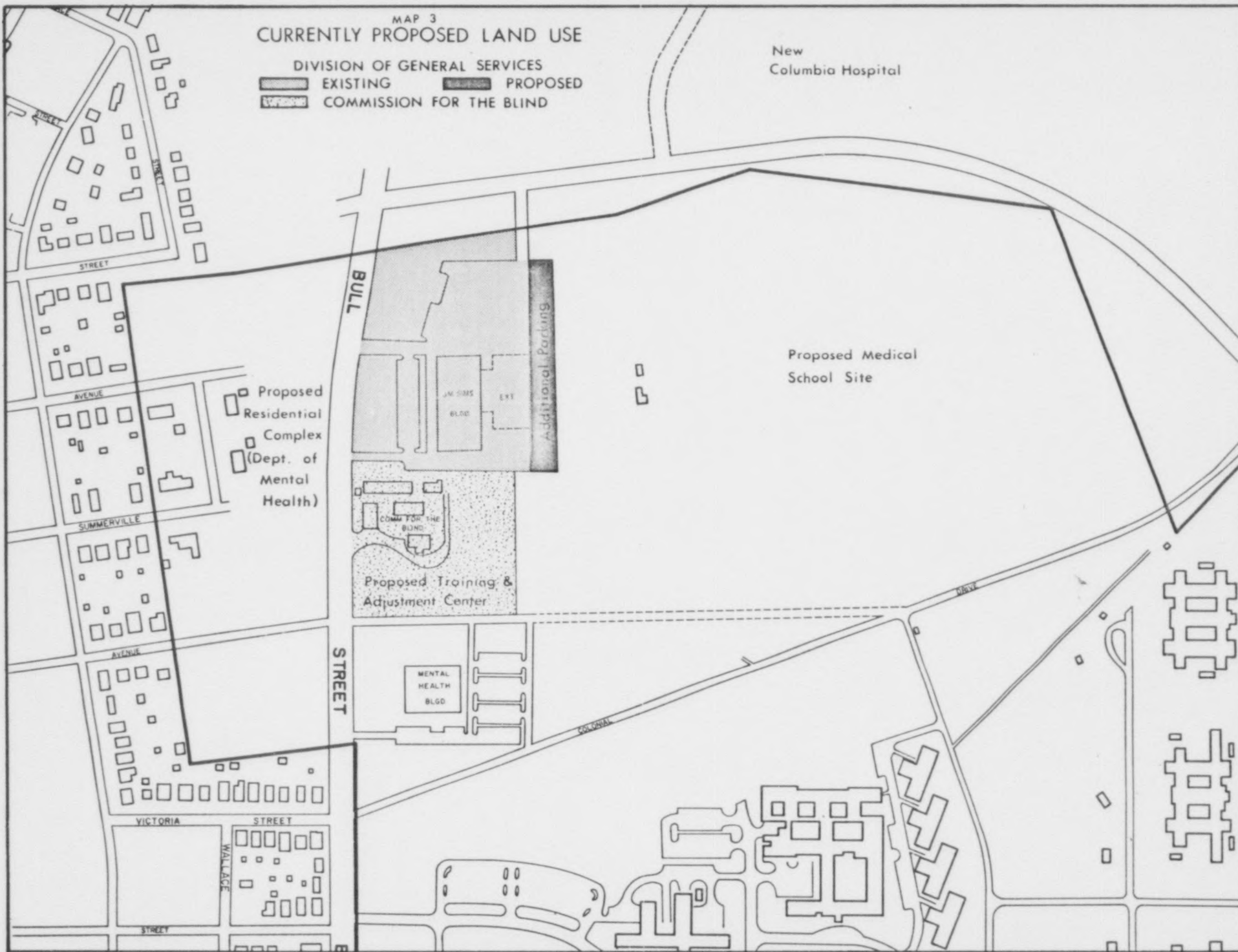
MENTAL
HEALTH
BLDG

COMM FOR THE
BLIND

JW DMS
BLDG

EXT

Additional Parking



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Conclusions

It is concluded that:

1. The three agencies involved have developed long-range facility plans in varying degrees. There has been a notable lack of coordination, however, especially during the initial phases. This deficiency is attributed primarily to the absence of a single State agency responsible for the overall coordination of facility planning.
2. Because of its heavy investment, the sophistication of its planning process, and the extent of its holdings in the Bull Street area, the Department of Mental Health is the key agency in this controversy. Additional land requirements of the Commission for the Blind and the Division of General Services threaten the suitability of the site for its planned uses.
3. Although not as great, both the Commission for the Blind and the Division of General Services also have a vested interest in the Bull Street Site. In addition, both agencies have demonstrated the need for a downtown location and, in the case of General Services, a need for the physical grouping of related agencies.
4. The existing site cannot accommodate the competing demands unless the coordination of facility planning activities can be affected and definite land utilization policies are adopted.

Alternatives

With these conclusions in mind, the following alternatives were evaluated.

1. To abandon current plans for a medical school at the Bull Street Site and make the property available for future expansion of the Commission for the Blind, the Division of General Services and other appropriate State facilities.
2. To prohibit all further expansion of the Commission for the Blind and the Division of General Services facilities and to relocate the agencies over a period of time.

3. To allow the Commission for the Blind and the Division of General Services to build within existing property lines but prohibit any further expansion. This alternative would necessitate a revision of existing plans for the enlargement of the J. Marion Sims Building and possibly a more intensive use of available property (multi-level parking, for example, or elevation of proposed structure to retain existing parking).

4. To allow both the Division of General Services and the Commission for the Blind to implement present plans for development but to prohibit additional expansion of the facilities at a later date.

5. To allow both the Division of General Services and the Commission for the Blind to implement existing plans and to provide for further expansion west of the Bull Street extension.

The advantages and disadvantages of these alternatives are compared in Table 1.



Recommendation

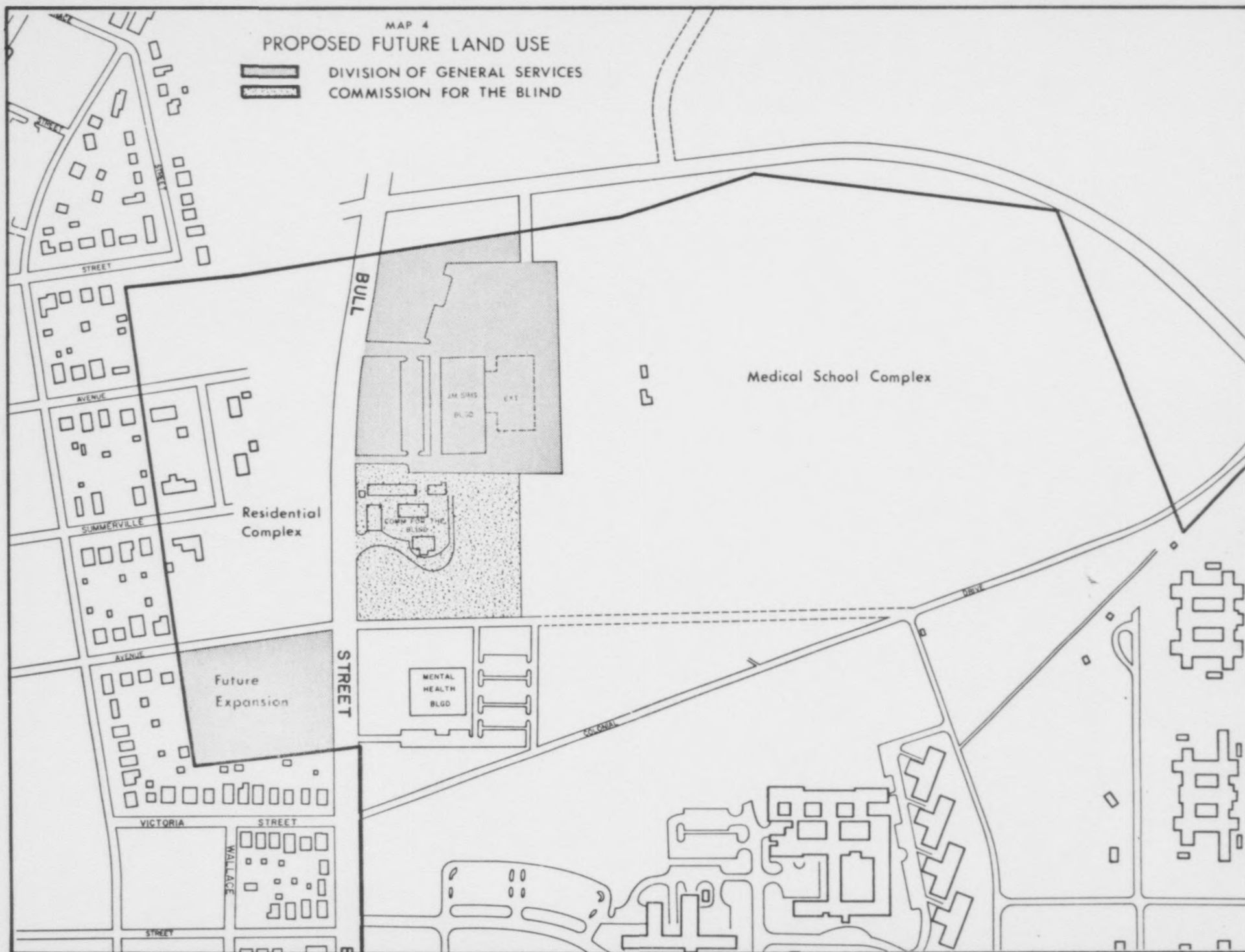
Giving due consideration to the advantages and disadvantages of the alternatives considered, it is recommended that the plans submitted by both the Commission for the Blind and the Division of General Services be approved for immediate implementation and that the Department of Mental Health deed to the Division of General Services the 1.3 acres required to accommodate expansion of the J. Marion Sims Building.

It is further recommended that the tract located at the intersection of Bull and Confederate Streets (see Map 4) be reserved for future use by the Division of General Services, and all further expansion by any State agency into the area now reserved for the proposed medical school be prohibited.

These recommendations are based on the following reasoning:

MAP 4
PROPOSED FUTURE LAND USE

 DIVISION OF GENERAL SERVICES
 COMMISSION FOR THE BLIND



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1. The Department of Mental Health has, as a matter of policy, reserved a major portion of the Bull Street Site for a proposed medical school and related facilities. This commitment should only be disregarded if and when a more feasible alternative is found.

2. The Bull Street Site meets the locational requirements of both the Commission for the Blind and the Health and Welfare Agencies. Both desire a downtown location and would benefit from proximity to a larger medical complex.

3. Both the Commission for the Blind and the Division of General Services have virtually completed their planning for the needed improvements of their facilities. Substantial policy changes at this juncture would necessitate major revision of these plans.

4. The Commission for the Blind contends that the proposed training center is adequate to accommodate the adult training needs for the foreseeable future (at least 20 years) and anticipates no further expansion.

5. The Health and Welfare Agencies, on the other hand, are expected to outgrow their present (and planned) facility within the twenty year planning period. To maintain the functional grouping concept, additional land must be provided in proximity to the J. Marion Sims Building.

6. The disposition of property recommended above and shown by Figure 4 addresses the requirements of the agencies involved and satisfies each to a greater or lesser degree. The recommendation is considered realistic and an acceptable compromise for the competing interests.

Coordinated Planning for Capital Outlay

The controversy over the Bull Street Site only serves to demonstrate the need for coordinating the long-range planning activities of the various State agencies. This point is generally conceded but the question of what existing State agency should assume the coordination

responsibility remains unresolved.

Two agencies have been suggested: State Planning and Grants Division, and the State Engineers' Office within the Budget and Control Board. After some consideration, it is recommended that the State Engineers' Office assume this responsibility. This recommendation is based on the following reasoning:

1. The State Engineers' Office now reviews all architectural and engineering designs for State facilities and has the authority to approve, disapprove, or modify such plans. The consideration of land utilization by competing State agencies is a logical extension of this review process. State Planning and Grants Division, to the contrary, has no current responsibility for State facility planning and at present does not have the required staff capability.

2. The State Engineers' Office could assume this task with the addition of relatively few new employees. State Planning and Grants Division would require a new section with additional clerical and drafting capability.

3. The State Engineers' Office as an arm of the Budget and Control Board presently has the authority and leverage to effectively coordinate long-range planning by State agencies. State Planning and Grants Division would be forced to rely on persuasion to affect change -- a situation that would in all probability prove unsatisfactory.

TABLE 1

COMPARISON OF ALTERNATIVES FOR UTILIZATION OF BULL STREET SITE

<u>Alternatives</u>	<u>Advantages</u>	<u>Disadvantages</u>	<u>Remarks</u>
1. Abandon plans for a medical school at the Bull Street Site and make property available for future expansion of Commission for the Blind, Division of General Services and other appropriate facilities.	1. Ample space provided for horizontal expansion of facilities to serve Commission for the Blind and Division of General Services.	1. Limited vacant sites available in downtown Columbia for proposed medical school	1. Adoption of this alternative would be contrary to long-standing policy of the Department of Mental Health.
2. Prohibit expansion of Commission for Blind and Division of General Services and relocate existing facilities.	1. Eliminates possibility of further encroachment upon property required for Mental Health facilities. 2. Responsibility for land utilization in Bull Street area placed in hands of one agency.	1. Available property in outlying area of City not suited to needs of either agency. 2. No alternate downtown location presently available. Land acquisition costly. 3. Would involve major disruption of activities. 4. Existing architectural and engineering plans must be extensively modified.	

<u>Alternatives</u>	<u>Advantages</u>	<u>Disadvantages</u>	<u>Remarks</u>
3. Allow Commission for the Blind and Division of General Services to build within existing property lines but prohibit further expansion.	1. No further encroachment of proposed medical school site permitted.	1. No space available to accommodate expansion of the Commission for the Blind and Division of General Services. 2. Current plans for expansion of J. Marion Sims Building would require alteration resulting in delay.	
4. Allow Division of General Services and the Commission for the Blind to implement current development plans but prohibit their further expansion at the Bull Street Site.	1. Current plans can be implemented without modification or delay. 2. Encroachment upon area reserved for medical school is minor.	1. Further encroachment into area reserved for medical school. 2. No space available for future expansion of Division of General Services or the Commission for the Blind.	1. The proposed expansion to the J. Marion Sims Building would require an additional 1.3 acres.
5. Allow Division of General Services and the Commission for the Blind to implement current development plans and to provide for further expansion <u>west</u> of the Bull Street extension.	1. Current plans can be implemented without modification or delay. 2. Encroachment upon area reserved for medical school is minor. Site remains basically intact for proposed uses. 3. Future expansion of the Division of General Services can be accommodated. 4. The functional grouping of Health and Welfare Agencies can be achieved and maintained	1. Further encroachment into area reserved for medical school. 2. If further expansion for Health and welfare agencies is required, facilities must be physically separated. 3. No space available for future expansion of Adult Training facilities for the Blind.	1. A 4.2 acre tract is available at the corner of Bull Street and Confederate Avenue. No development is planned for this tract and it could be expanded to 11 acres through eminent domain. 2. Approximately 61.7 acres would be reserved for future use by the Department of Mental Health.

Criminal Justice Training Academy - Purchase one 1972 Pontiac Catalina for Director

Public Welfare - Purchase two 1972 Chevrolet 12 passenger vans for Spartanburg County

College of Charleston - Purchase one 1972 Ford station wagon for general purposes

Juvenile Corrections - Purchase one 1972 Mini-bus for John G. Richards School;
Purchase three 1972 Ford or Chevrolet sedans for Charleston Center and Deputy Directors; Purchase one 1972 wagon for Coordinator of Administrative Services;
Purchase two 1972 police-type sedans for security purposes

Technical Education - Purchase one 1972 Ford Custom for intra-state travel;
Purchase four 1972 18-passenger commercial busses for Concentrated Employment Programs

U. S. C. - Purchase one 1972 Chevrolet 9-passenger station wagon for Lancaster Campus

Mental Health - Purchase one 1972 Ford Galaxie 500 for Director, Adm. Services

Midlands Center - Purchase one 1972 Ford Pinto assigned to Motor Pool

Whitten Village - Purchase one 1972 Chevrolet 16-passenger school bus for residents' transportation

Alcoholism Commission - Purchase two 1972 police-type four door sedans -
One for Columbia Chief of Police & other for Sheriff Powell, Richland County

Winthrop College - Purchase two 1972 Ford wagons for Family Education

SLED - Purchase one 1972 Ford country sedan station wagon for law enforcement

Vocational Rehabilitation - Purchase one 1972 van wagon for transporting clients

Mental Retardation - Purchase one 1972 Pontiac Executive for Superintendent of PeeDee Center

Medical University of S. C. - Trade one 1967 Volkswagon for one 1972 12-passenger van wagon for Department of Psychiatry (Hosp.); Trade one 1970 Opel 2 door wagon for one 1972 Plymouth Satellite, police vehicle

PRT - Trade one 1970 Ford station wagon for one 1972 Plymouth 4 door station wagon for use by all employees; Trade one 1969 Chevrolet for one 1972 Ford 4ds for use by all employees; Trade one 1969 Plymouth Fury III for one 1972 Ford 4ds for use by all employees; Purchase one 1972 Ford for use by all employees

Vocational Rehabilitation - Purchase two 1972 Ford 4ds assigned to assistant commissioners

Juvenile Corrections - Purchase one 1972 Plymouth station wagon for transportation of girls

U. S. C. - Purchase one 1972 Ford School Bus Cowl & Chassis for Lancaster campus

ETV - Purchase one 1972 Chevrolet or GMC van for tv use in the State

Department of Corrections - Purchase one 1972 Ford 4ds for inspections of city and county jails and road camps; Ins. recovered \$1,000 for purchase of 1972 Dodge 12-passenger wagon to replace the 1969 model

Department of Education - Purchase one 1972 Buick Skylark Custom to be assigned to Deputy Superintendent of Division of Administration and Planning for official travel throughout the State

Coastal Center Division (Department of Mental Retardation) - Purchase one 1972 Chevrolet 12-passenger van urgently needed for transportation of residents

College of Charleston - Trade one 1968 Ford station wagon for one 1972 Ford Country sedan to be used by administrative staff & faculty on school business

Technical Education - Trade one 1968 Chevrolet Caprice for one 1972 Ford Custom assigned to Motor Pool

Auditor's Office - Trade one 1969 Buick LeSabre for one 1972 Buick LeSabre assigned to State Auditor

SLED - Trade one 1971 Olds Delta 88 (total loss in wreck) for one 1972 Olds Delta 88

Clemson - Trade one 1970 Oldsmobile 98 for one 1972 Oldsmobile 98 assigned to President

ABC Commission - Trade six 1970 Fords for six 1972 Chevrolet (or equal) for investigators to replace 1970 vehicles with 60,000 miles or more

Medical University of S. C. - Trade one 1965 Ford for two 1972 Ford Custom 500 4ds for use of the faculty and administrative staff

Civil Defense - Trade one 1969 Plymouth Fury III VIP for one 1972 Plymouth 4ds Grand to be assigned to the Director

Winthrop College - Trade one 1969 Olds 4ds for one 1972 Oldsmobile 4 door sedan 98 assigned to President

Forestry Commission - Trade three 1967 Ford station wagons for three 1972 Plymouth station wagons to be assigned to district radio technicians

Department of Corrections - Trade two 1968 Chevrolets for two 1972 Ford 4ds

Wildlife Resources Department - Purchase one 1972 station wagon for Marine Surveyor; Purchase four 1972 Ford Custom 500 4ds (one for Director, Biologist, and two for general staff use)

Technical Education - Purchase one 1972 Ford Galaxie 500 for Director of Field Support supervising 13 centers

Highway Department -

Trade 11 1967-69 4ds for 11 1972 Ford Galaxie 500 4ds assigned to District Assistant, Captains & Assistant R & M Engineers

Trade two 1967 Ford 4ds for two 1972 Ford LTD 4ds assigned to Road Design Engineer & Bridge Engineer

Trade two 1967 Plymouth Fury II 4ds for two 1972 Plymouth Fury II 4ds to be assigned to Chief Appraiser R/W

Trade 14 units 1967-69 4ds for 14 1972 Chevrolet Bel Air 4ds for Claims Agents, District Assistants, Assistant T & P Engineers and Utilities Engineers

Trade five 1965-68 4d wagons for five 1972 4d wagons for Patrol (1), Public Relations (1), T&CP (1), and Test Lab (2)

Replace fifty-five (55) 1964-67 sedans (Hwy. Dept. handles own cars) for fifty-five (55) 1972 4ds suburbans for resident engineers

Trade 74 1966-68 units for 74 1972 4ds assigned to Resident Engineers, R/W Agents, Examination & Pool units

Trade two 1968 Ford & Plymouth for two 1972 Ford Galaxie 500 4ds for location engineers

Trade five 1967-69 4ds for five 1972 Chev. Impala 4ds for District Engineer, Assistant Maint. Engineer, R/W Engineer, Assistant T & P Engineer & Safety Adm.

Replace 150 patrol cars for 150 1972 police-type vehicles

Trade one Pontiac Catalina for one 1972 Olds 88 assigned to Patrol Colonel

Trade one Pontiac Catalina for one 1972 Pontiac Granville for State Highway Engineer

Trade one 1968 Dodge Polara for one 1972 Mercury Marquis assigned to Assistant Chief Highway Commissioner

Trade two Pontiac Catalina sedans for two 1972 Pontiac Bonneville to be assigned to Deputy State Highway Engineer and Assistant State Highway Engineer

Trade three 1968 sedans for three Pontiac Catalina sedans to be assigned to Urban Engineer, R/W Engineer and T & P Engineer

STATE BUDGET & CONTROL BOARD
Division of General Services
Agenda

December 1, 1971

- I. The Board approved employment of James Haynsworth for a three to four months study of methods of reducing printing costs of annual reports and other responsibilities which might result in reduced printing costs to the State. His salary is to be paid at the rate of \$ 15,000 per year.
- II. The Board approved the proposal of the Division that it be authorized to negotiate with Stone and Webster Management Consultants, Inc., New York City, for an actuarial examination of the Insurance Sinking Fund. The proposal is to be reviewed by the Governor and the State Treasurer and approved before it is accepted.
- III. The Board authorized the Division of General Services to work with the State Board of Health in obtaining Hill Burton funds for renovation at State Park Health Center. The proposal for a food service center is to be reviewed in depth before an additional service is planned at the site.
- IV. A report and recommendations of State Planning & Grants Division regarding land requirements for three agencies in the vicinity of Bull Street and Colonial Drive was received as information.
- V. With concurrence of the Board the Governor signed a lease agreement with the U. S. Navy for 0.28 acres of land in the Charleston area.
- VI. The Board received a report of changes requested in the 1971-72 budget for the Division of General Services.
- VII. The Board approved exchange and purchase of cars on the attached list.
- VIII. The Division of General Services recommendations were approved for destruction of records as approved by the appropriate department heads and the Director of Archives & History.
- IX. The Board authorized that certain obsolete buildings at State Park be razed with the concurrence of the State Engineer.
- X. Former Senator L. L. Hester of McCormick requested the opportunity to purchase some land belonging to the State in Lexington County adjacent to the Surplus Property Warehouse. The Board approved the recommendation of the Division of General Services that this land be held for future State needs.

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