

MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 11, 1961

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The State Budget and Control Board met in the Governor's Office on December 11, 1961 at 3:00 P. M. All members of the Board were present and, in addition, the following gentlemen attended the meeting: Mr. T. Allen Legare, Senator from Charleston County, Honorable Palmer Gaillard, Mayor of the City of Charleston, Honorable Daniel R. McLeod, State Attorney General, Honorable Rembert C. Dennis, Senator from Berkeley County, Honorable Walter B. Brown, with the State Budget and Control Board.

After considerable further discussion concerning the Bushy Park matter Mr. E. C. Rhodes made the following motion, that is, that the proposal of the Bushy Park Authority and Robert E. Lee & Company, Inc. be accepted as outlined below, all instruments to be drafted or approved by the Attorney General in handling the transaction.

1). As a part of the consideration of the entire transaction, Robert E. Lee Company, Inc. will be paid \$500,000.00 by the Budget and Control Board, whereupon it will deliver to the Budget and Control Board, or its duly designated agent, all of the Series A Bonds of the Bushy Park Authority heretofore issued to Robert E. Lee Company, Inc. in the principal amount of approximately \$2,136,000.00 plus accrued interest of \$500,000.00, and with such delivery will execute a due assignment of all of the interest of the said Lee company in and to said bonds and in and to the Bushy Park project.

2). A stipulation by the Budget and Control Board to the Bushy Park Authority declaring that the indebtedness of the Authority on the bonds purchased from Lee in (1) hereinable for the sum of \$500,000.00 plus interest from the date of the transaction at the rate of four (4) per cent per annum.

3). The obligation of the said Authority to the said Board to be

evidenced by a note in the amount of \$500,000.00, bearing interest from date at the rate of four (4) per cent per annum until paid, said note being secured by a mortgage of even date covering all the real property owned by the Bushy Park Authority not heretofore mortgaged to the State of South Carolina, saving and excepting three hundred eighty-nine (389) acres conveyed by the Authority to Lee, and two hundred fifty (250) acres, more or less, under option by the Authority to the Charleston Development Board. Also an instrument to be executed by the Citizens and Southern Bank of South Carolina, at Charleston, South Carolina, releasing the two above parcels of land from the lien of judgment of said Bank, with a stand-by agreement on the part of the Bank, whereby said Bank will receive satisfaction of its judgment upon its taking up of the option to the Charleston Development Board supra.

4). Approval of an agreement heretofore entered into as a part of the transaction between the Bushy Park Authority and Robert E. Lee Company, Inc. whereby Lee gives the Authority an option on two hundred fifty (250) acres of the lands conveyed to him for a period of one (1) year, at a price of \$550.00 per acre, and the Authority grants to Lee a water contract for a period of fifty (50) years, covering a maximum of 50,000,000 gallons of water per day to be taken from the reservoir of the project at the expense of Lee; and the Authority pays Lee an additional \$15,000.00 for its foregoing any water rights, except the use of the 50,000,000 gallons of water to be used solely on the premises by him.

5). Approval of the proposed deed by Lee to the Authority conveying three hundred eighty-nine (389) acres, less certain rights of way, or a net acreage of three hundred fifty (350) acres.

6). Approval of sufficient binding commitments of the City of Charleston, the County of Charleston, and Berkeley County to advance to the Authority sufficient monies to pay to the Budget and Control Board accrued interest on the \$850,000.00 obligation of the Authority to the State as of November 12, 1961, which amounts to \$107,029.45.

7). Another instrument releases to Lee the State's lien on the two hundred fifty (250) acres and the note from the Authority to the Budget and Control Board for the \$500,000.00 will include a pledging of all revenues received by the Authority for payment of this obligation. The release by the Budget and Control Board of the lien on the two hundred fifty (250) acres of land optioned to the Charleston Development Board will contain the right and obligation of the Authority to use funds realized under sale of the premises in said option, for the payment of the judgment of the Citizens and Southern Bank, for the payment of all outstanding obligations of the Authority in the amount of approximately \$35,000.00, and the remainder to be used by the Authority.

Senator Edgar A. Brown seconded the motion of Mr. Rhodes which was duly adopted by the State Budget and Control Board.

The Board accepted with regret the resignation of Mr. B. P. Davies, Jr., as Supervisor of the purchase of office supplies and printing for all State agencies, and elected Mr. John A. Martin, of Winnsboro, to take his place as Director.

The Board agreed to supply from the Civil Contingent Fund the sum of \$2,000.00 to supplement the appropriation made for the Forest Study Commission of the General Assembly.

The Secretary of the Board was directed to talk with Mr. Ed Talbert, Director of the Surplus Property Division, concerning the employment of a person who would be assigned to the task of securing surplus property for the proposed industry training program being considered by the General Assembly for the State.

The Board then adjourned.

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