

MINUTES OF BUDGET AND CONTROL BOARD MEETING

OCTOBER 25, 1961

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The State Budget and Control Board met in the Governor's Office at 3:00 P. M. on October 25, 1961. All members of the Board were present. Also present were Senator Dennis, of Berkeley County, Senator Legare, of Charleston County, Mayor Gaillard, of the City of Charleston, the State's Attorney General McLeod, and Mr. Walter B. Brown, of the State Budget and Control Board.

Mr. Brown presented to the Board copy of a letter from Mr. Robert E. Lee on behalf of Robert E. Lee & Company, Inc. containing a proposal concerning the disposition of his interest in the Bushy Park property. Copy of this letter is attached hereto and made a part of these minutes.

After considerable discussion the following was tentatively agreed to by those present.

Depending on next meeting, which shall be had within 30 days, preferably within the next 10 days, the Senators of Charleston and Berkeley Counties, together with the Mayor of Charleston, Auditor J. M. Smith, Walter Brown and the Attorney General, shall formulate an agreement among Bushy Park Authority, Mr. Robert Lee of Manning and the State of South Carolina by the Budget and Control Board that would:

- (a) Involve the State paying \$500,000.00 in consideration for the \$2 million or more in revenue bonds of one R. E. Lee, plus the interest alone to be paid on the \$850,000.00 indebtedness by terminal date of November 12th (priority of payment of the \$500,000.00 from sales of the land of Bushy Park Authority and/or any other income. To be paid by Bushy Park Authority under the financing of the three parties - principal and interest.)
- (b) 350 acres of land to be selected so as not to interfere with the development of Bushy Park.

- (c) 50 million gallons of water per day be guaranteed R. E. Lee under the restrictions now imposed by law and as to be agreed upon by the three parties.
- (d) 100 foot water front strip for docking shall also be agreed to so as not to inhibit the development of Bushy Park or the operation of the State's ports facilities. The State will agree to release the 350 acres from its mortgage lien.
- (e) That the State also agrees to release 250 acres for prospective industry on the condition that the revenue from the sale of said 250 acres be applied to liquidate the Citizens and Southern Bank's loan of approximately \$110,000.00.
- (f) In working to formularize the agreement in 10 days - - that the Authority, once the agreement is formularized, will give a valid option to the 250 acres to the Charleston Development Board for prospective industry.

The meeting then adjourned subject to call depending upon development of the matter.

Box 417

Phone 435-5225
435-8362

Robert E. Lee & Company, Inc.

General Contractors

Manning, S. C.

21 October 1961

Bushy Park Authority
Moncks Corner,
South Carolina

Gentlemen:

After checking our legal position in regards to the Series "A" Bonds which we hold in the amount of \$2,136,000 plus interest, it is our opinion that we would have the right to ask for and appoint a receiver of our choosing and that the Authority must go along with the receiver that we would ask to be appointed provided he was qualified and, I believe, we would eventually work out and be paid in full for our Series "A" Bonds plus interest, however, we have decided to make you one last proposition as follows:

If the Bushy Park Authority will deed to us in fee simple 350 acres of land designated by me with the right of way to the south end of Big Island with the right to use a 100 foot strip on the water for a boat landing and the right to take up to 50,000,000 gallons of water per day for 99 years without any restrictions and from our own intake if we should ever need the water and \$500,000 in cash, we will turn over to the State of South Carolina all of our Bonds.

I think this is a fair proposition because if we were to ask for and get a receiver we would have the right, I believe, to dispose first of the full 1,000 acres of land or any part of it that is not necessary to the project and apply this to the principal and interest of our Bonds and to sell any amount of water up to the capacity of the reservoir until we were paid our \$2,136,000 plus interest.

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*General Contractors
Manning, S. C.*

Pushy Park Authority

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We are making this offer for a thirty day period; after thirty days we reserve the right to withdraw this offer at any time and without notice.

Yours truly,

ROBERT E. LEE & CO., INC.

by *Robert Lee*
Robert Lee, President

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