MINUTES OF

BUDGET AND CONTROL BOARD

MEETING

March 15, 1987

009329

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

March 11, 1987

MEMORANDUM

TO: Budget and Control Board Division Directors

FROM: William A. McInnis, Deputy Executive Director WAM

SUBJECT: Summary of Board Actions at March 10, 1987, 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. Approved the minutes of the February 19, 1987, Budget and Control Board meeting;

2. Received as information a report that State Auditor Vaughn has repaid the $2,500 Civil Contingent Fund allocation approved on behalf of the Southeastern Intergovernmental Audit Forum meeting;

3. Approved the following right-of-way easements which have been approved by the Attorney General's Office:

   (a) Two easements to the Grand Strand Water and Sewer Authority for the construction of permanent subaqueous wastewater outfall lines into the Waccamaw River in the Longs area and the Bucksport area of Horry County to discharge treated effluent from the Longs Wastewater Treatment Facility and the Bucksport Wastewater Treatment Facility;
   (b) Three easements to the Commissioners of Public Works in Charleston to install, operate and maintain ductile iron water mains across Filbin Creek, Fiddler Creek, and Noisette Creek in Charleston County to transmit potable water to increase pressure in the City of Charleston's water distribution system;

4. Concurred and acquiesced in the University of South Carolina Gamecock Club grant of a right-of-way easement on property on Kinderway Avenue to the South Carolina Electric and Gas Company;

009330

5. Received as information the FTE position operating report for the month of February 1987 which showed a net reduction of 27.17 FTE positions during February to bring the base total to 64,731.45 FTE positions at the end of the month of which 60,058.03 FTE positions were filled and 4,673.42 were vacant;

6. Received as information a Budget Division report that the transfer of $4,515,193 of personal service funds was approved during February 1987 to bring the total approved for transfer during the fiscal year to $6,189,080;

7. Received as information a report that the following permanent improvement project actions have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

   (a) On Summary 15-87: Items 1 through 11, and 14 (involving Clemson, College of Charleston, Francis Marion, USC-Columbia and Patriots Point Development Authority).
   (b) On Summary 16-87: Items 1 through 7 and 9 through 27 (involving Adjutant General, B&C Bd-General Services, Citadel, Clemson, College of Charleston, USC-Coastal, Winthrop, Medical University, Technical and Comprehensive Education, Education Television, Mental Health, Parks, Recreation & Tourism, Patriots Point Dev Authority and Highway & Public Transportation).

8. Received as information a report that the following permanent improvement project actions have been approved by staff and Joint Bond Review Committee review is not required:

   (a) On Summary 15-87: Items 15 through 25 (involving USC-Columbia, Clemson, USC-Spartanburg and Winthrop).
   (b) On Summary 16-87: Items 28 through 46 (involving Adjutant General, B&C Bd-General Services, Clemson, College of Charleston, Technical and Comprehensive Education, Mental Retardation and Wildlife & Marine Resources).

9. Received as information reports on the reimbursement of interviewee travel expenses by Mental Health (3), Clemson University (8); College of Charleston (4);

10. Received as information a report that the Office of Executive Director has advised agencies that their 1987-88 Annual Permanent Improvement Programs (APIP) are due June 15, 1987 and that their 1987 Updates of Overall Permanent Improvement Plans (OPIP) are due by July 1, 1987;

11. Received as information the Attorney General's Office opinion requested by Executive Director Coles on the use of capital improvement bond funds to finance dormitory asbestos removal;

009331

12. Received as information a State Reorganization Commission Central Correctional Institution (CCI) Relocation Task Force presentation and recommendation on the relocation of CCI;

13. Received as information a status report on AT&T telecommunications contract negotiations;

14. Adopted as Board policy the Fleet Safety Program proposed by the Division of Motor Vehicle Management;

15. Denied a request for a $6,791 allocation from the Civil Contingent Fund to the Board of Accountancy to pay terminal leave indebtedness after the Board was advised that terminal leave may be included in calculations to determine retirement benefits even though the actual payment for terminal leave occurs later and after legislative members agreed that efforts would be made to include this amount in the 1987-88 appropriation for the Board of Accountancy;

16. After declaring that the transfer process authorized in Code Section 44-6-120 relating to the creation of the Health and Human Services Finance Commission (HHSFC) is completed, denied a request made in accord with that Code Section that a transfer of one full-time-equivalent position and up to $27,039 of personal service funds be made from the Department of Mental Health to the Health and Human Services Finance Commission for a period not to exceed the employee's employment with the Commission, at which time the FTE position will be transferred back to the Department of Mental Health; and indicated that this FTE position transfer request should be submitted to the Joint Legislative Committee on Personal Service Financing and Budgeting;

17. Affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of St. Paul's Child Care Center, 1715 Bull Street, Columbia, SC 29201 and incorporated the Panel's recommendations into the Board's Order;

18. Affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Andy's Restaurant, Highway 215, P. O. Box 106, Buffalo, SC, 29321 and incorporated the Panel's recommendations into the Board's Order;

19. Affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Trinity Child Care Center, 1100 Sumter Street, Columbia, SC 29201 and incorporated the Panel's recommendations into the Board's Order;

20. Affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of First Presbyterian Church, 400 West Main Street, Laurens, SC 29630 and incorporated the Panel's recommendations into the Board's Order:

21. Affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Union Station Restaurant, 101 East Main Street, Union, and incorporated the Panel's recommendations into the Board's Order;

22. Endorsed the concept of an Executive Compensation System Senior Management category for classified employees grade 45 and above with inclusion in the system to be voluntary at the discretion of the agency head;

23. Extended for three years the Department of Mental Health authorization to grant special education leave and tuition support for employees to participate in the Associate Degree in Nursing Program at Midlands Technical College;

24. Approved the sale of a tract of about 0.13 acre, located in Berkeley County on SC Highway #S-8-34 and held by the State Board of Education, which had declared it to be surplus, to adjoining landowner Mr. Fred Clark for $4,000 and exempted this transaction from the Board's surplus property disposal procedure;

25. Agreed to the annexation of approximately 6.1 acres of Department of Highways and Public Transportation property by the Town of Cheraw and authorized the execution of a petition to that effect;

26. Approved the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

On Summary 15-87, Item 12:

Agency: Mental Health
Project: 8518, CF Bldg 14-Convert to ICF-MR
Request: Increase budget to $700,000
Amount: Add $585,000
Source: Excess Debt Service
Purpose: Due to changes in DHEC licensing standards for this type facility, it has been determined that outside labor will have to be used instead of the Department's work force as originally planned.

On Summary 16-87, Item 8:
Agency: Adjutant General
Project: Columbia Armory Storage Building
Request: Establish project and budget
Amount: $267,000
Source: Federal funds
Purpose: To build a 21,000 square foot storage building for National Guard equipment utilizing 100% of Federal funds.

27. In accord with Code Section 8-11-135, approved the Department of Mental Health request to pay not to exceed $5,000 as a reimbursement to Jack E. McCants, Ph.D., who has been recruited to fill the position of Executive Director of the Beckman Mental Health Center, for the costs incurred in moving personal and household effects from Weatherford, Oklahoma to Greenwood;

28. Added to the agenda and approved a Department of Agriculture request that its Grain Inspection Program be exempted from the 0.8% ($46,894) budget reduction;

29. Received as information a report that the Health and Human Services Finance Commission 1986-87 Medicaid program shortfall is now estimated at $551,000 (about $151,000 State) rather than the prior estimate of $24.1 million (with about $6.6 million State); and directed HHSFC to present at the next meeting further detail on the reductions made by HHSFC, including in particular the spread of cuts among the several provider categories;

30. Agreed to hold a regular meeting at 9:30 a.m. on Tuesday, March 24, 1987, in the Governor's conference room in the State House;

31. Authorized the Retirement Systems Division to notify bidders that it will reject proposed rates and will institute a one-year program of self-insurance for the group life, accidental death and dismemberment, and long-term disability insurance programs;

32. Approved the Retirement Systems request to move the Insurance Benefits Section from the IBM Building, 1333 Main Street, to the NBSC Building, 1122 Lady Street, effective July 1, 1987;

33. To deal with the Old Exchange Building Commission's 1986-87 budget deficit of about $54,000 and in an effort to secure a workable budget for the Commission for 1987-88, (a) approved unanimously an allocation of $17,500 from the Civil Contingent Fund to the Commission, (b) authorized Dr. Coles to work with the Board's Division of Local Government to secure a grant of $17,500 to be made to the City of Charleston for the Commission's benefit, (c) agreed that the Commission may defer until July 1, 1987, the payment of approximately $20,000 now owed to State government entities; and

(d) was advised that efforts would be made by Ways and Means Committee members (1) to include a one-time appropriation of $20,000 to the Commission to cover the amount now owed to State government entities; and (2) to increase the Commission's State appropriation to $100,000 for 1987-88 which, with the $81,000 of revenue estimated for that year, would provide what is considered to be a workable and attainable budget level;

34. Approved an annual salary no greater than $78,218 for the person selected to be the new Executive Director of the Commission on Higher Education; and, in accord with Code Section 8-11-135, approved the Commission on Higher Education request to pay up to $5,000 as a reimbursement to that person for costs incurred in moving personal and household effects to Columbia;

35. Maintained an annual salary of $80,932 for Mr. Michael D. Jarrett upon his permanent appointment as the Commissioner of the Department of Health and Environmental Control;

36. Approved an annual salary of $55,978 effective July 1, 1987, for the new President of the School for the Deaf and the Blind;

37. Authorized an additional 180 days of disability leave without pay or other cost to the State for Tax Commission employee Jeffrey Jonides; and

38. Ratified actions taken during executive session.

/dw

009335

MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

MARCH 10, 1987 9:30 A. M.

The Budget and Control Board met at 9:30 a.m. on Tuesday, March 10, 1987, 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 Rembert C. Dennis, Chairman, Senate Finance Committee;
Representative Robert N. McLellan, Chairman, House Ways & Means Committee.

Also attending were:

Jesse A. Coles, Jr., Ph.D.	Executive Director
William A. McInnis	Secretary
E. A. Laurent, Ph.D.	Deputy Executive Director
J. Samuel Griswold, Ph.D.	Deputy Executive Director
O. Whitfield Ayres, Ph.D.	Governor's Director of Budget and Social Policy
Luther F. Carter, Ph.D.	Governor's Executive Assistant for Finance and Planning
Mark R. Elam	Governor's Legal Counsel
Joseph A. Wilson, II	Chief Deputy Attorney General
Charles H. Smith	Special Projects Administrator
Donna K. Williams	Assistant to Board Secretary
Other Board staff	

Minutes of Previous Meeting (Regular #1)

Board members previously had been furnished a draft version of the minutes of the February 19, 1987, meeting.

Upon a motion by Mr. McLellan, seconded by Mr. Patterson, the Board approved the referenced minutes as written.

Blue Agenda

At Governor Campbell's request, blue agenda item #1 was carried over until later in the meeting when the Health and Human Services Commission Executive Director could be present to answer questions.

[Secretary's Note: Mr. Morris joined the meeting during the discussion of blue agenda items.]

Following a review by Dr. Coles of the items included, upon a motion by Mr. Patterson, seconded by Mr. Morris and Mr. McLellan, the Board approved all items on the blue agenda except #1.

Blue agenda items are identified as such in these minutes.

009336

State Auditor: Repayment of Civil Contingent Fund Allocation (Blue #2)

The Board was advised that State Auditor Edgar A. Vaughn, Jr., had repaid the $2,500 Civil Contingent Fund allocation approved by the Board on January 29 on behalf of the Southeastern Intergovernmental Audit Forum.

Mr. Vaughn, in a memo to Dr. Coles, expressed his appreciation to the Board for having made these funds available. He reported that about 115 persons attended what he considered to have been a most successful meeting.

The Board received as information a report that State Auditor Vaughn had repaid the $2,500 Civil Contingent Fund allocation approved on behalf of the Southeastern Intergovernmental Audit Forum meeting.

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

General Services: Right-of-way Easements (Blue #3)

Upon a motion by Mr. Patterson, seconded by Mr. Morris and Mr. McLellan, the Board approved the following right-of-way easements which had been approved by the Attorney General's Office, as recommended by the Division of General Services:

(a) Two easements to the Grand Strand Water and Sewer Authority for the construction of permanent subaqueous wastewater outfall lines into the Waccamaw River in the Longs area and the Bucksport area of Horry County to discharge treated effluent from the Longs Wastewater Treatment Facility and the Bucksport Wastewater Treatment Facility; and

(b) Three easements to the Commissioners of Public Works in Charleston to install, operate and maintain ductile iron water mains across Filbin Creek, Fiddler Creek, and Noisette Creek in Charleston County to transmit potable water to increase pressure in the City of Charleston's water distribution system.

Information relating to this matter has been retained in these files and is identified as Exhibit 2.

General Services: Right-of-way Easement (Blue #4)

The Division of General Services recommended approval of a University of South Carolina Gamecock Club right-of-way easement on property located on Kinderway Avenue to the South Carolina Electric and Gas Company.

The action was requested in accord with Code Section 10-1-130 under which the agency may grant easements provided the Budget and Control Board concurs and acquiesces.

The Attorney General's Office advised the Division of General Services that these types of easements do not require the approval of that Office.

Mr. Wilson advised that this is the first time the Board has approved an easement granted by the Gamecock Club. He noted that he had reviewed the request with counsel for USC. He also pointed out that a proviso exempts certain activities of the Gamecock Club from State review.

Upon a motion by Mr. Patterson, seconded by Mr. Morris and Mr. McLellan, in accord with Code Section 10-1-130, the Board concurred and acquiesced in the University of South Carolina Gamecock Club grant of a right-of-way easement on property on Kinderway Avenue to the South Carolina Electric and Gas Company.

Information relating to this matter has been retained in these files and is identified as Exhibit 3.

Budget Division: FTE Operating Report, February 1987 (Blue #5)

The Budget Division reported a net reduction of 27.17 full-time-equivalent positions (12.20 State, 14.80 federal and 0.17 other) was made to the authorized base during February 1987. This brought the base to a total of 64,731.45 FTE positions.

At the end of the month, 60,058.03 of the authorized positions were filled and 4,673.42 were vacant.

The Board received as information the FTE position operating report for the month of February 1987 which showed a net reduction of 27.17 FTE positions during February to bring the base total to 64,731.45 FTE positions at the end of the month of which 60,058.03 FTE positions were filled and 4,673.42 were vacant.

Information relating to this matter has been retained in these files and is identified as Exhibit 4.

009338

Budget Division: 1986-87 Authorized Transfers Report, February 1987 (B#6)

The Budget Division reported that one transfer of $4,515,193 of State-appropriated personal service funds was approved during February 1987 ($4,459,611 to other operating expenses and $55,582 to equipment).

This brought the total of personal service funds approved for transfer during the fiscal year to $6,189,080.

The Board received as information a Budget Division report that the transfer of $4,515,193 of personal service funds was approved during February 1987 to bring the total approved for transfer during the fiscal year to $6,189,080.

Information relating to this matter has been retained in these files and is identified as Exhibit 5.

Executive Director: Permanent Improvement Projects (Blue #7)

The Board received as information a report that the following permanent improvement project actions had been reviewed favorably by the Joint Bond Review Committee and approved by staff:

On Summary 15-87: Items 1 through 11, and 14 (involving Clemson, College of Charleston, Francis Marion, USC-Columbia and Patriots Point Development Authority).

On Summary 16-87: Items 1 through 7 and 9 through 27 (involving Adjutant General, B&C Bd-General Services, Citadel, Clemson, College of Charleston, USC-Coastal, Winthrop, Medical University, Technical and Comprehensive Education, Education Television, Mental Health, Parks, Recreation & Tourism, Patriots Point Dev Authority and Highway & Public Transportation).

The Board received as information a report that the following permanent improvement project actions had been approved by staff and that Joint Bond Review Committee review is not required:

On Summary 15-87: Items 15 through 25 (involving USC-Columbia, Clemson, USC-Spartanburg and Winthrop College).

On Summary 16-87: Items 28 through 46 (involving Adjutant General, B&C Bd-General Services, Clemson University, College of Charleston, Technical and Comprehensive Education, Mental Retardation and Wildlife & Marine Resources).

009339

Information relating to this matter has been retained in these files and is identified as Exhibit 6.

Executive Director: Interviewee Travel Expense Reimbursement (Blue #8)

The Board received as information reports on the reimbursement of interviewee travel expenses by Mental Health (3), Clemson University (8); College of Charleston (4).

Information relating to this matter has been retained in these files and is identified as Exhibit 7.

Executive Director: 1987-88 APIP; 1987 OPIP (Blue #9)

The Board was advised that the Office of Executive Director is reminding agencies that their 1987-88 Annual Permanent Improvement Programs (APIP) are due June 15, 1987, and that the 1987 updates of their Overall Permanent Improvement Plans (OPIP) are due by July 1, 1987.

The Overall Permanent Improvement Plans are to cover fiscal years 1988-89 and 1989-90 and the three fiscal years following. The first two of the five fiscal years covered by the plans are treated as funding requests which are scheduled to be considered by the General Assembly in 1988.

The Board received as information a report that the Office of Executive Director has advised agencies that the 1987-88 Annual Permanent Improvement Program (APIP) is due June 15, 1987, and that the 1987 Update of Overall Permanent Improvement Plan (OPIP) is due by July 1, 1987.

Information relating to this matter has been retained in these files and is identified as Exhibit 8.

AG's Office: Use of CIB Funds for Dormitory Asbestos Removal (Blue #10)

The Board was furnished with a copy of the Attorney General's Office opinion requested by Executive Director Coles on the use of capital improvement bond funds to finance dormitory asbestos removal and a copy of USC President Holderman's February 18 letter to Dr. Coles on the same subject. The opinion concluded that, while it is proper legally to finance dormitory asbestos removal projects with capital improvement bond funds, arrangements should be made by the particular institution involved to repay those costs

from fees collected for dormitory use as is required by Appropriations Act Part I, Section 130.

The Board was reminded that, at its February 10 meeting, it approved the establishment of the USC-Columbia Hall (Dormitory) Asbestos Removal project so as to permit it to be implemented, on the condition that the approved source of funds for the project be excess USC housing bond reserve funds until the Board can take definitive action on the project source of funds question.

The Board received as information the Attorney General's Office opinion requested by Executive Director Coles on the use of capital improvement bond funds to finance dormitory asbestos removal.

Information relating to this matter has been retained in these files and is identified as Exhibit 9.

Addition to Agenda

At Mr. Morris' request, the Board without objection agreed to add to the agenda a Department of Agriculture request that its Grain Inspection Program be exempted from the 0.8% budget reduction.

Reorganization Commission CCI Relocation Task Force: CCI Relocation (R#2)

Appearing before the Board on this matter were Reorganization Commission CCI Relocation Task Force Chair Representative Jean Toal and members Lieutenant Governor Nick Theodore, Senator John Drummond, Columbia Mayor T. Patton Adams, Representative Parker Evatt, Dick Stanland, and Corrections Commissioner William D. Leeke. Also present were Reorganization Commission Director Philip G. Grose, Jr., and Project Director Kenneth Long, and John W. Gillespie, Jr., Tax-exempt Leasing Specialist with Morgan Stanley & Co., Incorporated, attorney M. William Youngblood, and Department of Corrections staff member Nelson Meek.

In accord with the provisions of Part II, Section 28 of Act 201 of 1985, the Reorganization Commission's Task Force to Study the Relocation of the Central Correctional Institution (CCI) made a presentation and a recommendation to the Board on the relocation of CCI.

The Board was reminded in the agenda materials that the Joint Bond Review Committee, at its meeting on November 12, 1986, voted to advise the Board that

it had found the lease purchase financing method to be an acceptable financing method for a facility to replace the Central Correctional Institution.

The Board also was advised that Section 28 authorizes the Board, after consultation with the Bond Committee and the State Reorganization Commission, to enter into lease purchase agreements which would provide an economically feasible method of replacing CCI and that the Section also lists six conditions which the agreements must meet.

Ms. Toal introduced Lieutenant Governor Theodore who endorsed the proposal. He noted that the traditional methods of financing prison construction are no longer feasible because of demands on the State's resources. He endorsed the concept of private financing and indicated that the construction of a replacement prison for CCI would free the property to be more revenue-productive for South Carolina. He urged the Board to take speedy action on the proposal.

Ms. Toal recited a brief chronology of the activities of the Task Force, noting that it had been created at the request of Reorganization Commission Chairman Senator Drummond in 1984. She noted that, in 1985, the statutory provision which authorizes the Board to enter into lease purchase agreements to replace CCI was approved by the General Assembly. She said that the Task Force since that time has conducted various studies relating to the subject. She also said that the Joint Bond Review Committee endorsed the proposal unanimously in November of 1986 after it was presented to the Committee several times. Bond Committee Chairman Smith, she said, had expressed his regrets that he could not attend this meeting and she reported that Senator Smith very much endorses the Task Force proposal.

Ms. Toal indicated that the Task Force is specifically requesting that the Board approve private financing to construct a replacement for CCI and that the Board approve the issuance of a request for proposals for that purpose.

She expressed the view that significant cost savings would result from replacing CCI now. She referred the Board members to page 10 of the document which had been distributed and pointed out that utility cost savings of more than $500,000 a year are projected and that over $341,000 of savings could result from the twenty fewer staff which the replacement facility of two 600-bed facilities sited "back-to-back" would require. She said that the cost

of renovating CCI is the most important cost issue to be addressed. She noted that the Department of Corrections has delayed major renovations required for compliance with the Nelson suit decree hoping to avoid pouring millions and millions of dollars into the existing facility if it is to be replaced. She also alluded to an additional item of maintenance cost, estimated at $132,000 annually, which is not addressed in the document handed out. She pointed out that some $26 million of savings are indicated by replacing CCI now. Ms. Toal said that the replacement of CCI would leave in State ownership 27 acres on the Congaree River which, she said, the Task Force had been advised had a value of between $10 million and $15 million.

Ms. Toal said that the other key item involved in the CCI relocation issue is financing cost. She said that private financing is being proposed because of the delay involved in having to wait for general obligation bonds since, she said, this project would be at the tail end of many other priorities. She pointed out the financing cost comparison on page ten of the document which had been distributed. She said that the data there reflected the cost difference as of yesterday, March 9, with general obligation bonds shown to be cheaper than lease purchase financing ($111,193 cheaper annually for a 5-year difference of $555,965 and a 15-year difference of $1,394,665). She said that these costs are about as close as they can be and that the $1.3 million difference over the fifteen-year period makes it worth it to the State, on a business basis, to proceed with the relocation effort now. She also noted that the figures are based on a cost figure of $45 million for the replacement facility which she described as a success story in itself in that the estimated cost when the effort began was $55 million.

She said that attorney Craig Bower had developed the request for proposals which had been kept confidential to avoid giving any advantage to any person. She said that that document would be revealed only when the Board decides to pursue the replacement project.

Ms. Toal asked the Board to look at the mission set forth in Section 28 and she expressed the view that the Task Force proposal would meet each of the six conditions listed there. She asked the Board to approve the issuance of the request for proposals which she characterized as one calling for financing, design and construction of the replacement facility. She urged

that the agreements resulting from the process proposed carry the strongest possible non-appropriations clause. She also urged the Board to be heavily involved in site selection since location is likely to be a big issue.

Ms. Toal then introduced Senator Drummond who expressed the view that CCI is a terrible eyesore which is known across the nation and that it is only a stone's throw from the new State Museum. He said that relocating CCI would free 27 of the State's most beautiful acres for development and that the Capital City could really blossom once CCI is moved. He said he looks forward to real competition on project financing, design, and construction. He too urged that a decision be made quickly.

Ms. Toal introduced Representative Evatt who expressed the view that CCI is a very dangerous place to live and to work. He noted that there is a 40% turnover rate in corrections employees and that every successful lawsuit against the Department of Corrections has been instituted at CCI which he said cannot be corrected. He urged that the Board give favorable consideration to the request.

Ms. Toal said that the Department of Corrections has worked hard to provide information used by the Task Force and that that effort has resulted in a solid report. She complimented Corrections staffmembers Leeke, Meek, Aiken and Catoe on their efforts.

Governor Campbell expressed his appreciation for the work of the Task Force. He indicated that he has not yet had time to read the report which was delivered to his Office last night and that he would like to have an opportunity to do so.

Mr. Morris expressed no objection to replacing CCI, which he described as South Carolina's Alcatraz, but questioned how that replacement should be financed. He urged that a single site be designated and that as much subjectivity as possible be removed from the evaluation process. He expressed concern about the subjectivity aspects of the process, saying that they lead to lawsuits.

Governor Campbell noted his concern about the number of square feet provided for in individual cells now being constructed by the Department of Corrections.

[Senator Dennis joined the meeting at this point.]

Following further discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board received as information the State Reorganization Commission Central Correctional Institution (CCI) Relocation Task Force presentation and recommendation on the relocation of CCI. Mr. Morris urged that the matter be discussed by the Board forthwith.

Information relating to this matter has been retained in these files and is identified as Exhibit 10.

Exec Dir: AT&T Telecommunications Contract Negotiations Report (Reg #3)

Deputy Executive Director Griswold appeared before the Board on this matter.

Dr. Griswold advised the Board that staff and AT&T representatives had met with Judge Ralph Anderson on the Friday, February 20, following the February 19 Board meeting and that Judge Anderson had asked the parties to see if there were areas on which they could agree and if they could devise a process for working out their differences. He said that tedious effort went on for about eight hours that day and that it had resulted in areas of agreement.

He said that AT&T had agreed to go ahead with the cutover of S. C. State College on that Friday which did occur at about 5:30 that afternoon. He noted that one of the State College vice presidents had called to ask about the status of the cutover effort and that it had taken place virtually in the middle of that call.

Dr. Griswold also said that AT&T had agreed to withdraw its February 12, 1987, letter in which it had, among other things, indicated that its support service to the State would end on Friday, February 20. He said that AT&T had agreed to address grievances with the State through the courts. He also reported that Judge Anderson had agreed to retain jurisdiction of the case which AT&T had not withdrawn.

He said that the parties had met again on February 27 and had agreed then to separate certain costs and charges into old system versus new. He advised that it had been agreed to pay AT&T $216,000 and to go through invoices to sort them into these two categories: those not contested and those to be paid under protest. Dr. Griswold also advised Mr. McLellan that the State had lost no warranties as a result of having taken these steps. He said that, from February 20 forward, AT&T would be paid as would any other vendor.

Dr. Griswold then described the negotiations process which started with getting all of the facts out for submission to the negotiation team. He said if a conflict arises which cannot be resolved at that point it is passed on to a dispute resolution group comprised of higher level staff. He said that the process is structured to minimize conflict but that it is understood that agreement to disagree is not to be considered a sign of bad faith.

The Board was advised that the court is keeping very close supervision on the case and that a report on progress is submitted to it each two weeks.

Dr. Griswold distributed a report on payments made to AT&T and a listing of the issues given to AT&T.

Governor Campbell and Mr. Patterson commended Dr. Coles, Dr. Griswold and others involved for the outstanding job done on these negotiations.

Following this discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board received as information the status report on the AT&T telecommunications contract negotiations presented by Dr. Griswold.

Information relating to this matter has been retained in these files and is identified as Exhibit 11.

Division of Motor Vehicle Management: State Fleet Safety Program (Reg #4)

Motor Vehicle Management Division Director Allan R. Spence and staff member Robert E. Bonner appeared before the Board on this matter.

The Division asked that the Board approve as Board policy the Fleet Safety Program which had been furnished to Board members in the agenda materials. The Division noted in those materials that the 1982 amendment of the Motor Vehicle Management Act directs the Board to make sure that "...motor vehicles are operated in a safe manner in accordance with a statewide Fleet Safety Program." It also pointed out that, at present, the reporting of accidents involving State vehicles is required, agencies are required to operate Accident Review Boards, and that employees who meet certain criteria receive a safe driver award. The Division expressed the view that a more comprehensive Fleet Safety Program is needed to reduce the State vehicle accident rate.

Mr. Spence noted that the State has certain elements of a Safety Program including the policy requiring the wearing of seat belts while traveling in a State vehicle; the defensive driving course; the 55 mph speed limit; and the

requirement that steel-belted tires be installed on State vehicles. He noted also that the effort is to influence accident frequency. He pointed out that South Carolina is the only state in the southeast with a full-time fleet safety officer.

Mr. Spence then introduced Mr. Bonner, the Division's Fleet Safety Officer, who presented background information on the accident situation within the State government. He observed first that the number of accidents involving State motor vehicles generally is on the increase, having risen to over 900 in fiscal year 1985-86 from 820 in fiscal year 1984-85 and from 700 in 1979-80. Mr. Spence said that there were 177 injuries in the 820 accidents reported on in 1984-85. Mr. Bonner said that State employees are at fault in about 60% of the accidents. In response to Governor Campbell, Mr. Bonner indicated that only one accident occured last year in which a State employee was charged with substance abuse or DUI. Mr. McLellan noted that the State fleet had grown during the period reported and Mr. Spence observed that accident frequency rates are calculated to take the numbers of vehicles and the miles traveled into account.

Mr. Bonner reported that the cost of accidents in 1984-85 included $1,496,369 in actual liability claims plus an estimated $240,970 for the repair of State vehicles for a total of $1,737,339 for direct costs. He estimated indirect costs for lost productivity, hospitalization costs, etc., at $5,212,017 for a total of $6,949,356 in direct and indirect costs related to vehicle accidents.

Mr. Spence advised that accident statistics have not been available previously, and that Mr. Bonner has been working with the Department of Highways and Public Transportation accident reports to compile this information.

Mr. Bonner noted that 93% of State employees have good driving records.

In response to Mr. McLellan, Mr. Bonner indicated that the available data are not good but his opinion is that occasional drivers have more accidents than full-time drivers. He also advised Mr. McLellan that the Division had decided to stay out of the personnel business after the Attorney General's Office had raised questions about certain progressive disciplinary provisions which had been in earlier drafts of the proposed policy but which have been removed.

Following this discussion, upon a motion by Mr. McLellan, seconded by Mr. Morris, the Board adopted as Board policy the Fleet Safety Program proposed by the Division of Motor Vehicle Management.

Information relating to this matter has been retained in these files and is identified as Exhibit 12.

Budget Division: Civil Contingent Fund Request, Bd. of Accountancy (R#5)

Board of Accountancy Director R. Larry Kight, CPA, appeared before the Board on this matter.

The Budget Division advised in the agenda materials that the State Board of Accountancy has requested a $6,791 allocation from the Civil Contingent Fund to pay the agency's June 30, 1987, ($5,892 for terminal leave indebtedness plus $899 for related employer contributions).

The Division advised that the change in the agency head's retirement date from June 30, 1988, to June 30, 1987, had created the problem and that the agency's appropriation is insufficient to cover these cost.

The Division also reported that the Board of Accountancy has projected revenue of $315,000 for the current fiscal year while its appropriation is $267,792.

The Division recommended that the Board allocate $6,791 from the Civil Contingent Fund to the Board of Accountancy.

Mr. McLellan suggested that, as there is only a two-day period difference, this amount could be paid from the agency's 1987-88 appropriation.

Retirement System Division Director Purvis Collins advised the Board that terminal annual leave could be included in the calculation of retirement benefits at any time and that the actual payment for the terminal leave could also occur at any time.

Mr. Kight said he had wanted to be paid for the terminal leave in June based on his understanding that the amount to be paid for his terminal leave would be included in his averagable income for the three-year period to be used in calculating his retirement benefits. He noted that including the amount for the terminal leave will mean an additional $50 per month in his retirement income. He further noted that he had worked for the State for ten years, and that he would like to have the 36-month average salary as high as possible.

Mr. Collins again said that if the terminal leave were paid in July it would still be included in the calculation based on the high three-year average. He said that the law had been changed on this last year.

Following further discussion, upon a motion by Mr. McLellan, seconded by Senator Dennis, the Board denied the request for a $6,971 allocation from the Civil Contingent Fund to the Board of Accountancy to pay terminal leave indebtedness after being advised that terminal leave pay may be included in calculations to determine retiremenet benefits even though the actual payment for terminal leave occurs later and after the legislative members of the Board agreed that efforts would be made to include this amount in the 1987-88 appropriation for the Board of Accountancy.

Information relating to this matter has been retained in these files and is identified as Exhibit 13.

Budget Division: FTE Position Transfer, Mental Health/HHSFC (Regular #6)

The Budget Division advised that the Department of Mental Health, in accord with Section 44-6-120, requested authorization to transfer one full-time-equivalent position and up to $27,039 of personal service funds to the Health and Human Services Finance Commission. The proposed transfer would be for a period not to exceed the employee's employment with the Commission, at which time the FTE position would be transferred back to the Department of Mental Health.

Dr. Coles pointed out that the transfer request had been made under Section 44-6-120, the legislation which authorized the establishment of the Commission when it was essentially separated from the Department of Social Services. He noted that the Board at some point will have to declare the process authorized in Code Section 44-6-120 as having been completed and that requests like this one would thereafter have to be submitted to the Joint Legislative Committee on Personal Service Financing and Budgeting.

Following a brief discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board, after declaring that the transfer process authorized in Code Section 44-6-120 relating to the creation of the Health and Human Services Finance Commission (HHSFC) is completed, denied the request made in accord with that Code Section for the transfer of one full-time-equivalent

position and up to $27,039 of personal service funds from the Department of Mental Health to HHSFC for a period not to exceed the employee's employment with the Commission at which time the FTE position would be transferred back to the Department of Mental Health, and indicated that this FTE position transfer request should be submitted to the Joint Legislative Committee on Personal Service Financing and Budgeting.

Information relating to this matter has been retained in these files and is identified as Exhibit 14.

Fire Marshal Appeal Panel: St. Paul's Child Care Appeal (Regular #7)

Deputy Executive Director Laurent appeared briefly before the Board on this and the other four appeals to be considered by the Board at this meeting. He advised the Board that the Appeal Panel in this appeal and in the one in agenda item 9 has recommended that variances be granted. He recommended that the Appeals Panel recommendations be supported by the Board.

The Board was advised that, on or about July 21, 1986, a Fire Marshal Inspection Order was issued regarding the St. Paul's Child Care Center, 1715 Bull Street, Columbia, SC. Appellant timely appealed the Order and a hearing was held on January 20, 1987.

The Fire Marshal Appeal Panel submitted findings and recommendations on whether the appellant should be granted a variance from the requirements of Regulation 19-300.11 B(2)(a) which provides:

B. Facilities with Infant Care

2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.

    a. Room for infants shall have one hour fire separation with a direct exit to the outside.

Board members were furnished with a copy of Regulation 19-312 which prescribes how appeals from decisions of the State Fire Marshal are handled.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of St. Paul's Child Care Center, 1715 Bull Street, Columbia, SC 29201, and incorporated the recommendations into the following Order:

Pursuant to Regulation 19-312, Appellant is granted a variance from the requirements of Regulation 19-300.11 B(2)(a) on the following conditions:

A. That the door leading into the Literacy Council of Greater Columbia be shut when not in use;

B. That the door stop be removed from the door leading into the hallway adjacent to the nursery room and that the manual door closing device on this door remain in good working order.

Information relating to this matter has been retained in these files and is identified as Exhibit 15.

Fire Marshal Appeal Panel: Andy's Restaurant Appeal (Regular #8)

The Board was advised that, on or about August 27, 1986, a Fire Marshal Inspection Order was issued regarding Andy's Restaurant, Highway 215, P. O. Box 106, Buffalo, South Carolina. Appellant timely appealed the Order and a hearing was held on February 18, 1987.

The Fire Marshal Appeal Panel submitted findings and recommendations on whether the appellant's hood system complies with N.F.P.A. 96.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Andy's Restaurant, Highway 215, P. O. Box 106, Buffalo, SC, 29321, and incorporated the recommendations into the following Order:

A. That Appellant shall bring the hood and duct system in its establishment into compliance with N.F.P.A. 96; and

B. That the Appellant shall bring his automatic fire suppression system in his establishment into compliance with N.F.P.A. 96;

C. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what is required to bring Appellant into full compliance with the appropriate fire and safety codes and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of noncompliance.

Information relating to this matter has been retained in these files and is identified as Exhibit 16.

Fire Marshal Appeal Panel: Trinity Child Care Center Appeal (Reg #9)

The Board was advised that, on or about August 12, 1986, a Fire Marshal Inspection Order was issued regarding the Trinity Child Care Center, 1100 Sumter Street, Columbia, SC. Appellant timely appealed the Order and a hearing was held on February 18, 1987.

The Fire Marshal Appeal Panel submitted findings and recommendations on whether the appellant should be granted a variance from the requirements of Regulation 19-300.11 B(2)(a) which provides:

B. Facilities with Infant Care

2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.

a. Room for infants shall have one hour fire separation with a direct exit to the outside.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Trinity Child Care Center, 1100 Sumter Street, Columbia, SC 29201 and incorporated the recommendations into the following Order:

Pursuant to Regulation 19-312, Appellant is granted a variance from the requirements of Regulation 19-300.11 B(2)(a) so as to allow Appellant's present layout and assignment of children to rooms and exit plans to be utilized.

Information relating to this matter has been retained in these files and is identified as Exhibit 17.

Fire Marshal Appeal Panel: First Presbyterian Church Child Care (R#10)

The Board was advised that, on or about August 12, 1986, a Fire Marshal Inspection Order was issued regarding the First Presbyterian Church Child Care, 400 West Main Street, Laurens, SC. Appellant timely appealed the Order and a hearing was held on January 20, 1987.

The Fire Marshal Appeal Panel submitted findings and recommendations on whether the appellant should be granted a variance from the requirements of Regulation 19-300.11 B(2)(a) which provides:

B. Facilities with Infant Care

2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.

a. Room for infants shall have one hour fire separation with a direct exit to the outside.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of First Presbyterian Church, 400 West Main Street, Laurens, SC 29630 and incorporated the recommendations into the following Order:

Pursuant to Regulation 19-312, Appellant is granted a variance from the requirements of Regulation 19-300.11 B(2)(a) on the following conditions:

A. That the door from the infant room in question be rehinged so as to swing away from the exterior exit door and;

B. That only cribs which fit both through the infant room door and through the exit door be utilized in the infant room in question.

Information relating to this matter has been retained in these files and is identified as Exhibit 18.

Fire Marshal Appeal Panel: Union Station Restaurant Appeal (Regular #11)

The Board was advised that, on or about July 25, 1986, a Fire Marshal Inspection Order was issued regarding the Union Station Restaurant, 101 East Main Street, Union, SC. Appellant timely appealed the Order and a hearing was held on December 9, 1986.

The Fire Marshal Appeal Panel submitted findings and recommendations on (a) whether the appellant's hood and duct system complies with N.F.P.A. 96 and (b) whether the appellant has an adequate number of exits.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board affirmed the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Union Station Restaurant, 101 East Main Street, Union, and incorporated the recommendations into the following Order:

A. That Appellant shall bring the hood and duct system in its establishment into compliance with N.F.P.A. 96; and

B. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what is required to bring Appellant into full compliance with the appropriate fire and safety codes and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of noncompliance.

Information relating to this matter has been retained in these files and is identified as Exhibit 19.

Human Resource Management: Senior Management System (Regular #12)

Human Resource Management Division Director Phyllis Mayes and staff member Steve Osborne appeared before the Board on this matter.

In accord with Section 713.02 A of the State Personnel Regulations, the Division requested establishment of a Senior Management category for classified employees grade 45 and above. This Senior Management category would become a subcategory of the Executive Compensation System. Inclusion in the system would be voluntary at the discretion of the agency head.

The Division advised that the Board had included a similar proviso covering grade 40 and above in its version of the appropriations bill which was eliminated in the House Ways and Means Committee in February.

The Division indicated that Board approval of the request would enable the Division to pursue the program legislatively as the appropriations bill develops.

Upon a motion by Mr. McLellan, seconded by Mr. Morris, the Board endorsed the concept of an Executive Compensation System Senior Management category for classified employees grade 45 and above with inclusion in the system to be voluntary at the discretion of the agency head.

Information relating to this matter has been retained in these files and is identified as Exhibit 20.

Human Resource Mgmt.: DMH Educational Leave/Tuition Support Program (R#13)

Human Resource Management Division Director Phyllis Mayes and staff member Steve Osborne appeared before the Board on this matter.

The Division advised that the Department of Mental Health had requested a three-year extension of Board approval for educational leave and tuition support for Mental Health employees to participate in the Associate Degree in Nursing (ADN) Program at Midlands Technical College.

The Division reminded the Board that, on July 6, 1978, it had approved a Mental Health request to grant special educational leave and tuition support for employees to participate in the Licensed Practical Nursing Program at Midlands TEC. On January 12, 1982, the Board's approval was extended to include the Associate Degree in Nursing Program provided that these arrangements be reevaluated after three years.

The Department of Mental Health reported that, over an eight-year period, it has spent $108,573.12 in tuition payments and has produced 67 new licensed personnel. The average cost per graduate was $1,620.50. The Division also advised that, of the 67 graduates, 50 are still employed by the Department and that currently 21 employees are enrolled in the program.

The Division recommended approval of the request.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board extended for three years the Department of Mental Health authorization to grant special education leave and tuition support for employees to participate in the Associate Degree in Nursing Program at Midlands Technical College.

Information relating to this matter has been retained in these files and is identified as Exhibit 21.

General Services: Surplus Real Property (Board of Education) (Reg #14)

The Division advised that Mr. Fred Clark has proposed to purchase from the State Board of Education a small tract (some 5,476 square feet or about 0.13 acre) located in Berkeley County to provide access to S. C. Highway #S-834. The Division indicated that Mr. Clark recently acquired a 73.81-acre tract which joins the Board of Education property and which could be used more effectively if access to the referenced highway could be gained.

Mr. Ralph Hendrix, Director of the Board of Education's State Office of Transportation, advised Property Management that the 0.13-acre tract is surplus to the needs of the Department of Education which he indicated was agreeable to its sale. He noted that the property is very narrow and that it does not have any real value to the Board in its operation of the School Bus Maintenance Shop in the area.

The Berkeley County Tax Assessor estimated the property to be worth $4,000.

Dr. Coles advised the Board that General Services staff had been sent to examine the property involved in the proposed transaction. He also stated that the State Department of Education had indicated that the land is not needed for its bus maintenance operation and is therefore surplus. Dr. Coles also expressed the view that this very small parcel would not be useful to any other State agency. He observed that Board staff have satisfied themselves that the value placed on the property by the County Assessor is reasonable. He recommended Board approval of the sale as proposed and that the transaction be exempted from the Board's surplus property disposal procedures.

The Division recommended that the Board approve the sale of the referenced property to Mr. Fred Clark by quit-claim deed for $4,000. The Division also expressed its belief that this small tract would have no useful value to any other State agency. On that basis, it recommended that the transaction be exempted from the Board's surplus property disposition procedure which calls for a 45-day notification period for other State agencies which might be interested in the property.

The Division indicated that Mr. Sprott, head of the Property Management Section, had examined this proposal and had concluded that the value of this property is $3,500.

Senator Dennis disqualified himself from participating in the vote on this matter because his brother is Mr. Clark's attorney.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the sale of a tract of about 0.13 acre, located in Berkeley County on SC Highway #S-8-34, to adjoining landowner Mr. Fred Clark for $4,000 and exempted this transaction from the Board's surplus property disposal procedure.

Information relating to this matter has been retained in these files and is identified as Exhibit 22.

Highway Dept.: Annexation of Department Property by Town of Cheraw (R#15)

The Department of Highways and Public Transportation advised that it concurs in the annexation by the Town of Cheraw of its property (approximately 6.1 acres) which the Department uses primarily for the storage of equipment and materials.

The property is located adjacent to the southern corporate limits of the Town on Inglis Road opposite Dizzy Gillespie Drive. Code Section 5-3-140 provides that an annexation involving property owned entirely by the State may be done in response to a petition executed by the Board.

Upon a motion by Mr. Patterson, seconded by Mr. McLellan, the Board agreed to the annexation of approximately 6.1 acres of Department of Highways and Public Transportation property by the Town of Cheraw and authorized the execution of a petition to that effect.

Information relating to this matter has been retained in these files and is identified as Exhibit 23.

Executive Director: Permanent Improvement Projects (Regular #16)

Upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board approved the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

On Summary 15-87, Item 12:

Agency: Mental Health
Project: 8518, Crafts Farrow Bldg 14-Convert to ICF-MR
Request: Increase budget to $700,000
Amount: Add $585,000
Source: Excess Debt Service
Purpose: To respond to changes in the application of DHEC licensing standards for this type facility which primarily involve a change from less than floor-to-ceiling partitions to full partitions with the associated HVAC adjustments. Because of the increased complexity of the project, it has been determined that outside labor will have to be used instead of the Department's work force as had been planned originally.

On Summary 16-87, Item 8:

Agency: Adjutant General
Project: Columbia Armory Storage Building
Request: Establish project and budget
Amount: $267,000
Source: Federal funds
Purpose: To build a 21,000 square foot storage building for National Guard equipment utilizing 100% of Federal funds.

Information relating to this matter has been retained in these files and is identified as Exhibit 24.

Mental Health: Moving Expense (Regular #17)

The Board was advised that, in accord with Code Section 8-11-135, the Department of Mental Health requested authorization to pay not to exceed $5,000 as a reimbursement to Jack E. McCants, Ph.D., for the costs incurred in moving personal and household effects from Weatherford, Oklahoma to Greenwood, South Carolina.

Dr. McCants has been recruited to fill the position of Executive Director of the Beckman Mental Health Center in Greenwood.

The Department has certified that the indicated amount is the total paid and to be paid by the agency toward the total moving costs incurred by Dr. McCants.

In response to Mr. McLellan, Budget Division staff member Curtis Holt advised that this reimbursement would be paid from the agency's appropriation for contractual services.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, in accord with Code Section 8-11-135, the Board approved the Department of Mental Health request to pay not to exceed $5,000 as a reimbursement to Jack E. McCants, Ph.D., who has been recruited to fill the position of Executive Director of the Beckman Mental Health Center, for the costs incurred in moving personal and household effects from Weatherford, Oklahoma to Greenwood.

Information relating to this matter has been retained in these files and is identified as Exhibit 25.

Department of Agriculture: Exemption from Budget Reduction (Addendum)

Department of Agriculture staff members Dan Ramage and Ernie Nunnery appeared before the Board on this matter.

Dr. Coles advised the Board that Commissioner Tindal's request to be exempted from the 0.8% budget reduction was not included on the agenda for this meeting because it was received after the agenda review process had been completed. Dr. Coles said that he had written to Commissioner Tindal advising him of that situation and also that it is possible to add items at the meeting if a Board member requests that it be done as in this instance.

Mr. Ramage said that the Department's Grain Inspection Program has had two disastrous years as a result of drastically reduced volumes of grain being

processed. He said that it is supported entirely from fees under normal circumstances but that the Program in these two years has been maintained with only limited revenue being received. He reported that four members of the staff had been laid off leaving a staff of five.

In response to Mr. McLellan's question as to why the budget reduction had been taken in this program, Mr. Ramage said that was not the case and that the amount involved in the 0.8% reduction ($46,894) was very close to what this Program represents.

Following this discussion, upon a motion by Mr. Morris, seconded by Senator Dennis, the Board approved the Department of Agriculture request that its Grain Inspection Program be exempted from the 0.8% ($46,894) budget reduction.

Information relating to this matter has been retained in these files and is identified as Exhibit 26.

HHSF Commission: Projected 1986-87 Medicaid Program Shortfall (Blue #1)

[Secretary's Note: The Board returned to this item which had been left open awaiting the appearance of HHSFC Executive Director Dennis Caldwell.]

Health and Human Services Finance Commission (HHSFC) Executive Director Caldwell appeared before the Board on this matter.

The Board was advised that, in response to its direction at its February 10, 1987, meeting when it recognized the necessity for a potential deficit of $24.1 million ($6.6 million State and $17.5 million federal), HHSFC had provided the first update on this situation which was summarized as follows:

	January Estimate (in $ millions)	March 4 Estimate (in $ millions)
1. Projected 1986-87 expenditure	333.52	322.152
2. Available Medicaid funding	309.42	321.601
3. Projected shortfall	24.10	.551
4. (State portion)	6.60	.151
5. (Federal portion)	17.50	.400

The agenda materials supplied to the Board provided additional detail on the factors involved in this dramatic change in the deficit outlook since the February 10 meeting.

Governor Campbell said that he had a number of questions about the update. He began by asking Mr. Caldwell what the $3.9 million described as "Program Reductions" is. Mr. Caldwell said it is a reduction in fees in all parts of the program with the reductions not being made equally or uniformly but rather being made to meet federal requirements.

With regard to the $2.229 million shown on the HHSFC report as an annualized adjustment for overpayment to hospitals, Governor Campbell asked (1) why such a large overpayment; (2) why the overpayment had not been anticipated at the time of the first report of the deficit to the Board on February 10; and (3) if additional overpayments are to be reported in the future. In response, Mr. Caldwell said that hospitals had been cut more than any other provider, that audits of the program go on constantly and that the checking which produced this result came after February 10.

Governor Campbell then asked about the $596,000 described in the HHSFC handout as "additional funding identified in earmarked subfund." Mr. Caldwell said he thought these funds had been discussed at the February 10 meeting.

Governor Campbell asked if complaints of undue bearance of cuts would be valid and Mr. Caldwell said HHSFC had done the best it could to meet federal criteria and to keep programs intact while hurting them as little as possible.

Governor Campbell then asked Mr. Caldwell to provide details on the spread of cuts among the several provider categories.

In response to Mr. Morris' question about nursing home cuts, Mr. Caldwell said it had been a very painful process and that he would provide the details at the next meeting.

Following this discussion, the Board received as information the report that the Health and Human Services Finance Commission 1986-87 Medicaid program shortfall is now estimated at $551,000 (about $151,000 State) rather than the prior estimate of $24.1 million (with about $6.6 million State), and directed the Commission to present at the next meeting further detail on the reductions made by HHSFC, including in particular the spread of cuts among the several provider categories.

Information relating to this matter has been retained in these files and is identified as Exhibit 27.

Budget and Control Board: Future Meeting (Regular #18)

The Board agreed to hold a regular meeting at 9:30 a.m. on Tuesday, March 24, 1987, in the Governor's conference room in the State House.

Executive Session

Dr. Coles advised that two contractual and five personnel items had been proposed for consideration during executive session.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board agreed to consider these items in executive session whereupon Governor Campbell declared the meeting to be in executive session.

Ratification of Executive Session Actions

Following consideration of executive session actions, the meeting was opened and, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board ratified the following actions which were taken during executive session:

1. Authorized the Retirement Systems Division to notify bidders that it will reject proposed rates and will institute a one-year program of self-insurance for the group life, accidental death and dismemberment, and long-term disability insurance programs;

2. Approved the Retirement Systems request to move the Insurance Benefits Section from the IBM Building, 1333 Main Street, to the NBSC Building, 1122 Lady Street, effective July 1, 1987;

3. To deal with the Old Exchange Building Commission's 1986-87 budget deficit of about $54,000 and in an effort to secure a workable budget for the Commission for 1987-88, (a) approved unanimously an allocation of $17,500 from the Civil Contingent Fund to the Commission, (b) authorized Dr. Coles to work with the Board's Division of Local Government to secure a grant of $17,500 to be made to the City of Charleston for the Commission's benefit, (c) agreed that the Commission may defer until July 1, 1987, the payment of approximately $20,000 now owed to State government entities; and (d) was advised that efforts would be made by Ways and Means Committee members (1) to include in the 1987-88 appropriation a one-time appropriation of $20,000 to the Commission to cover the amount now owed to State government entities; and (2) to increase the Commission's State appropriation to $100,000 for 1987-88 which, with the $81,000 of revenue estimated for that year, would provide what is considered to be a workable and attainable budget level;

4. Approved an annual salary no greater than $78,218 for the person selected to be the new Executive Director of the Commission on Higher Education and, in accord with Code Section 8-11-135, approved the Commission on Higher Education request to pay up to $5,000 as a reimbursement to that person for the costs incurred in moving personal and household effects to Columbia;

5. Maintained an annual salary of $80,932 for Mr. Michael D. Jarrett upon his permanent appointment as the Commissioner of the Department of Health and Environmental Control;

6. Approved an annual salary of $55,978 effective July 1, 1987, for the new President of the School for the Deaf and the Blind; and

7. Authorized an additional 180 days of disability leave without pay or other cost to the State for Tax Commission employee Jeffrey Jonides.

Adjournment

Upon a motion by Mr. Patterson, the meeting was adjourned at 1:10 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 12:45 p.m. on Friday, March 6, 1987.]

009362

EXHIBIT

MAR 1 0 1987 NO. 1

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD AGENDA 2

MEETING OF MARCH 10, 1987 ITEM NUMBER

AGENCY: State Auditor

SUBJECT: Repayment of Civil Contingent Fund Allocation for Audit Forum

State Auditor Edgar A. Vaughn, Jr., has repaid the $2,500 Civil Contingent Fund allocation approved by the Board on January 29 on behalf of the Southeastern Intergovernmental Audit Forum.

Mr. Vaughn expresses his appreciation to the Board for having made these funds available. He reports that about 115 persons attended what he considered to have been a most successful meeting.

A status report on the Civil Contingent Fund is attached.

BOARD ACTION REQUESTED:

Receive as information a report that State Auditor Vaughn has repaid the $2,500 Civil Contingent Fund allocation approved on behalf of the Southeastern Intergovernmental Audit Forum meeting.

ATTACHMENTS:

Vaughn March 2 memo to Coles; CCF status report.

009363

State of South Carolina

State Budget and Control Board

OFFICE OF THE STATE AUDITOR
P.O. BOX 11333
COLUMBIA, S.C.
29211
(803) 734-1727

EDGAR A. VAUGHN, JR., CPA
STATE AUDITOR

MARGARET C. STILWELL, CPA
DEPUTY STATE AUDITOR

RECEIVED
MAR 2 1987
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

EXHIBIT

MAR 10 1987 NO. 1

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Dr. Jesse A. Coles, Jr.
Executive Director, Budget and Control Board

FROM: Mr. Edgar A. Vaughn, Jr.
State Auditor

SUBJECT: Repayment of Advance to Budget and Control Board

DATE: March 2, 1987

The Winter Meeting of the Southeastern Intergovernmental Audit Forum was held in Charleston on February 26 and 27, 1987. We had approximately 115 attendees. It was a most successful meeting.

I am enclosing a check for $2,500.00 to reimburse the Civil Contingent Fund for the advance approved by the Budget and Control Board. Please express my appreciation to the Members of the Board for making this advance.

EAV/jp

Enclosure

009364

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER

STATE BUDGET & CONTROL BOARD
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL
REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

Budget and Control Board, Office of Executive Director

CIVIL CONTINGENT FUND - 86-87

Fund Status Report at March 10, 1987

Appropriation:		
General	$	$477,910.00
Transfers:		
Governor's Ofc Exec Policy and Pgms/CETA 75-76 Claim	37,523.00	
BCB/DRSS/Board of Economic Advisors	21,110.00	
Water Resources Commission	83,900.00	
Board of Examiners, LPC, AC, M&FT*	23,140.00	
Parole and Community Corrections for Sentencing Guidelines/Ms. Causey	1,102.67	
Board of Geologists	17,466.00	
Governor's Office/Nat'l Governors Conference	30,000.00	
Commission on Women	6,000.00	
Att Gen Ofc/Catawba Suit/Legal Fees	30,000.00	
		$250,241.67
Direct Expenditures:		
Budget and Control Board Meetings	3,496.26	
Board of Economic Advisors	390.00	
Construction Advisory Committee	277.76	
Retirement/Preretirement Advisory Council	116.50	
Governor's Youth Advisory Council	2,396.46	
Florence Crittenton Programs	12,500.00	
Study Committee/Hunger and Nutrition	2,685.69	
NASBO Regional Meeting, SC Host	9,611.00	
Southeastern Audit Forum ($2,500 refunded 3/2/87)	0	
Tax Study Commission	80,000.00	
		$111,473.67
Encumbrances:		
Budget and Control Board Meetings	503.74	
BCB, OED, Microfilming, Binding Board Minutes	2,000.00	
Retirement/Preretirement Advisory Council	233.50	
Construction Advisory Council	322.24	
Governor's Youth Advisory Council Meetings	1,603.54	
Clemson University/Fire Ant Research	30,000.00	
Att Gen Ofc/Catawba Suit/Legal Fees**	25,000.00	
Sentencing and Guidelines Commission	439.00	
		$60,102.02
YTD Encumbered (Trans, Expend and Encumb):		$421,817.36

* * * * * * * * * * * *

Year-to-date Disbursement:	$361,715.34
Balance (Cash available)	$116,194.66
Balance Unencumbered (Total Available):	$56,092.64

EXHIBIT

MAR 10 1987 NO. 1

STATE BUDGET & CONTROL BOARD

009365

* Licensed Professional Counselors, Associate Counselors, Marital and Family Therapists

** Att Gen Ofc/Catawba Suit released $75,000 from encumbrance December 31, 1986

NOTE: Appropriation reflects budget cuts totalling $16,714 ordered by Board.

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA 3

MEETING OF March 10, 1987 ITEM NUMBER

AGENCY: General Services

SUBJECT: Right-of-way Easements

The Division of General Services recommends approval of the following right-of-way easements which have been approved by the Attorney General's Office:

(a) Two easements to the Grand Strand Water and Sewer Authority for the construction of permanent subaqueous wastewater outfall lines into the Waccamaw River in the Longs area and the Bucksport area of Horry County to discharge treated effluent from the Longs Wastewater Treatment Facility and the Bucksport Wastewater Treatment Facility; and

(b) Three easements to the Commissioners of Public Works in Charleston to install, operate and maintain ductile iron water mains across Filbin Creek, Fiddler Creek, and Noisette Creek in Charleston County to transmit potable water to increase pressure in the City of Charleston's water distribution system.

BOARD ACTION REQUESTED:

Approve the following right-of-way easements which have been approved by the Attorney General's Office:

(a) Two easements to the Grand Strand Water and Sewer Authority for the construction of permanent subaqueous wastewater outfall lines into the Waccamaw River in the Longs area and the Bucksport area of Horry County to discharge treated effluent from the Longs Wastewater Treatment Facility and the Bucksport Wastewater Treatment Facility; and

(b) Three easements to the Commissioners of Public Works in Charleston to install, operate and maintain ductile iron water mains across Filbin Creek, Fiddler Creek, and Noisette Creek in Charleston County to transmit potable water to increase pressure in the City of Charleston's water distribution system.

ATTACHMENTS:

Agenda item worksheets and attachments

009366

MAR - 4 1987

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for: March 10, 1987

X *Blue Agenda*
__ *Regular Session Agenda*
__ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard W. Kelly, Director

2. *Subject:* Right-of-Way Easements (2)

3. *Summary Background Information:*

These are two (2) easements from the State to the Grand Strand Water and Sewer Authority for the construction of permanent subaqueous wastewater outfall lines into the Waccamaw River in the Longs area and the Bucksport area of Horry County (approximately 23 miles from each other) to discharge treated effluent from the Longs Wastewater Treatment Facility and the Bucksport Wastewater Treatment Facility.

These easements have been reviewed and approved by the Attorney General's Office and executed by Mr. Douglas P. Wendel, Executive Director, on behalf of the Authority.

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Approve and execute the proposed easements.

5. *What is recommendation of the Board Division involved?*

That the easements be approved and executed.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. Original easement crossing the Waccamaw River in the Longs area of Horry County (5 pages, plus attached drawing).	
2. Original easement crossing the Waccamaw River in the Bucksport area of Horry County (5 pages, plus attached drawing.)	

(a)

009367

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

EASEMENT

THIS EASEMENT, made and entered into this 24th day of February, 1987, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and Grand Strand Water and Sewer Authority as Grantee (hereinafter "AUTHORITY").

WITNESSETH

WHEREAS, AUTHORITY is a political subdivision authorized to provide utility service within the State of South Carolina. AUTHORITY's mailing address is PO Box 1537, Conway, South Carolina 29526; and

WHEREAS, AUTHORITY proposes to construct a permanent subaqueous wastewater outfall into the Waccamaw River in the Bucksport area of Horry County, South Carolina to discharge treated effluent from the Bucksport Wastewater Treatment Facility. The subaqueous wastewater outfall and easement area are more particularly shown and delineated on a drawing dated 08/20/86 which is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, pursuant to Section 1-11-90 of the South Carolina Code of Laws, 1976, as amended, the STATE is empowered to grant certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance of wastewater outfalls on, or under such land or marshland as are owned by the STATE; and

009368

WHEREAS, AUTHORITY is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Horry County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One ($1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto AUTHORITY, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Horry County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the construction, installation and operation of said permanent subaqueous wastewater outfall into the Waccamaw River in Horry County, South Carolina. The easement area is more particularly described as follows:

BEGINNING at the western bank of the Waccamaw River at a point common with Bucksport Plantation, Tip Top Partnership, and the western bank of the Waccamaw River, with the centerline being North 86 Degrees 33 Minutes 28 Seconds East a distance of approximately 100' to the toe of the Waccamaw River. The width of the rip-rap will be approximately 50'. The centerline of the western bank is South 5 Degrees West 2,800' of the south end of Bucksport Marina. The easement area is bounded on the northwest by property of Bucksport Plantation and on the southwest by property of Tip Top Partnership.

The subaqueous wastewater outfall and easement area are more particularly shown and delineated on a drawing dated 08/20/86 which is attached hereto and incorporated herein by reference as Exhibit A.

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

009369

AUTHORITY hereby agrees and covenants with the STATE that AUTHORITY, its successors and assigns, shall not block or obstruct navigable waters or cause unreasonable adverse impact on fish, wildlife, or water quality in its use of the easement area. AUTHORITY shall use the easement area solely for the purposes incidental with the construction, operation, and maintenance of said subaqueous wastewater outfall and shall maintain such easement area and wastewater outfall in good condition.

AUTHORITY further agrees and covenants that AUTHORITY shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable costs and attorney fees resulting in personal injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

AUTHORITY WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

This Easement may be terminated by the STATE, in its discretion and such interests as the STATE may have shall revert to the STATE if AUTHORITY, its successors and assigns: (1) quits and abandons all use of such subaqueous wastewater outfall, in which

009370

case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach of any of the terms and conditions herein.

It is further understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE or to others later granted a similar right. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 10th day of March, 1987.

WITNESSES:

H. Graham Taw

Mark R. Elam

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: Carroll A. Campbell, Jr.
Governor Carroll A. Campbell, Jr.

GRAND STRAND WATER AND SEWER AUTHORITY

Dennis S. Farmer

Barbara S. Thrippen

BY: D. C. Wendel

TITLE: Executive Director

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth P. Woodington

009371

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Mark Elam and made oath that he/she saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Carroll A. Campbell, Jr., sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Graham Lew, witnessed the execution thereof.

Mark R. Elam

SWORN to before me this 10th

day of March, 1987.

Faye Adkins (L.S.)
Notary Public for South Carolina

My Commission Expires: 3-21-95

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

PERSONALLY appeared before me Denise S. Farmer and made oath that he/she saw the within named Grand Strand Water and Sewer Authority by Douglas P. Wendel, its Executive Director, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Barbara S. Thigpen, witnessed the execution thereof.

Denise S. Farmer

SWORN to before me this 24

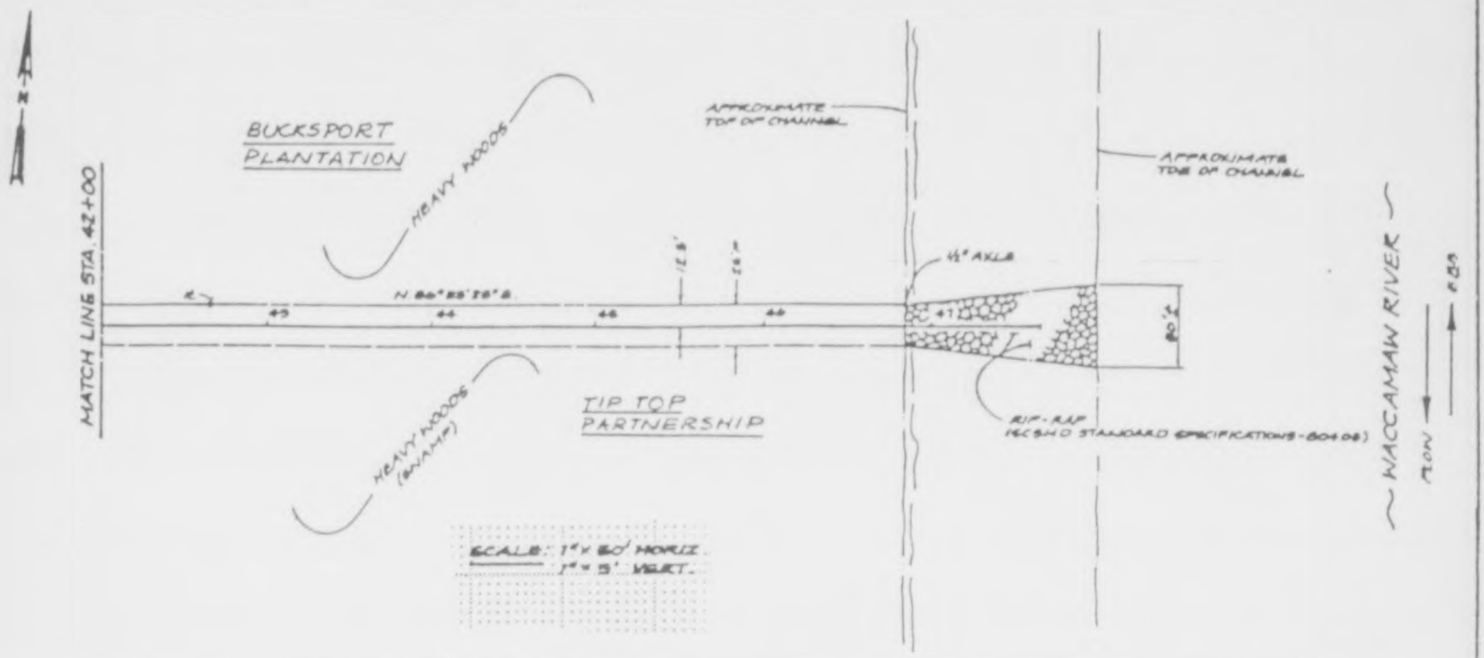
day of Feb., 1987.

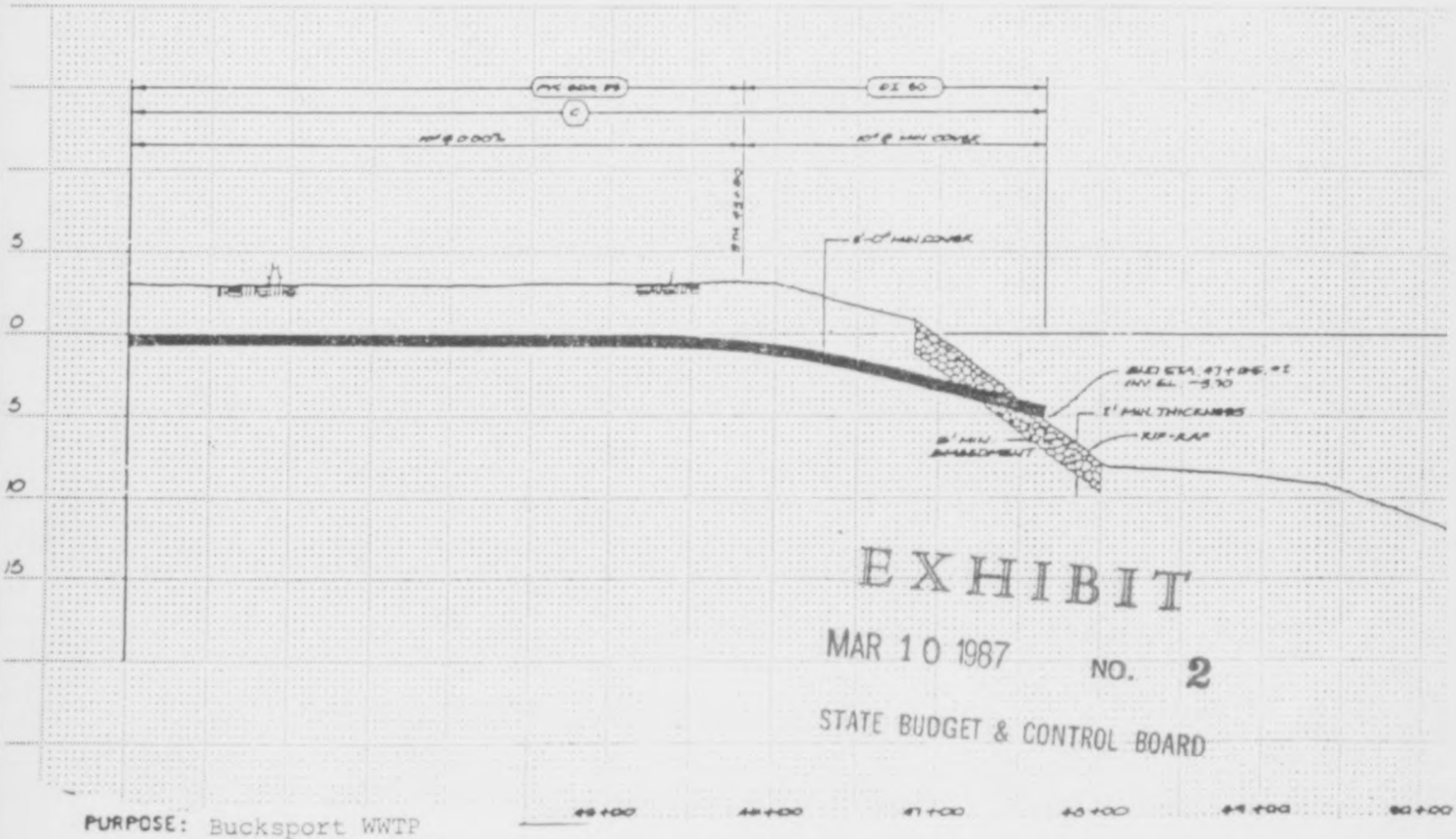
Barbara S. Thigpen (L.S.)
Notary Public for South Carolina

My Commission Expires: 1/14/90

009372

Exhibit A





PURPOSE: Bucksport WWTP Effluent Outfall

DATUM Mean Sea Level

ADJACENT PROPERTY OWNERS:

(1) Bucksport Plantation

(2) Tip Top Partnership

IN Waccamaw River

AT near Bucksport Landing

COUNTY OF Horry STATE S.C.

APPLICATION BY Grand Strand Water & Sewer Authority

SHEET 2 OF 2 DATE 8/25/86

009373

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

EASEMENT

THIS EASEMENT, made and entered into this 24th day of February, 1987, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and Grand Strand Water and Sewer Authority as Grantee (hereinafter "AUTHORITY").

WITNESSETH

WHEREAS, AUTHORITY is a political subdivision authorized to provide utility service within the State of South Carolina. AUTHORITY's mailing address is PO Box 1537, Conway, South Carolina 29526; and

WHEREAS, AUTHORITY proposes to construct a permanent subaqueous wastewater outfall into the Waccamaw River in the Longs area of Horry County, South Carolina to discharge treated effluent from the Longs Wastewater Treatment Facility. The subaqueous wastewater outfall and easement area are more particularly shown and delineated on a drawing dated 08/20/86 which is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, pursuant to Section 1-11-90 of the South Carolina Code of Laws, 1976, as amended, the STATE is empowered to grant certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance of wastewater outfalls on, or under such land or marshland as are owned by the STATE; and

WHEREAS, AUTHORITY is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in

Horry County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One ($1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto AUTHORITY, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Horry County and lying below the mean high water line.

> This Easement of right-of-way shall be used solely for the purposes incidental with the construction, installation and operation of said permanent subaqueous wastewater outfall into the Waccamaw River in Horry County, South Carolina. The easement area is more particularly described as follows:
>
> Beginning at the western bank of the Waccamaw River at a point common to International Paper Company and the Waccamaw River, with the centerline being South 63 Degrees 18 Minutes 26.2 Seconds East and running approximately 100' to the toe of the Waccamaw River. The width of the rip-rap will be approximately 50' wide. The easement area is bounded on the west side of the Waccamaw River by property owned by International Paper Company.
>
> The subaqueous wastewater outfall and easement area are more particularly shown and delineated on a drawing dated 08/20/86 which is attached hereto and incorporated herein by reference as Exhibit A.

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

AUTHORITY hereby agrees and covenants with the STATE that AUTHORITY, its successors and assigns, shall not block or obstruct navigable waters or cause unreasonable adverse impact on

009375

fish, wildlife, or water quality in its use of the easement area. AUTHORITY shall use the easement area solely for the purposes incidental with the construction, operation, and maintenance of said subaqueous wastewater outfall and shall maintain such easement area and wastewater outfall in good condition.

AUTHORITY further agrees and covenants that AUTHORITY shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable costs and attorney fees resulting in personal injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

AUTHORITY WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

This Easement may be terminated by the STATE, in its discretion and such interests as the STATE may have shall revert to the STATE if AUTHORITY, its successors and assigns: (1) quits and abandons all use of such subaqueous wastewater outfall, in which case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach of any of the terms and conditions herein.

009376

It is further understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE or to others later granted a similar right. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 10th day of March, 1987.

WITNESSES:

Graham Lee

Mark R. Ehrn

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: _____
Governor Carroll A. Campbell, Jr.

GRAND STRAND WATER AND SEWER
AUTHORITY

Denise S. Farmer

Barbara S. Higgins

BY: _____

TITLE: Executive Director

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

ATTORNEY GENERAL'S OFFICE

Approved: _____

003377

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Mark Elam and made oath that he/she saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Carroll A. Campbell, Jr., sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Graham Tew, witnessed the execution thereof.

Mark R. Elam

SWORN to before me this 10th

day of March, 1987.

Faye Adkins (L.S.)
Notary Public for South Carolina

My Commission Expires: 3-21-95

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

PERSONALLY appeared before me Denise S. Farmer and made oath that he/she saw the within named Grand Strand Water and Sewer Authority by Douglas P. Wendel, its Executive Director, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Barbara S. Thigpen, witnessed the execution thereof.

Denise S Farmer

SWORN to before me this 3rd

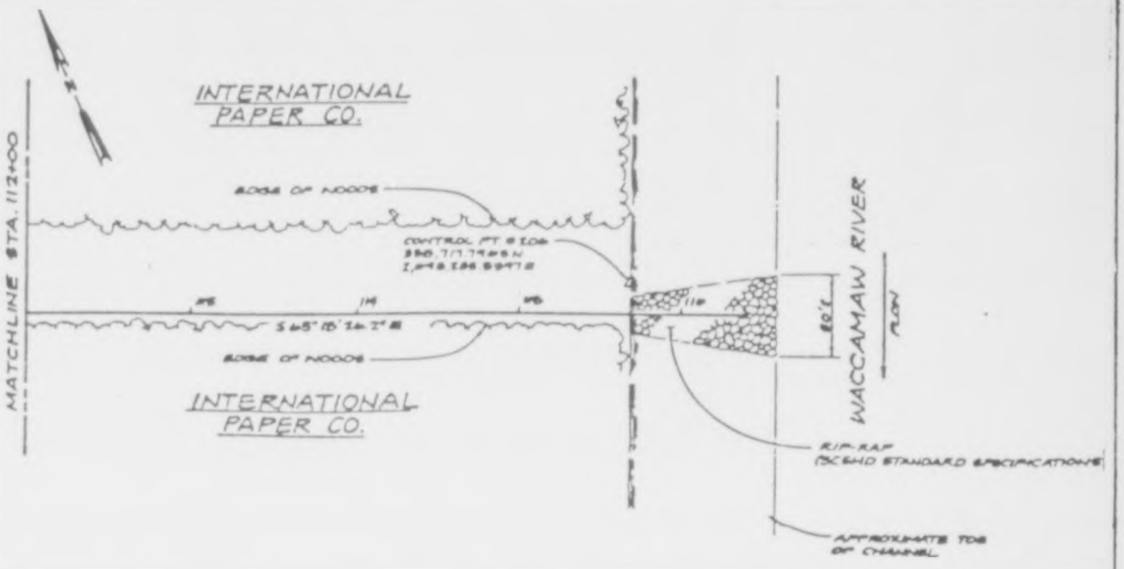
day of Feb., 1987.

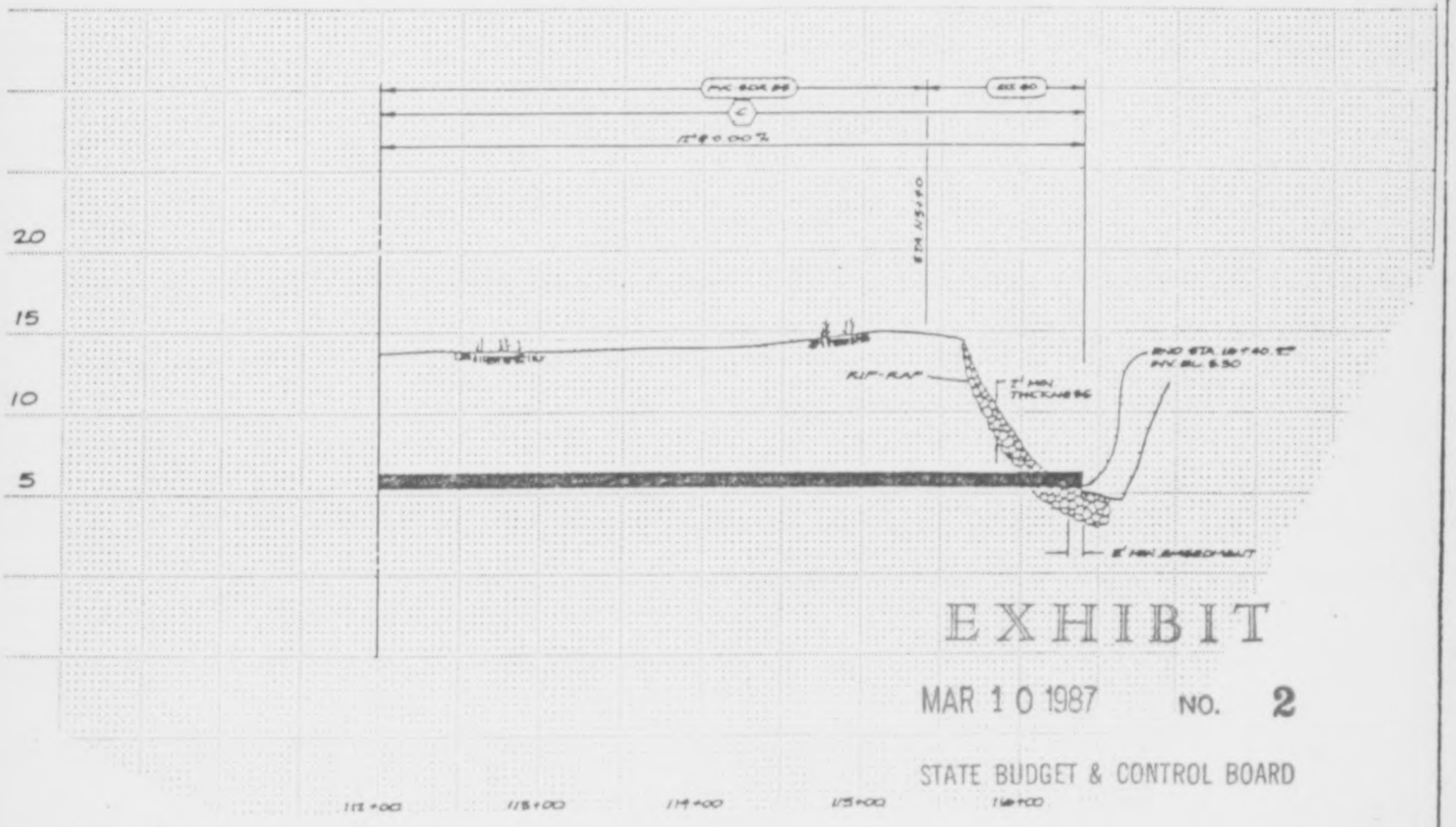
Barbara S. Thigpen (L.S.)
Notary Public for South Carolina

My Commission Expires: 1/14/90

009378

Exhibit A





EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

PURPOSE: Longs WWTP Effluent Outfall

DATUM Mean Sea Level

ADJACENT PROPERTY OWNERS:

(1) International Paper

(2)

IN Waccamaw River

AT Hwy. 9 Bridge

COUNTY OF Horry STATE S.C.

APPLICATION BY Grand Strand Water & Sewer Authority

SHEET 2 OF 2 DATE 8/20/86

009379

MAR - 4 1987

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

March 10, 1987

XX *Blue Agenda*
__ *Regular Session Agenda*
__ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard W. Kelly, Director

2. *Subject:* Rights-of-Way Easements (3)

3. *Summary Background Information:*

These are three easements from the State to the Commissioners of Public Works in Charleston. The purpose for these easements is so that the Commissioners can install, operate and maintain ductile iron water mains across Filbin Creek, Fiddler Creek, and Noisette Creek in Charleston County, to transmit potable water to increase pressure in the City of Charleston's water distribution system.

These easements have been reviewed and approved by the Attorney General's Office and executed by Mr. Mark E. Cline on behalf of the Commissioners.

4. *What is Board asked to do?*

Approve and execute these easements.

EXHIBIT
MAR 10 1987 NO. 2
STATE BUDGET & CONTROL BOARD

5. *What is recommendation of the Board Division involved?*

That these easements be approved and executed.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1) Original easement crossing Fiddler Creek (6 pages) with drawing attached. 2) Original easement crossing Noisette Creek (6 pages) with drawing attached. 3) Original easement crossing Filbin Creek (6 pages) with drawing attached. 4) Copy of letter authorizing Mark Cline to execute easements.	009380 (b)

EXHIBIT

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

EASEMENT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

THIS EASEMENT, made and entered into this 2nd day of March, 1987, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and the Commissioners of Public Works, as Grantee (hereinafter "COMMISSIONERS").

WITNESSETH

WHEREAS, COMMISSIONERS is a political subdivision of the City of Charleston which produces and delivers potable water and collects and treats wastewater for the City of Charleston. COMMISSIONERS' mailing address is PO Drawer B, 103 St. Phillip Street, Charleston, South Carolina 29402; and

WHEREAS, COMMISSIONERS propose to install, operate and maintain an aerial ductile iron water main across Filbin Creek in Charleston County for the purpose of transmitting potable water to increase pressure in the City of Charleston's water distribution system. The aerial water line and easement area are more particularly shown and delineated on a plat entitled "Peninsula Water Trunk Main Phase II", dated January, 1987, prepared by William C. Boineau, Jr., RLS, which is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, pursuant to Section 1-11-90 of the Code of Laws of, South Carolina, 1976, (1986 Cum. Supp.) the STATE is empowered to grant certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance

009381

of water lines over, on, or under such land or marshland as are owned by the STATE; and

WHEREAS, COMMISSIONERS is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Charleston County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One ($1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto COMMISSIONERS, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Charleston County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the installation, operation and maintenance of said aerial ductile iron water main across Filbin Creek in Charleston County, South Carolina. The easement area is more particularly described as follows:

A 50' wide utility easement (25' on each side of the centerline) beginning at a stake in the mean high water line on the north bank of Filbin Creek, being South 02 Degrees 00 Minutes East, 1,950' along the west right-of-way of the Seaboard Coastline Railway from the intersection of said right-of-way and the centerline of SC Road S-10-13, also known as Remount Road; thence extending North 88 Degrees 00 Minutes East, 25'; thence extending South 02 Degrees 00 Minutes East a distance of 1,350', plus or minus, along the west right-of-way of the Seaboard Coastline Railway to a stake in the mean high water line on the south bank of Filbin Creek.

The aerial ductile iron water main and easement area are more particularly shown and delineated on a plat entitled "Peninsula Water Trunk Main Phase II", dated January, 1987, prepared by William C. Boineau, Jr., RLS, which is attached hereto and incorporated herein by reference as Exhibit A.

009382

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

COMMISSIONERS hereby agrees and covenants with the STATE that COMMISSIONERS, its successors and assigns, shall not block or obstruct navigable waters or cause unreasonable adverse impact on fish, wildlife, or water quality in its use of the easement area. COMMISSIONERS shall use the easement area solely for the purposes incidental with the installation, operation, and maintenance of said aerial ductile water main and shall maintain such easement area and water main in good condition.

COMMISSIONERS further agrees and covenants that COMMISSIONERS shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable costs and attorney fees resulting in personal injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

COMMISSIONERS WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

009383

This Easement may be terminated by the STATE, in its discretion and such interests as the STATE may have shall revert to the STATE if COMMISSIONERS, its successors and assigns: (1) quits and abandons all use of such aerial ductile water main, in which case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach of any of the terms and conditions herein.

It is further understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE or to others later granted a similar right. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 10th day of March, 1987.

WITNESSES:

Graham Tant

Mark Allen

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: Donald B. Campbell
Governor Carroll A. Campbell, Jr.

EXHIBIT
MAR 10 1987 NO. 2
STATE BUDGET & CONTROL BOARD

COMMISSIONERS OF PUBLIC WORKS

John D Todd

Kevin Doane

BY: Hunter J. Cline

TITLE: DESIGN ENGINEER

009384

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth B. Woodington

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

009385

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Mark Elam and made oath that he/she saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Carroll A. Campbell, Jr., sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Graham Tew, witnessed the execution thereof.

Mark R Elam

SWORN to before me this 10th

day of March, 1987.

Faye Adkins (L.S.)
Notary Public for South Carolina

My Commission Expires: 3-21-95

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me John D. Todd and made oath that he/she saw the within named Commissioners of Public Works by Mark F Cline, its Design Engineer, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Kim Dean, witnessed the execution thereof.

John D Todd

SWORN to before me this 2nd

day of March, 1987.

J. Delphine Bracey (L.S.)
Notary Public for South Carolina

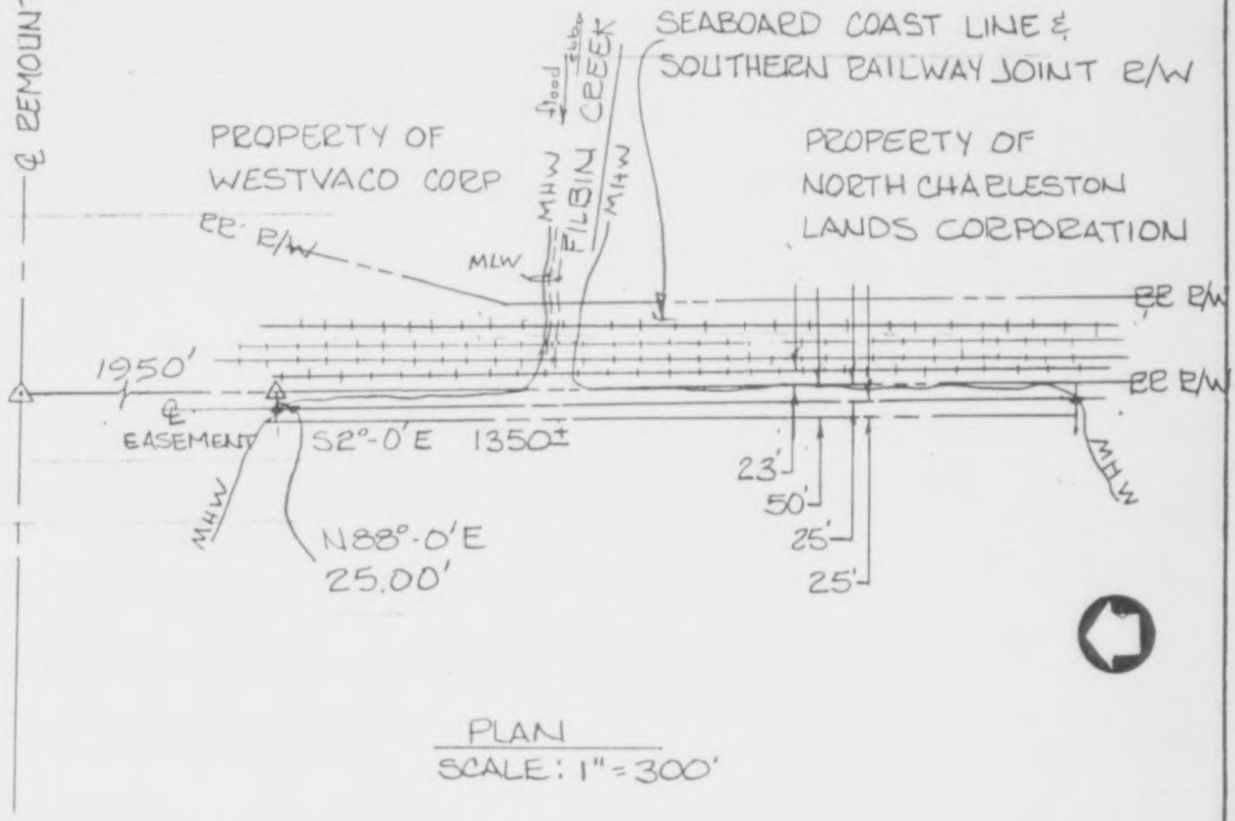
My Commission Expires: 9-9-90

009386

EXHIBIT A

AF 18405

A Plat showing a pipeline easement crossing Filbin Creek, prepared for the Commissioners of Public Works



PLAN
SCALE: 1" = 300'

A utility easement 50 feet wide running from mean high water line on the North bank to the mean high water line on the South bank of Filbin Creek

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

City of North Charleston
Charleston County
South Carolina

Datum: Mean Sea Level

William C. Boineau, Jr. RLS SC Reg 4173

This plat intended only to show location of the easement for the South Carolina Budget and Control Board.

009387

Commissioner of Public Works of the City of Charleston, SC
Peninsula Water Trunk Main Phase II
Jordan Jones & Goulding Inc. Consulting Engineers
SCALE: AS SHOWN | DATE: Jan 1987

K & E 19-1253

COMMISSIONERS:

Elected:
Harold Simmons, Chairman
Ms. Peggy Hendricks, Vice Chairman
Howard Burky

Ex-Officio:
Joseph P. Riley, Jr., Mayor
Daniel Richardson, Ald.

OFFICERS:
Steve W. Kinard, Manager
William E. Koopman, Jr., Asst. Manager
Patric M. McClellan, Dir. Admin. Services
John B. Cook, Dir. of Engineering

COMMISSIONERS OF PUBLIC WORKS
Of the City of Charleston
South Carolina

February 27, 1987

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

State of South Carolina
Budget and Control Board
Division of General Services
300 Gervais Street
Columbia, S. C. 29201

Re: Charleston Commissioners of Public Works
Peninsula Trunk Main - Phase II

To Whom It May Concern:

I, Steve W. Kinard, Manager, Commissioners of Public Works of the City of Charleston, South Carolina, do hereby authorize Mark F. Cline, Design Engineer, to sign the necessary documents to secure pertinent easements and permits for marshland and waterway crossings in the above referenced project.

CHARLESTON COMMISSIONERS OF PUBLIC WORKS

Steve W. Kinard, Manager

WITNESSES:

Randy Hoagland

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me the undersigned witness, who being duly sworn, deposes and says that (s)he saw the within named COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA by Steve W. Kinard, its Manager, sign, seal and as its act and deed deliver the within written Authorization of Signature, and that (s)he, with the other witness above subscribed, witnessed the execution thereof.

Randy Hoagland

SWORN to before me this 27th day of February, 1987

(SEAL)
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 9/13/93

009388

P.O. Drawer B, 103 St. Philip Street, Charleston, South Carolina 29402 (803) 724-6800

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

EASEMENT

THIS EASEMENT, made and entered into this 2nd day of March, 1987, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and the Commissioners of Public Works, as Grantee (hereinafter "COMMISSIONERS").

WITNESSETH

WHEREAS, COMMISSIONERS is a political subdivision of the City of Charleston which produces and delivers potable water and collects and treats wastewater for the City of Charleston. COMMISSIONERS' mailing address is PO Drawer B, 103 St. Phillips Street, Charleston, South Carolina 29402; and

WHEREAS, COMMISSIONERS propose to install, operate and maintain a ductile iron water main across Noisette Creek in Charleston County for the purpose of transmitting potable water to increase pressure in the City of Charleston's water distribution system. The water line and easement area are more particularly shown and delineated on a plat entitled "Peninsula Water Trunk Main Phase II", dated January, 1987, prepared by William C. Boineau, Jr., RLS, which is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, pursuant to Section 1-11-90 of the Code of Laws of, South Carolina, 1976, (1986 Cum. Supp.) the STATE is empowered to grant certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance

009389

of water lines over, on, or under such land or marshland as are owned by the STATE; and

WHEREAS, COMMISSIONERS is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Charleston County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One ($1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto COMMISSIONERS, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Charleston County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the installation, operation and maintenance of said ductile iron water main across Noisette Creek in Charleston County, South Carolina. The easement area is more particularly described as follows:

A 50' wide utility easement (25' on each side of the centerline) beginning at a stake in the mean high water line on the north bank of Noisette Creek, being North 88 Degrees 00 Minutes East, 58' from the centerline of S-10-379, also known as O'Hear Avenue on the north edge of Noisette Creek; thence extending South 02 Degrees 00 Minutes East, 145', plus or minus, along the east right-of-way of S-10-379 to a stake in the mean high water line on the south bank of Noisette Creek.

The iron water main and easement area are more particularly shown and delineated on a plat entitled "Peninsula Water Trunk Main Phase II", dated January, 1987, prepared by William C. Poineau, Jr., RLS, which is attached hereto and incorporated herein by reference as Exhibit A.

009390

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

COMMISSIONERS hereby agrees and covenants with the STATE that COMMISSIONERS, its successors and assigns, shall not block or obstruct navigable waters or cause unreasonable adverse impact on fish, wildlife, or water quality in its use of the easement area. COMMISSIONERS shall use the easement area solely for the purposes incidental with the installation, operation, and maintenance of said aerial ductile water main and shall maintain such easement area and water main in good condition.

COMMISSIONERS further agrees and covenants that COMMISSIONERS shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable costs and attorney fees resulting in personal injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

COMMISSIONERS WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

009391

This Easement may be terminated by the STATE, in its discretion and such interests as the STATE may have shall revert to the STATE if COMMISSIONERS, its successors and assigns: (1) quits and abandons all use of such ductile water main, in which case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach of any of the terms and conditions herein.

It is further understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE or to others later granted a similar right. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 10th day of March, 1987.

WITNESSES:

Graham Tow

Mark R Elam

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: Carroll A. Campbell, Jr.
Governor Carroll A. Campbell, Jr.

EXHIBIT
MAR 10 1987 NO. 2
STATE BUDGET & CONTROL BOARD

COMMISSIONERS OF PUBLIC WORKS

Jim Elam

BY: Mark F. Elam

TITLE: DESIGN ENGINEER

009392

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth C. Wray

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

009393

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Mark Elam and made oath that he/she saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Carroll A. Campbell, Jr., sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Graham Tew, witnessed the execution thereof.

Mark R. Elam

SWORN to before me this 10th
day of March, 1987.

Faye Adkins (L.S.)
Notary Public for South Carolina

My Commission Expires: 3-21-95

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me John D. Todd and made oath that he/she saw the within named Commissioners of Public Works by Mark F. Cline, its Design Engineer, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Kim Dean, witnessed the execution thereof.

John D Todd

SWORN to before me this 2nd
day of March, 1987.

J. Delphine Bagnal (L.S.)
Notary Public for South Carolina

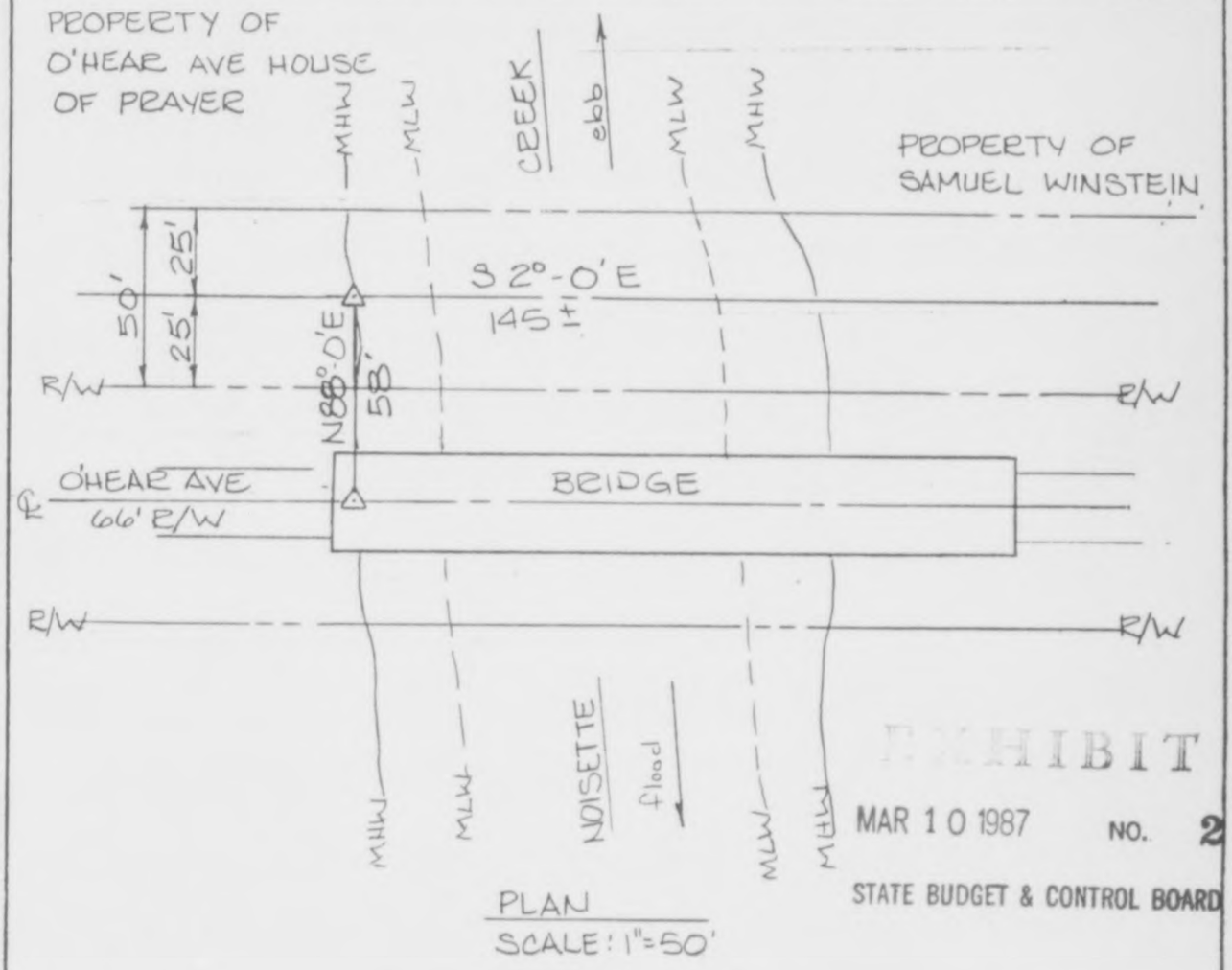
My Commission Expires: 9-9-90

009394

EXHIBIT A

A F 18406

A Plat showing a pipeline easement
crossing Noisette Creek
prepared for the Commissioners of Public Works



PLAN
SCALE: 1"=50'

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

A utility easement 50 feet wide running from mean high water line on the North bank to the mean high water line on the South bank of Noisette Creek.

City of North Charleston
Charleston County
South Carolina

Datum: Mean Sea Level

William C. Boineau, Jr. RLS SC Reg. 4173

This plat intended only to show location of the easement for the South Carolina Budget and Control Board.

009395

Commissioner of Public Works of the City of Charleston, SC
Peninsula Water Trunk Main Phase II
Jordan Jones & Goulding Inc. Consulting Engineers
SCALE: AS SHOWN | DATE: Jan 1987

K & E 19-1253

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

EASEMENT

THIS EASEMENT, made and entered into this 2nd day of March, 1987, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and the Commissioners of Public Works, as Grantee (hereinafter "COMMISSIONERS").

WITNESSETH

WHEREAS, COMMISSIONERS is a political subdivision of the City of Charleston which produces and delivers potable water and collects and treats wastewater for the City of Charleston. COMMISSIONERS' mailing address is PO Drawer B, 103 St. Phillips Street, Charleston, South Carolina 29402; and

WHEREAS, COMMISSIONERS propose to install, operate and maintain a ductile iron water main across Fiddler Creek in Charleston County for the purpose of transmitting potable water to increase pressure in the City of Charleston's water distribution system. The water line and easement area are more particularly shown and delineated on a plat entitled "Peninsula Water Trunk Main Phase II", dated January, 1987, prepared by William C. Boineau, Jr., PLS, which is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, pursuant to Section 1-11-90 of the Code of Laws of, South Carolina, 1976, (1986 Cum. Supp.) the STATE is empowered to grant certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance

009396

of water lines over, on, or under such land or marshland as are owned by the STATE; and

WHEREAS, COMMISSIONERS is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Charleston County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One ($1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto COMMISSIONERS, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Charleston County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the installation, operation and maintenance of said ductile iron water main across Fiddler Creek in Charleston County, South Carolina. The easement area is more particularly described as follows:

A 50' wide utility easement (25' on each side of the centerline) beginning at a stake in the mean high water line on the north bank of Fiddler Creek, being South 90 Degrees 00 Minutes East, 58' from the centerline of S-10-379, also known as O'Hear Avenue on the north edge of Fiddler Creek; thence extending North 88 Degrees 00 Minutes East, 25'; thence extending South 00 Degrees 00 Minutes East a distance of 40', plus or minus, along the east right-of-way of S-10-379 to a stake in the mean high water line on the south bank of Fiddler Creek.

The ductile iron water main and easement area are more particularly shown and delineated on a plat entitled "Peninsula Water Trunk Main Phase II", dated January, 1987, prepared by William C. Boineau, Jr., RLS, which is attached hereto and incorporated herein by reference as Exhibit A.

009397

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

COMMISSIONERS hereby agrees and covenants with the STATE that COMMISSIONERS, its successors and assigns, shall not block or obstruct navigable waters or cause unreasonable adverse impact on fish, wildlife, or water quality in its use of the easement area. COMMISSIONERS shall use the easement area solely for the purposes incidental with the installation, operation, and maintenance of said aerial ductile water main and shall maintain such easement area and water main in good condition.

COMMISSIONERS further agrees and covenants that COMMISSIONERS shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable costs and attorney fees resulting in personal injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

COMMISSIONERS WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

009398

This Easement may be terminated by the STATE, in its discretion and such interests as the STATE may have shall revert to the STATE if COMMISSIONERS, its successors and assigns: (1) quits and abandons all use of such ductile water main, in which case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach of any of the terms and conditions herein.

It is further understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE or to others later granted a similar right. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 10th day of March, 1987.

WITNESSES:

Graham Tow

Mark P. Elam

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: Carroll A. Campbell, Jr.
Governor Carroll A. Campbell, Jr.

COMMISSIONERS OF PUBLIC WORKS

John J. Todd

Jim Deane

BY: Mark Y. Cline

TITLE: DESIGN ENGINEER

EXHIBIT NO. 2
MAR 10 1987
STATE BUDGET & CONTROL BOARD

009399

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth P. Woody

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

009400

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Mark Elam and made oath that he/she saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Carroll A. Campbell, Jr., sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Graham Tew, witnessed the execution thereof.

Mark R. Elam

SWORN to before me this 10th
day of March, 1987.

Faye Adkins (L.S.)
Notary Public for South Carolina

My Commission Expires: 3-21-95

EXHIBIT

MAR 10 1987 NO. 2

STATE BUDGET & CONTROL BOARD

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me John D. Todd and made oath that he/she saw the within named Commissioners of Public Works by Mark F. Cline, its Design Engineer, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Kim Dean, witnessed the execution thereof.

John D Todd

SWORN to before me this 2nd
day of March, 1987.

J. Delphine Bryan (L.S.)
Notary Public for South Carolina

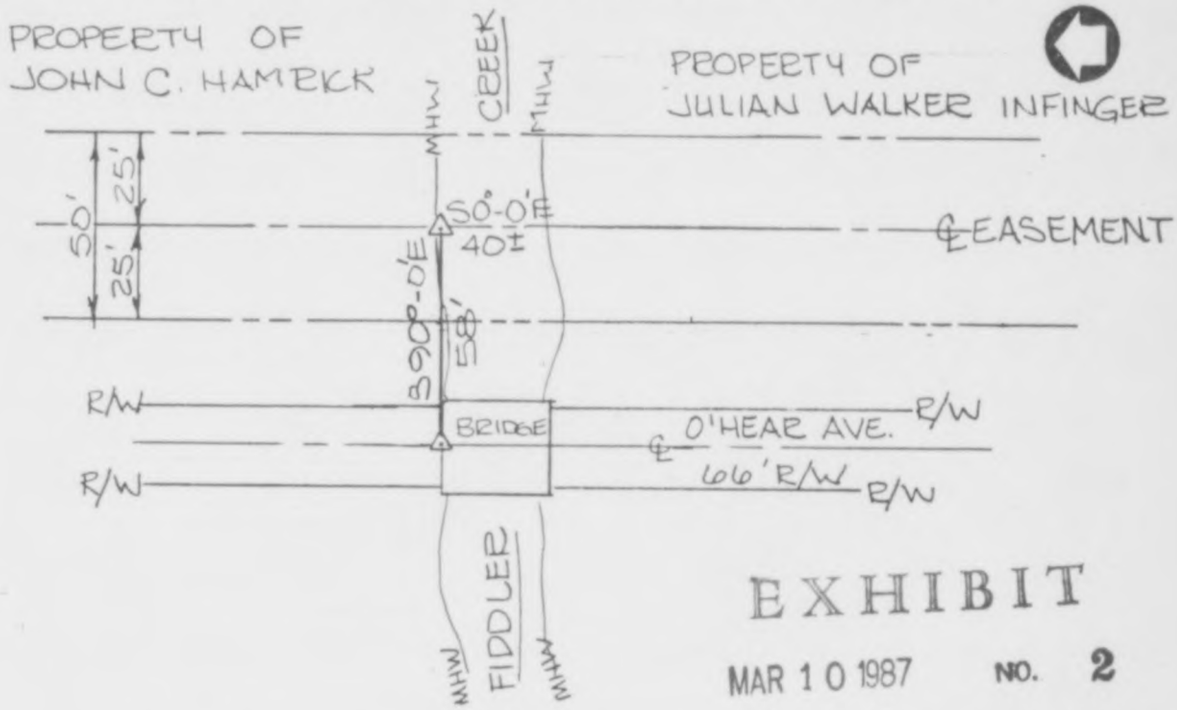
My Commission Expires: 9-9-90

009401

EXHIBIT A

A.F. 18406

A Plat showing a pipeline easement
crossing Fiddler Creek
prepared for the Commissioners of Public Works



PLAN
SCALE: 1" = 50'

EXHIBIT
MAR 10 1987 NO. 2
STATE BUDGET & CONTROL BOARD

A utility easement 50 feet wide running from mean high water line on the North bank to the mean high water line on the South bank of Fiddler Creek.

City of North Charleston
Charleston County
South Carolina

Datum: Mean Sea Level

William C. Boineau, Jr. RLS SC Reg 4173

This plat intended only to show location of the easement for the South Carolina Budget and Control Board.

009402

Commissioner of Public Works of the City of Charleston, SC
Peninsula Water Trunk Main Phase II
Jordan Jones & Goulding Inc. Consulting Engineers
SCALE: AS SHOWN | DATE: [illegible] 1987

K & E 19-1253

EXHIBIT

MAR 1 0 1987 NO. 3

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA

MEETING OF March 10, 1987 ITEM NUMBER 4

AGENCY: General Services

SUBJECT: Right-of-way Easement

The Division of General Services recommends approval of a University of South Carolina Gamecock Club right-of-way easement on property located on Kinderway Avenue to the South Carolina Electric and Gas Company.

The action is requested in accord with Code Section 10-1-130 under which the agency may grant easements provided the Budget and Control Board concurs and acquiesces.

The Attorney General's Office has advised the Division of General Services that these types of easements do not require the approval of that Office.

BOARD ACTION REQUESTED:

Concur and acquiesce in the University of South Carolina Gamecock Club grant of a right-of-way easement on property on Kinderway Avenue to the South Carolina Electric and Gas Company.

ATTACHMENTS:

Agenda item worksheet and attachment.

009403

EXHIBIT

MAR 10 1987 NO. 3

STATE BUDGET & CONTROL BOARD

§ 10–1–130. State institutions and agencies may grant easements and rights of way on consent of Budget and Control Board.

The trustees or governing bodies of State institutions and agencies may grant easements and rights of way over any property under their control, upon the concurrence and acquiescence of the State Budget and Control Board, whenever it appears that such easements will not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any such amounts shall be placed in the State Treasury to the credit of the institution or agency having control of the property involved.

HISTORY: 1962 Code § 1-49.3; 1963 (53) 177.

Cross references—

As to composition, powers and duties of State Budget and Control Board generally, see Chapter 11 of Title 1.

As to the State Budget and Control Board, generally, see §§ 1–11–10 et seq.

As to execution of conveyances of such easements, see § 1–11–100.

009404

INDENTURE, made this _____ day of _____, 19 86 by and between Gamecock Club of the University of South Carolina

of the City of Columbia, County of Richland and State of South Carolina (hereinafter called Grantors), and the SOUTH CAROLINA ELECTRIC & GAS COMPANY, a South Carolina corporation, having its principal office in Columbia, South Carolina (hereinafter called Grantee).

WITNESSETH:

That, in consideration of the sum of One Dollar ($1.00) received from Grantee, Grantors, being the owners of land situate in the County of Richland, State of South Carolina, hereby grant and convey to Grantee, its successors and assigns, the right to construct, extend, replace, relocate, perpetually maintain and operate an electric line or lines consisting of any or all of the following: poles, conductors, overhead and underground lightning protective wires, municipal, public, or private communication wires, underground cables, conduits, transformer pads, guys, push braces and other accessory apparatus and equipment deemed by Grantee to be necessary therefor, upon, over, across, through, and under land described as follows: a tract or lot of land containing 5 lots ~~acres~~ more or less, and being the same lands conveyed to grantor by deed ~~xxxxx~~ of Peggy H. Oliver & Peter C. Oliver, dated July 30, 1982, and recorded in the R. M. C. ~~Probate Judge's~~ Office for Richland County in Deed Book D-613, at Page 577.

Right-of-Way to enter Grantor's land from Kinderway Avenue and run in a northwesterly direction along road for 310', more or less.

Grantee agrees to relocate poles one (1) time at Grantee's sole expense if suitable right-of-way is given.

EXHIBIT

MAR 10 1987 NO. 3

STATE BUDGET & CONTROL BOARD

Together with the right from time to time to install on said line such additional lines, apparatus and equipment as Grantee may deem necessary or desirable and the right to remove said line or any part thereof.

Together also with the right to lay, construct, maintain, operate, repair, alter, replace and remove pipe lines, together with valves, tieovers and appurtenant facilities for the transportation of gas, oil petroleum products or any other liquids, gases or substances which can be transported through a pipe line.

Together also with the right from time to time to trim, cut or remove trees, underbrush and other obstructions that are within, over, under or through a strip of land extending ten (10) feet on each side of the center of said lines, cables, conduits, or pipes as they may be located now or in the future; provided, however, any damage to the property of Grantors (other than that caused by trimming, cutting or removing) caused by Grantee in maintaining or repairing said lines, shall be borne by Grantee; provided further, however that Grantors agree for themselves, their successors and assigns, not to build or allow any structure to be placed on the premises in such a manner that any part thereof will exist within the above specified number of feet of any wire strung on the said lines or over any such cables, pipes, conduits, or other associated facilities, and in case such structure is built, then the Grantor, or such successor and assign as may be in possession and control of the premises at the time, will promptly remove the same upon demand of the Grantee herein. Together also with the right of entry upon Grantors' said lands for all of the purposes aforesaid.

Grantee's rights shall be subject to the lien of the mortgage indenture dated January 1, 1945 and supplements thereto, entered into between Grantee and Central Hanover Bank and Trust Company (now Manufacturers Hanover Trust Company) which mortgage indenture is recorded in the office of the R. M. C. or Clerk of Court in the County and State aforesaid.

The words "Grantors" and "Grantee" shall include their heirs, executors, administrators, successors and assigns, as the case may be.

IN WITNESS WHEREOF, Grantors have caused this indenture to be duly executed the day and year first above written.

WITNESS:

Gamecock Club of University of South Carolina

by: _____ (SEAL)

_____ (SEAL)

Approval by the S.C. Budget and Control Board

By: _____ (SEAL)

Title: Governor of South Carolina

Date: March 13, 1987

009405

RW-4-E-G-SC (Rev. 11-85)

STATE OF SOUTH CAROLINA,
County of _____ } ss

Personally appeared before me _____
and made oath that he saw the within named _____
_____ sign, seal and
as his act and deed deliver the within easement for the uses and purposes therein mentioned, and that he with _____
_____ in the presence of each other, witnessed the due execution thereof.

Sworn to before me this _____
day of _____ A. D., 19____

_____
Notary Public for S. C.

STATE OF SOUTH CAROLINA,
County of _____ } ss

Personally appeared before me _____
and made oath that he saw the within named _____
_____ sign, seal and
as his act and deed deliver the within easement for the uses and purposes therein mentioned, and that he with _____
_____ in the presence of each other, witnessed the due execution thereof.

Sworn to before me this _____
day of _____ A. D., 19____

_____
Notary Public for S. C.

STATE OF SOUTH CAROLINA,
_____ County.

Personally appeared before me _____
and made oath that _____ saw the within named Gamecock Club of the University of S. C.
by the hand of _____ sign, affix the
corporate seal, and as the act and deed of said corporation deliver the within written instrument for the uses and purposes therein
mentioned, and that _____ with _____ witnessed the execution thereof and
subscribed their names as witnesses thereto.

Sworn to and subscribed before me this _____
day of _____ A. D., 19 86

_____ (L. S.)

_____
Notary Public for S. C.

EXHIBIT

MAR 1 0 1987 NO. 3

STATE BUDGET & CONTROL BOARD

Line _____
County Richland

RIGHT OF WAY GRANT

R/W File No. _____ Block No. _____

Gamecock Club of the University of South Carolina
by: _____

TO

South Carolina Electric & Gas Company

Dated _____, 19 86

Received in the Clerk's Office of the County of _____, South Carolina, on the _____ day of _____, A. D. 19____, at _____ o'clock in the _____ noon and recorded in Book _____ of Deeds for said County on Page _____.

009406

32-78

SOUTH CAROLINA ELECTRIC & GAS COMPANY

DISTRIBUTION SYSTEM

SKETCH

WENTWORTH

#C 3631

241538
30-6

4222

(5.) No. C2741
R- 30'-5
- ANC. & D.G.

(4) No. 333149
S- 40'-5
- 8" ANC
- 2- "C" D.G.
- 50 KVA
T - St. Lgt. Wire
- 3 #6 Bare
- 3 St Lgt.

S-50 KVA A¢

R-3#4 Cu.
5-#4 ACSR

3#4 Cu.

#2 TRI.

1416

1418

170'

S-2-#2 ACSR

(3.) No. 333150
S-40-5
- 2- 1¢ D.E.
- 2- 10" ANCH.
- 4- "C" D.G.
- 1-175W MV.

(9.)

R-#4 Dup.

200'

(11.) # 308917
R- 30-6
- 8" ANC
- "C" D.G.
- St. Lgt

S-#4 #6 TRI.

5- #6 TRI.

75'

3#4 Cu.

#2 TRI.

1420

R-3#4 Cu.

50'

(7)

R-3#4 Cu.
5- #6 TRI.

(6.) No. _____
R- 80'-5

(6)

4203

R- #6 TRI.

KINDERWAY

305'

EXHIBIT NO. 3

MAR 10 1987

STATE BUDGET & CONTROL BOARD

(2.)

No. 338151
3-40'-5
- 2- 1¢ D.E.
- 10" ANC.
- 4- "C" D.G.
- 175W M.V.

ACCESS GRANTED

130'

#6 TRI.

* ACCESS GRANTED

3-2#2 ACSR

SOUTH ST.

180'

170'

#4 Cu.

A →

(1.)

(12.)

R-#4 Dup.

No. 34437
R- 30'-6
- 175 W M.V.
- 2- ANCHORS

C-1086
5-1¢ D.E.

(25)

4203 SOUTH ST.

Hold for R/W
Hold for Trimming

SUB. Miller (1024)

CKT. 722

VOLTAGE 8KV

SUB. DIV.

PHASING

POLE NOS.

FUSE SIZES

REMARKS: TRUCK ACCESS
* WATCH FOR SEWER

009407

R/W		CUTTING	TRIMMING					POLES	
HEAVY	LIGHT	FEET ON EACH SIDE	ON EACH SIDE	HAUL	BURN	PILE	HAUL	✓ DIGGER	HAND

PREPARED BY Jim Hunter 5.16.86	SKETCH CORRECTED TO AGREE WITH ACTUAL CONSTRUCTION	COUNTY Richland	ORDER NO.
CHECKED BY	DATE	MUNICIPALITY Columbia	8605000609
	FOREMAN	SCHOOL DISTRICT 1C	Dist. 4

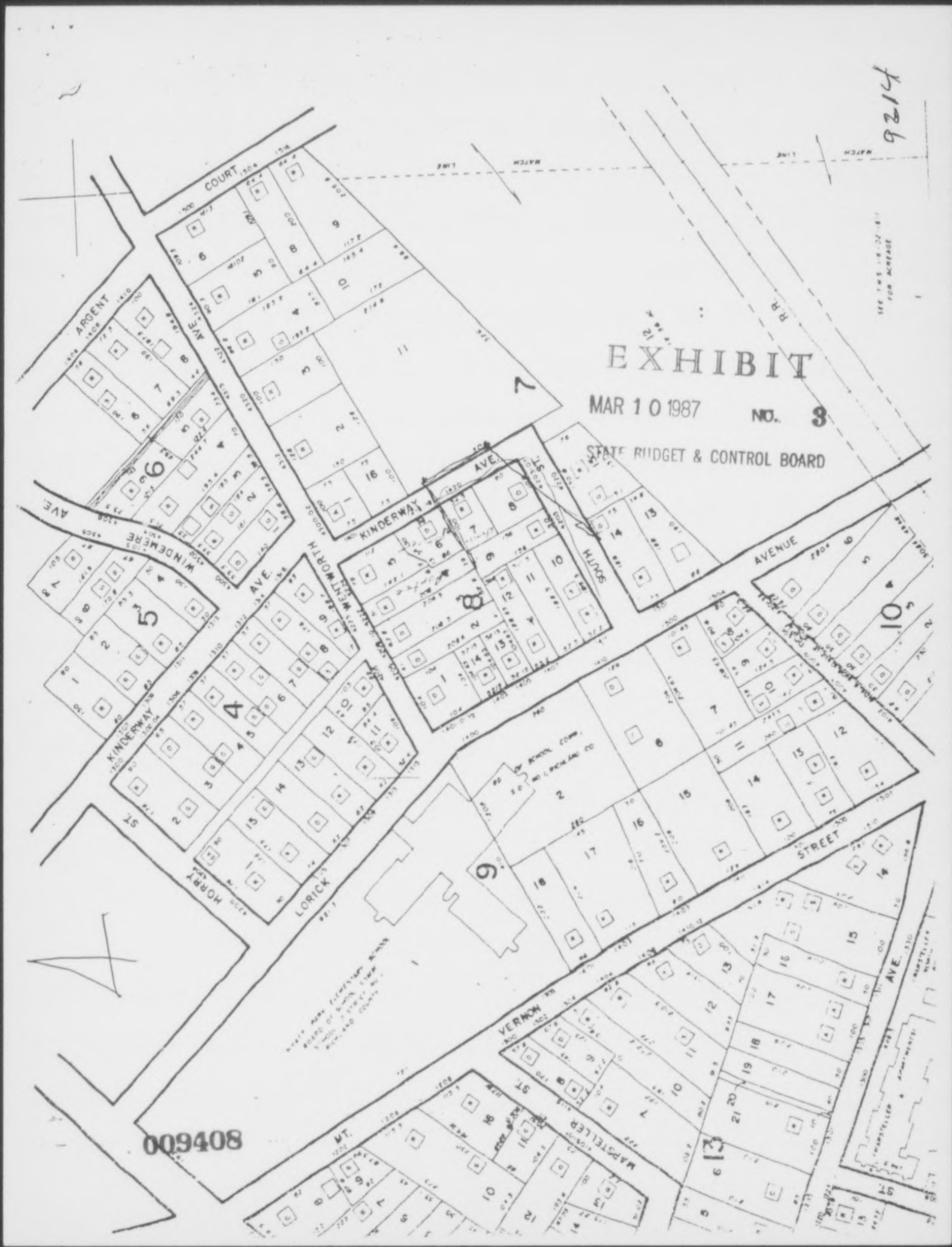


EXHIBIT
MAR 10 1987
NO. 3
STATE BUDGET & CONTROL BOARD
009408

EXHIBIT

MAR 10 1987 NO. 4

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA 5

MEETING OF March 10, 1987 ITEM NUMBER

AGENCY: Budget Division

SUBJECT: FTE Operating Report, February 1987

The Budget Division reports that a net reduction of 27.17 full-time-equivalent positions (12.20 State, 14.80 federal and 0.17 other) was made to the authorized base during February 1987. This brought the base to a total of 64,731.45 FTE positions.

At the end of the month, 60,058.03 of the authorized positions were filled and 4,673.42 were vacant.

BOARD ACTION REQUESTED:

Receive as information the FTE position operating report for the month of February 1987 which shows a net reduction of 27.17 FTE positions during February to bring the base total to 64,731.45 FTE positions at the end of the month of which 60,058.03 FTE positions were filled and 4,673.42 were vacant.

ATTACHMENTS:

Agenda item worksheet and referenced report.

009409

EXHIBIT

MAR 10 1987 NO. 4

STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION
FULL-TIME EQUIVALENT POSITION
OPERATIONAL REPORT
FOR THE MONTH OF FEBRUARY, 1987

SECTION NO.	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
	Total Authorized FTE Positions Base 1/31/87	64,758.62	37,755.81	7,992.94	19,009.87
	FEBRUARY Authorized Adjustments				
24	S.C. State College	(0.17)	-	-	(0.17)
31	ETV Commission	(3.00)	(3.00)		
45	Dept of Social Services	(23.00)	(9.20)	(13.80)	
89	Employment Security Comm.	(1.00)	-	(1.00)	
	Total Net Adjustment	(27.17)	(12.20)	(14.80)	(0.17)
	Total Authorized FTE Positions Base 2/28/87	64,731.45	37,743.61	7,978.14	19,009.70
	Total Filled FTE Positions 2/28/87	60,058.03	35,600.03	7,192.55	17,265.45
	Total Vacant FTE Positions 2/28/87	4,673.42	2,143.58	785.59	1,744.25

Prepared:
March 2, 1987

009410

EXHIBIT

MAR 1 0 1987 NO. 4

STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION
FTE POSITIONS AUTHORIZED ADJUSTMENTS
TO DATE
2/28/87

	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
AUTHORIZED FTE POSITIONS BASE PER 1986-87 ACT	66,121.33	39,116.13	8,151.67	18,853.53
MONTHLY ADJUSTMENT				
JULY	40.15	27.30	182.37	(169.52)
AUGUST	(1.78)	0.00	(128.70)	126.92
SEPTEMBER	0.00	(20.28)	25.94	(5.66)
OCTOBER	(97.00)	(85.00)	(1.00)	(11.00)
NOVEMBER	(584.76)	(136.92)	(339.55)	(108.29)
DECEMBER	286.44	(65.64)	52.79	299.29
JANUARY	122.46	45.44	49.42	27.60
FEBRUARY	(27.17)	(12.20)	(14.80)	(0.17)
TOTAL NET ADJUSTMENTS	(261.66)	(247.30)	(173.53)	159.17
TOTAL AUTHORIZED FTE POSITIONS BASE	65,859.67	38,868.83	7,978.14	19,012.70
LESS: LEGISLATIVE	725.00	722.00	0.00	3.00
JUDICIAL	403.22	403.22		
TOTAL OPERATIONAL BASE	64,731.45	37,743.61	7,978.14	19,009.70

009411

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-61

Meeting Scheduled for: March 10, 1987 Blue Agenda

1. Submitted By:
   (a) Agency: State Budget Division
   (b) Authorized Official Signature: A Barry Holmes IV

2. Subject:
   1986-87 FTE Operating Report for the Month of February, 1987

3. Summary Background Information:

   The attached report is submitted in accordance with Section 152 of the 1986-87 Appropriation Act. The report exempts all Legislative Employees (725.00) and Judicial Employees (403.22) which totals (1,128.22). Attached also is a copy of a year-to-date summary report reflecting, by month, all authorized adjustments.

4. What is Board asked to do?
   Information Only

5. What is recommendation of Board Division involved?

   Information Only

6. Recommendation of other Division/agency (as required)?

   (a) Authorized Signature: _____
   (b) Division/Agency Name:

7. Supporting Documents:
   (a) List Those Attached:
      1. Authorized FTE Position Operating Report

   (b) List Those Not Attached But Available From Submitter:

EXHIBIT

MAR 10 1987 NO. 4

009412 STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
406 WADE HAMPTON STATE OFFICE BUILDING
COLUMBIA, S.C. 29201

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.
DIVISION DIRECTOR

March 2, 1987

EXHIBIT

MAR 10 1987 NO. 4

STATE BUDGET & CONTROL BOARD

The Honorable James M. Waddell, Jr.
Joint Legislative Committee on Personal
Service Financing and Budgeting
213 Gressette Building
Columbia, South Carolina 29201

Dear Senator Waddell:

Attached please find a copy of the February, 1986-87 Authorized FTE Position Operating Report. I have approved and adjusted the Authorized FTE Position Base accordingly.

I have also attached, for the Committee's review, a copy of a year-to-date monthly authorized FTE position summary report.

If you should have any questions please feel free to call.

Sincerely,

A Baron Holmes IV

A. Baron Holmes, IV, Ph.D.

ABH/dh

Attachment

009413

EXHIBIT

MAR 10 1987 NO. 4

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
406 WADE HAMPTON STATE OFFICE BUILDING
COLUMBIA, S.C. 29201

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.
DIVISION DIRECTOR

M E M O R A N D U M

TO: Mr. George Harris, Manager of Operations

FROM: Curtis Holt, Jr., Assistant Director

DATE: February 20, 1987

SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

____Action represents a net increase in authorized F.T.E. Positions

__X__ Action represents a net decrease in authorized F.T.E. Positions

____Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: H24 S. C. State College (24)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
Authorized FTE Position Base			2/15/87	755.55	552.22	91.65	111.68
Adjusted FTE Position Base				755.38	552.22	91.65	111.51
Authorized Adjustment				(0.17)	-	-	(0.17)

Authorization/Explanation:
Approved by the Joint Legislative Committee on Personal Service, Financing and Budgeting, and the Budget and Control Board in accordance with Section 152 of the 1986-87 Appropriation Act, authorized FTE Positions vacant for nine (9) months.

009414

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
406 WADE HAMPTON STATE OFFICE BUILDING
COLUMBIA, S.C. 29201

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.
DIVISION DIRECTOR

EXHIBIT

MAR 10 1987 NO. 4

MEMORANDUM

TO: Mr. George Harris, Manager of Operations

FROM: Curtis Holt, Jr., Assistant Director

DATE: February 20, 1987

SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

____Action represents a net increase in authorized F.T.E. Positions

_X_ Action represents a net decrease in authorized F.T.E. Positions

____Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: H67 S. C. Educational Television Commission (31)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
Authorized FTE Position Base			2/15/87	365.42	323.45	-	41.97
Adjusted FTE Position Base				362.42	320.45	-	41.97
Authorized Adjustment				(3.00)	(3.00)	-	-

Authorization/Explanation:
Approved by the Joint Legislative Committee on Personal Service, Financing and Budgeting and the Budget and Control Board in accordance with Section 152 of the 1986-87 Appropriation Act, authorized FTE positions vacant for nine (9) months.

009415

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
406 WADE HAMPTON STATE OFFICE BUILDING
COLUMBIA, S.C. 29201

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.
DIVISION DIRECTOR

EXHIBIT
MAR 10 1987 NO. 4
STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Mr. George Harris, Manager of Operations

FROM: Curtis Holt, Jr., Assistant Director

DATE: February 17, 1987

SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

____Action represents a net increase in authorized F.T.E. Positions

__X__Action represents a net decrease in authorized F.T.E. Positions

____Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: L04 Department of Social Services (45)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
Authorized FTE Position Base			2/15/87	4285.15	1865.62	2394.52	25.01
Adjusted FTE Position Base				4262.15	1856.42	2380.72	25.01
Authorized Adjustment				(23.00)	(9.20)	(13.80)	-

Authorization/Explanation:
The FTE Position Adjustment Request #87-18 was interim new FTE positions.. These positions, although approved by the Joint Legislative Committee on Personal Service, Financing and Budgeting, and the Budget and Control Board, were already on board at DSS. This request was approved for authority only and was never intended to increase DSS's authorized FTE Positions Base. This action deletes the existing FTE positions thereby creating no change in authority.

009416

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
406 WADE HAMPTON STATE OFFICE BUILDING
COLUMBIA, S.C. 29201

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.
DIVISION DIRECTOR

EXHIBIT

MAR 10 1987 NO. 4

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Mr. George Harris, Manager of Operations

FROM: Curtis Holt, Jr., Assistant Director

DATE: February 20, 1987

SUBJECT: Adjustments to Agency Authorized F.T.E. Positions

____Action represents a net increase in authorized F.T.E. Positions

__X__Action represents a net decrease in authorized F.T.E. Positions

____Action represents a change in Source of Funding

Please take the necessary action to adjust the Agency Authorized F.T.E. Positions as follows:

Agency: R60 Employment Security Commission (89)

CLASS CODE	CLASS TITLE	SLOT #	INCREASE DECREASE	TOTAL FTE ADJUSTMENT	STATE FTE ADJUSTMENT	FEDERAL FTE ADJUSTMENT	OTHER FTE ADJUSTMENT
Authorized FTE Position Base			2/15/87	1239.33	-	117.33	122.00
Adjusted FTE Position Base				1238.33	-	1116.33	122.00
Authorized Adjustment				(1.00)	-	(1.00)	-

Authorization/Explanation:
Approved by the Joint Legislative Committee on Personal Service, Financing and Budgeting, and the Budget and Control Board in accordance with Section 152 of the 1986-87 Appropriation Act, authorized FTE positions vacant for nine (9) months.

009417

EXHIBIT

MAR 10 1987 NO. 5

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD

MEETING OF March 10, 1987 BSBC AGENDA ITEM NUMBER 6

AGENCY: Budget Division

SUBJECT: 1986-87 Authorized Transfers Report, February 1987

The Budget Division reports that one transfer of $4,515,193 of State-appropriated personal service funds was approved during February 1987 ($4,459,611 to other operating expenses and $$55,582 to equipment).

This brought the total of personal service funds approved for transfer during the fiscal year to $6,189,080.

BOARD ACTION REQUESTED:

Receive as information a Budget Division report that the transfer of $4,515,193 of personal service funds was approved during February 1987 to bring the total approved for transfer during the fiscal year to $6,189,080.

ATTACHMENTS:

Agenda item worksheet and attachment

009418

STATE BUDGET DIVISION
ANALYSIS OF 1986-87 AUTHORIZED PERSONAL SERVICE
TRANSFER REQUESTS
FOR THE MONTH OF FEBRUARY, 1987

DATE	REQUEST NO.	AGENCY	SOURCE OF FUNDS	FROM PERSONAL SERVICE	TO OTHER OPERATING EXPENSES	EQUIPMENT
Total Authorized Transfers 1/31/87 (15)				$1,673,887	$1,648,931	$24,956
January Authorized Transfers						
2/19/87	87-58	Mental Health	State	$2,645,456	$2,608,642	$36,814
2/19/87	87-58	Mental Health	Other	1,869,737	1,850,969	18,768
Total Authorized Transfers For February, 1987 (1)				$4,515,193	$4,459,611	$55,582
Total Authorized Transfers Year-To-Date (16)				$6,189,080	$6,108,542	$80,538

NOTE:	Current Month	Year-To-Date
State Funds	$2,645,456	$3,968,057
Federal Funds	0	16,193
Other Funds	1,869,737	2,204,830
TOTAL FUNDS	$4,515,193	$6,189,080

Prepared
3/2/87

009439

EXHIBIT NO. 5
MAR 10 1987
STATE BUDGET & CONTROL BOARD

EXHIBIT NO. 5

MAR 10 1987

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-62

Meeting Scheduled for: March 10, 1987 Blue Agenda

1. Submitted By:
   (a) Agency: State Budget Division
   (b) Authorized Official Signature: A Barron Holmes IV

2. Subject:
   1986-87 Authorized Transfers Report for the Month of February, 1987.

3. Summary Background Information:

   The State Budget Division's Monthly Authorized Transfer Operating Report.

4. What is Board asked to do?
   Information Only

5. What is recommendation of Board Division involved?
   Information Only

   Udom

6. Recommendation of other Division/agency (as required)?

   (a) Authorized Signature: _____
   (b) Division/Agency Name:

7. Supporting Documents:
   (a) List Those Attached:
      1. Authorized Transfers Operating Report

   (b) List Those Not Attached But Available From Submitter:

009470

PAGE 1 OF 1

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUM
J12		2565	1,369,588.00			

AGENCY VOUCHER NUMBER: T0053

C G WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR):
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (D):
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer

EXHIBIT

MAR 10 1987 NO. 5

REASON FOR TRANSFER: Realign Appropriation

STATE BUDGET & CONTROL BOARD

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	4142	1001						0158	177,110.00	
07	350	J12	4142	1001						0158	22,327.00	
07	350	J12	4142	1001						0158	118,616.00	
07	350	J12	4142	1001						0158	12,589.00	
07	350	J12	4142	3000						0158	33,650.00	
07	350	J12	4142	3000						0158	313,259.00	
07	350	J12	4142	3000						0171	7,243.00	
									TOTAL	1119	684,794.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4142	1001						0200	177,110.00	
07	300	J12	4128	1001						0173	22,327.00	
07	300	J12	4128	1001						0200	118,616.00	
07	300	J12	4128	1001						0300	12,589.00	
07	300	J12	4142	3000						0173	33,650.00	
07	300	J12	4142	3000						0200	313,259.00	
07	300	J12	4142	3000						0200	7,243.00	
									TOTAL	1446	684,794.00	

REQUESTED BY Thomas A Marsh DATE 1-2-87 STATE BUDGET ANALYST _____ DATE _____

009421

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR _____ DATE _____

STARS FORM 30 10 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMEN
J12		3306	346,116.00			3

AGENCY VOUCHER NUMBER: T0057

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD · FINANCE DIVISION

APPROPRIATION TRANSFER

EXHIBIT

AGENCY TRANSFERRED TO (CR)
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DR)
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No committment should be made in anticipation of approval of a transfer.

MAR 10 1987 NO. 5

STATE BUDGET & CONTROL BOARD

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PHASE	AGENCY REFERENCE NUMBER	OBJECT CODE	DETAIL	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	4904	1001							0158		23,809.00	
07	350	J12	4904	1001							0158		32,849.00	
07	350	J12	4125	1001							0158		58,242.00	
07	350	J12	4904	1001							0158		26,238.00	
07	350	J12	4904	1001							0158		14,925.00	
07	350	J12	4904	1001							0158		100.00	
07	350	J12	4904	1001							0158		16,895.00	
										TOTAL	1106		173,058.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PHASE	AGENCY REFERENCE NUMBER	OBJECT CODE	DETAIL	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4128	1001							0300		23,809.00	
07	300	J12	4128	1001							0400		32,849.00	
07	300	J12	4125	1001							0300		58,242.00	
07	300	J12	4125	1001							0300		26,238.00	
07	300	J12	4904	1001							0200		14,925.00	
07	300	J12	4904	1001							0400		100.00	
07	300	J12	4904	1001							0300		16,895.00	
										TOTAL	2200		173,058.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR 009422 DATE _____

STARS FORM 30 10 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUME
J12		3409	472,778.00			

AGENCY VOUCHER NUMBER: T0058

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR)
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DI
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No committment should be made in anticipation of the approval of a transfer

EXHIBIT

MAR 10 1987 NO. 5

REASON FOR TRANSFER: Realign Appropriation

STATE BUDGET & CONTROL BOARD

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PROJECT *	AGENCY REFERENCE NUMBER	OBJECT CODE	OBJECT *	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	4905	1001							0158		76,347.00	
07	350	J12	0560	1001							0173		42,677.00	
07	350	J12	0560	1001							0173		49,057.00	
07	350	J12	0560	1001							0179		14,500.00	
07	350	J12	0560	1001							0180		2,700.00	
07	350	J12	0560	1001							0188		5,000.00	
07	350	J12	0562	1001							0158		46,108.00	
										TOTAL	1209		236,389.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PROJECT *	AGENCY REFERENCE NUMBER	OBJECT CODE	OBJECT *	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4905	1001							0400		76,347.00	
07	300	J12	0561	1001							0200		42,677.00	
07	300	J12	0561	1001							0300		49,057.00	
07	300	J12	0561	1001							0300		14,500.00	
07	300	J12	0561	1001							0300		2,700.00	
07	300	J12	0561	1001							0300		5,000.00	
07	300	J12	0561	1001							0400		46,108.00	
										TOTAL	2200		236,389.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR 009423 DATE _____

STARS FORM 30 IC 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMEN
J12		2764	1,384,498.00			3

AGENCY VOUCHER NUMBER: T0059

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR):
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DR):
NAME: Mental Health
ADDRESS:

EXHIBIT

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer

MAR 10 1987 NO. 5

STATE BUDGET & CONTROL BOARD

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	0562	1001						0158	342,458.00	
07	350	J12	0562	1001						0160	55,964.00	
07	350	J12	0562	1001						0171	13,100.00	
07	350	J12	0562	1001						0173	34,250.00	
07	350	J12	4138	1001						0158	201,477.00	
07	350	J12	4138	1001						0171	10,000.00	
07	350	J12	4138	1001						0173	35,000.00	
									TOTAL	1164	692,249.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4139	1001						0200	342,458.00	
07	300	J12	4139	1001						0200	55,964.00	
07	300	J12	4139	1001						0200	13,100.00	
07	300	J12	4139	1001						0200	34,250.00	
07	300	J12	4138	1001						0300	201,477.00	
07	300	J12	4138	1001						0200	10,000.00	
07	300	J12	4138	1001						0300	35,000.00	
									TOTAL	1600	692,249.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR 009424 DATE _____

TARS FORM 30 10 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMEN
J12		6470	520,846.00			3

AGENCY VOUCHER NUMBER: T0060

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR)
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DR)
NAME: Mental Health
ADDRESS:

EXHIBIT
MAR 10 1987 NO. 5
STATE BUDGET & CONTROL BOARD

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	*	AGENCY REFERENCE NUMBER	OBJECT CODE	*	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	4138	1001							0179		1,400.00	
07	350	J12	4138	1001							0183		1,180.00	
07	350	J12	4175	1001							0158		44,308.00	
07	350	J12	4175	1001							0158		169,798.00	
07	350	J12	4175	1001							0158		50.00	
07	350	J12	4175	1001							0158		4,720.00	
07	350	J12	4175	1001							0158		38,967.00	
										TOTAL	1152		260,423.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	*	AGENCY REFERENCE NUMBER	OBJECT CODE	*	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4138	1001							0300		1,400.00	
07	300	J12	4138	1001							0300		1,180.00	
07	300	J12	4138	1001							1100		44,308.00	
07	300	J12	4175	1001							0200		169,798.00	
07	300	J12	4175	1001							0500		50.00	
07	300	J12	4175	1001							0618		4,720.00	
07	300	J12	4175	1001							2300		38,967.00	
										TOTAL	5318		260,423.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR 009425 DATE _____

STARS FORM 30 IC 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMEN
J12		4636	977,940.00			3

AGENCY VOUCHER NUMBER: T0061

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR)
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DF
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

EXHIBIT

MAR 10 1987 NO. 5

REASON FOR TRANSFER: Realign Appropriation

FROM STATE BUDGET & CONTROL BOARD

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	*	AGENCY REFERENCE NUMBER	OBJECT CODE	*	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	4175	1001							0158		172,234.00	
07	350	J12	4175	1001							0158		23,088.00	
07	350	J12	0585	1001							0158		46,947.00	
07	350	J12	0585	1001							0160		6,465.00	
07	350	J12	0585	1001							0171		9,909.00	
07	350	J12	0585	1001							0173		3,548.00	
07	350	J12	0560	1001							0158		226,779.00	
										TOTAL	1136		488,970.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	*	AGENCY REFERENCE NUMBER	OBJECT CODE	*	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	0583	1001							0200		172,234.00	
07	300	J12	0583	1001							0200		23,088.00	
07	300	J12	0583	1001							0200		46,947.00	
07	300	J12	0583	1001							0200		6,465.00	
07	300	J12	0583	1001							0200		9,909.00	
07	300	J12	0583	1001							0200		3,548.00	
07	300	J12	0583	1001							2300		226,779.00	
										TOTAL	3500		488,970.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR _____ DATE _____

STARS FORM 3C 1C 1 80

Submit original and 3 copies

009426

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMEN
J12		4624	346,442.00			

AGENCY VOUCHER NUMBER: T0062

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD · FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR):
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DI:
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	0560	1001						0158	4,000.00	
07	350	J12	0560	1001						0158	10,184.00	
07	350	J12	0560	1001						0158	21,910.00	
07	350	J12	0560	1001						0158	3,014.00	
07	350	J12	0560	1001						0158	34,113.00	
07	350	J12	4904	1001						0158	58,637.00	
07	350	J12	4904	1001						0158	41,363.00	
									TOTAL	1106	173,221.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	0583	1001						1100	4,000.00	
07	300	J12	0583	1001						0618	10,184.00	
07	300	J12	0583	1001						0600	21,910.00	
07	300	J12	0583	1001						0500	3,014.00	
07	300	J12	0583	1001						0200	34,113.00	
07	300	J12	0583	1001						0200	58,637.00	
07	300	J12	4139	1001						0300	41,363.00	
									TOTAL	3518	173,221.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

009427

STATE AUDITOR _____ DATE _____

STARS FORM 30 10 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMENT
J12		6763	1,117,706.00			3

AGENCY VOUCHER NUMBER: T0063

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

CG WARRANT NUMBER:

AGENCY TRANSFERRED TO (CR)
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DR)
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No committment should be made in anticipation of the approval of a transfer

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PROJECT STATUS	AGENCY REFERENCE NUMBER	OBJECT CODE	OBJECT STATUS	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	0561	3000							0158		166,604.00	
07	350	J12	0561	3000							0179		17,610.00	
07	350	J12	0561	3000							0158		215,364.00	
07	350	J12	0562	3000							0158		1,492.00	
07	350	J12	0561	3000							0158		147,352.00	
07	350	J12	0561	3000							0173		3,041.00	
07	350	J12	0561	3000							0179		7,390.00	
											TOTAL	1163	558,853.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PROJECT STATUS	AGENCY REFERENCE NUMBER	OBJECT CODE	OBJECT STATUS	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	0561	3000							0300		166,604.00	
07	300	J12	0561	3000							0900		17,610.00	
07	300	J12	0561	3000							2300		215,364.00	
07	300	J12	0562	3000							0900		1,492.00	
07	300	J12	4139	3000							0400		147,352.00	
07	300	J12	4139	3000							0400		3,041.00	
07	300	J12	4139	3000							0400		7,390.00	
											TOTAL	5600	558,853.00	

REQUESTED BY Thomas A Moriah DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR 009428 DATE _____

STARS FORM 30 10 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMEN
J12		9219	1,153,958.00			3

AGENCY VOUCHER NUMBER: T0064

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

C G WARRANT NUMBER:

AGENCY TRANSFERRED TO (CR):
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

AGENCY TRANSFERRED FROM (DR):
NAME: Mental Health
ADDRESS:

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	4139	3000						0158	46,960.00	
07	350	J12	0583	3000						0171	13,317.00	
07	350	J12	4139	3000						0158	53,742.00	
07	350	J12	4139	3000						0158	257,364.00	
07	350	J12	4139	3000						0158	96,000.00	
07	350	J12	0585	3000						0158	79,846.00	
07	350	J12	0585	3000						0158	29,750.00	
									TOTAL	1119	576,979.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4139	3000						0400	46,960.00	
07	300	J12	0583	3000						2300	13,317.00	
07	300	J12	0583	3000						2300	53,742.00	
07	300	J12	0584	3000						0300	257,364.00	
07	300	J12	0584	3000						2300	96,000.00	
07	300	J12	0585	3000						0200	79,846.00	
07	300	J12	0585	3000						0300	29,750.00	
									TOTAL	8100	576,979.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR 009429 DATE _____

STARS FORM 30 IC 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMEN
J12		5706	759,506.00			3

AGENCY VOUCHER NUMBER: T0065

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD · FINANCE DIVISION

APPROPRIATION TRANSFER

CG WARRANT NUMBER:

AGENCY TRANSFERRED TO (CR):
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DF):
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PROJECT ACTIVITY	AGENCY REFERENCE NUMBER	OBJECT CODE	OBJECT DETAIL	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	0585	3000							0158		38,635.00	
07	350	J12	0585	3000							0158		16,581.00	
07	350	J12	0585	3000							0158		126,417.00	
07	350	J12	0584	5000				3400	30		0158		146,400.00	
07	350	J12	4139	3000							0158		28,940.00	-
07	350	J12	4139	3000							0158		20,593.00	-
07	350	J12	4139	3000							0158		2,187.00	-
										TOTAL	1106		379,753.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PROJECT ACTIVITY	AGENCY REFERENCE NUMBER	OBJECT CODE	OBJECT DETAIL	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	0585	3000							0400		38,635.00	
07	300	J12	0585	3000							0600		16,581.00	
07	300	J12	0585	3000							2300		126,417.00	
07	300	J12	0584	5000				3400	30		0200		146,400.00	
07	300	J12	0585	3000							0200		28,940.00	
07	300	J12	0585	3000							0300		20,593.00	
07	300	J12	0585	3000							0600		2,187.00	
										TOTAL	4600		379,753.00	

REQUESTED BY Thomas A Marsh DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

009430

STATE AUDITOR _____ DATE _____

STARS FORM 30 10 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMENT
J12		63600	119944.00			

AGENCY VOUCHER NUMBER: T0066

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR)
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DR)
NAME: Mental Health
ADDRESS:

EXHIBIT

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No committment should be made in anticipation of the approval of a transfer

MAR 10 1987 NO. 5

STATE BUDGET & CONTROL BOARD

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE		AGENCY REFERENCE NUMBER	OBJECT CODE		TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	0565	1001							0200		11,265.00	
07	350	J12	4125	1001							0158		20,000.00	
07	350	J12	4125	1001							0158		24,123.00	
07	350	J12	4125	1001							0200		342.00	
07	350	J12	4125	1001							0500		1,150.00	
07	350	J12	4125	1001							0800		92.00	
07	350	J12	4125	1001							2300		3,000.00	
										TOTAL	4316		59,972.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE		AGENCY REFERENCE NUMBER	OBJECT CODE		TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4128	1001							0400		11,265.00	
07	300	J12	4125	1001							0171		20,000.00	
07	300	J12	4125	1001							0173		24,123.00	
07	300	J12	4125	1001							0300		342.00	
07	300	J12	4125	1001							0300		1,150.00	
07	300	J12	4125	1001							0300		92.00	
07	300	J12	4125	1001							0400		3,000.00	
										TOTAL	2044		59,972.00	

REQUESTED BY Thomas R Mauk DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR 009431 DATE _____

STARS FORM 30 10 1 80

Submit original and 3 copies

PAGE _____ OF _____

AGENCY NUMBER	AGENCY BATCH NUMBER	OBJECT CODE HASH TOTAL	TOTAL BATCH AMOUNT	BATCH DATE	BATCH NUMBER	DOCUMENT
J12		5607	461,064.00			3

AGENCY VOUCHER NUMBER: T0067

CG WARRANT NUMBER:

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD · FINANCE DIVISION

APPROPRIATION TRANSFER

AGENCY TRANSFERRED TO (CR)
NAME: Mental Health
ADDRESS:

AGENCY TRANSFERRED FROM (DR)
NAME: Mental Health
ADDRESS:

TO REQUESTING AGENCY:
This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer

REASON FOR TRANSFER: Realign Appropriation

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PHASE	AGENCY REFERENCE NUMBER	OBJECT CODE	STATE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	350	J12	4125	1001							2300		10,000.00	
07	350	J12	4904	1001							0158		5,000.00	
07	350	J12	4904	1001							0500		2,000.00	
07	350	J12	4904	1001							0600		6,185.00	
07	350	J12	4904	1001							0158		170,470.00	
07	350	J12	4905	1001							0158		25,000.00	
07	350	J12	4905	1001							0158		11,877.00	
										TOTAL	4032		230,532.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	MOD	PROJECT CODE	PHASE	AGENCY REFERENCE NUMBER	OBJECT CODE	STATE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
07	300	J12	4125	1001							0300		10,000.00	
07	300	J12	4904	1001							0173		5,000.00	
07	300	J12	4904	1001							0300		2,000.00	
07	300	J12	4904	1001							0300		6,185.00	
07	300	J12	0561	1001							0158		170,470.00	
07	300	J12	4905	1001							0171		25,000.00	
07	300	J12	4905	1001							0173		11,877.00	
										TOTAL	1575		230,532.00	

REQUESTED BY Thomas A Mardo DATE 1-13-87 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

009432

STATE AUDITOR _____ DATE _____

STARS FORM 30 10 1 80

Submit original and 3 copies

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202

Information (803) 734-7783

Joseph J. Bevilacqua, Ph.D. / State Commissioner

(803) 734-7780

January 2, 1987

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

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Rock Hill

Ernest E. Harrill
Greenville

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

Mr. David Anderson
Budget Development
Hampton Building, Room 408
Columbia, South Carolina 29201

Dear David:

For the first time this year, we have finally identified what each center plans on doing with its Emergency Stabilization and Community Support Funding. Naturally there is a need for a transfer to reach the desired distribution of authorization among the various expenditure categories. There are three requests enclosed to accomplish this objective. No reduction in force will result from T0053. We appreciate your assistance with these requests. We hope you had an enjoyable holiday season.

Sincerely,

Thomas A Marsh

Thomas A. Marsh
Director, Management Services
Financial Services

TAM:cmb
Enclosure: T0051
T0052
T0053

JAN 06 1987
Budget & Control Board
STATE

4-7771

009433

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202

Information (803) 734-7783

Joseph J. Bevilacqua, Ph.D. / State Commissioner
(803) 734-7780

January 13, 1987

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

Willie G. Boulware
Rock Hill

Ernest E. Harrill
Greenville

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

Mr. David Anderson
Budget Development
Wade Hampton Office Building
Room 408
Columbia, South Carolina

Dear David:

As I mentioned to you when you were out here last week, we are in the midst of some major reallocation of funding among our various programs. We have identified the changes to be made for all areas except Administration and the community programs. The enclosed transfer requests cover as much as we can of the revised budgets for all of our programs. We will need to process a transfer near the end of the fiscal year to utilize any funds which remain in the community programs and, hopefully obtain a reinstatement of at least some of the reduction of State funds which was imposed recently. There are numerous transfers which are going from a personal service category to an operating category. This is necessary because of the fact that reducing our personnel expenditures for the agency as a whole is really the only way to stay within our total available funds. We are planning to accomplish this by leaving a great number of our existing vacancies unfilled for most of the remainder of the fiscal year and by attrition. None of these transfers will cause a reduction in force.

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Budget & Control Board
STATE BUDGET DIVISION

009434

Thank you for your assistance with everything this year. It has been the most difficult one for me in quite some time. I am optimistic that these transfers will give us adequate authorization in all of our inpatient programs until the last month of the fiscal year.

Sincerely,

Thomas A Marsh

Thomas A. Marsh
Director, Management Services

TAM:cmb

Encl.: T0057 - T0085

P.S. Refer to T0053

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Budget
STATE BU

009435

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202

Information (803) 734-7783

Joseph J. Bevilacqua, Ph.D. / State Commissioner

(803) 734-7780

EXHIBIT

MAR 10 1987 NO. 5

STATE BUDGET & CONTROL BOARD

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
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Ernest E. Harrill
Greenville

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

January 28, 1987

Mr. David Anderson
Budget Development
Wade Hampton Office Building
Room 408
Columbia, South Carolina

Dear David:

We are providing this additional information concerning our transfer requests T0053 and T0057 through T0085 per our conversations of January 27, 1987. We anticipate a transfer later in the fiscal year, in May or June, which will move unexpended funds from various community programs to various non-community programs. At that time we will quite possibly have requests that will be from operating categories to personal service categories. At any rate we will assure at that time that our authorization levels are adequate to meet our payroll obligations. Hopefully this information will assist you in your analysis of our request.

Sincerely,

Thomas A Marsh

Thomas A. Marsh, Director
Management Services
Financial Services

TAM:cmb

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JAN 29 1987
Budget & Control Board

009436

EXHIBIT

MAR 10 1987 NO. 6

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD — BLUE AGENDA

MEETING OF March 10, 1987 — ITEM NUMBER 7

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

A. The following permanent improvement project actions have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

(1) On Summary 15-87: Items 1 through 11, and 14 (involving Clemson, College of Charleston, Francis Marion, USC-Columbia and Patriots Point Development Authority).

(2) On Summary 16-87: Items 1 through 7 and 9 through 27 (involving Adjutant General, B&C Bd-General Services, Citadel, Clemson, College of Charleston, USC-Coastal, Winthrop, Medical University, Technical and Comprehensive Education, Education Television, Mental Health, Parks, Recreation & Tourism, Patriots Point Dev Authority and Highway & Public Transportation).

B. The following permanent improvement project actions have been approved by staff and Joint Bond Review Committee review is not required:

(1) On Summary 15-87: Items 15 through 25 (involving USC-Columbia, Clemson, USC-Spartanburg and Winthrop).

(2) On Summary 16-87: Items 28 through 46 (involving Adjutant General, B&C Bd-General Services, Clemson, College of Charleston, Technical and Comprehensive Education, Mental Retardation and Wildlife & Marine Resources).

BOARD ACTION REQUESTED:

Receive as information.

ATTACHMENTS:

Referenced summary extracts.

009437

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
January 1, 1987 Through January 15, 1987

Item 1. Agency: H12 Clemson University Project: 9132, Clemson House-First Floor Refurbish

CHE Approval Date: 01/12/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 380,000.00 to $ 418,000.00

(Add $ 38,000.00 [9] Other, Housing Improvement)

Budget After Action Proposed

Source	Amount
Other	418,000.00
TOTAL FUNDS	418,000.00

Purpose: To increase scope of project to cover replacement of original hardware on guest room doors. Original hardware installed in 1950 is not compatible with current lock/key system used in majority of campus buildings.

Ref: Supporting document pages 1-3.

Item 2. Agency: H15 College of Charleston Project: 9261, 9 Liberty Street Purchase

CHE Approval Date: 01/14/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 2,250,000.00 to $ 2,254,366.55

(Add $ 4,366.55 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	2,250,000.00
Excess Debt Service	4,366.55
TOTAL FUNDS	2,254,366.55

Purpose: To cover final cost and close project.

Ref: Supporting document pages 4-7.

Item 3. Agency: H15 College of Charleston Project: 9357, 9 Liberty Street - Chiller Replace

CHE Approval Date: 01/14/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget.....$ 128,000.00
[6] Appropriated State.....$ 128,000.00

Budget After Action Proposed

Source	Amount
Appropriated State	128,000.00
TOTAL FUNDS	128,000.00

Purpose: To replace chiller. The chiller in this building has failed on several occasions during the past two years which causes classrooms, laboratories and offices to close until repair can be made.

Ref: Supporting document pages 8-11.

EXHIBIT
NO. 6
MAR 10 1987
STATE BUDGET & CONTROL BOARD

0094438

Item 4. Agency: H18 Francis Marion College Project: 9358, Campus Development Phase V

CHE Approval Date:
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget.....$ 65,000.00
[9] Other, Renovation Reserve.....$ 65,000.00

Budget After Action Proposed

Source	Amount
Other	65,000.00

Purpose: Continuing development of campus systems and utilities including but not limited to landscaping, streets, walks, parking lots, exterior lighting, sewage collection, sewage treatment facility, fire protection and city water distribution, chilled water generation and distribution, electrical distribution, natural gas distribution, communications and alarm systems and other projects necessary to the proper development of the College.

Ref: Supporting document pages 12-16.

TOTAL FUNDS 65,000.00

Item 5. Agency: H27 USC - Columbia Project: 8496, Physical Science Cntr Renovation

CHE Approval Date: 01/14/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 108,548.00 to $ 126,150.70

(Add $ 17,602.70 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	119,602.70
Other	6,548.00

Purpose: Funds are needed to complete project. Tranfer funds from projects 7702, 7728, 7326 and 9154. This action closes project.

Ref: Supporting document pages 17-19.

TOTAL FUNDS 126,150.70

Item 6. Agency: H27 USC - Columbia Project: 8497, BTW Auditorium Renovation

CHE Approval Date: 01/14/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 50,000.00 to $ 51,772.93

(Add $ 1,772.93 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	51,772.93

Purpose: Funds needed to complete project. Transfer funds from project 7702 and close project.

Ref: Supporting document pages 20-22.

TOTAL FUNDS 51,772.93

EXHIBIT NO. 6
MAR 10 1987
STATE BUDGET & CONTROL BOARD

009429

Item 7. Agency: H27 USC - Columbia Project: 8498, Administration Bldg Renovation

CHE Approval Date: 01/14/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 130,000.00 to $ 146,847.79

(Add $ 16,847.79 [4] Excess Debt Service)

Purpose: Funds are needed to complete project. Transfer funds from project 7702 and close project.

Ref: Supporting document pages 23-25.

Budget After Action Proposed

Source	Amount
Excess Debt Service	146,847.79
TOTAL FUNDS	146,847.79

Item 8. Agency: H27 USC - Columbia Project: 8499, Callcott Renovations

CHE Approval Date: 01/14/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 40,000.00 to $ 51,671.64

(Add $ 11,671.64 [4] Excess Debt Service)

Purpose: Cost exceeded budget. Transfer funds from project 7702 and close project.

Ref: Supporting document pages 26-28.

Budget After Action Proposed

Source	Amount
Excess Debt Service	51,671.64
TOTAL FUNDS	51,671.64

Item 9. Agency: H27 USC - Columbia Project: 8501, Petigru College Renovation

CHE Approval Date: 01/14/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 163,000.00 to $ 184,866.86

(Add $ 21,866.86 [4] Excess Debt Service)

Purpose: Funds needed to complete project. Transfer funds from project 7702 and close project.

Ref: Supporting document pages 29-31.

Budget After Action Proposed

Source	Amount
Excess Debt Service	184,866.86
TOTAL FUNDS	184,866.86

EXHIBIT
NO. 6
MAR 10 1987
STATE BUDGET & CONTROL BOARD

008440

Item 10. Agency: H27 USC - Columbia Project: 9163, Maxcy-Gregg Tennis Bldg

CHE Approval Date: 01/09/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 50,000.00 to $ 70,000.00

(Add $ 20,000.00 [8] Athletic)

Budget After Action Proposed	
Source	Amount
Athletic	70,000.00

Purpose: Bid was in excess of original cost estimate. Bids expire February 8, 1987, and building must be complete prior to tennis season beginning early March. Agency request that this item be given emergency consideration.

Ref: Supporting document pages 32-35.

TOTAL FUNDS 70,000.00

Item 11. Agency: H27 USC - Columbia Project: 9164, Athletic Field Improvement

CHE Approval Date: 01/09/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 30,000.00 to $ 50,000.00

(Add $ 20,000.00 [8] Athletic)

Budget After Action Proposed	
Source	Amount
Athletic	50,000.00

Purpose: Bid was in excess of original cost estimate. Bids expire February 10, 1987. Improvement must be complete prior to Track season. Agency request that this item be given emergency consideration.

Ref: Supporting document pages 36-38.

TOTAL FUNDS 50,000.00

Item 14. Agency: P36 Patriots Point Dev Auth Project: 8588, Dredge Channels & Turn Basins

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 320,000.00 to $ 413,400.00

(Add $ 93,400.00 [9] Admissions Revenue)

Budget After Action Proposed	
Source	Amount
Other	413,400.00

Purpose: Extra diking required in spoil area and to cover extra yardage. Navigational aids have been dropped from project. The "low bidder" has agreed to extend his price until January 24, 1987. To enable agency to accept this bid, emergency consideration is being requested.

Ref: Supporting document pages 47-49.

TOTAL FUNDS 413,400.00

EXHIBIT
NO. 6
MAR 10 1987
STATE BUDGET & CONTROL BOARD

009441

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
January 16, 1987 Through January 31, 1987

Item 1. Agency: E24 Adjutant General Project: 9054, OMS#10 Upgrade

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 75,000.00 to $ 77,225.00

(Add $ 556.25 [6] Appropriated State)
(Add $ 1,668.75 [7] Federal)

Budget After Action Proposed

Source	Amount
Appropriated State	19,306.25
Federal	57,918.75
TOTAL FUNDS	77,225.00

Purpose: Bid exceeded original budget. Funds transferred from project 9055 (refer to item 28).

Ref: Supporting document pages 1-2.

Item 2. Agency: E24 Adjutant General Project: 9056, CSMS Boiler Replacement

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 30,000.00 to $ 36,465.00

(Add $ 1,616.25 [6] Appropriated State)
(Add $ 4,848.75 [7] Federal)

Budget After Action Proposed

Source	Amount
Appropriated State	9,116.25
Federal	27,348.75
TOTAL FUNDS	36,465.00

Purpose: Bid exceeded original budget. Funds transferred from project 9055 (refer to item 28).

Ref: Supporting document pages 3-4.

Item 3. Agency: E24 Adjutant General Project: 9347, Hartsville NG Armory HVAC Upgrade

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget.....$ 71,900.00
[0] Capital Improvement Bonds.....$ 71,900.00

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	71,900.00
TOTAL FUNDS	71,900.00

Purpose: To upgrade HVAC equipment and modernize HVAC system at Hartsville National Guard Armory. Project amount in excess of $38,000 amount previously authorized for release in CIB Priority Group #10 (refer to attchment 7 and 8).

Ref: Supporting document pages 5-8.

EXHIBIT
MAR 10 1987 NO. 6
STATE BUDGET & CONTROL BOARD

Item 4. Agency: E24 Adjutant General Project: 9371, Walterboro NG Armory Improvements

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

		Budget After Action Proposed	
		Source	Amount
Total budget	$ 4,600.00		
[0] Capital Improvement Bonds	$ 4,600.00	Capital Improvement Bonds	4,600.00

Purpose: Renovate roof, waterproofing and exterior painting of 17 year old armory. The agency proposes to trasnfer and decrease this project which is currently scheduled in CIB Priority Group 12 for $20,000 (refer to supporting document pages 7 and 8).

Ref: Supporting document pages 9-11.

TOTAL FUNDS 4,600.00

Item 5. Agency: E24 Adjutant General Project: 9372, Manning NG Armory Improvements

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

		Budget After Action Proposed	
		Source	Amount
Total budget	$ 10,000.00		
[0] Capital Improvement Bonds	$ 10,000.00	Capital Improvement Bonds	10,000.00

Purpose: Electrical and HVAC upgrade and roof renovation to 24 year old armory. The agency proposes to reduce this project (from $20,000 to $10,000) which is currently scheduled in CIB Priority Group 10 (refer to supporting document pages 7 and 8).

Ref: Supporting document pages 12-14.

TOTAL FUNDS 10,000.00

Item 6. Agency: E24 Adjutant General Project: 9373, St Matthews Armory Improvements

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

		Budget After Action Proposed	
		Source	Amount
Total budget	$ 14,500.00		
[0] Capital Improvement Bonds	$ 14,500.00	Capital Improvement Bonds	14,500.00

Purpose: To upgrade HVAC, renovate training/adminstrative areas and repair roof to 31 year old armory. The agency proposes to reduce this project (from $24,000 to $14,500) which is currently scheduled in CIB Priority Group 10 (refer to supporting document pages 7 and 8).

Ref: Supporting document pages 15-17.

TOTAL FUNDS 14,500.00

009443

Item 7. Agency: E24 Adjutant General Project: 9374, Lake City NG Armory Improvements

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget.....$ 14,000.00
[0] Capital Improvement Bonds.....$ 14,000.00

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	14,000.00

Purpose: To upgrade HVAC and renovate training/administrative areas of 26 year old Lake City National Guard Armory. The agency proposes to transfer and decrease the project which is currently scheduled in CIB Priority Croup 12 for $19,000 (refer to supporting document pages 7 and 8).

Ref: Supporting document pages 18-20.

TOTAL FUNDS 14,000.00

Item 9. Agency: F12 B&C Bd-General Services Project: 8684, Rutledge Bldg Renovations

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 120,000.00 to $ 121,340.00

(Add $ 1,340.00 [6] Appropriated State)

Budget After Action Proposed

Source	Amount
Appropriated State	121,340.00

Purpose: To purchase additional equipment.

Ref: Supporting document pages 24-26.

TOTAL FUNDS 121,340.00

EXHIBIT
NO. 6
MAR 10 1987
STATE BUDGET & CONTROL BOARD

009444

Item 10.

Agency: F12 B&C Bd-General Services Project: 8939, Wade Hampton Bldg-Elevators Upgrade

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 150,000.00 to $ 185,000.00

(Add $ 35,000.00 [9] Other, Depreciation Reserve)

Budget After Action Proposed	
Source	Amount
Other	185,000.00

Purpose: The construction cost exceeded the original budget due to the revision of Elevator Code requirements imposed since project inception.

Ref: Supporting document pages 27-29.

TOTAL FUNDS 185,000.00

Item 11.

Agency: H09 The Citadel Project: 9063, Dike & Spoil Site Repair

CHE Approval Date: 01/28/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 68,000.00 to $ 76,000.00

(Add $ 8,000.00 [6] Appropriated State)

Budget After Action Proposed	
Source	Amount
Appropriated State	76,000.00

Purpose: To cover the cost of a crossdike. Abnormal tides and rains have caused excessive moisture in the excavated material and will reduce the strength of the dike. Therefore, a crossdike is necessary.

Ref: Supporting document pages 30-32.

TOTAL FUNDS 76,000.00

Item 12.

Agency: H12 Clemson University Project: 9377, Filter Plant-Effluent Treatment Study

CHE Approval Date: 01/29/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget.....$ 50,000.00
[9] Other, Maintenance,Repair,Renov.....$ 50,000.00

Budget After Action Proposed	
Source	Amount
Other	50,000.00

Purpose: To perform engineering study to meet NPDES permit limitations for Filter Plant effluent concerning the discharge of sludge into the old Seneca River basin. After study modifications to plant may be required.

Ref: Supporting document pages 33-41.

TOTAL FUNDS 50,000.00

009445

Item 13. Agency: H15 College of Charleston Project: 8775, Science Cntr & Physician's Auditorium Roof Replace

CHE Approval Date: 01/26/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 125,000.00 to $ 207,800.00

(Add $ 19,565.44 [4] Excess Debt Service)
(Add $ 63,234.56 [6] Appropriated State)

Budget After Action Proposed

Source	Amount
Excess Debt Service	19,565.44
Appropriated State	188,234.56
TOTAL FUNDS	207,800.00

Purpose: The low bid for roof replacement was $190,800. A/E Fees of $12,000 and contingency of $5,000 make up the remaining project budget. Funds are being transferred from projects 8319, 8774, 8776 and 8786.

Ref: Supporting document pages 42-44.

Item 14. Agency: H32 USC - Coastal Project: 9043, Residence Hall Complex

CHE Approval Date: 02/03/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 5,000,000.00 to $ 5,400,000.00

(Add $ 400,000.00 [3] Revenue Bonds)

Budget After Action Proposed

Source	Amount
Revenue Bonds	5,400,000.00
TOTAL FUNDS	5,400,000.00

Purpose: Increase results from higher than expected bids which utilized funds originally allocated for other aspects of the project. At its meeting of January 29, 1987, the B&C Board adopted a resolution approving the sale of $5,400,000 USC Student & Faculty Housing Revenue Bonds for acquiring Student Housing Facilities on the condition that the Joint Bond Review Committee favorably review the proposed $400,000 budget increase.

Ref: Supporting document pages 45-47.

Item 15. Agency: H47 Winthrop College Project: 8984, Withers Fourth Floor Renovation

CHE Approval Date:
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 213,000.00 to $ 239,600.00

(Add $ 26,600.00 [9] Other, Private)

Budget After Action Proposed

Source	Amount
Other	239,600.00
TOTAL FUNDS	239,600.00

Purpose: To install electrical switchgear necessary for bringing the Fourth Floor into operation. This includes floor bracings and other work needed for the installation.

Ref: Supporting document pages 48-52.

009446

Item 16. Agency: H51 Medical University Project: 8978, Shared Research Facility

CHE Approval Date: 01/28/87
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 476,620.00 to $ 654,390.00

(Add $ 177,770.00 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	382,770.00
Appropriated State	49,000.00
Federal	222,620.00

Purpose: Due to a National Institute of Health requirement which disallows the use of recirculated air in this type laboratory, the estimates for HVAC work and attendant alterations renovations have increased.

Ref: Supporting document pages 53-55.

TOTAL FUNDS 654,390.00

Item 17. Agency: H59 Tech & Comp Education Project: 8820, Tri County-Anderson Hall Reroof

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget form $ 80,000.00 to $ 83,000.00

(Add $ 3,000.00 [9] Other)

Budget After Action Proposed

Source	Amount
Other	83,000.00

Purpose: The bids exceeded slightly the funds budgeted, and in addition, a decision was made to increase the time an on-site inspector would be used.

Ref: Supporting document pages 56-57.

TOTAL FUNDS 83,000.00

Item 18. Agency: H67 Educational Television Project: 7086, Renovation of Existing ETV Facilities

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 1,031,030.71 to $ 1,079,030.71

(Add $ 48,000.00 [0] Capital Improvement Bonds)

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	983,390.71
Other	95,640.00

Purpose: To replace the existing HVAC system for the network's video tape playback area. All of the network's television programming is originated in this area and the equipment is very sensitive to the environment and to dust particles.

Ref: Supporting document pages 58-63.

TOTAL FUNDS 1,079,030.71

EXHIBIT
NO. 6
MAR 10 1987
STATE BUDGET & CONTROL BOARD

009427

Item 19. Agency: H67 Educational Television Project: 8004, Statewide Telecommunications System

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 11,983,000.00 to $ 12,196,000.00

(Add $ 213,000.00 [9] Other, Installment Purchase Program)

Budget After Action Proposed	
Source	Amount
Federal	250,000.00
Other	11,946,000.00

Purpose: To provide for purchase and installation of an ITFS distribution system to serve the secondary and middle schools of Lexington School District 5 with instructional television programming.

Ref: Supporting document pages 64-67.

TOTAL FUNDS 12,196,000.00

Item 20. Agency: J12 Mental Health Project: 8961, Village Energy-Add Chiller

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 300,000.00 to $ 320,000.00

(Add $ 20,000.00 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	220,000.00
Excess Debt Service	100,000.00

Purpose: Additional funding is required to meet the low bid for construction which expires March 21, 1987.

Ref: Supporting document pages 68-70.

TOTAL FUNDS 320,000.00

Item 21. Agency: J12 Mental Health Project: 9363, Independent Living Cntr-Storage Bldg

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget.....$ 35,000.00
[9] Other, Medicaid Fees.....$ 35,000.00

Budget After Action Proposed	
Source	Amount
Other	35,000.00

Purpose: To construct a 1,500 square foot storage building to store materials, supplies and equipment used by the Center for Independent Living.

Ref: Supporting document pages 71-73.

TOTAL FUNDS 35,000.00

09448

Item 22. Agency: P28 Parks, Rec & Tourism Project: 9370, Welcome Center I-95 S (Hardeeville) Renov

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget	$ 60,000.00
[9] Other, Admission Tax	$ 60,000.00

Budget After Action Proposed

Source	Amount
Other	60,000.00
TOTAL FUNDS	60,000.00

Purpose: Construction of new counters, displays and other interior workings. Also, construct a new (separate) storage building with 1,000 square feet.

Ref: Supporting document pages 74-76.

Item 23. Agency: P36 Patriots Point Dev Auth Project: 9361, Fill Along Coleman Blvd

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total project	$ 55,000.00
[9] Other, Income Revenue	$ 55,000.00

Budget After Action Proposed

Source	Amount
Other	55,000.00
TOTAL FUNDS	55,000.00

Purpose: To knock down dredge spoil dike, placing material in low area between present dike and Coleman Blvd. This project represents the fulfillment of a commitment of the Authority as part of the 1977 land swap agreement.

Ref: Supporting document pages 77-78.

Item 24. Agency: U12 Highway & Public Trans Project: 9365, Clarendon County Maintenance Roof Repair

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget	$ 35,000.00
[9] Other, S.C.D.H.& P.T.	$ 35,000.00

Budget After Action Proposed

Source	Amount
Other	35,000.00
TOTAL FUNDS	35,000.00

Purpose: To replace old built-up roof and flashing.

Ref: Supporting document pages 79-80.

EXHIBIT
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STATE BUDGET & CONTROL BOARD

009449

Item 25. Agency: U12 Highway & Public Trans Project: 9366, Orangeburg County Maintenance Roof Repair

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

		Budget After Action Proposed	
		Source	Amount
Total budget	$ 35,000.00		
[9] Other, S.C.D.H.& P.T.	$ 35,000.00	Other	35,000.00

Purpose: Replace old built-up roof and flashing.

Ref: Supporting document pages 81-82.

TOTAL FUNDS 35,000.00

Item 26. Agency: U12 Highway & Public Trans Project: 9367, Bishopville Maintenance Roof Repair

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

		Budget After Action Proposed	
		Source	Amount
Total budget	$ 42,000.00		
[9] Other, S.C.D.H.& P.T.	$ 42,000.00	Other	42,000.00

Purpose: To replace old built-up roof and flashing.

Ref: Supporting document pages 83-84.

TOTAL FUNDS 42,000.00

Item 27. Agency: U12 Highway & Public Trans Project: 9368, Chester County Maintenance Roof Repair

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

		Budget After Action Proposed	
		Source	Amount
Total budget	$ 35,000.00		
[9] Other, S.C.D.H.& P.T.	$ 35,000.00	Other	35,000.00

Purpose: To replace old built-up roof and flashing.

Ref: Supporting document pages 85-86.

TOTAL FUNDS 35,000.00

009450

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
January 1, 1987 Through January 15, 1987

Item 15. Agency: H12 Clemson University Project: 9135, Schilletter Dining Hall Renovation

CHE Approval Date: 01/12/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 190,000.00 to $ 85,000.00

(Subtract $ 105,000.00 [9] Other, Dining Hall Operating)

Budget After Action Proposed

Source	Amount
Other	85,000.00
TOTAL FUNDS	85,000.00

Purpose: Reduce scope of work by deleting requirements for restroom/locker renovation. Work is not required at this time.

Ref: Supporting document pages 50-51.

Item 16. Agency: H27 USC - Columbia Project: 7054, College of Business Adm Addition

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Close project.

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	6,007,000.00
Institution Bonds	500,000.00
Excess Debt Service	2,370,500.00
Other	1,000,000.00
TOTAL FUNDS	9,877,500.00

Purpose: To close completed project.

Ref: Supporting document pages 52-53.

Item 17. Agency: H27 USC - Columbia Project: 7326, Horseshoe Renovation

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 7,267,622.28 to $ 7,263,656.39

(Subtract $ 3,965.89 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	2,896,063.48
Institution Bonds	3,448,673.65
Revenue Bonds	247,683.15
Excess Debt Service	521,034.11
Federal	136,977.00
Other	13,225.00
TOTAL FUNDS	7,263,656.39

Purpose: To close completed project and transfer remaining funds to project 8496.

Ref: Supporting document pages 54-55.

STATE BUDGET & CONTROL BOARD
MAR 10 1987 NO. 6
EXHIBIT

009451

Item 18. Agency: H27 USC - Columbia Project: 7702, Davis Renovation

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 943,121.11 to $ 886,569.42

(Subtract $ 56,551.69 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	276,569.42
Other	610,000.00
TOTAL FUNDS	886,569.42

Purpose: To close completed project and transfer remaining funds to projects 8496, 8497, 8498, 8499 and 8501.

Ref: Supporting document pages 56-57.

Item 19. Agency: H27 USC - Columbia Project: 7728, Central Utilities

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 3,411,095.71 to $ 3,407,402.33

(Subtract $ 3,693.38 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Institution Bonds	2,400,000.00
Excess Debt Service	983,090.83
Other	24,311.50
TOTAL FUNDS	3,407,402.33

Purpose: To transfer needed funds to project 8496.

Ref: Supporting document pages 58-59.

Item 20. Agency: H27 USC - Columbia Project: 7936, Campus Development

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Close project.

Budget After Action Proposed

Source	Amount
Excess Debt Service	90,000.00
Other	50,000.00
TOTAL FUNDS	140,000.00

Purpose: To close completed project.

Ref: Supporting document pages 60-61.

009452

Item 21. Agency: H27 USC - Columbia Project: 8174, Brown's Ferry Tank Liner Replace

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 51,475.00 to $ 48,069.44

(Subtract $ 3,405.56 [6] Appropriated State)

Budget After Action Proposed Source	Amount
Excess Debt Service	1,475.00
Appropriated State	46,594.44
TOTAL FUNDS	48,069.44

Purpose: To close completed project.

Ref: Supporting document pages 62-63.

Item 22. Agency: H27 USC - Columbia Project: 9154, Roof Repair/Replacement-87

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 55,551.00 to $ 50,000.04

(Subtract $ 5,550.96 [4] Excess Debt Service)

Budget After Action Proposed Source	Amount
Excess Debt Service	50,000.04
TOTAL FUNDS	50,000.04

Purpose: To transfer needed funds to project 8496.

Ref: Supporting document pages 64-65.

Item 23. Agency: H34 USC - Spartanburg Project: 7333, Campus Temporary Roads & Parking

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 85,330.00 to $ 82,583.63

(Subtract $ 2,746.37 [9] Other)

Budget After Action Proposed Source	Amount
Other	82,583.63
TOTAL FUNDS	82,583.63

Purpose: To close completed project.

Ref: Supporting document pages 66-67.

EXHIBIT
MAR 10 1987 NO. 6
STATE BUDGET & CONTROL BOARD

009453

Item 24. Agency: H34 USC - Spartanburg Project: 8793, Several Bldgs Roof Repairs

CHE Approval Date: 01/14/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Cancel project.

(Subtact $ 40,000.00 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	0.00

Purpose: To cancel project.

Ref: Supporting document pages 68-69.

TOTAL FUNDS 0.00

Item 25. Agency: H47 Winthrop College Project: 9093, Richardson-Electrical Repair

CHE Approval Date: 01/12/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/15/87

Action Proposed: Decrease budget from $ 40,000.00 to $ 33,289.67
Change Source.

(Subtract $ 40,000.00 [4] Excess Debt Service)
(Add $ 33,289.67 [9] Other, Insurance Proceeds)

Budget After Action Proposed	
Source	Amount
Other	33,289.67

Purpose: To close completed project. Project was originally approved using Excess Debt Service funds pending resolution of the insurance claims. The claim has now been settled.

Ref: Supporting document pages 70-73.

TOTAL FUNDS 33,289.67

009454

Item 28. Agency: E24 Adjutant General Project: 9055, USPFO Warehouse Reroof

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Decrease budget from $ 140,000.00 to $ 127,550.00

(Subtract $ 3,112.50 [6] Appropriated State)
(Subtract $ 9,337.50 [7] Federal)

Budget After Action Proposed

Source	Amount
Appropriated State	31,887.50
Federal	95,662.50
TOTAL FUNDS	127,550.00

Purpose: To transfer needed funds to projects 9054 and 9056 (refer to items 1 and 2).

Ref: Supporting document pages 87-88.

Item 29. Agency: F12 B&C Bd-General Services Project: 9113, Elevators in Various Bldgs Update

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Change source.

(Add $ 150,000.00 [6] Appropriated State)
(Subtract $ 150,000.00 [9] Other, Depreciation Reserve)

Budget After Action Proposed

Source	Amount
Appropriated State	150,000.00
TOTAL FUNDS	150,000.00

Purpose: The scope of this project indicates it should be funded from State funds Renovations Other Buildings rather than the Depreciation Reserve account.

Ref: Supporting document pages 89-91.

Item 30. Agency: F12 B&C Bd-General Services Project: 9114, St House Air Handler/Cool Tower Repl/Rep

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Change source.

(Add $ 81,000.00 [6] Appropriated State)
(Subtract $ 81,000.00 [9] Other, Depreciation Reserve)

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	169,000.00
Appropriated State	81,000.00
TOTAL FUNDS	250,000.00

Purpose: To change partial funding from Depreciation Reserve to State House Renovation.

Ref: Supporting document pages 92-94.

009455

STATE BUDGET & CONTROL BOARD
MAR 10 1987
EXHIBIT NO. 6

Item 31.
Agency: H12 Clemson University
Project: 8701, Athletic Fields-Recondition Turf

CHE Approval Date: 01/28/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Cancel project.

(Subtract $ 240,000.00 [8] Athletic)

Budget After Action Proposed	
Source	Amount
Athletic	0.00

Purpose: It is determined that project is not needed at this time.

Ref: Supporting document pages 95-97.

TOTAL FUNDS 0.00

Item 32.
Agency: H15 College of Charleston
Project: 8319, Student Cntr FY 84 Interior Repair

CHE Approval Date: 01/26/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Decrease budget from $ 170,000.00 to $ 161,400.03

(Subtract $ 8,599.97 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	161,400.03

Purpose: To close completed project and transfer remaining funds to project 8775.

Ref: Supporting document pages 98-99.

TOTAL FUNDS 161,400.03

Item 33.
Agency: H15 College of Charleston
Project: 8774, 9 Liberty Street 1st Floor Renovation

CHE Approval Date: 01/26/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Decrease budget from $ 136,710.42 to $ 125,745.71

(Subtract $ 10,965.47 [4] Excess Debt Service

Budget After Action Proposed	
Source	Amount
Excess Debt Service	125,744.95

Purpose: To close completed project and transfer remaining funds to project 8775.

Ref: Supporting document pages 100-101.

TOTAL FUNDS 125,744.95

009456

Item 34. Agency: H15 College of Charleston Project: 8776, Education Center Interior Alterations

CHE Approval Date: 01/26/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Cancel project.

(Subtract $ 50,000.00 [6] Appropriated State)

Budget After Action Proposed	
Source	Amount
Appropriated State	0.00

Purpose: The alterations to the interior of the Education Center were done in-house at a nominal cost as plans changed and the intended funciton for this area of the building has moved to another location.

Ref: Supporting document pages 102-103.

TOTAL FUNDS 0.00

Item 35. Agency: H15 College of Charleston Project: 8786, Deferred Maintenance

CHE Approval Date: 01/26/87
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Decrease budget from $ 35,000.00 to $ 21,765.44

(Subtract $ 13,234.56 [6] Appropriated State)

Budget After Action Proposed	
Source	Amount
Appropriated State	21,765.44

Purpose: To transfer needed funds to project 8775.

Ref: Supporting document pages 104-105.

TOTAL FUNDS 21,765.44

Item 36. Agency: H59 Tech & Comp Education Project: 7858, Denmark-Kitchen/Cafeteria

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Decrease budget from $ 1,550,715.00 to $ 1,509,856.40

(Subtract $ 40,858.60 [9] Other)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	1,500,000.00
Other	9,856.40

Purpose: To close completed project.

Ref: Supporting document pages 106-107.

TOTAL FUNDS 1,509,856.40

25630

Item 37. Agency: H59 Tech & Comp Education Project: 8030, Williamsburg-Learning Resource Center

Action Proposed: Decrease budget from $ 840,000.00 to $ 774,342.25

(Subtract $ 65,657.75 [9] Other)

Purpose: To close completed project.

Ref: Supporting document pages 108-109.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	616,000.00
Other	158,342.25
TOTAL FUNDS	774,342.25

Item 38. Agency: H59 Tech & Comp Education Project: 9014, Trident-Bldg 200 Roof Repair/Replace

Action Proposed: Decrease budget from $ 110,000.00 to $ 76,715.50

(Subtract $ 33,284.50 [9] Other)

Purpose: To close completed project.

Ref: Supporting document pages 110-111.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Budget After Action Proposed

Source	Amount
Other	76,715.50
TOTAL FUNDS	76,715.50

Item 39. Agency: J16 Mental Retardation Project: 8229, MC-Fence & Fire Break

Action Proposed: Close project.

Purpose: To close completed project.

Ref: Supporting document pages 112-114.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Budget After Action Proposed

Source	Amount
Excess Debt Service	7,838.50
Appropriated State	65,000.00
TOTAL FUNDS	72,838.50

EXHIBIT
MAR 10 1987 NO. 6
STATE BUDGET & CONTROL BOARD

009458

Item 40. Agency: J16 Mental Retardation Project: 8270, Whitten Center Perimeter Fence

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Close project.

Budget After Action Proposed

Source	Amount
Excess Debt Service	48,532.86
Appropriated State	45,000.00
TOTAL FUNDS	93,532.86

Purpose: To close completed project.

Ref: Supporting document pages 115-116.

Item 41. Agency: J16 Mental Retardation Project: 8654, Midlands-Timberlane Renovation

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Close project.

Budget After Action Proposed

Source	Amount
Excess Debt Service	37,654.44
Appropriated State	511.74
Other	11,100.23
TOTAL FUNDS	49,266.41

Purpose: To close completed project.

Ref: Supporting document pages 117-118.

Item 42. Agency: J16 Mental Retardation Project: 8715, Pee Dee-Administration Bldg Parking

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Close project.

Budget After Action Proposed

Source	Amount
Other	12,004.00
TOTAL FUNDS	12,004.00

Purpose: To close completed project.

Ref: Supporting document pages 119-120.

009459

Item 43. Agency: J16 Mental Retardation Project: 8716, Pee Dee-Pecan Lane Resurface

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Close project.

Budget After Action Proposed

Source	Amount
Other	41,211.00
TOTAL FUNDS	41,211.00

Purpose: To close completed project.

Ref: Supporting document pages 121-122.

Item 44. Agency: J16 Mental Retardation Project: 8837, Whitten Cntr-13 Bldgs Minor Repairs

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Decrease budget from $ 67,600.00 to $ 45,000.00

(Subtract $ 22,600.00 [9] Other, Medicaid Operating)

Budget After Action Proposed

Source	Amount
Other	45,000.00
TOTAL FUNDS	45,000.00

Purpose: Decreasig project budget due to unavailability of operating funds.

Ref: Supporting document pages 123-125.

Item 45. Agency: P24 Wildlife & Marine Res Project: 8598, Berkeley Goose Creek Boat Ramp

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/31/87

Action Proposed: Decrease budget from $ 172,310.65 to $ 170,248.00

(Subtract $ 2,062.65 [9] Other, Berkeley Co Game/Fish)

Budget After Action Proposed

Source	Amount
Other	170,248.00
TOTAL FUNDS	170,248.00

Purpose: To close completed project.

Ref: Supporting document pages 126-127.

009460

Item 46. Agency: P24 Wildlife & Marine Res Project: 9364, Horry-Little River Dock at Hwy #9

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 01/23/87

Action Proposed: Establish project.

Total budget.....$	19,000.00
[9] Other, Horry Co Water Rec Res.....$	19,000.00

Budget After Action Proposed

Source	Amount
Other	19,000.00
TOTAL FUNDS	19,000.00

Purpose: To construct a 6 foot wide, 144 foot long fixed wooden dock and restriping the parking lot.

Ref: Supporting document pages 128-131.

009461

EXHIBIT
MAR 10 1987 NO. 6
STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA

MEETING OF March 10, 1987 ITEM NUMBER 8

AGENCY: Executive Director

SUBJECT: Interviewee Travel Expense Reimbursement

Please refer to the attached report for details on payments of interviewee travel expenses by the following agencies:

Agency	Number	Estimated Cost
(a) Mental Health	3	$1,888.85
(b) Clemson University	8	2,036.25
(c) College of Charleston	4	175.72

BOARD ACTION REQUESTED:

Receive as information reports on the reimbursement of interviewee travel expenses by Mental Health (3), Clemson University (8); College of Charleston (4).

ATTACHMENTS:

Referenced report

009462

INTERVIEWEE TRAVEL EXPENSE REIMBURSEMENT PAYMENTS

Agency	Period	Total Number	Total Cost	Number of Payments			
				$100 or Less	$101 to $300	$301 to $500	$501 and Over
Mental Health	February	3	1,888.85	0	0	0	3
Clemson University	Oct-Feb	8	2,036.25	3	2	2	1
College of Charleston	February	4	175.72	4	0	0	0
Total		15	4,100.82	7	2	2	4

EXHIBIT

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

009463

FEB 2 7 1987

RECEIVED

MEMBORANDUM

TO: Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

FROM: Alexander G. Donald, M.D.
Director, William S. Hall Psychiatric Institute

DATE: February 17, 1987

SUBJECT: Reimbursement for Interview Travel

STATE DEPARTMENT OF MENTAL HEALTH
APPROVED
FEB 2 3 1987

I request approval of travel reimbursement in the amount of approximately $650 for Peter (Jay) Lusche, M.D. to visit the Institute for the purpose of interviewing for a Teaching Psychiatrist position at the William S. Hall Psychiatric Institute. This is a significant position to be filled in light of the training mission of the Institute, and the cost is warranted. The cost of this interview will be significantly less than to pay the costs of five staff members to travel to Los Angeles, California, for the interview. In addition, it is imperative that the applicant see the Institute in order to make an informed decision. This interview is necessary in that no qualified applicants within South Carolina have applied for the position.

Alexander G. Donald, M.D.
Director

AGD/llb

c Mr. William S. McInnis
Deputy Executive Director
State Budget and Control Board

Dr. Tony Gore
Senior Deputy Commissioner

Mr. John Bourne
Deptuty Commissioner for
Financial Services

EXHIBIT

MAR 1 0 1987 NO. 7

STATE BUDGET & CONTROL BOARD

009464

FEB 2 3 1987

William S. Hall Psychiatric Institute
The Teaching and Research Facility of the South Carolina Department of Mental Health

P. O. Box 202 / Columbia, South Carolina / 29202

Alexander G. Donald, M.D.
Director

EXHIBIT

MAR 1 0 1987 NO. 7

STATE BUDGET & CONTROL BOARD

M E M O R A N D U M

TO: Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

FROM: Alexander G. Donald, M.D.
Director, William S. Hall Psychiatric Institute

DATE: February 12, 1987

SUBJECT: Reimbursement for Interview Travel

I request approval of travel reimbursement in the amount of approximately $600.00 for Pamela J. Szeeley, M.D., to visit the Institute for the purpose of interviewing for a Teaching Psychiatrist position at the William S. Hall Psychiatric Institute. This is a significant position to be filled in light of the teaching mission of the Institute, and the cost is warranted. The cost of this interview will be significantly less than to pay the costs of five staff members to travel to Pittsburg, Pennsylvania, for the interview. In addition, it is imperative that the applicant see the Institute in order to make an informed decision. Qualified candidates residing within South Carolina were considered before candidates from other states were sought.

Charles H Sanford MD
for Alexander G. Donald, M.D.
Director

AGD/pm

c Mr. William S. McInnis
Deputy Executive Director
State Budget and Control Board

Dr. Tony Gore
Senior Deputy Commissioner
Clinical Services

Mr. John Bourne
Deputy Commission for
Financial Services

009465

FEB 2 4 1987

RECEI
FEB
State Commissioner of Mental Health
S.C. Dept. of Mental Health

EXHIBIT

MAR 1 0 1987 NO. 7

STATE BUDGET & CONTROL BOARD

SOUTH CAROLINA STATE HOSPITAL
COLUMBIA, SOUTH CAROLINA

MEMORANDUM

TO: JOSEPH J. BEVILACQUA, PH.D.
STATE COMMISSIONER

FROM: JAIME E. CONDOM, M.D.
DIRECTOR

RE: TRAVEL REQUEST APPROVAL FOR APPLICANT DR. ROGER COX

Please approve the travel expenses for position interview of Dr. Roger Cox. Dr. Cox came to South Carolina State Hospital at our invitation for a position in Child/Adolescent Unit the latter part of May, 1986.

Dr. Cox was requested to come for interview from Dallas, Texas, since he was one of the most qualified psychologists applying for available positions at the time.

At the time we reviewed his credentials, we felt his background and extensive experience would greatly enhanced the Child/Adolescent Unit program. In addition, he met all the Justice Plan requirements as well as the HCFA standards which required rapid compliance. At the same time, there was pressure from community advocates to rapidly employ psychologists for the Child/ Adolescent Unit.

Dr. Cox agreed to come to South Carolina for the interview with the stipulation included that his travel expenses be reimbursed.

The lateness of this request is due to numerous problems encountered in the change of the Child/Adolescent Program being transferred to William S. Hall Psychiatric Institute last year as well as problems and delays getting the paperwork properly prepared.

Your approval for his travel reimbursement will be greatly appreciated. Thank you.

S.C. STATE DEPARTMENT OF MENTAL HEALTH
FEB 1 1 1987

JAIME E. CONDOM, M.D.
DIRECTOR

JEC:WHS:whs
February 10, 1987
Attachments

cc: Mr. Bill McInnis

MR. MS. | RATE | SEG | C/O | ARR. 5/22 | DEPT. 5/25

ADDRESS | ARRIVAL 5/22 | SPECIAL INSTRUCTIONS

CITY/STATE/ZIP | CLERK

PRS | DD | KING | SUITE | PLR | RMS | RATE PER DAY | CREDIT CARD NO. | EXP. DATE

MADE BY | PHONE | ROOM 304-1 0055 1

NO. 77275

DATE	TRANSACTION		BALANCE
MAY22	ROOM CHG	55.00	
MAY22	ROOM TAX	3.85	
MAY22	LOCAL PH	.50	
310382	ROOM 304-1		59.35
MAY22	LONG DST	2.11	
310622	ROOM 304-1		61.46

EXHIBIT

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

RECEIVED
JAN 0 [illegible]
S. C. D. M. H.
FINANCE DIVISION

Carolina Inn
937 ASSEMBLY STREET
COLUMBIA S.C. 29202
(803) 799-8200
BANQUET AND CONVENTION FACILITIES
FOR UP TO 2000

009467

EXHIBIT NO. 7

MAR 10 1987

STATE BUDGET & CONTROL BOARD

009468

Cardmember Account Number: 3731 840333 01004

Expiration Date Checked: X

04/86 THRU 03/88 82 AX

Cardmember: ROGER D COX

Approval Code: 304

Check or Bill No.: 77275

Service Establishment: 196345 THE RADISSON HTL 439050858BCOLA 0239000623 SC

Date of Charge: 5 22 86

Merchandise/Services

Taxes

Tips/Misc.

Total: 61 16

Any delayed charges are listed below

Type of Delayed Chg.

Amt. of Delayed Chg.

Revised Total

Amexco Use Only

Equivalent Amount

Establishment agrees to transmit to American Express Travel Related Services Co., Inc. or Authorized Representative for payment. Merchandise and/or service purchased on this card shall not be resold or returned for cash refund.

Cardmember Signature: X On file

Invoice Number: 154495

Please Print Firmly

Cardmember Copy

Record of Charge

AMERICAN EXPRESS Cards

PASSENGER TICKET AND BAGGAGE CHECK — SUBJECT TO CONDITIONS CONTAINED IN THIS TICKET

ISSUED BY: AMERICAN AIRLINES

(CONJUNCTION TICKET(S))

See below for Airline Form, Serial Number

ENDORSEMENTS/RESTRICTIONS (CARBON)

ARC PASSENGER COUPON

ORIGIN: DFW

DESTINATION: DFW

DATE OF ISSUE: 15 MAY 86

ISSUED IN EXCHANGE FOR:

TRAVEL AGENCY: RSGR CPN

PASSENGER NAME: COX/ROGER

NOT TRANSFERABLE

X/O	FROM / TO	NOT GOOD FOR PASSAGE	CARRIER	FLIGHT	CLASS	DATE	TIME	STATUS	FARE BASIS/TKT. DESIGNATOR	NOT VALID BEFORE	NOT VALID AFTER	ALLOW
	DALLAS FT WORTH		AA	222	Y	22MAY	0755P	OK	Y			
X	COLUMBIA SC		UL	569	Y	23MAY	0550P	OK	Y			
X	ATLANTA		UA	751	Y	25MAY	0650P	OK	Y			
	DALLAS FT WORTH											

VOID

BAGGAGE CHECKED / UNCHECKED: PCS. / WT.

FARE: 537.04

FARE CALCULATION: 22MAY DFW AA COL 268.52 UL X ATL UA DFW 268.52 Y 5.97 04

EQUIV. FARE PD:

TAX: 42.96

TAX:

TOTAL: 580.00

FORM OF PAYMENT: AX 373840333010004 03/88

TOUR CODE:

OPC | AIRLINE CODE | FORM SERIAL NUMBER | CK: 001 7826243500 5

ORIGINAL ISSUE:

A/L AGT. INFO.: 0017

CONTROL NO.: 03908358420

DO NOT MARK OR WRITE IN THE WHITE AREA ABOVE

S. E. M. H. SALES BRANCH

0.000000 IN0051/003

Please print or type

SOUTH CAROLINA DEPARTMENT OF MENTAL HEALTH

Employee Travel Support Document

SCSH – Adm. Svcs.
Organizational Component

Voucher No. _____

Payee Roger O. Cox (First / m.i / Last)

Traveler's Name Cox (Last) R (F.I.) O (M.I.) Social Security No. 426-94-5624

Mail Check to: Univ. of Texas 6011 Harry Hines Blvd. (Street Address)

☐ Check if different from Payee ☒ Check if non-state employee

Dallas (City) Tx (State) 75235 (Zip)

		50504	50501	50502	50503	50505	50506	50233
In State	1							
Out of State	2	50514	50511	50512	50513	50515	50516	
	1 or 2	Auto Miles	Meals	Lodging	Air Trans	Other Trans	Misc. Travel Expense	Reg. Fee

Date Mo.-Da.	DEP/ARR	Time	AM/PM	Place of Departure/Arrival	1 or 2	Auto Miles	Meals	Lodging	Air Trans	Other Trans	Misc. Travel Expense	Reg. Fee
5/22	D	5:25	PM	Dallas, Tx.				58.85				
5/22	A			Columbia, S.C.					580.00			
5/23	D	6:00	PM	Columbia, S.C.								
5/23	A	10:00	PM	Dallas, Tx								

Check No. _____

STATE BUDGET & CONTROL BOARD MAR 10 1987 EXHIBIT NO. 7

		50504	50501	50502	50503	50505	50506	
In State Totals	1	____ Miles × ____ Rate = $____		58.85	580.00			Total 1 638.85
Out of State Totals	2	50514 ____ Miles × ____ Rate = $____	50511	50512	50513	50515	50516	Total 2

TOTAL EXPENSES CLAIMED (Total 1 + Total 2) $

I hereby certify or affirm that the above expenses were actually incurred by me as necessary traveling expenses in the performance of my official duties; any meals or lodging included in a conference or convention registration fee have been deducted from this travel claim; and that this claim is true and correct in every material matter and conforms with the requirements of State laws, rules and regulations.

June 25, 1986 (Date) Roger O. Cox (Signature)

SS# 426-94-5624

009469

Approved for payment as
☐ Requested Travel
☐ Directed Travel
by

2/3/87 (Date) _____ (Signature)

Reason For Travel and Explanation of Misc. Travel Expense

Interview Expenses

Dept.	Fund	Class	No. Auto Miles	No. Trips (Air Trans)	Amount
41110	A000	50502		00	58.85
41110	A000	50503			580.00
TOTAL, funding breakdown (must equal Total Expenses Claimed)					$638.85

SCDMH FORM REV FEB 86 F-12

MAR - 2 1987

CLEMSON
UNIVERSITY

BUSINESS AND FINANCE
Office of Financial Management

February 27, 1987

EXHIBIT

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Wade Hampton Office Building
P. O. Box 12444
Columbia, SC 29211

Dear Mr. McInnis:

Enclosed are Travel Disbursement forms for those individuals who were brought to Clemson University for employee interviews.

Yours very truly,

William A. Thompson (jw)

William A. Thompson
Controller

WAT/jw

Enclosures

009470

196.00

CLEMSON
UNIVERSITY

BUSINESS AND FINANCE
Office of Financial Management

RECEIVED
1987 FEB 24 PM 4 26
FINANCIAL MANAGEMENT

DATE January 9, 1987

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Dr. Teresa Winchester

CITY OF ADDRESS: Murfreesboro, TN

POSITION TO BE FILLED: Assistant Professor of French

AMOUNT REIMBURSED: _____
(To be entered by Financial Management)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expense involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

RECEIVED
1987 JAN 19 PM 12:06
FINANCIAL MANAGEMENT

Recommended by: Judith M. Melton
Department Head

Robert A. Waller
Dean or Director

Vice President

Approved by: _____
President

Distribution:
Original: Originator
Approved Copies: Financial Management, Budget and Control Board
Attached to all related Direct Purchase Vouchers

EXHIBIT

009471

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

CLEMSON UNIVERSITY

686.76

BUSINESS AND FINANCE
Office of Financial Management

DATE January 13, 1987

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Dr. James C. Holste

CITY OF ADDRESS: College Station, Texas

POSITION TO BE FILLED: Head of the Department of Chemical Engineering

AMOUNT REIMBURSED: _____
(To be entered by Financial Management)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expense involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: Stephen D. Wehrenberg DNB
Department Head

Dean or Director

Vice President

Approved by: _____
President

RECEIVED
1987 FEB 20 AM 11:43
FINANCIAL MANAGEMENT

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Original: Originator
Approved Copies: Financial Management, Budget and Control Board
Attached to all related Direct Purchase Vouchers

009472

CLEMSON UNIVERSITY

$437.95

BUSINESS AND FINANCE
Office of Financial Management

DATE 2/3/87

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: William F. Maloney SS# 222301442

CITY OF ADDRESS: Ann Arbor, Michigan 48103

POSITION TO BE FILLED: 0911-U010 Professor of Civil Engineering

AMOUNT REIMBURSED: _____
(To be entered by Financial Management)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expense involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

RECEIVED
1987 FEB 19 PM 3 28
FINANCIAL MANAGEMENT

Recommended by: R B Brown (JHB)
Department Head

Dean or Director

Vice President

Approved by:
President

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009473

RECEIVED
1987 FEB 17 PM 2:
FINANCIAL MANAGEMENT

CLEMSON UNIVERSITY

25.50

BUSINESS AND FINANCE
Office of Financial Management

DATE February 10, 1987

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Joe Rei

CITY OF ADDRESS: Pullman, Washington

POSITION TO BE FILLED: Director of Housing

AMOUNT REIMBURSED: _____
(To be entered by Financial Management)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expense involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

RECEIVED
1987 FEB 17 AM 11:24
FINANCIAL MANAGEMENT

Recommended by: _____
Department Head

_____
Dean or Director

_____ 2/12/87
Vice President

Approved by: _____
President

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Original: Originator
Approved Copies: Financial Management, Budget and Control Board
Attached to all related Direct Purchase Vouchers

009474

250-72-3826
#2604 2/2/87

CLEMSON
UNIVERSITY

BUSINESS AND FINANCE
Office of Financial Management

DATE January 5, 1987

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Edward V. Truesdale, Jr.

CITY OF ADDRESS: Brevard, N. C.

POSITION TO BE FILLED: Assistant Professor (Linquist)

AMOUNT REIMBURSED: _____
(To be entered by Financial Management)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expense involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: A. W. Koon
Department Head

Robert A. Waller
Dean or Director

W. Daniel Mansfield
Vice President

Approved by: [signature]
President

Distribution:
Original: Originator
Approved Copies: Financial Management, Budget and Control Board
Attached to all related Direct Purchase Vouchers

RECEIVED
1987 FEB -2 PM 1:37
FINANCIAL MANAGEMENT

009475

SIKES HALL • CLEMSON, SOUTH CAROLINA 29634-5303 • TELEPHONE 803/656-2470

CLEMSON
UNIVERSITY

BUSINESS AND FINANCE
Office of Financial Management

DATE Oct. 29, 1986

RECEIVED
1986 NOV 13 PM 4:22
FINANCIAL MANAGEMENT

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Andrew McGinty

CITY OF ADDRESS: Mayaguez, PR

POSITION TO BE FILLED: Assistant/Associate Professor of Aquaculture

AMOUNT REIMBURSED: _____
(To be entered by Financial Management)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expense involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

RECEIVED
1987 FEB -3 PM 2:30
FINANCIAL MANAGEMENT

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
President

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Original: Originator
Approved Copies: Financial Management, Budget and Control Board
Attached to all related Direct Purchase Vouchers

009476

64.00 paid
2-3-87

CLEMSON
UNIVERSITY

PRESIDENT

DATE 1/16/87

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Webb M. Smathers, Jr.

CITY OF ADDRESS: 169 Deertree Drive, Athens, GA 30605

POSITION TO BE FILLED: Visiting Assistant Professor

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

RECEIVED
1987 FEB -3 PM 1:29
FINANCIAL MANAGEMENT

Recommended by: Edward L. McLean
Department Head

Dean or Director

Vice President

Approved by:
XXXXXXXXXXXXXXXX, President
A. Max Lennon,

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

009477

paid 488.00
2-6-87

CLEMSON
UNIVERSITY

BUSINESS AND FINANCE
Office of Financial Management

RECEIVED
1986 OCT 29 PM 4:07
FINANCIAL MANAGEMENT

DATE October 17, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: V. Sridharan

CITY OF ADDRESS: Iowa City, IA

POSITION TO BE FILLED: U017

AMOUNT REIMBURSED: _____
(To be entered by Financial Management)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expense involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

RECEIVED
1987 FEB -6 PM 2:11
FINANCIAL MANAGEMENT

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
President

Distribution:
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Approved Copies: Financial Management, Budget and Control Board
Attached to all related Direct Purchase Vouchers

EXHIBIT

009478

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Steven Rachlin

City Address: Savannah Ga

Position to be Filled: Asst. Reference Librarian

Travel Dates: From Feb 5 To Feb 5, 1987

Total Travel Reimbursement: Meals Reimb. $14.50
Travel expenses $44.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits'home town.

Approved By: Harry M. Lightsey Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

009479

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: James Hay

City Address: Imco, SC

Position to be Filled: Faculty - Languages

Travel Dates: From Feb. 11 To Feb. 12, 1987

Total Travel Reimbursement: $40.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits'home town.

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

009480

FOUNDED 1770

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: James Daly

City Address: Columbia, SC

Position to be Filled: Faculty - Language

Travel Dates: From Feb. 11 To Feb. 12, 1987

Total Travel Reimbursement: #59.23

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Francis Marion Hotel #49.22
Dodson Lunch - #10.01

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

EXHIBIT

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

FOUNDED 1770

009481

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Marion Rothstein

City Address: Madison WI

Position to be Filled: Faculty, Language

Travel Dates: From Feb. 14 To Feb. 15

Total Travel Reimbursement: Paige Wrobleski $10.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits'home town.

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

EXHIBIT

MAR 10 1987 NO. 7

STATE BUDGET & CONTROL BOARD

003482

FOUNDED 1770

EXHIBIT

MAR 10 1987 NO. 8

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA 9

MEETING OF March 10, 1987 ITEM NUMBER

AGENCY: Executive Director

SUBJECT: 1987-88 APIP; 1987 OPIP

The Office of Executive Director has advised agencies that their 1987-88 Annual Permanent Improvement Programs (APIP) are due June 15, 1987 and that the 1987 update of their Overall Permanent Improvement Plans (OPIP) are due by July 1, 1987.

The Overall Permanent Improvement Plans are to cover fiscal years 1988-89 and 1989-90 and the three fiscal years following. The first two of the five fiscal years covered by the plans are treated as funding requests which are scheduled to be considered by the General Assembly in 1988.

BOARD ACTION REQUESTED:

Receive as information a report that the Office of Executive Director has advised agencies that the 1987-88 Annual Permanent Improvement Program (APIP) is due June 15, 1987 and that the 1987 Update of Overall Permanent Improvement Plan (OPIP) is due by July 1, 1987.

ATTACHMENTS:

McInnis March 6 memo to agencies plus forms

009483

EXHIBIT

MAR 10 1987 NO. 8

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Heads and Certain Administrative Staff of Selected Agencies

FROM: William A. McInnis, Deputy Executive Director

SUBJECT: **(1) 1987-88 Annual Permanent Improvement Program (APIP); and**
(2) 1987 Update of Overall Permanent Improvement Plans (OPIP).

1. 1987-88 Annual Permanent Improvement Program (APIP)
Your 1987-88 Annual Permanent Improvement Program is due in our offices before or on June 15, 1987. Higher education institutions should submit programs to the Commission on Higher Education on the schedule it requires.

The Annual Program, as you know, is supposed to be your physical facilities work program for the year. It should include all permanent improvements projects (as they are defined officially) you expect to have underway in the coming fiscal year using available funds. The APIP idea is to focus on this subject one time yearly to get the project approval process taken care of for the year except for emergencies and other unanticipated needs.

Changes have been made in Annual Program content and in the procedure for assembling it. We believe the changes can result in better Annual Program submissions which are less burdensome to prepare. They are described in the materials being sent to the appropriate administrative staff in each agency.

2. 1987 Update of Overall Permanent Improvement Plan (OPIP)
Updates of agency five-year, overall permanent improvement plans should be done in 1987 in preparation for the possibility that capital improvement bond authorizations will be made in 1988. This shift to even-year authorizations was made by the General Assembly in Part II, Section 35 of Act 201 of 1985.

The 1987 plans and plan updates are due July 1, 1987. As in the past, it is expected that the requests in years one and two of the five-year plans will be the focus of this process. Details on it will be sent within ten days.

Call Charlie Shaw (734-2282) or Elmer Whitten (734-2270) should you need help.

M
Enclosure: Annual Program materials (for certain administrative staff only)

009484

1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM (APIP): COVER SHEET
FOR
AGENCY: CODE_____ NAME_____

1. 1987-88 APIP SUBMISSION AUTHORIZATION

This submission presents this agency's Annual Permanent Improvement Program (APIP) for 1987-88. The program includes all permanent improvements (as defined in the Budget and Control Board's Manual) which, as of the date this document is signed, this agency expects to be working on during 1987-88. The submission of this APIP is authorized by the undersigned who certifies that the information presented is true and correct.

Signature _____

Typed Name _____

Title _____

Date _____

* *

2. CERTIFICATION ON AVAILABILITY OF FUNDS PROJECTED FOR APIP

We certify that the funds projected for expenditure on projects included in this agency's 1987-88 Annual Permanent Improvement Program are or, with reasonable certainty, will be available to this agency for these purposes.

Agency Head	Chief Financial Officer
_____ Signature	_____ Signature
_____ Typed Name and Title	_____ Typed Name and Title

* *

3. AGENCY CONTACT PERSON(S) ON THIS APIP ARE:

Name: _____ Phone: _____

Name: _____ Phone: _____

009485

MAR 10 1987 NO. 8
STATE BUDGET & CONTROL BOARD

EXHIBIT

1987-88 APIP TABLE OF CONTENTS

This Annual Program includes the following documents arranged in the order indicated (should your agency not have any existing projects or if no new projects are proposed, enter the word "none" on the appropriate line in the table of contents):

Page(s)

* *

PART I

1. APIP Summary Statement. . . . . .____
2. B&CB Form A40, Summary. . . . . .____
3. B&CB Form A41, Existing Projects. . . . . .____
   (with Form A23 for proposed budget revisions)
4. B&CB Form A42, New Projects . . . . . .____
   (with Form A49 as required)
5. B&CB Form A81-N, New Projects by Project Type . . . . . .____
6. B&CB Form A82-N, New Projects by Facility Type. . . . . .____
7. B&CB Form A59, Sources of Funds for Program . . . . . .____
8. B&CB Form A60, Expenditures by Project by Source. . . . . .____

* *

PART II Supporting Documentation:

9. _____. . . . . .____
10. _____. . . . . .____
11. _____. . . . . .____
12. _____. . . . . .____

* *

SUBMIT ORIGINAL AND FIVE (5) COPIES BEFORE OR ON JUNE 15, 1987.

1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM (APIP): SUMMARY OF PROJECT BUDGETS AND ESTIMATED EXPENDITURES

AGENCY CODE _____ NAME _____

PART 1: ENTIRE PROJECT BUDGETS AND ESTIMATED EXPENDITURES

(1)	(2) Number of Projects	(3) Entire Budget		(4) ESTIMATED EXPENDITURES Through 1986-87	(5) ESTIMATED EXPENDITURES In APIP Year FY 1987-88	(6) ESTIMATED EXPENDITURES After APIP Year FY 1987-88	(7) ESTIMATED EXPENDITURES Total
Total Existing Projects (from Form A41)							
Total Proposed New Projects (from Form A42)				X			
Total Existing & Proposed New Projects							

PART 2: ENTIRE BUDGET AND ESTIMATED APIP YEAR EXPENDITURES BY SOURCE OF FUNDS

(1)	ENTIRE PROJECT BUDGET (2) Existing Projects (from A41)	(3) Proposed New Projects (from A42)	(4) Total		APIP YEAR 1987-88 ESTIMATED EXPENDITURES (5) Existing Projects (from A60)	(6) Proposed New Projects (from A60)	(7) Total
0 Capital Improvement Bonds							
1 Departmental CIB							
2 Institution (Tuition) Bonds							
3 Revenue Bonds							
4 Excess Debt Service							
5 Capital Expenditure Fund							
6 Appropriated State							
7 Federal							
8 Athletic							
9 Other							
TOTAL							

009486

EXHIBIT
MAR 10 1987
NO. 8
STATE BUDGET & CONTROL BOARD

B&CB Form A40

GSAPIP41

BUDGET AND CONTROL BOARD
AGENCY 1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM OF EXISTING PROJECTS

04/10/87

AGENCY CODE
AGENCY NAME

PROJECT NUMBER	PROJECT NAME	(1) CURRENT APPROVED BUDGET	EXPENDITURES (2) THROUGH FY 1986-87	(3) IN APIP FY 1987-88	(4) AFTER APIP FY 1987-88	(5) TOTAL

EXHIBIT
MAR 10 1987 NO. 8
STATE BUDGET & CONTROL BOARD

008487

GSAPIP41

BUDGET AND CONTROL BOARD
AGENCY 1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM OF EXISTING PROJECTS

04/10/87

***SOURCE OF FUNDS SUMMARY

SOURCE OF FUNDS	AMOUNT
CAPITAL IMPROVEMENT BONDS	
DEPART. CAPITAL IMPROVEMENTS BONDS	
INSTITUTION (TUITION) BONDS	
INSTITUTION (REVENUE) BONDS	
EXCESS DEBT SERVICE	
CAPITAL EXPENDITURE FUND	
OPERATING STATE	
FEDERAL	
ATHLETIC	
OTHER	
TOTAL FOR ALL SOURCES	

NOTE: DO NOT RETURN THIS LAST PAGE OF FORM A41 AS PART OF YOUR APIP SUBMISSION. ONCE YOU HAVE MADE ANY ADJUSTMENTS NECESSARY TO REFLECT A23 CHANGES IN PROCESS OR THOSE INCLUDED AS PART OF YOUR APIP, ENTER THE AMENDED SOURCE OF FUNDS INFORMATION BY APPROPRIATE SOURCE ON FORM A40, PART 2, COLUMN 2 ENTITLED ENTIRE PROJECT BUDGETS -EXISTING PROJECTS.

009488

EXHIBIT
MAR 10 1987 NO. 8
STATE BUDGET & CONTROL BOARD

1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM (APIP): PROPOSED NEW PROJECTS

Agency: Code Name

1. Project Name: _____

2. Project Priority _____ of _____

Page _____

3. What is the project?

Attach Form A49 if added operating costs are expected to result.

4. Why is it needed?

5. What alternatives to this project were considered?

EXHIBIT
MAR 10 1987 NO. 8
STATE BUDGET & CONTROL BOARD

6. A. Total estimated project cost: _____

B. Estimated cost includes:

(1) $_____ Planning/design services

(2) _____ Site/work (including utilities)

(3) _____ Central energy systems repair/replacement

(4) _____ Mechanical systems repair/replacement

(5) _____ General renovation/repair of floor space: (Gross sq.ft._____)

(6) _____ Roof repair/replacement

(7) _____ Construction of additional floor space: (Gross sq.ft._____)

(8) _____ Equipment/supplies

(9) _____ Purchase of facilities (Floor space, Gross sq.ft._____)
(Land, acres: _____)

(10) _____ Other (Specify) _____

TOTAL $_____ (Same as 6A)

7. Project Schedule

A. Estimated start date:

_____

B. Estimated completion date:

_____

C. Estimated total expenditure

(1) In APIP year 1987-88

$_____

(2) After APIP year 1987-88

$_____

(3) Total (same as 6A)

$_____

8. Proposed source of funds:	Total
0 Capital Improvement Bonds	
1 Departmental CIB	
2 Institution (Tuition) Bonds	
3 Revenue Bonds	
4 Excess Debt Service	
5 Capital Expenditure Fund	
6 Appropriated State	
7 Federal	
8 Athletic	
9 Other	
TOTAL	

009469

B&CB Form A42

1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM (APIP): SOURCES OF FUNDS STATEMENT

AGENCY: CODE_____ NAME_____

Source of Funds and Subfund Title	Subfund Number	Source Code	Beginning Balance As of / /	Estimated Revenue This Fiscal Year	Estimated Expenditures This Fiscal Year	Projected Ending Balance
Enter total on last page						

B&CB Form A59

009490

EXHIBIT NO. 8

MAR 10 1987

STATE BUDGET & CONTROL BOARD

1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM (APIP): ESTIMATED EXPENDITURE BY PROJECT AND FUND SOURCE

AGENCY: CODE NAME

Page ____

Project Number (Existing) Priority Number (Proposed) Project Name	Source 0 & 1 Cap Imp Bonds	Source 2 Tuition Bonds	Source 3 Revenue Bonds	Source 4 & 5 Ex Debt Svc Cap Exp Fund	Source 6 Approp State	Source 7 Federal	Source 8 Athletic	Source 9 Other(Specify)	Total
Enter Total on Last Page									

B&CB Form A60

EXHIBIT NO: 8
MAR 10 1987
STATE BUDGET & CONTROL BOARD

009491

1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM (APIP): BUDGETS OF PROPOSED NEW PROJECTS PRESENTED BY PROJECT TYPE

AGENCY: CODE _____ NAME _____

(1) PRIORITY NUMBER	(2) PROJECT NAME	(3) PURCHASE LAND/ BUILDINGS	(4) CONSTRUCT ADDITIONAL FACILITIES	(5) REPAIR/RENOV EXISTING FACILITIES	(6) REPLACE EXISTING FACILITIES	(7) DEMOLISH EXISTING FACILITIES	(8) OTHER (SPECIFY)	(9) OTHER (SPECIFY)	(10)	(11) TOTAL PROJECT BUDGET
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
	Enter totals on last page									

EXHIBIT

MAR 10 1987 NO. 8

STATE BUDGET & CONTROL BOARD

009492

B&CB Form A81-N

1987-88 ANNUAL PERMANENT IMPROVEMENT PROGRAM (APIP): BUDGETS OF PROPOSED NEW PROJECTS PRESENTED BY FACILITY TYPE

AGENCY: CODE____ NAME_____

(1) PRIORITY NUMBER	(2) PROJECT NAME	(3) (a) OFFICE (b) ADMIN.	(4) (a) CLASSROOM (b) LABORATORY (c) OTHER ACAD	(5) (a) HLTH CARE (b) MEDICAL	(6) (a) HOUSING (b) FOOD SVC. (c) LAUNDRY	(7) (a) WAREHOUSE (b) STORAGE (c) MAINTEN.	(8) (a) ATHLETIC (b) RECREAT'NL	(9) (a) UTILITIES (b) RDS,PRKNG (c) SITE DEV.	(10) OTHER(specify)	(11) TOTAL PROJECT BUDGET
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
	Enter totals on last page									

BCB Form A82-N

EXHIBIT 8

MAR 16 1987

STATE BUDGET & CONTROL BOARD

009493

EXHIBIT

MAR 10 1987 NO. 9

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 10

AGENCY: Attorney General's Office

SUBJECT: Use of Capital Improvement Bond Funds for Dormitory Asbestos Removal

Attached is a copy of the Attorney General's Office opinion requested by Executive Director Coles on the use of capital improvement bond funds to finance dormitory asbestos removal. Also attached is a copy of USC President Holderman's February 18 letter to Dr. Coles on the same subject.

The Board is reminded that, at its February 10 meeting, it approved the establishment of the USC-Columbia Hall (Dormitory) Asbestos Removal project so as to permit it to be implemented, on the condition that the approved source of funds for the project be excess USC housing bond reserve funds until the Board can take definitive action on the project source of funds question.

BOARD ACTION REQUESTED:

Receive as information an the Attorney General's Office opinion requested by Executive Director Coles on the use of capital improvement bond funds to finance dormitory asbestos removal.

ATTACHMENTS:

Referenced opinion and attachmen; Holderman February 18 letter to Coles

009494

The State of South Carolina

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803 734-3680

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BUDGET AND CONTROL BOARD
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EXHIBIT
MAR 1 0 1987 NO. 9
STATE BUDGET & CONTROL BOARD

February 18, 1987

Jesse A. Coles, Jr., Ph.D.
Executive Director
State Budget and Control Board
P. O. Box 12444
Columbia, South Carolina 29211

Dear Dr. Coles:

You have requested an opinion regarding the following question:

> Is it proper legally for the Budget and Control Board, under the terms of Code Section 2-47-50 and in view of the provisions of Part I, Section 130, of Act 540 of 1986, to approve the establishment of any permanent improvement project which proposes to abate asbestos in or to remove asbestos from any dormitory facilities of any State institution of higher learning using capital improvement bond proceeds authorized in Act 538 of 1986 or in any other Act as the source of funds for such project?

It is our opinion that capital improvement bond proceeds may be used as the source of funds for such projects. However, the Board of Trustees for the appropriate institution of higher learning would most probably be required to adjust the student housing fee to reflect that additional expense and to make corresponding payments to the general fund or to give some other consideration in compensation for the financing thereby received.

As indicated in your letter, Part I, Section 130, of Act No. 540 of 1986 (1985-86 General Appropriations Act) provides that:

> [d]uring the Fiscal Year 1986-87, student fees at the State institutions of higher learning shall be fixed by the respective Boards of Trustees as follows:
>
> (1) Fees applicable to student housing, dining halls, student health service, parking facility, laundries and all other personal subsistence expenses shall be sufficient to fully cover the total direct operating and capital expenses of providing such facilities and services over their expected useful life.

Another proviso in the current year's appropriations act requires that:

> all such revenues or income so collected shall be carried in a special continuing account by the State Treasurer, to the credit of the respective institutions, and may be requisitioned by said institutions... and expended to fulfill the purpose for which such fees or income were levied, but no part of such income shall be used for permanent improvements without the express written approval of the State Budget and Control Board and the Joint Legislative Capital Bond Review Committee....

130 Part I, § 131, Act No. 540 of 1986. The General Assembly has routinely placed similar provisos in general appropriations acts in previous years. This Office has previously concluded that this proviso requires that student fees should be set so that the activity would "be self-supporting in total." A. G. Op. dated March 26, 1980. Therefore, so long as this proviso remains in effect, any financial arrangements regarding the "direct operation and capital expenses" for student housing must be structured on a self-supporting basis.

A question might be raised whether the cost of asbestos abatement or removal falls within the category of "direct operating and capital expenses" which must be included in the computation of the fee set by the board of trustees. We can find no basis to exclude such costs, even though they might be deemed extraordinary. A plain reading of the proviso requires that all such "direct" costs be included in the calculation. A direct cost is one that is proximate or immediate, and not remote. Southeast Milk Sales v. Swaringen, 290 F. Supp. 292, 304 (M.D.N.C. 1968). It would appear, therefore, that the General Assembly intended that costs such as these be included in the calculation setting the fee which would make that activity self-supporting.

009496

EXHIBIT

MAR 10 1987 NO. 9

STATE BUDGET & CONTROL BOARD

Your specific question was whether capital improvement bond proceeds may be used for such an asbestos abatement project. The proviso at issue here is silent as to how a State institution of higher learning should finance any particular capital expense which it might incur for student housing or other such personal subsistence services. Specifically, there is no limitation that an institution use only revenue bond financing. Although we are advised that revenue bond financing is frequently used in this situation, nonetheless the General Assembly has also on occasion provided for the issuance of capital improvement bonds to fund certain capital expenditures for such facilities. [See e.g., Craig Union Cafeteria renovation and expansion for College of Charleston, § 1(6), Act No. 538 of 1986 (vetoed by Governor); cafeteria expansion for Francis Marion College, Part I, § 1(6), Act No. 194 of 1979.] There can be no dispute that such an expenditure would serve a valid public purpose. See, Hunt v. McNair, 255 S.C. 71, 177 S.E.2d 362 (1970), vacated on other grounds and remanded, 403 U.S. 945 (1971). For these reasons we would advise that capital improvement bond proceeds may lawfully be used for an asbestos abatement project approved by the Budget and Control Board pursuant to the authority granted it in § 2-47-50, S. C. CODE, 1976 (as amended).

We would advise further that, if general obligation bond proceeds are used to finance capital expenses for such facilities, the proviso at issue here, Part I, Section 130, Act 540 of 1986, would most probably require that the institution pay some consideration from its special continuing account for student housing fees in an amount which would be appropriate in light of the financing thereby extended.[1] A question might be asked as to whether the authorization of general obligation bond financing in the Capital Improvement Bond Act (Act 538 of 1986) for asbestos removal would not create an exception to the proviso requiring the facility to be self-supporting in that the debt service for the capital improvement bonds would be provided by the General Assembly in a separate appropriation. See, § 5, Act No. 1377 of 1968. However, it is a general rule of statutory interpretation that statutes on the same subject must be construed together so that effect is

---

[1] Of course, this requirement for a corresponding payment could be eliminated by the General Assembly if it were to amend the proviso to exclude the cost of asbestos abatement or removal as a cost which must be "fully covered" by the applicable student fee. If such an amendment were enacted, then no payments would need to be made from that special continuing account following the use of the bond proceeds.

given, if possible, to every provision in all of them. § 51.02, SUTHERLAND, STATUTORY CONSTRUCTION. These separate statutory provisions may be construed together by permitting the use of the capital improvement bond proceeds authorized in § 1(3) of Act No. 538 for asbestos removal in a dormitory, provided that the institution makes appropriate payment as required by Part I, § 130 of Act No. 540 of 1986. It should be noted further that this specific project is not identified by name in the Capital Improvement Bond Act. No opinion is expressed as to the effect which would result if a project had been specifically so identified by name. Given the language of this Capital Improvement Bond Act, it would appear that appropriate payments are required by the proviso.

This opinion does not address the mechanics as to how such payments would be effected from the institution involved. It is intended only to advise that there is no legal prohibition on the use of properly authorized capital improvement bond proceeds to abate asbestos in or to remove asbestos from any dormitory facilities of any State institution of higher learning, provided that appropriate financial arrangements are made with that State institution receiving the funds as mandated by the current proviso.

Sincerely yours,

David C. Eckstrom
Assistant Attorney General

DCE/shb

REVIEWED AND APPROVED:

JOSEPH A. WILSON, II
CHIEF DEPUTY ATTORNEY GENERAL

009498

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FEB 1 1987
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

UNIVERSITY OF SOUTH CAROLINA
COLUMBIA, S. C. 29208

PRESIDENT

February 18, 1986

EXHIBIT
MAR 10 1987 NO. 9
STATE BUDGET & CONTROL BOARD

The Honorable Jesse A. Coles, Jr.
Executive Director
S.C. Budget and Control Board
P.O. Box 12444
Wade Hampton Office Building, 6th Floor
Columbia, SC 29211

Dear Jesse:

The University of South Carolina has great concern that the decision regarding potential use of CIB funding for Asbestos Abatement may be influenced by what the University considers a misperception of institutional fund balances and subsequent use thereof. The University request is merely that the issue be decided on its own merits. The essential merits in the University's view consist of Legislative intent and consistent and equitable application of student fees.

The Legislature appropriated out of 84-85 surplus funds 3.5 million for the University of South Carolina to be used for Asbestos Abatement which included the Columbia Hall project. In addressing a funding shortage, the Budget and Control Board removed this funding. In the past Legislative Session, the Legislature approved 8.2 million dollars (CIB) for Asbestos Abatement to cover most immediate and pressing State needs. Based upon recommendations by the Asbestos Task Force, December action of the Joint Bond Review Committee recommended 1.2 million of these funds be applied from CIB proceeds for Asbestos Abatement in Columbia Hall. The Joint Bond Review Committee again confirmed this action in January. It is the University's contention that the Legislature has clearly expressed its intent regarding the use of appropriated funds and/or CIB proceeds. As additional information, the Legislature has in the past appropriated funds for extraordinary circumstances involving student housing. Winthrop College was appropriated funds by the Legislature for housing services during their period of transition from a Woman's College to a Coeducational Institution. This situation created an extraordinary enrollment hardship on that college. Specific circumstances differ, but an extraordinary condition is created by both sets of circumstances which the Legislature felt were appropriate to address with State funds.

The Board of Trustees of the University of South Carolina establishes student housing fees at a level that provides resources for meeting current operating obligations and resources for normal long term maintenance and normal renovation requirements. The University submits that the environmental hazard created by asbestos in a residential facility can only be classified

as a catastrophe and further can in no manner be classified as normal or consistent with the intended use of student housing fees. The University hastens to add that the current balance is far short of regular programmed need.

The facility in question was constructed in good faith within the guidelines of building codes existing at that time. A requirement to use at this time funds earmarked for normal long term maintenance and renovation requirements would effectively pass along to students an extraordinary and unfair burden. The University recognizes the necessity to pass along normal and fair charges to its students, however contends that this catastrophic environmental hazard is definitely extraordinary.

The University further recognizes its position as a forerunner in the identification and proposed abatement of asbestos hazards. Other higher education institutions have similar problems. You will find that the University's situation and proposed solution is not unique in this regard.

In anticipation of a favorable ruling from the Attorney General, the University urges Board action consistent with this opinion, prior Legislative action and recommendations of the Joint Bond Review Committee.

Sincerely,

James B. Holderman

JBH/tdt

009500

EXHIBIT

MAR 10 1987 NO. 10

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF MARCH 10, 198STATE BUDGET & CONTROL BOARD ITEM NUMBER 2

AGENCY: Reorganization Commission CCI Relocation Task Force

SUBJECT: Presentation and Recommendation on CCI Relocation

In accord with the provisions of Part II, Section 28 of Act 201 of 1985 (copy attached), the Reorganization Commission's Task Force to Study the Relocation of the Central Correctional Institution (CCI) will make a presentation and a recommendation to the Board. Rep. Jean H. Toal, Chairman of the Task Force, will make the primary presentation.

The Board is reminded that the Joint Bond Review Committee, at its meeting on November 12, 1986, voted to advise the Board that it had found the lease purchase financing method to be an acceptable financing method for a facility to replace the Central Correctional Institution. A copy of Bond Committee Chairman Smith's November 13, 1986, letter is attached.

Section 28 authorizes the Board, after consultation with the Bond Committee and the State Reorganization Commission, to enter into lease purchase agreements which would provide an economically feasible method of replacing CCI. The Section also lists six conditions which the agreements must meet.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Part II, Section 28, Act 201 of 1985; Smith November 13, 1986, letter to McInnis.

009501

228 SOLOMON BLATT BUILDING
1105 PENDLETON STREET
P.O. BOX 11949
COLUMBIA, S.C. 29211

(803) 734-3152

STATE REORGANIZATION COMMISSION

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Director

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Chairman

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Vice Chairman

Rep. David H. Wilkins
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Ronald H. Romine

February 19, 1987

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BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

Dr. Jesse A. Coles
Executive Director
Budget and Control Board
612 Wade Hampton Office Building
Columbia, S. C. 29211

Dear Jesse:

This is to confirm my request that the Budget and Control Board place on its agenda for March 10 a presentation and recommendation from the State Reorganization Commission's Task Force to Study the Relocation of the Central Corrections Institution (CCI). Rep. Jean H. Toal, as Chairman of that Task Force, will make the primary presentation.

Thank you for all your assistance in guiding this matter properly to this stage of decision-making.

Sincerely,

Philip G. Grose Jr.

PGG/pr

cc: Sen. John Drummond
Rep. Jean H. Toal
Commissioner William D. Leeke

EXHIBIT
MAR 10 1987 NO. 10
STATE BUDGET & CONTROL BOARD

Capital Improvements
Joint Bond Review Committee

NOV 14 1986

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION
BUDGET AND CONTROL BOARD LIAISON

MARION P. CARNELL
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ADMINISTRATIVE ASSISTANT

734-2824 3090
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T.W. EDWARDS, JR.
R.N. McLELLAN

November 13, 1986

EXHIBIT

MAR 10 1987 NO. 10

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

Dear Mr. McInnis:

The Joint Bond Review Committee has had four meetings since October 1, 1986, to discuss the recommendations of the CCI Relocation Task Force, chaired by Rep. Jean Toal, which has recommended that the replacement facility for CCI be funded through a lease-purchase financing arrangement.

After thorough discussions of lease-purchase financing versus General Obligation Bond financing for the replacement facility with Rep. Toal, members of the Task Force, and the State Treasurer, Hon. Grady Patterson, the Committee, at its meeting of November 12, 1986, voted to advise the Budget and Control Board that the lease-purchase financing method was found to be an acceptable financing method for this particular project.

The Committee takes this action pursuant to Section 28, Permanent Provisions of the 1985-86 General Appropriations Act (Act #201, 1985) which authorizes the Budget and Control Board to enter into a lease-purchase agreement for a replacement facility for Central Corrections Institution "after consultation with the Joint Bond Review Committee".

With kind regards, I am

Sincerely,

009503

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
Enc.: Act #201, Sec. 28 (1985)
cc: Rep. Jean Toal, Chairman
CCI Relocation Task Force
Mr. Bill Clement, Acting State Engineer

Section 28, Act #201, 1985
Permanent Provisions
(1985-86 General Appropriations
Bill)

SECTION 28

TO PROVIDE THAT THE BUDGET AND CONTROL BOARD, UNDER CERTAIN CONDITIONS, IS AUTHORIZED TO ENTER INTO LEASE PURCHASE AGREEMENTS WHICH WOULD PROVIDE THE STATE WITH AN ECONOMICALLY FEASIBLE METHOD OF REPLACING THE CENTRAL CORRECTIONAL INSTITUTION.

In furtherance of the State's interest in complying with the terms of Nelson v. Leeke, and in minimizing potential legal liability in the future, and in furtherance of achieving a cost effective and timely solution to this problem through innovative means available in the private sector, after consultation with the Joint Bond Review Committee and the State Reorganization Commission, the State Budget and Control Board is authorized to enter into lease purchase agreements consistent with the Consolidated Procurement Code of the State of South Carolina which would provide the State an economically feasible method of replacing the Central Correctional Institution (CCI), so long as these agreements (1) can be demonstrated to be comparably cost effective to traditional financing methods, (2) can result in long term operational cost savings, (3) are in compliance with the standards enunciated in Nelson v. Leeke, (4) can result in the provision of a new facility of sufficient bed, program and support space more expeditiously than traditional methods, (5) that will minimize the wasteful expenditure of funds for further capital improvements to CCI, and (6) will be subject to the year to year appropriation process of the General Assembly.

009504

EXHIBIT

MAR 10 1987 NO. 10

STATE BUDGET & CONTROL BOARD

CENTRAL CORRECTIONAL INSTITUTION (CCI)

RELOCATION TASK FORCE PRESENTATION

TO THE

SOUTH CAROLINA BUDGET AND CONTROL BOARD

MARCH 10, 1987

SRC | *State Reorganization Commission*

003505

EXHIBIT

MAR 10 1987 NO. 10

STATE BUDGET & CONTROL BOARD

STATE REORGANIZATION COMMISSION

JAIL/PRISON OVERCROWDING PROJECT

CENTRAL CORRECTIONAL INSTITUTION (CCI) RELOCATION TASK FORCE

Senator John Drummond
Chairman
State Reorganization Commission

Representative Jean Hoefer Toal
Chairperson
CCI Relocation Task Force

Philip G. Grose, Jr.
Commission Director

Kenneth D'Vant Long
Project Director

CCI Relocation Task Force is a subcommittee of the
Jail/Prison Overcrowding Project under the direction of the
State Reorganization Commission

009506

EXHIBIT

MAR 10 1987 NO. 10

STATE BUDGET & CONTROL BOARD

CENTRAL CORRECTIONAL INSTITUTION (CCI) RELOCATION TASK FORCE

MEMBERS

Representative Jean Hoefer Toal (D) - CHAIR
District 75 - Richland County

The Honorable T. Patton Adams
Mayor, Columbia City Council

Mr. James R. Barber, III
Former Councilman, Richland County Council

Mr. Rudolph C. Barnes, Jr.
Former Councilman, Columbia City Council

Senator John Drummond (D)
District 10
Greenwood and McCormick Counties

Representative Parker Evatt (R)
District 71 - Richland County

Mr. William Leeke
Commissioner
S.C. Department of Corrections

Mr. Dick Stanland
Senior Vice-President
Lease Management
KEENAN COMPANY

Lieutenant-Governor Nick A. Theodore
State of South Carolina

The Honorable Candy Y. Waites
Richland County Council

009507

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Appendix I: Layout of Central Correctional Institution (CCI).

Appendix II: PROVISO passed by the General Assembly in 1985 authorizing the State Budget and Control Board to enter into lease-purchase agreements for the replacement of CCI.

Appendix III: Definition of Privatization.

"Tax-Exempt Lease Purchase Financing," by John W. Gillespie, Jr., Tax-Exempt Leasing Specialist, MORGAN STANLEY AND COMPANY INCORPORATED.

Appendix IV: Attorney General's Opinion dated December 19, 1985 regarding the long term debt effect of lease-purchase financing.

Appendix V: Letter dated February 16, 1987 from M. William Youngblood, Jr., MCNAIR LAW FIRM, P.A., addressing concerns regarding a lease-purchase arrangement.

Appendix VI: Letter dated February 27, 1987 from Nelson Meek, Director, Division of Construction, Engineering and Maintenance, S.C. Department of Corrections, providing cost estimates of a new 1200-bed prison facility.

Letter dated April 14, 1986 from William D. Leeke, Commissioner of the S.C. Department of Corrections, concerning renovation costs at CCI.

Letter dated October 4, 1986 from Nelson Meek regarding mandatory renovation projects needed if CCI is not relocated.

Appendix VII: Consent Decree resulting from the Nelson v. Leeke lawsuit as it pertains to CCI.

Appendix VIII: Letter dated November 13, 1986 from Senator Horace C. Smith, Chairman, Joint Bond Review Committee, advising the Budget and Control Board that the Committee had found the lease-purchase financing method to be an acceptable financing method for the removal of CCI.

009508

CENTRAL CORRECTIONAL INSTITUTION (CCI)
RELOCATION TASK FORCE

CHRONOLOGY

MARCH 27, 1984 - Senator John Drummond, Chairman of the State Reorganization Commission, appointed a Task Force composed of members from the State Legislature, Richland County Council and Columbia City Council to look into the feasibility of relocating the Central Correctional Institution (CCI).

JULY 17, 1984 - First meeting of the CCI Relocation Task Force. The members received an overview of CCI, pending lawsuits, and the waterfront property the institution is located on. They heard a presentation on alternative financing options such as lease/purchase agreements. Members of the Task Force requested more information regarding the population at CCI, an evaluation of the property, specific assumptions with respect to financing options, and the city's plans regarding this waterfront property.

AUGUST 30, 1984 - Second meeting of the CCI Relocation Task Force. The members toured the facilities at CCI and heard a presentation concerning the replacement needs involved. They received presentations regarding the appraisal of the property, the bonding situation, specifics regarding the least/purchase option, and the city of Columbia's plans concerning this property. At the conclusion of the meeting, the members had agreed on a tentative timetable which would result in their recommendations to the Budget and Control Board.

FEBRUARY 15, 1985 - Third meeting of the CCI Relocation Task Force. The members received two "team" presentations concerning financing alternatives for the relocation of CCI. Tentative approval was given to the lease/purchase approach and more information was requested from a cost standpoint. It was also deemed necessary to prepare a legislative proviso that would authorize lease/purchase financing.

JUNE 20, 1985 - Proviso drafted by staff authorizing the use of the lease/purchase financing option was adopted in the state budget. The proviso stated in part, "...After consultation with the Joint Bond Review Committee and the State Reorganization Commission, the State Budget and Control Board is authorized to enter into lease-purchase agreements...Replacing the Central Correctional Institution..."

JULY 23, 1985 - Fourth meeting of the CCI Relocation Task Force. The members received a presentation comparing lease/purchase financing versus the use of general obligation bonds. The members agreed that a request for proposals needed to be drawn up for both a 1200-bed facility and a 600-bed facility so the costs could be readily compared, but the consensus of the group was that a 1200-bed facility would be more cost efficient for the relocation of CCI. They also agreed that there needed to be a concerted effort to coordinate efforts with the Joint Bond Review Committee in order to make a presentation to the Budget and Control Board on the requests for proposals.

009509

SEPTEMBER 9, 1985 - An Attorney General's opinion was requested as to whether the use of lease-purchase financing for the construction of new prison facilities would have the same long term debt effect as the use of general bonds.

NOVEMBER 17, 1985 - Staff met with representative Jean Toal, Chair of the CCI Relocation Task Force, to go over the requests for proposals in order to make their recommendations to the Budget and Control Board.

DECEMBER 9, 1985 - The Attorney General's opinion concerning lease-purchase financing was received. In summary, the opinion stated that if a non-appropriations clause is present in the lease-purchase agreement, the state's long-term debt would not be effected.

JANUARY, 1986 - AUGUST, 1986 - The Department of Corrections and State Reorganization Commission staff jointly worked on finalizing a request for proposals for a 1200-bed medium/maximum correctional facility to replace CCI.

AUGUST 12, 1986 - Fifth meeting of the CCI Relocation Task Force. The members approved a draft of the request for proposals to replace CCI after suggesting some minor changes and recommended that efforts be made to make presentations to both the Board of Corrections and the Joint Bond Review Committee.

SEPTEMBER 9, 1986 - Presentation was made to the South Carolina State Board of Corrections. The Board backed the proposal of the task force to relocate CCI by building a new prison under a lease-purchase agreement.

OCTOBER 1, 1986 - Presentation to the Joint Bond Review Committee. Additional Information was requested by the members of the Committee and another meeting was scheduled for October 15 to review the same.

OCTOBER 15, 1986 - Additional information was provided to the Joint Bond Review Committee concerning financing alternatives and the Committee, upon reviewing the information, decided that general bonds should be used to finance the relocation of CCI.

NOVEMBER 6, NOVEMBER 12, 1986 - After hearing presentations from the State Treasurer, Honorable Grady Patterson, and receiving further information regarding the financing alternatives, the Joint Bond Review Committee voted to advise the Budget and Control Board that the lease-purchase financing method was found to be an acceptable financing method for the relocation of CCI.

009510

BACKGROUND

The Central Correctional Institution (CCI) is the oldest--and still houses the largest inmate population--of any prison in the 27-institution South Carolina Corrections system (See Appendix I for layout).

Located in downtown Columbia, on the banks of the Congaree River canal, the prison houses more than 1,200 inmates in an area of 27 acres, about one-seventh of what is considered secure land space for a prison that size today.

The original state penitentiary building, a stone structure completed in 1868, still stands, and because of cell space shortages in the system, it still houses 250 inmates. Conditions in the building (Cellblock One) are such, however, that inmates are assigned to its small cells only on a voluntary basis.

In addition to Cellblock One, the CCI complex includes four cellblocks and 11 wards, all of which date back more than 20 years. Other buildings still in use include the Richards Building (built in 1927), and the Griffith Building, originally constructed in 1937 as a hospital wing.

The Death House, which contains the state's electric chair, dates back to 1912, and was renovated in the 1970s. The Department of Corrections is in the process of moving it to newer quarters on Broad River Road.

In recent years, the aging CCI complex has grown expensive to maintain, repair and renovate. In the last two years, repairs totalling more than a quarter of a million dollars were incurred to install sprinklers and fire alarms, as well as to provide other necessary maintenance.

Other expensive repair and renovation items, including asbestos removal, plumbing, and cafeteria and kitchen work, have been deferred pending a decision on whether CCI will be relocated.

009511

INTRODUCTION

The Central Correctional Institution (CCI) Relocation Task Force was created in March, 1984 as an outgrowth of the prison overcrowding work conducted by the State Reorganization Commission.

Rep. Jean H. Toal of Richland County was appointed by Commission Chairman Sen. John Drummond to chair the 10-member Task Force, which also included local governmental officials, local and statewide legislators, a businessman and Correctional Commissioner William Leeke.

The Task Force was charged with the assignment of studying the feasibility of terminating the use of CCI, and relocating its inmates elsewhere. During the course of its work, the Task Force has been supported by the Jail/Prison Overcrowding Project staff of the State Reorganization Commission.

The study has included, among other factors, examination of the following:

* Existing conditions and facilities at CCI;
* Innovative design and construction methods for correctional facilities;
* Private financing methods for governmental facilities;
* Legal and constitutional issues involving private financing of prison facilities;
* Current and projected capital debt commitments of the state;
* Projected needs for new prisons;
* Operating, maintenance, repair and renovations costs at CCI;
* Requirements of the Nelson v. Leeke agreement.

This report contains the findings of the Task Force and its recommendations.

009512

SUMMARY

The CCI Relocation Task Force recommends to the Budget and Control Board, pursuant to the statutory authority as contained in Section 28 of the 1985-86 General Appropriation Bill, that:

--The Board exercise its authority per Section 28 (See Appendix II) to utilize private financing (See Appendix III for definition), construction and ownership in the provision of a new 1200-bed prison facility to replace CCI; and

--The Board initiate steps as expeditiously as possible through the issuance of one or more Requests-for-Proposals for the development of such a prison through private financing and ownership so that optimum financial benefits may be realized by the state; and

--Upon completion of such prison, the State enter into a lease-purchase agreement (See Appendix III for description) whereby it will continue full operation, control and management of its prison system, and will assume ownership of the prison upon completion of the lease agreement.

The Task Force bases its recommendations on the following findings:

1. That private financing, construction and ownership of prisons, under lease-purchase agreements with governments, is a viable and responsible alternative to traditional governmental financing (See Appendix IV for Attorney General's Opinion);

2. That South Carolina's needs for additional prison bed-space, as well as other capital needs, will in all likelihood dominate the state's near-term bond capacity, delaying the removal of CCI through traditional financing mechanisms (See Appendix V for discussion) and resulting in significant cost to the state in renovating and maintaining CCI in the interim;

3. That efficiencies to be realized through private participation can reduce the narrow cost difference between general obligation financing and private lease-purchase financing;

4. That technological advances and innovation in design and construction methods can achieve considerable cost reductions;

5. That constructing a single 1200-bed prison, as opposed to the standard 600-bed prototype can result in significant economies of scale;

6. That savings to be reduced through (1) avoidance of renovation costs, (2) reduction in staffing requirements, (3) reduction in utilities costs, and (4) reduction in maintenance costs, more than offset whatever additional expense may be incurred through using private financing as opposed to governmental financing.

009513

As additional factors, the Task Force further notes that (1) the state's expense in the relocation of CCI is further offset by whatever financial benefit may be realized through the sale or other disposition of the riverfront property on which CCI now sits, and (2) potential cost avoidance is realized through early construction of a replacement prison because of the four percent per year increase in construction costs.

For purposes of current considerations, however, the latter two considerations were not used in developing costs comparisons because they would apply whether traditional general obligation debt or private financing were used for the new prison.

The following itemization is presented in support of the above findings.

CONSTRUCTION COST SAVINGS. Three years ago, cost estimates for a 600-bed prototype medium-maximum prison were in the neighborhood of $30-$35 million each. Accommodating 1200 inmates under such an arrangement could thus be expected to cost in the range of $60-$70 million.

Most recent estimates (See Appendix VI), recognizing new design and construction methods, as well as economies of scale to be realized from building a 1200-bed facility, place the projected cost of a CCI replacement at $45 million, a reduction of some $15-$25 million compared to earlier estimates.

UTILITY COST SAVINGS. It costs almost $1 million a year to pay the natural gas, electric and water/sewer bills at CCI, or about $2,700 a day. By comparison, the similar costs at Perry Correctional Institution, with a comparable inmate population, are slightly more than $377,000.

It can be estimated that the state pays about $550,000 more (See Appendix VI) in utilities every year at CCI than it would in a newer, more cost-efficient facility. That amounts to about a $1,500 loss to the State for every day that CCI remains open. The table below summarizes the utility cost savings.

YEAR	UTILITY COST SAVINGS
1988	*
1989	*
1990	552,000
1991	552,000
1992	552,000
5 YR. TOTAL	1,656,000
10 YR. TOTAL	4,416,000
15 YR. TOTAL	7,176,000

009514

PERSONNEL COST SAVINGS. Newer design models reduce the number of guard posts required to secure a 1200-bed institution. Using such a design, and comparing that with the current CCI staffing pattern, it is estimated that personnel reductions could amount to annual savings of $341,008. The following table summarizes these cost savings.

YEAR	PERSONNEL SAVINGS
1988	*
1989	*
1990	341,008
1991	341,008
1992	341,008
5 YR. TOTAL	1,023,024
10 YR. TOTAL	2,728,064
15 YR. TOTAL	4,433,104

MAINTENANCE COST SAVINGS. Aside from routine gas, electric, water and sewer bills, other maintenance bills, because of the institution's advanced age, run in the neighborhood of ($182,000). At the state's newest correctional institution, Lieber, comparable cost are $50,000 per year. The potential for annual savings in maintenance costs is approximately $132,000.

RENOVATION COST SAVINGS. Under the requirements of the Nelson v. Leeke settlement (See Appendix VII for details), as well as other needed improvements, almost $15 million must be spent at CCI over the next five years renovating and repairing buildings and systems (See Appendix VI for details). Replacement of CCI under an accelerated program could avoid almost all these costs. The renovation cost savings are summarized below.

YEAR	CCI RENOVATION COST SAVINGS
1988	3,811,000
1989	3,567,000
1990	2,177,000
1991	1,421,000
1992	3,896,000
5 YR. TOTAL	14,872,000
10 YR. TOTAL	14,872,000
15 YR. TOTAL	14,872,000

009515

A summary of the cost savings associated with a new 1200-bed prison facility is shown in the table below.

COST SAVINGS WITH NEW FACILITY

YEAR	OPERATING COST SAVINGS		CCI RENOVATION COST SAVINGS	TOTAL COST SAVINGS BY REPLACING CCI
	Utility Cost Savings D	Personnel Cost Savings E	F	G= D+E+F
1988	*	*	3,811,000	3,811,000
1989	*	*	3,567,000	3,567,000
1990	552,000	341,008	2,177,000	3,070,008
1991	552,000	341,008	1,421,000	2,314,008
1992	552,000	341,008	3,896,000	4,789,008
5 YR. TL.	1,656,000	1,023,024	14,872,000	17,551,024
10 YR. TL.	4,416,000	2,728,064	14,872,000	22,016,064
15 YR. TL.	7,176,000	4,433,104	14,872,000	26,481,104

009516

FINANCING. Estimates vary in comparing private and governmental bond financing, depending on market conditions and methodology used, as well as the type of facility to be financed through private means. Less-vital governmental facilities, for example, are considered higher risk for private investors than such essential governmental institutions as prisons.

For that reason, financial advisers have suggested that the actual interest gap between South Carolina's highly-rated AAA general obligation bonds, and private bonds used to finance a lease-purchase prison venture could be as low as 20-30 basis points.

Using actual market conditions on Thursday, March 5 of last week, the following comparisons were provided:

FINANCING COST COMPARISON ($45M)

YEAR	G.O. Bonds	Private Funds (Lease-Purchase)	Cost Difference
	A	B	C = B-A
1988	4,324,040	4,435,233	111,193
1989	4,324,040	4,435,233	111,193
1990	4,324,040	4,435,233	111,193
1991	4,324,040	4,435,233	111,193
1992	4,324,040	4,435,233	111,193
5 YR. TOTAL	21,620,200	22,176,165	555,965
10 YR. TOTAL	43,240,400	44,352,330	1,111,930
15 YR. TOTAL	64,860,600	66,255,265	1,394,665

The table on the following page summarizes the tables shown above.

EXHIBIT

009517 MAR 10 1987 NO. 10

STATE BUDGET & CONTROL BOARD

CENTRAL CORRECTIONAL INSTITUTION (CCI) RELOCATION TASK FORCE

COSTS/SAVINGS ANALYSIS

YEAR	FINANCING COST COMPARISON ($45M)			COST SAVINGS WITH NEW FACILITY			
				OPERATING COST SAVINGS		CCI RENOVATION COSTS SAVINGS	TOTAL COST SAVINGS BY REPLACING CCI
	G.O. BONDS	PRIVATE FUNDS (LEASE-PURCHASE)	COST DIFFERENCE	UTILITY COST SAVINGS	PERSONNEL SAVINGS		
	A	B	C = B - A	D	E	F	G = D + E + F
1988	4,324,040	4,435,233	111,193	*	*	3,811,000	3,811,000
1989	4,324,040	4,435,233	111,193	*	*	3,567,000	3,567,000
1990	4,324,040	4,435,233	111,193	552,000	341,008	2,177,000	3,070,008
1991	4,324,040	4,435,233	111,193	552,000	341,008	1,421,000	2,314,008
1992	4,324,040	4,435,233	111,193	552,000	341,008	3,896,000	4,789,008
5 YR. TOTAL	21,620,200	22,176,165	555,965	1,656,000	1,023,024	14,872,000	17,551,024
10 YR. TOTAL	43,240,400	44,352,330	1,111,930	4,416,000	2,728,064	14,872,000	22,016,064
15 YR. TOTAL	64,860,600	66,255,265	1,394,665	7,176,000	4,433,104	14,872,000	26,481,104

* : New facility under construction - no utility or personnel savings realized.

Column A: Based on the market rate for G.O. Bonds of 5.68 percent as of 3/09/87.
Column B: Based on the Certificate of Participation rate of 5.99 percent as of 3/09/87.
Column D: See Appendix V1 for details.
Column E: Based on 20 fewer staff positions at $17,050 per position per year at the new facility.
Column F: See Appendix V1 for details.

009518

EXHIBIT NO. 10
MAR 10 1987
STATE BUDGET & CONTROL BOARD

In 1985, the South Carolina General Assembly passed a Proviso of the 1985-86 General Appropriation Bill that authorizes the Budget and Control Board to enter into a lease-purchase agreement for the purpose of replacing CCI if the following conditions are met:

The agreement must:

1) be demonstrated to be comparably cost effective to traditional financing methods;

2) result in long term operational cost savings;

3) be in compliance with the standards enunciated in Nelson v. Leeke;

4) result in the provision of a new facility of sufficient bed, program and support space more expeditiously than traditional methods;

5) minimize the wasteful expenditure of funds for further capital improvements to CCI; and,

6) be subject to the year to year appropriation process of the General Assembly.

Based on the findings enumerated herein, the CCI Relocation Task Force and the Joint Bond Review Committee (See Appendix VIII) agree that these conditions have been met and concurrently make this recommendation to the Budget and Control Board.

009519

APPENDICES

009520

APPENDIX I

009521

CENTRAL CORRECTIONAL INSTITUTION (CCI)

LANDS AND BUILDINGS

NUMBER	DESCRIPTION
001	Griffith Building
002	Officer's Quarters
003	Langford Hall
004	Stoney Psyc. Building
005	Industries Building
006	PI Warehouse
007	Chapel
008	Cell Block I
009	Cell Block II
010	Cell Block III
011	Boiler House
012	Vocational Building
013	Cafeteria Complex
014	Residential Qtrs-Fr. San.
015	Outside Visitor Bldg.
016	Hospital Complex
017	Richards Building
018	Death House
019	Bldg. 4 Wards 1-11
020	Hampton Street Overpass
021	Elec. Dist. System

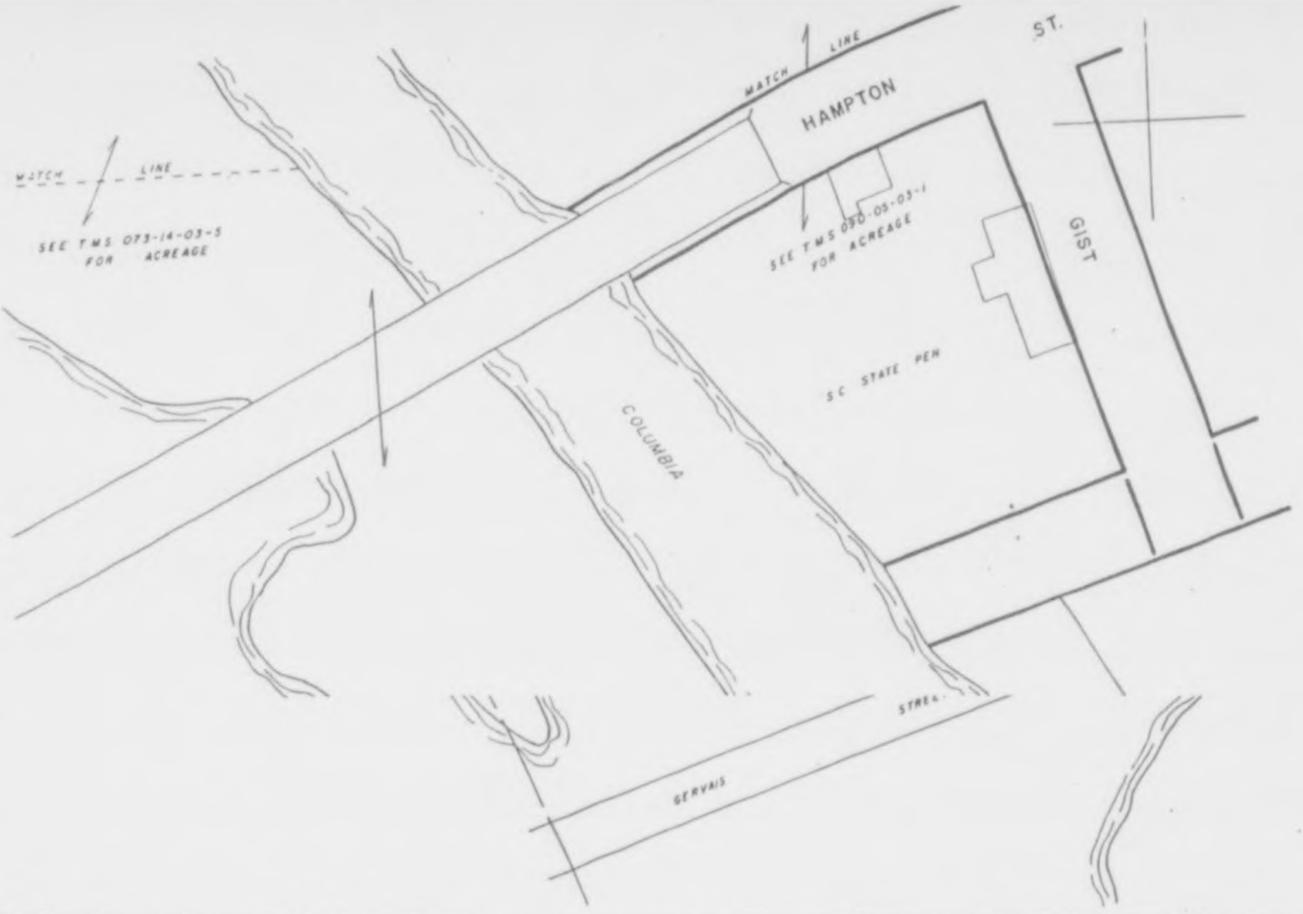
009522

CENTRAL CORRECTIONAL INSTITUTION (CCI)

LANDS AND BUILDINGS

NUMBER	DESCRIPTION
022	Emergency Generators
023	Tag Plant
024	PI Metal Storage
025	Yard Office
026	PI Gate House
027	Admin. Building
028	Recreation Office
029	Latrine
030	Old Body Shop
031	Paint Storage Bldg.
032	Sanitation Shack
033	Vehicle Gate Office
034	Back Gate Office (MSC)
035	Dock (MSC)
036	Parking Lot Security Sta.
037	Visiting Quarters
994	Land 424 Blanding St.(Washntn)
995	Land 1614 Williams St. (Rosen)
996	Land 1612 Williams St. (Rosen)
997	Land 3938 SFT Taylor & Wms
998	Land 27 Acres

009523



FC 12 82
LC 12 82

TAX MAP

ND COUNTY

CAROLINA

RICHLAND COUNTY SOUTH CAROLINA 1793

THIS MAP OR PHOTO SOLD BY THE RICHLAND COUNTY ASSESSOR'S OFFICE. THE BOARD OF ASSESSMENT CONTROL RESERVES THE EXCLUSIVE RIGHT TO SELL AND NO RESALE OR REPRODUCTIONS FOR RESALE PURPOSES IS PERMITTED.

MAP KEY

090	090-05	090-09
	089-08	089-12
089		089-11

GRAPHIC SCALE

0 100 200 300

1" = 100'

LOCATION AND DIMENSIONS OF BUILDINGS MAY NOT BE DRAWN TO SCALE

NORTH

PROPERTY MAP SHEET NO.

08908

SCHOOL DISTRICT

1 C

009524

LAUREL ST.
GIST ST.
WILLIAMS ST.
BLANDING ST.
TAYLOR ST.
SOUTH CAROLINA STATE PENITENTIARY
HAMPTON ST.
2
3

009525

LAUREL
GIST
ST.
BLANDING
WATER TWR
COMPLEX
990
WATER
WORKS
CITY
CITY OF COLUMBIA
700
1218
SOUTH CAROLINA STATE PENIT
CANAL
HAMPTON
LINE
SEE TMS 073-14-03-5 FOR ACREAGE

009526

PULASKI
SOUTHERN
HUGER
BLANDING
TAYLOR
WILLIAMS
SC STATE BOARD OF CORRECTIONS
PROPERTY MAP
SHEET NO
60060
SCHOOL DISTRICT
IC
NORTH
ALE
009527

APPENDIX
II

009528

SECTION 28

TO PROVIDE THAT THE BUDGET AND CONTROL BOARD, UNDER CERTAIN CONDITIONS, IS AUTHORIZED TO ENTER INTO LEASE PURCHASE AGREEMENTS WHICH WOULD PROVIDE THE STATE WITH AN ECONOMICALLY FEASIBLE METHOD OF REPLACING THE CENTRAL CORRECTIONAL INSTITUTION.

In furtherance of the State's interest in complying with the terms of Nelson v. Leeke, and in minimizing potential legal liability in the future, and in furtherance of achieving a cost effective and timely solution to this problem through innovative means available in the private sector, after consultation with the Joint Bond Review Committee and the State Reorganization Commission, the State Budget and Control Board is authorized to enter into lease purchase agreements consistent with the Consolidated Procurement Code of the State of South Carolina which would provide the State an economically feasible method of replacing the Central Correctional Institution (CCI), so long as these agreements (1) can be demonstrated to be comparably cost effective to traditional financing methods, (2) can result in long term operational cost savings, (3) are in compliance with the standards enunciated in Nelson v. Leeke, (4) can result in the provision of a new facility of sufficient bed, program and support space more expeditiously than traditional methods, (5) that will minimize the wasteful expenditure of funds for further capital improvements to CCI, and (6) will be subject to the year to year appropriation process of the General Assembly.

009529

APPENDIX III

009530

PRIVATIZATION

"Privatization" -- a term often used in reference to several types of private investment and involvement in prisons -- came to the attention and interest of the General Assembly in the early 1980s as South Carolina's prison conditions worsened.

The term is loosely applied to at least four types of private involvement:

1. Total ownership, operation, and management of prisons by a private corporation under a contract arrangement with the governmental entity. This is considered to be the "total privatization" concept.

2. Construction and ownership of a prison facility by private investors for lease to a governmental entity. Under this arrangement -- generally known as "lease-purchase" -- the governmental entity continues to operate the prison and usually assumes ownership of the facility at the conclusion of a 15 or 20-year lease.

3. Contracts by government with private corporations for such prison services as food, health care, and others. Such contracts are usually awarded on a bid basis, and often require that private bids be lower than the cost of providing the service by the governmental entity.

4. Contracts by government for special types of inmate care or supervision. Under this type of contract, government may seek private involvement for developing a new program, or for addressing the needs of a class of inmate which could otherwise not receive special attention in the regular inmate population.

009531

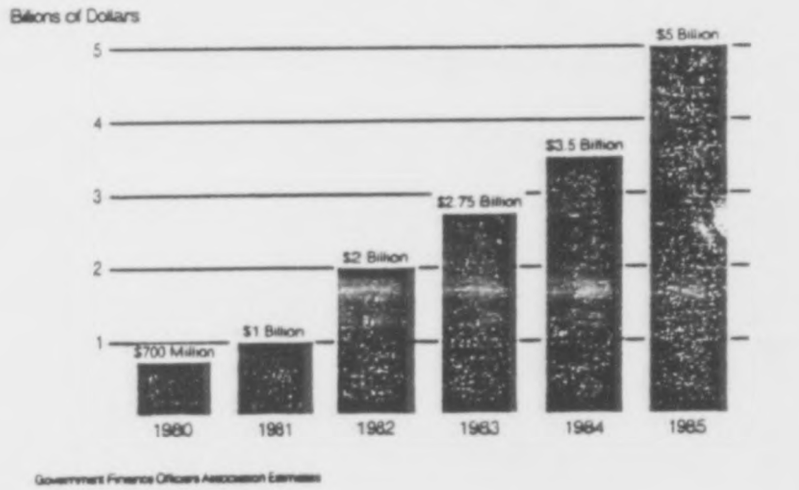
TAX-EXEMPT LEASE PURCHASE FINANCING

by
John W. Gillespie, Jr.
Tax-Exempt Leasing Specialist
Morgan Stanley & Co. Incorporated
1251 Avenue of the Americas
New York, New York 10020

Tax-exempt lease purchase financing, initially used for equipment financing as an alternative to conventional leasing or as a means of avoiding severe restrictions for issuing debt, is now seen by issuers and investors as a far more useful and flexible financing instrument. Lease purchase revenue bonds and certificates of participation have recently become the fastest-growing way for state and local governments to finance buildings, correctional and educational facilities and equipment such as computers, telecommunications systems and vehicles.

As shown in the chart below, the volume of tax-exempt leasing has grown by over 700 percent in the past six years, according to estimates by the Government Finance Officers Association.

Volume of Tax-Exempt Leasing
1980 – 1985



Tax-exempt leasing is currently a five to six billion dollar annual market which should continue to expand in 1986 partially due to several billion dollars in recent authorizations for state building authorities and pooled leasing programs. This dramatic increase is expected to persist as state and local governments continue to seek new ways to finance their capital projects and equipment requirements. Because lease purchase financing structures are somewhat more complicated than other securities and their legal status varies from state to state, a number of misunderstandings have arisen over their use. For example, because lease purchase financing involves a

009532

third party as a nominal lessor, it is often erroneously confused with privatization of municipal facilities. In addition, contrary to simplistic and often inaccurate rules of thumb, the cost gap between lease purchase financing and more traditional mechanisms is far from uniform and requires case-by-case analysis. Most importantly, a number of issuers who could refinance existing vendor leases at far lower pooled rates or who unknowingly use inappropriate lease purchase financing structures are costing their taxpayers millions of dollars in unnecessary interest payments.

The following discussion outlines the basic structure of lease purchase financing and answers a number of questions regarding its use.

What is tax-exempt lease purchase financing?

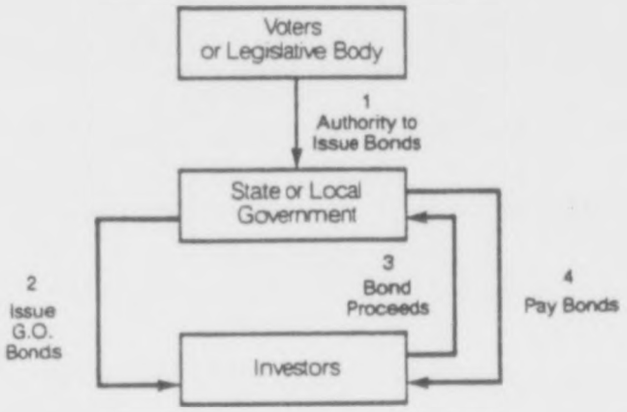
Lease purchase financing can be an attractive alternative to general obligation financing and is being used extensively by state and local governments across the country. Lease purchase revenue bonds differ most from general obligation bonds in their security features. General obligation bonds are secured by the full faith and credit of the government which issues them. The government's taxing powers are thus called upon to make the debt service payments on the bonds. Lease purchase revenue bonds, however, are secured by lease rental payments which flow from the lessee government using the facility or equipment to the entity which issues the bonds. This entity acts as nominal owner and lessor of the facility, and the lease payments flow through the lessor to the bondholders. Thus, the lease payments, which are paid from annual or bi-annual appropriations by the government which uses the facility, are the primary security for lease purchase bonds or certificates.

Although called a lease, the lease purchase agreement actually represents an installment sales arrangement which provides for the financing of capital facilities or equipment. Periodic payments are made to the lessor by the lessee or buyer (any government body, including a state, county or agency). Investors in the lease purchase revenue bonds provide the funds for construction or acquisition. Lease payments must be divided into principal and interest components for the interest portion to be considered tax-exempt income by the parties providing the financing. To be eligible for tax-exempt financing, a lease purchase contract must meet the requirements for tax exemption under Section 103 of the Internal Revenue Code. In brief, the lessee and final owner must be a public entity financing facilities or equipment to further the public interest.

The charts below contrast the financing structure of a typical general obligation issue to a lease purchase transaction.

Financing Structure

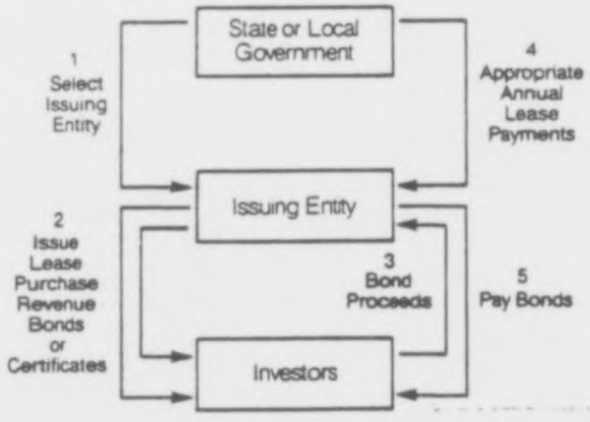
General Obligation Financing



1. Voters or their representatives approve bond issue.
2,3. State or local government issues General Obligation bonds and uses proceeds to finance projects or equipment.
4. Principal and interest on the bonds are paid from general tax revenues, which are pledged for the life of the bonds.

Financing Structure

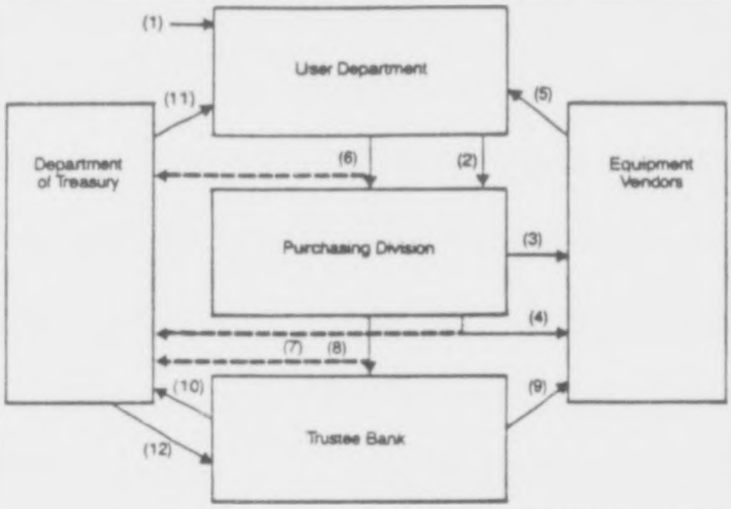
Lease Purchase Revenue Financing



1. State or local government creates or selects entity to issue bonds on its behalf.
2,3. Entity issues lease purchase revenue bonds or certificates of participation and uses proceeds to finance projects.
4,5. Bonds are paid through annual lease payments appropriated by government.

The basic structure for a pooled master lease transaction includes more complicated mechanisms for approving individual vendor purchases and the number of parties involved. The diagram below depicts the structure devised by the State of New Jersey and Public Resources, Inc. for that state's pioneering master lease program.

Master Lease Purchase Program Structure



Activities

(1) User Department determines equipment needs and specifications
(2) User Department requests Purchasing Division to acquire equipment through Request for Proposal or by Waiver
(3) Procurement process followed and winning bidder is selected
(4) Award Letter issued
(5) Vendor delivers equipment
(6) User Department inspects and accepts equipment if specifications are met. User Department executes Acceptance Certificate
(7) Director of Purchasing Division countersigns Acceptance Certificate
(8) Director issues Requisition Certificate to Trustee Bank
(9) Trustee pays vendor
(10) Trustee advises Treasury of account earnings which reduce rentals
(11) Treasury issues debits for User Department's share of net rentals
(12) Treasury pays rentals to trustee from appropriated funds

What parties are involved?

The government body, as lessee, enters into a lease purchase agreement with another municipal entity (either another government or a duly empowered body such as a public building authority or a department of administration) or with a non-profit, IRS Ruling 63-20 corporation* acting as lessor. For this purpose the lessor is often simply an entity created by the government body for the purpose of issuing bonds on its behalf. In some cases (as, for example, with the Ohio Building Authority) the issuing entity is also empowered to operate and maintain the property under agreements with government departments. The financing can also be structured through a municipal leasing corporation or bank trustee which would act as nominal

---

* Corporations organized under the general non-profit corporation ("NPC") law of a state or county are deemed to be issuing bonds on behalf of a political subdivision when following the rules set forth in Revenue Ruling 63-20 of the IRS. Such entities can be created relatively quickly by a state or local government or an exising NPC's charter might be changed for this purpose.

lessor and hold title to the facility, while tax exempt certificates of participation evidencing proportional interests in the lease payments are sold by an investment bank in the same manner as municipal bonds are sold.

In addition, a law firm acting as bond counsel or special tax counsel must render an opinion regarding the tax exemption on the bonds and the validity and enforceability of the lease. Additional attorneys -- including counsel to the lessee, the nominal lessor and the underwriters -- are often involved, especially for larger or more complex transactions. In some cases, governments also employ a financial advisory firm to assist in structuring the transaction and advise on the pricing of the securities. An appraiser may also be required if the authorizing statutes require that the lease payments reflect a fair market value for the leased property.

What is the procedure for lease purchase financing?

Before construction of the facility or acquisition of the equipment begins, the state or local government would enter into a lease purchase agreement with a lessor providing for lease payments by the government body. In some cases the financing can be done after construction starts, with the bond proceeds reimbursing the government for construction advances. In a public sale, an investment bank would purchase the bonds from the issuer and sell them to investors whose investments would be secured by the lease payments due from the state or local government. The lease payments would be assigned to a trustee bank and would be paid to bondholders; the interest portion would be exempt from federal income taxes (and usually from state and local income taxes in the state of issuance). For construction projects, there is often a ground lease in which the government simultaneously leases the underlying land for a nominal sum to the lessor until such time as the lease revenue bonds are fully amortized or for a specified period of time after an event of non-appropriation to allow re-leasing of the facility to another party.

The primary documents for the transaction are: (i) a lease purchase agreement defining the terms of the lease; (ii) a trust indenture defining the responsibilities and duties of the trustee bank and the lessee; (iii) an assignment agreement between the nominal lessor and the trustee transferring the lease payments and other rights to the trustee on behalf of the bondholders; (iv) a ground lease from the lessee to the lessor, if necessary to secure a real property transaction; (iv) any required authorizing documents from the governmental entities; (v) the agreements and documents relating to the underwriting and sale of the securities; and (vi) the legal opinions regarding the tax exemption and validity of the lease.

The trustee bank holds and disburses the proceeds from the sale of the bonds to meet the construction or acquisition schedule in accordance with the trust indenture. Prior to drawdown, balances in the fund would be invested in taxable securities in order to produce interest earnings to help minimize the net cost of the property.

How is construction risk handled?

Pursuant to the lease, rental payments from the government body could commence upon issuance of the bonds and not be contingent upon completion of the facility. In this scenario, construction risk is borne by the lessee in the same manner as in general obligation financing. Such an arrangement accommodates bondholders who would expect timely and full payment of interest and principal due on the bonds. In general, investors in tax-exempt instruments are risk averse and are less willing to invest in a project when repayment of their investment is conditioned upon successful completion of construction and the resulting commencement of lease payments. Similarly, the lessor is typically not able to bear construction or completion risk in the financing, especially when it is an entity created solely to issue debt securities on behalf of the government body.

Successful lease purchase financing therefore requires the government body to either make lease payments before project completion or obtain insurance against construction and completion risk from a third party, so that neither the government body, the bondholders nor the lessor bears this risk. A contractor, perhaps with the assistance of a financial institution, could cover any construction cost overruns and could also provide financing in the event of a delay (i.e., contracting for a guaranteed maximum price and a guaranteed completion date with per diem liquidated damages at least equal to the financing cost). Some extraordinary events are difficult to insure. For example, problems caused by natural disasters, war, breakdowns in the transportation system and strikes are rarely covered in standard insurance arrangements. However, adequate insurance of construction and completion risk can usually be obtained, if desired, especially in light of the straightforward nature of most public building construction and its technological simplicity. The cost of insurance coverage (construction bonding) is usually passed on in a fixed price construction contract. Alternatively, the issuer might self-insure against risks or the underwriter can sometimes assist the issuer in obtaining a bank letter of credit or municipal bond insurance.

Who owns the facility?

Title to the facility would usually be assigned from the nominal lessor and held in trust by a trustee bank for the benefit of the bondholders throughout the term of the lease. Together with call provisions on the bonds (which typically provide 10 years of call protection for long-term bonds), the government body could have the option to purchase the facility prior to the termination of the lease for a payment equal to the outstanding principal component of the lease payments (and usually a two or three percent call premium which gradually reduces to zero). Title would pass to the lessee and the lessee would own the facility free and clear at the end of the term specified in the lease agreement. Transfer of the facility to the lessee when amortization of the bond is complete often requires a nominal payment of one dollar. This contrasts with financings involving a true lease with private ownership of the facility and the capture of depreciation benefits, which would require a payment at the fair market value of the property if the government wished to acquire it at the conclusion of the lease.

For federal and state income tax purposes, a lease purchase transaction would be considered a conditional sale implying ownership by the government body. For this reason, no tax benefits such as depreciation or investment tax credit would be available to any private tax-paying entities involved in the financing. Conversely, the property typically would not be subject to real estate taxes, as the government body is the user. In some cases, legal title to the facility must continue to be held at all times by the government, with a security interest or contractual right to use the property held by the trustee in case of an event of non-appropriation.

What is the non-appropriation clause?

The lease and the subsequent financing provided by the lessor in most cases is not considered a debt obligation of the government body because the lease would be subject to annual appropriation (in some states such as Michigan and New Jersey, it is not considered to be debt even if there is a contractual obligation to make payments for the entire lease period). For this reason, lease purchase financing is often used in situations where governments are constrained by debt limitations or referendum requirements regarding the issuance of debt. Typical non-appropriation language, which would be included in the lease, would be similar to the following:

> Lessee reasonably believes that funds can be obtained sufficient to make all Lease Payments due during the term of the lease. Lessee hereby covenants that it will do all things lawfully within its power to obtain and maintain funds from which Lease Payments may be made, including making provisions for such payments to the extent necessary in each bi-annual or annual budget submitted for the purpose of obtaining funding, using its bona fide best efforts to have such portion of the budget approved, and exhausting all available review and appeals in the event such portion of the budget is not approved.
>
> In the event that the Lessee is unable to obtain funding for any renewal term, Lessee shall have the right to terminate this Lease at the conclusion of the then current term of the Lease and shall neither be obligated to make any Lease Payments due beyond the current term, nor to make any concluding payment whatsoever, and this lease shall terminate as to that leased facility. Provided, however, that in the event Lessee does not appropriate such funds, Lessee will use its good faith best efforts to acquire the necessary funding from other agencies or sources. Upon termination as provided for above, Lessor or its agents or assigns have the right to take possession of the leased facility and Lessee shall be liable to return the leased facility to Lessor in full operational and good working order.

What is the accounting treatment of the lease obligation?

In a few recent cases lease purchase bonds have been sold without a security interest in the facilities or equipment (i.e. the lessee keeps the property upon an event of non-appropriation). Because the non-appropriation clause could permit the government body to stop making lease payments without defaulting under the lease, the obligation has often been treated as a current expense and has only been listed in the footnotes to the balance sheet. The National Council on Governmental Accounting's Statement 5 on accounting for

leases recommends additional accounting disclosure of such obligations, including calculation of the present value of the lease obligation on the municipality's balance sheet. Accounting treatment of governmental lease obligations is expected to be clarified further by the Government Accounting Standards Board.

How can lease purchase bonds preserve general obligation debt capacity?

In most cases the government body's commitment under the lease would be conditioned upon appropriation. In contrast, financing through general obligation bond offerings requires the "full faith and credit" or tax-supported pledge of the government body. Lease purchase financing can be an attractive way to avoid general obligation borrowing and to allow administrative flexibility under tax-supported debt restrictions. Its use, however, can occasionally signal potential political problems within a government or voter resistance to incurring debt, both of which may be a cause for concern by the rating agencies and investors.

What is the real security behind the bonds?

In assessing the security of investing in instruments backed by a lease purchase agreement, investors and rating agencies evaluate the possibility of an event of non-appropriation by the lessee. According to rating agency analysts, the nature of the facility which is being financed and its importance to the lessee's efforts to discharge its responsibility of providing essential services is pivotal. Lease purchase financing of facilities such as convention centers or parks is not as well received by investors as bonds backed by lease purchase agreements associated with the financing of more essential facilities. Correctional facilities, for example, represent an extreme in essential use because governments obviously must avoid closing down a correctional facility and releasing prisoners. Investors, for this reason, regard lease purchase financing involving such facilities as representing a strong and attractive credit. To formalize this situation, the state or local government lessee is sometimes required to provide a letter setting forth the essential nature of the leased property.

What is a non-substitution clause?

Investors traditionally have been comforted by the inclusion of a non-substitution clause in the lease purchase agreement which would preclude the government body from acquiring the same or a similar facility for a period of time in the event of non-appropriation. This can reduce the risk of early termination of the lease for other than the legitimate absence of sufficient funds. Typical non-substitution language would read as follows:

> The Lessee agrees that in the event the Lessee exercises its right to terminate this Lease in accordance with the non-appropriation provisions contained herein, the Lessee will not purchase, lease, or rent other property for the purpose of performing the functions and projects which were to be performed by the leased facility for a period of one year from the date of termination of this lease.

There is some controversy over the enforceability of the non-substitution clause if the government appears be contracting away its ability to perform an essential function (e.g, using police vehicles). Therefore, while helpful in a transaction, non-substitution language is relied upon less by investors now than in the past.

How are credit ratings determined for lease purchase issues?

The rating agencies generally rate lease purchase issues one full grade below the general obligation rating of the lessee. For example, if a state or local government is rated AA, the lease purchase issue would generally be rated A. This rating policy stems from the risk of non-appropriation. Factors which could improve such a rating are: (i) extremely strong security features in the lease including a lengthy lease term, automatic lease renewals, a contractual requirement to make lease payments or a non-substitution clause; (ii) additional security backing (such as municipal bond insurance or a bank letter of credit), specific additional revenues pledged toward payment on the bonds or an equity input into the acquisition funds or the reserve funds; (iii) powerful evidence of the essentiality of the facility; and (iv) historical experience by the lessee in making appropriations for tax-exempt municipal leasing. As described below, the lower rating will usually translate into between one-quarter and one-half of a percentage point in additional interest compared to the lessee's general obligation bonds.

How does the cost compare to conventional debt financing?

The nominal interest cost on bonds backed by a "full faith and credit" general obligation pledge is typically lower than the interest rate charged for bonds backed by a lease purchase agreement. This differential reflects the added risk which the possibility of non-appropriation introduces into a lease purchase structure. Depending on the given credit ratings and market factors (such as demand for bonds offering tax exemption in a certain state), this differential has typically ranged from one tenth of one percentage point to one percentage point above the lessee's general obligation interest costs. A well-secured lease purchase bond should fall into the lower end of this range and, in rare cases, there will be no difference in interest costs between the two.

As noted in the 1986 revised edition of the Government Finance Officers Association's Guide to Municipal Leasing, the interest rate spreads between general obligation bonds and lease purchase bonds have narrowed significantly in recent years as investors have gained a thorough understanding of annual appropriation risk and as outstanding lease purchase bonds continue to avoid major problems. This trend is expected to continue in the future.

Another major factor in the cost differential between lease revenue and general obligation bonds has been the ability to earn arbitrage profits on the reserve funds for lease purchase issues. By employing a lease purchase structure, the government body can fund out of bond proceeds a debt service reserve fund providing reasonably required added security to the bondholders. The debt service reserve fund would usually be structured to cover a full year's lease payments on the facility. In addition, a contingency reserve fund could permit the government body to cover the cost of damage to the

facility without having to turn to the legislative body for emergency funding. Under present tax laws, these funds together can be as large as 15% of the total size of the bond issue and still be invested in U.S. Government securities bearing higher, taxable interest rates and thereby producing investments earnings above the issue's interest cost during the life of the bonds. The resulting arbitrage profits can significantly reduce the net cost of lease purchase financing and -- under some market conditions for reinvestment -- even allow a lower cost for lease purchase transactions. General obligation bonds do not benefit from the arbitrage earnings which reserve funds presently can provide because the increased security of general obligation bonds eliminates the need for such reserve funds.

The chart below shows the arbitrage spreads available during the past 30 months for a typical A-rated issue invested in 5-year T-Bills.

Historical Arbitrage Conditions

Tax-Exempt Revenue Bonds vs. 5-Year Treasury Investments
1984 – 1986 (June 12)

Source: Data Resources, Inc.

Each percentage point of arbitrage on a $100 million issue with 15% reserve would save $4.5 million in lease payments over the life of the bonds.

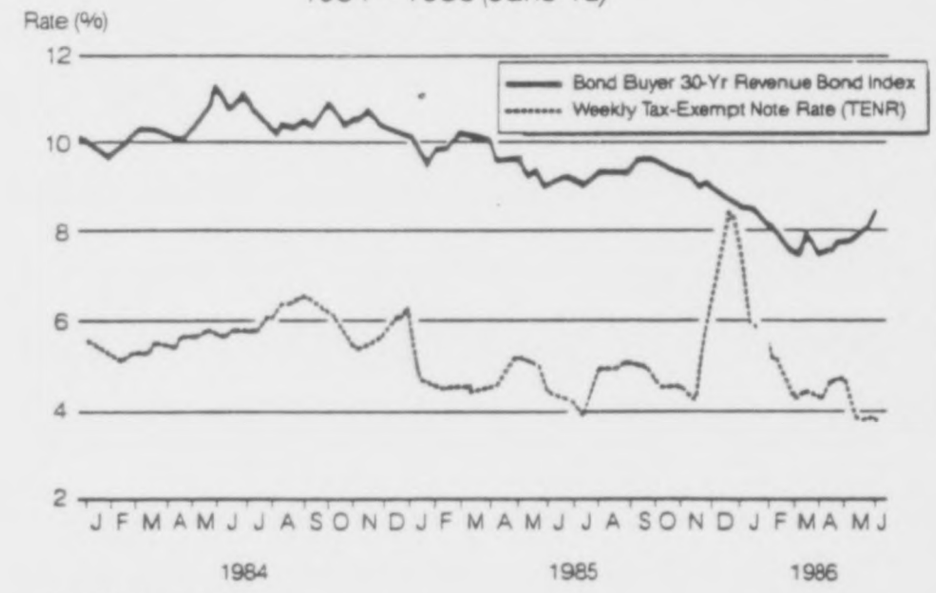
The House-passed version of the 1986 Tax Reform Act (H.R. 3838) would require any positive arbitrage earnings (i.e., investment on earnings above the true interest cost on the bonds) to be rebated to the federal government. The effective date for this provision governing so-called "essential purpose bonds" is currently September 1, 1986 under a House-Senate leadership and Treasury Department letter of agreement. The version of the Act currently before the U.S. Senate would also require a rebate of any positive arbitrage

earnings. A government currently considering a lease purchase issue may save a great deal of money if it is able to complete its transaction prior to the effective date of this legislation.

In addition to arbitrage considerations, a government should factor in all related costs of the financing alternatives, including (i) the cost of a bond election; (ii) potential avoidance of certain construction or procurement requirements; (iii) potential timing savings; (iv) avoidance of court intervention if construction is not started; (v) ability to consolidate financings under a master lease; (vi) administrative cost and relative costs of issuance; (vii) the potential for using a negotiated sale or new techniques to reduce interest costs; and (viii) potentially wider public markets than might otherwise be available. In one recent example a county which desired to obtain the savings available from a variable rate structure was only legally permitted to do so under a lease purchase transaction. The potential interest rate savings are depicted in the diagram below.

Weekly Tax-Exempt Notes vs. 30-Year Tax-Exempt Revenue Bonds

1984 – 1986 (June 12)



Source: Data Resources, Inc.

In particular, if a lease purchase transaction allows a faster receipt of funds and a quicker construction start, a government can sometimes avoid significant construction inflation costs (and increase earnings on invested proceeds during the construction period under present law). Similar savings might be obtained if the transaction allows the government to avoid cumbersome construction contracting requirements that add major costs or delays to a project. The comparative costs will thus depend on the respective interest

rates, timing, size of reserve funds, reserve fund investment rates and costs of issuance of the alternate means of financing. These will, of course, vary on a case-by-case basis.

How can municipal bond insurance or a letter of credit improve the security and lower interest costs?

Municipal bond insurance provides a third party guarantee of timely payment of principal and interest on a tax-exempt bond issue. The insurance policy is given in exchange for a one time premium paid upon issuance and calculated as a percentage of total principal and interest payments over the life of the bonds. The insurance provides a AAA rating from one or both of the major credit ratings agencies, which can result in substantial savings after the cost of the insurance is taken into account.

Until a few years ago, tax-exempt leases which depended upon annual appropriations were not considered insurable. More recently, because of new entrants into the municipal bond insurance industry and more experience with annual appropriation risk, lease purchase transactions with strong security features have been eligible for such insurance. Typical insurance premium costs range from .75% to 1% of total principal and interest. For example, insurance for a recent $32 million transaction for the Kentucky Local Correctional Facilities Construction Authority achieved nearly $2 million in present value savings by raising the rating from a likely BBB to AAA. A number of past lease purchase transactions of the Michigan State Building Authority have been insured, largely on the basis of a court-enforceable contractual obligation of the state to make annual appropriations to pay debt service. Present lease purchase transactions in California, Virginia, New Jersey, Maryland, Utah and many other states have obtained municipal bond insurance.

Similarly, a letter of credit from a commercial bank provides a guarantee that substitutes the bank's credit for that of the issuer. The letter of credit, however, is provided in exchange for an annual fee expressed as a percentage of the outstanding principal amount of the bonds. The letter of credit is usually available only for less than the life of a long-term bond issue and would have to be renewed (usually every five years) to remain in effect. Typical fees for a letter of credit are presently in the range of three-eights of one percentage point per annum to three quarters of a percentage, depending on the risk undertaken and the demand for letters of credit.

An issuer and its investment banker would first evaluate the potential costs and economic benefits of using either an insurance policy or a letter of credit for a given bond issue. Conclusions would be drawn based on the interest cost savings of enhancing the credit rating after taking into account the price of the enhancement. The savings would be calculated on a present value basis. In most market conditions, a lease purchase issue which would otherwise be rated A or lower will benefit from the use of insurance, while ratings lower than BBB- are not insurable. Next, the availability of such credit enhancement would have to be determined. This will often depend on the legal constraints on the issuer and the degree to which the issuer is willing to comply with the restrictive covenants which the insurer or bank may require

as prerequisites to an agreement. The investment banker would then negotiate with one or more firms providing credit enhancement to find the most advantageous terms.

How quickly can the lease purchase securities be issued and and what is the procedure?

Legal documentation for lease purchase financing is straightforward and the basic structure is well established. As a result, funds for a facility can generally be obtained within 60 to 90 days of the authorization to use lease purchase financing. It has been possible in some cases to proceed with financing prior to completion of all documentation if funds are required immediately to meet an imminent deadline. This is especially the case for governments which have used such financing in the past.

In addition, the rating agencies and potential credit enhancers will need to learn not only about the specific features of the transaction, but also about the lessee government's credit and the authorizing legislation. The timetable below shows the schedule of activities necessary to complete a typical lease purchase financing for a building once all relevant facilities-related and administrative decisions have been made.

Activity	Time
Select underwriting team, legal counsel, and any required consultants	Week One
Distribute time schedule and outline of process	Week One
Mail bank solicitation letters, if necessary (Including draft of bank agreements to be used)	Week One
Distribute first draft of: Authorization Resolution Bond Purchase Agreement Issuing and Paying Agent Agreement Trust Indenture Bank Agreement Lease Purchase Agreement Assignment Agreement	Week Two
Select Trustee, Issuing and Paying Agent	Week Three
Receive comments on first draft of documents	Week Three
Distribute revised drafts of documents and first draft of Official Statement or Offering Memorandum	Week Four
Submit preliminary documents to rating agencies	Week Four

Receive comments on revised drafts	Week Five
Meet with rating agencies	Week Six
Distribute final drafts of documents and submit package to rating agencies	Week Six
Receive final approval for bond issue	Week Six
Receive ratings	Week Seven
Mail Preliminary Official Statement Price issue Sell bonds	Week Eight
Pre-close Close	Week Eleven

The underwriter takes his fee in the form of a discount -- he buys the bonds at an amount less than the par amount of the bonds. The discount is usually quoted as a percentage of par (e.g. 2.5%) or as a dollar price (e.g. $25 per $1,000 in bonds).

The monies remaining after the underwriter takes his fee are the proceeds which are generally given to a trustee bank to hold and invest on behalf of the issuer. As specified in the trust indenture, the proceeds are deposited into various funds, such as:

Construction Funds

The construction fund is invested in short-term securities which are scheduled to mature when the construction funds are needed. Both the interest income on this fund and the original fund balance are used to make construction expenditures.

Debt Service Reserve Fund

Most project financings require funds to provide security to the bondholders in the event that projected revenues are not available to make a debt service payment. In a leasing transaction, the reserve fund provides security against the risk of non-appropriation. The reserve fund is generally equal to the maximum annual debt service payment, although under current law and if reasonably required, the reserve fund can be as large as 15% of the bond issue size without having to restrict the investment yields to the yield on the bonds.

The debt service reserve fund is generally invested by the trustee bank for the life of the bond issue, and the earnings derived from it can be used to reduce debt service payments, and ultimately lease rental payments. The fund is usually liquidated at the conclusion of the lease agreement to make the final lease payments.

Capitalized Interest Fund

Most project financings do not generate any revenues until construction of the project is completed. In a leasing transaction, the lessee is often prohibited from making lease payments until the facility is ready for occupancy. In either case, no funds are available to pay interest or principal on the bonds during the construction period. Principal payments can be delayed, but interest payments must be made. Therefore, it is necessary to issue additional bonds, the proceeds of which will make interest payments to the bondholders during the construction period. This fund can also be invested until the monies are needed.

Costs of Issuance Fund

In most cases an issuer would like to finance the costs associated with the bond issue together with the project. Thus, additional bonds must be issued to pay the costs of issuance, which include bond counsel fees and other expenses.

Can an issuer sell bonds before a project has been finalized or make lease payments before the project is completed?

In general, an issuer is able to wait until a construction project has been bid before it is necessary to obtain funds through a lease purchase bond issue. In some cases, in fact, it is a legal requirement that such bids and all construction costs be finalized prior to a bond issue (e.g.. when the fair market rental value of the facility must first be determined by an appraiser or specific procedures must be followed under the authorizing statutes).

It is often prudent for the issuer to lock in lease purchase costs in advance with so-called Guaranteed Maximum Price and Guaranteed Date of Completion construction contracts. In such cases, the contractor is responsible for any cost overruns not resulting from change orders by the issuer and the contractor must make penalty payments ("liquidated damages" -- usually equal to or greater than the debt service costs on the bond issue) for any period of construction running beyond the agreed date of delivery. In such cases, the issuer knows in advance the amount of financing required.

In a few cases, however, it is economically advantageous to complete the financing before a project's full costs are finalized. Especially in cases where adverse changes in tax laws are imminent, governments have issued bonds for placement of proceeds into an escrow account to facilitate issuance under the optimal terms. For example, interest earnings on unexpended construction funds can be maximized by issuing early. By this means, the average maturity of the U.S. government securities in the construction fund can be longer and, in most instances, will yield higher rates of interest. Potential federal restrictions on the ability to arbitrage any bond proceeds have caused a number of issuers to accelerate their financing plans. Similarly, an issuer may seek funds sooner if it needs substantial borrowed funds for such expenses as land acquisition, site preparation, architectural or engineering services or other development costs before it is possible to obtain final construction cost figures. Finally, a project may be able to be included as part of a

larger package of projects in a bond issue even though its design and construction bids are not yet finalized. The issuer thus achieves cost of issuance savings by not waiting for a subsequent separate issue.

Unless the authorizing statute or bond indenture specifically forbids the practice, it is usually possible to allow for additional completion bonds should the original bond issue not provide sufficient funds to finish the project. In projects involving extremely lengthy construction periods, uncertain final costs or a very large expense, it is sometimes better to issue in two or more series of bond issues.

A similar issue arises regarding whether the lessee can begin to make lease payments for the facility prior to the completion of construction. On the one hand, it makes excellent economic sense to do so -- the cost of capitalizing interest payments (issuing additional bonds to cover interest during construction) can add significantly to the cost of even a small project. In addition, the security of the issue is improved and the interest cost is often lowered by making payments in advance of construction completion. On the other hand, the practice would seem to violate the concept of a lease because a government is, in effect, paying for the use of a building it is not yet able to occupy. As a result, some issuers' practice has been to capitalize interest during the construction period and not make payments from appropriations until the facility has been accepted and occupied by the lessee. This concept covers periods in which the facility cannot be used and the lessee stops making lease payments until the facility is re-occupied. Protection for the bondholders against such contingencies usually requires construction completion and rental interruption insurance. In cases where lease payments have been made prior to occupancy, they have sometimes been characterized as installment payments toward acquisition of the building rather than as lease payments, or as lease payments on the portion of the facility already completed. The decision may be constrained by legal requirements in a given jurisdiction, but it is becoming more common to avoid the high cost of capitalized interest by making payments during construction.

APPENDIX
IV

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The State of South Carolina

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December 9, 1985

Kenneth D'Vant Long, Project Director
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State Reorganization Commission
P. O. Box 11488
Columbia, South Carolina 29211

Dear Mr. Long:

On behalf of the State Reorganization Commission, you have asked "whether the use of lease-purchase financing for the construction of new prison facilities would have the same long term debt effect as the use of general bonds." We would advise that if the lease-purchase agreement contains a so-called "non-appropriations" clause, thereby binding the State only to the extent of currently appropriated revenues, such an agreement would not constitute a debt or indebtedness within the meaning of existing constitutional and statutory provisions and thus would not have the same effect as general obligation bonds. This conclusion is in accord with the case law of most other jurisdictions which will be reviewed in detail below.

Article X, § 13 of the South Carolina Constitution, as recently amended, provides in pertinent part:

> (1) Subject to the conditions and limitations in this section, the State shall have power to incur indebtedness in the following categories and in no others: (a) general obligation debt; and (b) indebtedness payable only from a revenue producing project or from a special source as provided in subsection (9) hereof.
>
> (2) "General obligation debt" shall mean any indebtedness of the State which shall be

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> secured in whole or in part by a pledge of the full faith, credit and taxing power of the State.
>
> ... (5) If general obligation debt be authorized by (a) two thirds of the members of each House of the General Assembly; or (b) by a majority vote of the qualified electors of the State voting in a referendum called by the General Assembly there shall be no conditions or restrictions limiting the incurring of such indebtedness except (i) those restrictions and limitations imposed by the authorization to incur such indebtedness and (ii) the provisions of subsection (3) hereof. 1/
>
> (6) General obligation debt may also be incurred on such terms and conditions as the General Assembly may by law prescribe under the following limitations:
> ... (c) General obligation bonds for any public purpose including those purposes set forth in (a) and (b) may be issued: provided, that the maximum annual debt service on all general obligation bonds of the State thereafter to be outstanding (excluding highway bonds, tax anticipation notes, and bond anticipation notes) must not exceed five percent of the general revenues of the State for the fiscal year next preceding (excluding revenues which are authorized to be pledged for State highway bonds and state institution bonds.) (emphasis added).

See also, § 11-11-440 of the Code.

Thus, even in the absence of the applicability of subsection (5) of Article X, § 13, it still must be determined whether a so-called lease-purchase agreement for the construction of a prison facility constitutes an "indebtedness" similar to the issuance of general obligation bonds within the meaning of

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1/ Subsection 3 provides that "[g]eneral obligation debt may not be incurred except for a public purpose and all general obligation debt shall mature not later than thirty years from the time such indebtedness shall be incurred."

Article X, § 13's express limitations. The question does not as yet appear to have been squarely addressed by our own Supreme Court. Of course, until such time, this Office can only advise you as to the state of the law in other jurisdictions. There does exist an abundance of case law elsewhere which addresses your question, however.

CONSTITUTIONAL DEBT

By way of background, it is generally well recognized that:

> The state and the people of the state have the power by virtue of constitutional provisions to protect all funds belonging to the state from future debt, and where the constitution imposes limitations on the power of the state to incur indebtedness, no valid debt can be created except for the purposes and in the manner prescribed.

81A C.J.S., States, § 214. The purpose of a constitutional prohibition or limitation "is to protect all funds belonging to the state from future debt and to prevent any legislative act which would bind subsequent legislatures to make appropriations of monies in subsequent fiscal years." Id. Within the meaning of constitutional limitations upon the power of a state to incur indebtedness, a "debt" has been defined as "an obligation secured by the general faith and credit of the state ...". 81A C.J.S., States § 219. This general definition is in accord with that which Article X, § 13 employs. See also, Article X, § 14.

It is also well accepted that obligations for the necessary and current expenses of the government do not constitute "indebtedness" within constitutional limitations. 81A C.J.S., States, § 220. Article X, § 7(a) of the Constitution provides that

> The General Assembly shall provide for an annual tax sufficient to defray the estimated expenses of the State for each year. Whenever it shall happen that the ordinary expenses of the State for any year shall exceed the income of the State for such year, the General Assembly shall provide for levying a tax in the ensuing year sufficient with other sources of income to pay the deficiency of the preceding year together with the estimated expenses for such ensuing year.

Our Supreme Court has held that the limitation of the Constitution placed upon the power of the General Assembly to increase the public debt "does not extend to debt incurred for the ordinary and current business of the State...." Lott v. Blackwood, 166 S.C. 58, 61-62, 164 S.E. 439 (1932); see former Article X, § 11. Compare, Duncan v. Charleston, 60 S.C. 532, 39 S.E. 265 (1901).

LEASE-PURCHASE AGREEMENTS

While these general principles have been applied fairly uniformly to the more traditional forms of government financing, their applicability to the so-called lease-purchase agreement is more problematical. A lease-purchase agreement has been defined as a rental contract that provides "for passage of title to the lessee at the end of the lease either automatically or through exercising a nominal purchase option." Bisk, "State and Municipal Lease-Purchase Agreements. A Reassessment", 7 Harvard Journal of Law and Public Policy, 521, 522 (1983). Such an agreement is a relatively new form of government financing. It has been said that

> Lease-purchasing offers attractive financial benefits to the government lessee. Through a lease-purchase agreement, a governmental unit may acquire needed real or personal property, ranging from photocopying and computer equipment to offices and real estate. Periodic payments under the lease cover installments on the property's purchase price plus interest. The government unit increases its economic interest in the property with each "rental" payment. In effect, it is paying over time for the eventual right to purchase the rented property for less than its true market value. If the government lessee meets its rental obligations for the entire length of the lease ... title passes to the lessee at the lease end either automatically or by exercise of a nominal purchase.

Id.

CASES HOLDING LEASE-PURCHASES ARE DEBT

In the past, courts in other jurisdictions have sharply differed as to whether a lease-purchase agreement constitutes indebtedness for purposes of constitutional limitations upon incurring debt. Perhaps the leading decision concluding that a

lease-purchase agreement constitutes indebtedness is State ex rel. Kitchen v. Christman, 31 Ohio St. 64, 285 N.E.2d 362 (1972). There, a company obligated itself to construct a swimming pool on land leased to it by the city. The land was then to be leased back to the city for a period of ten years. The lease expressly provided that if the city failed to make any of the lease payments, the payment "shall continue as an obligation of the city." Id. at 366.

The Court analyzed that the agreement constituted nothing more than "an installment purchase contract." Id. at 365. As such, "the entire contract price is a present indebtedness of the city."

> The city has presently obligated itself to make future payments, and the Company has a present right to compel each succeeding administration to make those payments. The city's obligation under the contract is a continuing one, and no succeeding city council can refuse to appropriate available funds (generated by its taxing power) for payment. Had bonds been issued and the taxing power of the city pledged for their payment, a debt within Section 11 of Article XII would have been created. A pledge to make future appropriations of tax revenues must be treated no differently.

Id.

The Court further addressed the argument that a lease to be paid by annual appropriations from the general revenue fund is not "bonded indebtedness" within the meaning of Ohio's constitutional limitation.

> Literally speaking, a lease is not bonded indebtedness. However, it has already been determined that the instrument is not a lease but a contract to purchase a capital asset with a present obligation to pay future installments. The city has bound itself by a formal agreement to make specific future payments of money. Such a written agreement, obligating the city unconditionally to make such future payments constitutes a "bond" of the city, and thus creates a "bonded indebtedness."

Id. at 268. In short, since the agreement was deemed by the Court to be a contract of purchase, rather than a lease, "the

entire contract price is a presently incurred indebtedness even if the consideration is to be paid in installments over an extended period of time." Id., n. 7.

It is significant to note that the Court in Kitchen suggested that the particular facts involved were important to its holding. The Court clearly stressed in its analysis the "unconditional" nature of the city's financial commitment by virtue of the clause in the agreement relating to the city's continuing obligation and commented as follows:

> If such an unconditional obligation of did not exist, but instead, the city were free to periodically choose whether to continue to appropriate monies for the purpose of acquiring eventual complete ownership of the property in question, an entirely different question might have been presented.

285 N.E.2d at 367, n. 6.

A number of other decisions have followed the approach taken by the Court in Kitchen. See, City of Phoenix v. Phoenix Civil Auditorium and Convention Center Assn. 99 Ariz. 270, 408 P.2d 818 (1965); Bachtell v. City of Waterloo, 200 N.W.2d 548 (Iowa 1972); Martin v. Oregon Bldg. Auth. 276 Or. 135, 554 P.2d 126 (1976); Foster v. N. C. Med. Care Comm., 283 N.C. 110, 195 S.E.2d 517 (1973); Laramie Citizens v. City of Laramie, 617 P.2d 474 (Wyo. 1980); State ex rel. Wash. St. Bldg. Fin. Auth. v. Yelle, 47 Wash. 2d 705, 289 P.2d 355 (1955); Aver v. Comm. of Adm. 340 Mass. 586, 165 N.E.2d 885 (1960); State ex rel. Simmons v. City of Missoula, 144 Mont. 210, 395 P.2d 249 (1964). See also, Bisk, supra at 545, n. 141. These cases generally stress the intent of the parties and the importance of the facts and circumstances surrounding the agreement as to whether the agreement is a true lease or, in reality, an installment purchase contract. Martin v. Oregon Bldg. Auth., 554 P.2d at 135. Important in the analysis are factors such as whether the "lease" payments are instead installments for purchase, whether the "purchase price" at the time the option is exercised is "nominal in relation to the value of the property", Id., and whether the otherwise legitimate vendor-lessor" is an alter ego of the State. Bisk, supra at 533.

CASES HOLDING LEASE-PURCHASES ARE NOT DEBT

On the other hand, courts elsewhere have concluded that lease-purchase agreements by virtue of their nature do not represent "debt" in the constitutional sense. A leading

decision following this line of analysis is Dean v. Kuchel, 35 Cal.2d 444, 218 P.2d 521 (1950). There, a contractor constructed a building for the State and leased it to the State for twenty-five years. At the end of the lease period, title to the property automatically vested in the State. It was alleged that the agreement violated the applicable debt limitation provision, but the Court concluded otherwise. The Court referenced City of Los Angeles v. Offner, 19 Cal.2d 483, 122 P.2d 14, 145 A.L.R. 1356, which had previously stated the following rule concerning whether lease-purchase agreements constituted debt:

> ... if the lease or other agreement is entered into in good faith and creates no immediate indebtedness for the aggregate installments therein provided for, but, on the contrary, confines liability to each installment, as it falls due and each year's payment is for consideration actually furnished that year, no violence is done to the constitutional provision.... If, however, the instrument creates a full and complete liability on its execution, or if its designation as a "lease" is a subterfuge and it is actually a conditional sales contract in which the 'rentals' are installment payments on the purchase price for the aggregate of which an immediate and present indebtedness or liability exceeding the constitutional limitation arises against the public entity, the contract is void.

218 P.2d at 522-523. The Court in Dean observed that the "essence of the Offner rule is that the payments are for a month to month use of the building." 218 P.2d at 523.

> Here the rentals ... must be paid but the state need not pay any more. We are satisfied therefore that the instant transaction qualifies as a lease for the purpose of the debt limitation.

Id.

The Dean case has been interpreted as follows by a leading authority:

> The court in Dean relied upon well-established common law principles to reach its conclusion. Precedent reaching back centuries establishes the general rule that

> leases do not constitute present indebtedness. Rent is viewed as a recurring obligation paid only out of current revenues.

Bisk, supra at 530-531. However, it is generally recognized that common law rules concerning lease obligations do not "address ... the peculiarities of state and municipal lease-purchase agreements." Id. Thus, many courts which have adopted Dean's line of reasoning have further examined the particular lease-purchase agreement for "some concrete proof of contingency." These courts have sought to determine whether the rental payment is equal to or lower than the fair market rental value of the property, thereby indicative that the payment is for the use value of the property. Id. As was stated in Alan v. County of Wayne, 200 N.W.2d 628, 678 (Mich. 1972),

> A true rent payment must be reasonable in that it must bear a direct relation to the economic or market value to the county of its actual use of the public improvement.

See also, Book v. State Off. Bldg. Comm. 149 N.E.2d 273 (Ind. 1958). Teperick v. North Judson San Pierre High School Bldg. 257 Ind. 516, 521, 275 N.E.2c 814, 818 (1971), cert den., 407 U.S. 921 (1971); Bulman v. McCrane, 64 N.J. 105, 114, 312 A.2d 857, 862 (1973); City of Pocatello v. Peterson, 93 Idaho 774, 775, 473 P.2d 644, 645 (1970); Eberhart v. Mayor of Baltimore, 291 Md. 92, 107, 433 A.2d 1118, 1125 (1981).

CASES WHERE A NON-APPROPRIATIONS CLAUSE IS PRESENT

Thus, it is clear that courts in other jurisdictions are sharply divided as to whether a lease-purchase agreement constitutes indebtedness. However, the authorities are virtually uniform that such an agreement does not create a debt where the agreement contains a so-called "non-appropriations" clause. Such a clause reserves to the governmental entity the right to terminate its legal liability under the lease if for any reason it chooses not to make the necessary appropriations for lease payments in a future fiscal year. Bisk, supra at 527. We believe that if a lease-purchase agreement contains such a clause, the courts in South Carolina will follow the reasoning of cases in other jurisdictions and conclude that the agreement does not constitute indebtedness for purposes of Article X of the Constitution. The authorities will be discussed below.

In Edgerly v. Honeywell Information Systems, Inc., 377 A.2d 104 (Me. 1977), the Maine Supreme Judicial Court reviewed a contract entered into between the State of Maine and Honeywell for the purchase of computer equipment. The Court noted that the contract "is replete with words and phrases indicative of an

intention to contract rather than a lease." 377 A.2d at 107. Honeywell agreed to install the equipment on the premises and furnish training personnel. A testing period for the equipment was established. The cost of the equipment was to be paid in installments. And significantly, title to the equipment passed to the State on the date of its installation.

However, the Court noted that there "was a specific provision that the state could return the equipment to Honeywell and be no longer liable for payments if ever the future legislatures failed to make the necessary appropriations." 377 A.2d at 108. The Court concluded that the presence of such a clause distinguished the case from a prior decision, Opinion of the Justices, 146 Me. 183, 189-90, 79 A.2d 753, 756 (1951).

> It is this latter provision ... that we see as distinguishing this case from that presented in the Opinion of the Justices, supra, which caused the justices to declare that one legislature cannot obligate succeeding legislatures to make appropriations and that a contract which obligates the state to pay money over a period of years for the purchase of property creates a liability. We see no constitutional violation resulting from this contract.

Id.

Another leading decision was rendered by the Wisconsin Supreme Court in State v. Giessel, 271 Wis. 15, 72 N.W.2d 577 (1955). In Giessel, the Court reviewed three separate lease-purchase agreements, two which dealt with the construction of university projects and a third which provided for the addition to the state office building. It is evident that the presence of non-appropriations clauses in each of the agreements was critical to the court's upholding them.

The complaint alleged that the agreements were, in reality, purchase agreements for the projects and thus clearly constituted an indebtedness of the State. The Court rejected the argument, however.

> With reference to the indoor practice building and dormitory projects, the leases provide that the obligation to pay rent is subject to available appropriations by the

> Legislature. Since there is no binding obligation on the part of the state to pay rent for the full term of the leases, it is inconceivable that a debt is incurred or that a purchase of the property is contemplated.

72 N.W.2d at 588. The Court further rejected the argument adopted by courts in other jurisdictions, that because an agreement constituted an installment contract, it therefore created an indebtedness.

> An installment purchase agreement does not necessarily create state debt. It has been determined in this state that no state debt is created where payments are to be made solely at the state's option....
>
> Similarly in the present matters, because the payments under the respective leases may be made at the option of the state, no debt is created. Were it to be held that the payments in the instant contracts constituted purchase installments instead of rentals, no debt would be created for reason that payments may be made at the option of the state.

Supra at 590.

Other jurisdictions are in accord. For example in St. Charles City-County Library Dist. v. St. Charles Library Bldg. Corp., 627 S.W.2d 64 (Mo. App. 1981), the Missouri Court held that a lease-purchase agreement which allowed the State to renew at its option each year did not constitute an indebtedness. Similarly in Gude v. City of Lakewood, 636 P.2d 691 (Colo. 1981), the Colorado court stated:

> Of particular importance to our conclusion that the city's rental obligations for future years do not constitute debt ... is the lease provision that those obligations are contingent upon exercise of the city's renewal options. We have held that discretionary or contingent obligations are not constitutional debt. "To constitute a debt in the constitutional sense, one

> legislature, in effect must obligate a future legislature to appropriate funds to discharge the debt created by the first legislature."

636 P.2d at 699. In Enourato v. New Jersey Bldg. Auth., 183 N. J. Super. 58, 440 A.2d 42 (1981), the New Jersey Court stated:

> L. 1981, c. 120 provides that future payments on the leases be subject to appropriations. There can be no doubt that this reservation is perfectly valid. While certainly we anticipate that future Legislatures will appropriate funds to pay the rentals nevertheless it is not deniable that they will be under no legal compulsions to do so.

440 A.2d at 49. In upholding the validity of a lease-purchase agreement, the Nebraska Supreme Court in Ruge v. State of Nebraska, 201 Neb. 391, 267 N.W. 748 (1978) stated that "[t]he fact is that the obligation of the state is conditioned upon an appropriations having been made before each rental period commences." 267 N.W.2d at 750. See also, United States Fire Ins. Co. v. Minn. State Zoological Bd. 307 N.W.2d 490 (Minn. 1981); Turnpike Auth. of Ky. v. Wall, 336 S.W.2d 551 (Ky. 1960).

In Glennon Heights, Inc. v. Central Bank & Trust, 658 P.2d 872 (Colo. 1983), the Supreme Court of Colorado examined in depth the validity of a lease-purchase agreement containing a non-appropriations clause. The lease-purchase agreement in question provided for the construction of group homes for the developmentally disabled. The Court first set forth the appropriate analysis for determining when debt is created.

> We have stated that some of the indications of a debt in the constitutional sense are that the obligation pledges revenues of future years, that it requires use of revenues from a tax otherwise available for general purposes, that it is a legally enforceable obligation against the state in future years or that appropriation by future legislatures of monies in payment of the obligation is nondiscretionary.

658 P.2d at 878-879. In concluding that the lease-purchase

agreement did not constitute debt, the Court stated:

> Under the present lease/purchase agreement, the bank has no legally enforceable right to require the general assembly to appropriate sufficient funds for renewal of the lease term every year or to require the state to exercise its option to purchase. The agreement provides that the Department of Institutions will use its "best efforts" to obtain funding every year for the rent payments, but that the appropriations of funds is a legislative act beyond the control of the department. Renewal of each term is specifically tied to appropriation of sufficient funds, and the lease terminates with no further obligation of the department if funds are not available. Nothing in the agreement limits the discretion of the legislature. The plaintiff's arguments that nonrenewal of the lease will ruin the credit of the state and will result in forced relocation of the disabled residents are matters that may affect the legislature's exercise of its discretion, but do not commit revenues available to future legislatures to the payment of rentals under the lease.

658 P.2d at 879.

In McFarland v. Barron, 164 N.W. 2d 607 (S.D. 1969), the Supreme Court of South Dakota concluded that lease-purchase agreements did not create a debt. The leases were required to contain a provision that rents shall be payable solely from appropriations to be made by the legislature and any revenues derived from the operation of the leased premises. The Court concluded that "[a]n appropriation of money which is to be satisfied out of current revenues for the year does not create an indebtedness." 164 N.W.2d at 609. The Court further noted that "the weight of authority" sustained the validity of the agreement. Id. at 610.

Likewise, the Supreme Court of Alabama, has consistently held that lease-purchase agreements containing non-appropriations provisions do not constitute debts of the State. In Opinion of the Justices, 178 So.2d 76 (1965), the Court upheld lease

agreements for the operation of correctional facilities authorized by legislative enactment. There, the Court stated:

> It is contemplated that the Corrections Institution Finance Authority will lease to the Board of Corrections or other agency the new prison facilities on a year to year basis, the rental therefor being paid from current income. All obligations by the State Board of Corrections or other state agency is strictly limited and can be payable only out of current revenues of the state for such fiscal year.

178 So.2d at 84. The Court's holding was consistent with prior Alabama decisions. See, In re Opinions of the Justices, 252 Ala. 465, 41 So.2d 761 (1949); Hillard v. City of Mobile, 253 Ala. 676, 47 So.2d 162 (1950).

WEST VIRGINIA CASES

One jurisdiction has, until recently, adopted the minority view regarding the presence of a non-appropriations clause in a lease-purchase agreement. In Hall v. Taylor, 173 S.E.2d 48 (W. Va. 1971), the West Virginia court held that a lease-purchase agreement constituted a debt regardless of whether the State had legally obligated itself to appropriate funds in future fiscal years. Concluded the Court,

> It is no answer to the invalidity of this statute and of the action of the Building Commission in issuing these bonds to say that some future legislature is not required to make an appropriation to one of these agencies or departments in order that the agency or department might make its payment of rent. The failure to make such an appropriation could result in the holders of the bonds taking over the buildings involved, and it is incomprehensible that any legislature would permit any such thing to happen. However, the test is not whether a future legislature is required to make such appropriations. The test is the authority to do so. Clearly the only source of income by which the bonds may be liquidated is the rent to be paid by the occupants of the buildings. Therefore, the reason for the invalidity of the statute lies in the authority of the legislature to

> make such future appropriations. It is not necessary for this Court to wait until some future legislature refuses to make an appropriation to make a determination of the legality of the procedure.

178 S.E.2d at 58-59.

However, only recently even the West Virginia court has rejected the reasoning in the Hall case in favor of the majority rule outlined above. In State ex rel. W. Va. Res. Recovery v. Gill, 323 S.E.2d 590 (W. Va. 1984), the court reviewed the validity of a "steam purchase agreement" as to whether such agreement constituted a debt. The West Virginia Board of Regents agreed to purchase steam generated by a state created authority over the period of twenty years. Purchase was made by the payment of monthly installments. Each party was permitted to suspend performance of the contract for any cause not within its control. The plaintiff in the litigation alleged that the agreement contemplated retiring the bonds issued for the project by proceeds from the sale of steam to the board over twenty years "with funds from the board's annual appropriation by the legislature." Thus, in reliance upon Hall v. Taylor, supra, plaintiff contended that the agreement created a debt in a contravention of the West Virginia Constitution.

The West Virginia Court in Gill expressly overruled the Hall case. In doing so, the Court observed:

> There is a world of difference between authorizing future legislatures to act and requiring them to do so. As Calhoun wrote, we had previously held that legislation does not necessarily violate the constitutional debt limitation simply because it anticipates future appropriations of public funds from year to year to effect the purposes of the act.

Quoting from a previous West Virginia case, State ex rel. Dyer v. Sims, 134 W.Va. 278, 290, 58 S.E.2d 766, 773 (1950), the court in Gill further stated:

> Ordinarily, the creation of a State board or commission which requires an appropriation of public funds to carry out its purposes is not treated as the creation of a debt, although it's generally contemplated

> continuation from year to year and for an indefinite period must necessarily involve future appropriations. Practically all agencies created by the Legislature require appropriations from time to time and that was necessarily contemplated at the time they were created.

323 S.E.2d at 595. Thus, said the Court in Gill, in adopting the reasoning of most other jurisdictions, the ultimate issue "is not whether the bonds may be paid from future legislative appropriations, but whether successive legislatures are obligated to make such appropriations." 323 S.E.2d at 596 (emphasis added).

Thus, while there is disagreement among courts regarding whether a lease-purchase agreement, standing alone, creates debt for purposes of constitutional limitations, the weight of authority elsewhere clearly supports the conclusion that the presence of a "non-appropriations" clause in the agreement prevents such an agreement from creating an indebtedness for such purposes. The critical factor in creating debt in such instances appears to be whether, by virtue of the present lease-purchase agreement, "successive legislatures are obligated to make appropriations" to effectuate that agreement. State v. Gill, supra; compare, State v. Christman, supra. Thus, so long as continuation of the agreement is expressly conditioned upon future legislative appropriations, no debt is created. In other words, the agreement should be "made conditional upon future appropriations." Bisk, supra at 527.

SOUTH CAROLINA AUTHORITIES

While our own courts have not yet squarely faced the issue of whether a lease-purchase agreement creates an indebtedness, we believe that our courts would adopt the majority line of reasoning outlined above; we believe that our courts would hold that the presence of a "non-appropriations" clause would prevent such an agreement from constituting indebtedness.

First, there is statutory support for this conclusion. The Consolidated Procurement Code, § 11-35-10 et sec., clearly anticipates that the State will enter into multi-year contracts for the purchase of supplies or services. Particularly, Section 11-35-2030 (1) provides as follows:

> ... Unless otherwise provided by law, a contract for supplies or services shall not be entered into for any period of more than one year unless approved in a manner

> prescribed by regulation of the board; provided, that the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds thereror. (emphasis added).

Subsection (3) further provides that "[w]hen funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be cancelled." (emphasis added). These statutory provisions clearly provide that, as a matter of law, every State contract for purchase of goods or services which is covered by the Consolidated Procurement Code and which extends beyond the first fiscal year, is conditioned upon there being an appropriation sufficient to meet payment and performance obligations; otherwise, the agreement is automatically cancelled. See, Op. Atty. Gen. No. 77-123 at 105 (April 27, 1977).

Of course, this statute is in conformity with the weight of case law concerning the presence of a non-appropriations clause, outlined above. And it is well known that the State enters into a number of lease-purchase agreements yearly. We must presume that the Legislature was cognizant of the existing authorities elsewhere and of the existing constitutional debt limitations contained in Article X. Thus, the requirements contained in § 11-35-2010 can be read as representing a legislative interpretation that Article X is not violated so long as each multi-year contract is conditioned upon future legislative appropriations. See, Opinions of the Justices, 178 So.2d 76, supra.

Moreover, Section 28 of the Permanent Provisions of Act No. 201 of 1985 (1985-86 Appropriations Act) expressly authorizes the State Budget and Control Board, after consultation with the Joint Bond Review Committee and the State Reorganization Commission,

> ... to enter into lease purchase agreements consistent with the Consolidated Procurement Code ... which would provide the State an economically feasible method of replacing the Central Correctional Institution (CCI), so long as these agreements (1) can be demonstrated to be comparably cost effective to traditional financing methods, (2) can

> result in long-term operational cost savings ... (5) that will minimize the wasteful expenditure of funds for further capital improvements to CCI, and (6) will be subject to the year-to-year appropriation process of the General Assembly. (emphasis added).

Again, this statutory provision can be read as a legislative recognition that the presence of a provision in a lease-purchase agreement that the agreement is "subject to the year-to-year appropriation process of the General Assembly" is necessary to avoid the creation of constitutional debt. We must presume the Legislature intended to comply with the Constitution.

Moreover existing South Carolina case law appears to be consistent with this majority rule. As stated earlier, our Court has recognized that the limitation of the Constitution placed upon the power of the General Assembly to increase the public debt "does not extend to debt incurred for the ordinary and current business of the State...." Lott v. Blackwood, supra, citing former Article X, § 11. See also, Haddon v. Cheatham, 161 S.C. 384, 159 S.E. 843 (1931). [County notes secured by a pledge of county taxes for the current fiscal year do not constitute bonded indebtedness.] As the Supreme Court of South Dakota similarly stated in McFarland v. Barron, supra, in concluding that a lease-purchase agreement containing a "non-appropriations" clause did not create debt, "[a]n appropriation of money which is to be satisfied out of current revenues does not create an indebtedness." Thus, based upon past holdings by our Court, a lease-purchase agreement which is expressly limited to payments from present appropriations, should not contravene the debt limitation provisions of our Constitution. See also, Briggs v. Greenville, 137 S.C. 288, 135 S.E. 153 (1926); Evans v. Beattie, 137 S.C. 496, 135 S.E. 538 (1926).

And in a previous opinion of this Office, it was concluded that Orangeburg County would not create an indebtedness by entering into a long term lease for the "proposed acquisition of office space." Op. Atty. Gen., July 15, 1981. Therein, it was concluded that the agreement would not constitute "general obligation debt" pursuant to Article X, § 14(3) of the Constitution, which employs an identical definition to that used in Article X, § 13.

The case of Duncan v. Charleston, supra is not inconsistent with this conclusion. In Duncan, the City of Charleston contracted with the Charleston Light and Water Company for a period of fifty years to provide services to the City. The

agreement provided that the city would pay $42,000 "for each and every year embraced in the period of said period of fifty years...." 60 S.C. at 535. The agreement further provided that the city would have the option to purchase the property of the Company.

The agreement was assailed on the ground that it created an indebtedness. Our Supreme Court held that it did.

> It seems to us that the paramount issue here involved is whether the $42,000 to be paid each year for fifty successive years from this date by the city of Charleston to the Charleston Light and Water Company under the contract between them is a bonded indebtedness. Is it a bonded indebtedness? It certainly is, and confessedly so by all the parties to these actions, an agreement to pay $2,100,000 within fifty years in annual installments of $42,000 made by the city of Charleston under its corporate seal. (emphasis added)

60 S.C. at 554-555. The Court went on to note that the agreement "incur[s] ... liability beyond the municipal income of the current year." Supra at 556.

It appears to us that the agreement in Duncan is similar to that struck down by the Ohio Court in the Kitchen case, discussed above. And for the same reason that the agreement constituted an indebtedness in Kitchen, i.e. that the agreement clearly committed future legislatures to pay the annual rent, the Court in Duncan had no real choice but to conclude that the agreement created a debt. As the 4th Circuit Court of Appeals has described the Duncan case in City of Georgetown v. Elliott, 95 F.2d 774, 776 (4th Cir. 1938)

> The pledge contained in the contract was not a pledge of current taxes or of taxes already levied, but of future taxes; and its effect necessarily was to increase for future years the burden upon the taxpayers under the general taxing power of the city.

In other words, the agreement in Duncan did not limit, by way of a non-appropriations clause, the city's liability to current revenues, but instead, attempted to obligate the city for fifty years into the future. For that reason, Duncan is distinguishable and is consistent with our conclusion herein.

CONCLUSION

In conclusion, we believe that the presence of an appropriately drafted "non-appropriations" clause in the lease-purchase agreement would prevent the agreement from creating indebtedness. Such a provision is indeed contemplated by § 11-35-2010 of the Consolidated Procurement Code, as well as permanent Section 28 of the 1985-86 Appropriations Act. So long as such a clause limits the State's obligation to the present fiscal year wherein the rental payment will be derived from current revenues and conditions the continuation of the agreement upon future legislative appropriations, a debt would not, in our judgment be created, even though the agreement is to endure for longer than one year. If such a clause is inserted into the agreement as is apparently required by state law, then there is no need to attempt to resolve the split of authority elsewhere which concludes that lease-purchase agreements are either per se valid or per se invalid. In other words, the presence of the non-appropriations provision should avoid questions as to the validity of the agreement.

As to the specific language of such a provision, we note that the cases cited herein have reviewed and upheld variations upon the wording of such a provision. 2/ The critical factor for .

2/ For example, one model clause provides as follows:

> In the event that the Lessee is unable to obtain funding for any renewal term, Lessee shall have the right to terminate this lease at the conclusion of the then current term of the lease and shall neither be obligated to make any lease payments due beyond the current term, nor to make any concluding payment whatsoever and this lease shall terminate as to the leased equipment. Provided, however, that in the event Lessee does not appropriate such funds, Lessee will use its good faith best efforts to acquire the necessary finding from other agencies or sources. Upon termination as provided for above, Lessor or its agents or assigns should have the right to take possession of the leased equipment and Lessee shall be liable to return the leased equipment to Lessor in full operational and good working order.

Bisk, supra at 527, n. 32. We merely provide this model language to you as information and make no recommendation as to its use.

purposes of determining whether the agreement constitutes indebtedness is not so much the precise verbiage used, as whether the provision substantively accomplishes the purpose of making the agreement conditional upon future appropriations.

Moreover, we would further note that, as a practical matter, the likelihood of non-appropriation with respect to a prison facility is remote because of the nature of the services involved. Clearly, the operation of a prison facility is an essential governmental function. See, Op. Atty. Gen. August 8, 1985. Therefore, while technically speaking, the State is not legally obligated to appropriate funds for such a lease-purchase project as a result of the insertion of the non-appropriations clause, and thus no debt is created, the importance of the governmental function involved in your question would make non-appropriation very unlikely.

Finally of course, we do not comment herein upon the validity of any particular lease-purchase agreement. Our opinion is intended to serve primarily as a compilation of the law regarding lease-purchase agreements, rather than as an attempt to advise as to the validity of any particular agreement. 3/ And it bears repetition that our court has not

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3/ We would simply call your attention to another provision sometimes included in lease-purchase agreements, and generally known as a "non-substitution" clause. This typically provides that the lease may not be terminated to acquire similar property or allocate funds to perform essentially the same function.

Conceivably, it could be argued that the presence of such a clause negates the purpose of the non-appropriation clause, thereby creating a debt or binding by contract the Legislature's ability to appropriate funds or exercise its sovereign power.

Of course, it is well recognized that no governmental agency can, by contract or otherwise, suspend or surrender its functions, nor can it legally enter into any contract which will embarrass or control its legislative powers. Nairn v. Bean 48 S.W.2d 584, 586 (Tex. 1932); Bowers v. City of Taylor, 16 S.W.2d 520, 521 (Tex. 1929); Vt. Elec. Power Co., Inc. v. Anderson, 147 A.2d 875, 883 (Vt. 1959). On the other hand, administrative or ministerial functions may be delegated even to private entities by contract. Op. Atty. Gen., August 8, 1985. While any contract which the State enters into inherently surrenders some attributes of sovereignty, Vt. Elec. Power Co. supra, and a governmental entity may by contract curtail its right to

Continued - Page 21

yet squarely addressed the issues raised herein and only a court could resolve with finality the validity of a particular lease-purchase agreement. Nevertheless, based upon the law in other jurisdictions and the South Carolina authorities cited, we believe our court would uphold a lease-purchase agreement containing an adequate non-appropriations clause.

Very truly yours,

Robert D. Cook
Executive Assistant for Opinions

RDC/an

3/ Continued from Page 20

exercise proprietary functions, "it cannot surrender or contract away its governmental functions." State ex rel. Hammermill Paper Co. v. LaPlante, 205 N.W.2d 784, 811 (Wis. 1973); see also, Op. Atty. Gen., August 8, 1985.

Case law analyzing this type of non-substitution provision is sparse. The only authority which we can find which addresses this issue in the context of procurement of public property holds that a non-substitution clause is constitutionally permissible. See, Opinion of the Justices, 178 So.2d at 85 ["This limitation is a restriction on the freedom of action of the Board of Corrections and is clearly within the province of the Legislature and in no way could be considered to create a financial obligation on the part of the State."] See also, McCray v. City of Boulder, 439 P.2d 350, 355 (Colo. 1968). Until our court addresses the question to the contrary, we cannot say that such a clause would render the agreement unconstitutional.

APPENDIX
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FEB 18 198

BELSER FIRM

February 16, 1987

The Honorable Jean H. Toal
Belser, Baker, Barwick, Ravenel,
Toal & Bender
Post Office Box 11848
Columbia, South Carolina 29211

Re: Lease Purchase Arrangement for New Prisons

Dear Representative Toal:

In your capacity as Chair of the CCI Relocation Task Force you have asked us to respond to certain questions concerning the legality and cost of financing prisons under a lease purchase arrangement:

1. Have there been any instances in which general obligation debt has been authorized by 2/3 vote of each of the Houses of the General Assembly?

2. Assuming a favorable General Assembly vote, are there any limitations upon either the amount of bonds to be issued or the timing of their issuance following such authorization?

3. In today's market what would be the cost differential between lease purchase financing and general obligation bond financing?

4. Does a lease containing a nonappropriation clause constitute bonded indebtedness of the State?

5. What purpose does a nonsubstitution clause serve in these financing arrangements and would one be essential to

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successfully market certificates of participation for the proposed prison facilities?

6. Is there any court precedent in South Carolina with respect to either the nonappropriation clause or the nonsubstitution clause?

7. What is the customary period over which a facility may be financed with a lease purchase arrangement?

8. How do the major rating agencies treat lease purchase obligations?

We will attempt to respond to these questions in the order listed.

For may years prior to the ratification of present Article X to the South Carolina Constitution, the State of South Carolina issued its general obligations in defiance of, rather than in compliance with, the Constitution. The Constitution of 1895 contained a similar 2/3 vote requirement. It has never been possible to achieve that vote and thus developed the "special fund doctrine" created by judicial pronouncement. Under the rather tortured reasoning of the special fund doctrine, "debt" payable from a dedicated fund (including tax revenues) did not constitute "bonded indebtedness" if the quantum of the fund was deemed to be fully sufficient to retire the indebtedness without resort to other sources.

The draftsmen of present Article X sought to correct the awkward situation created by the special fund doctrine but were painfully aware of the impossibility of securing a 2/3 vote. Thus Article X(13)(6) creates new authorizations and debt limitations for various categories of State general obligation debt issuable without either a referendum or extraordinary vote of the General Assembly.

There are statutory limitations upon the release of State general obligation bond authorizations in order that the debt service limitation of Article X may be maintained at all times. In the 1985 Appropriations Act the General Assembly sought to limit general fund revenues to become available for debt service by reducing by 1/2% per year the amounts which could be so used, until not more than 2-1/2% would have been available in FY 1989-90 (§64 of Act 201 of 1985). While this provision was repealed in the 1986 Appropriations Act (§47 of Act 540 of 1986) it created a stir at the time of its passage. I point out the history only to emphasize that it may well happen again, causing a delay in the issuance of general obligation bonds for essential projects.

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Because time is money in public finance, protracted construction delays may cause general obligation bond financing to actually be more expensive than other methods.

In an ideal world, the people, speaking through their elected representatives, would approve (by 2/3 vote) every necessary bond issue. In reality the voters are reluctant to approve any sort of tax increase, much less a tax increase they perceive will benefit prison inmates.

With respect to cost differential, there has been a significant narrowing in recent years between the rate borne by general obligation bonds and that borne by revenue bonds or other financings payable solely from the revenues generated by an enterprise. It is true that general obligation bonds will tend to bear a somewhat lower, but in my judgment, "comparable" rate of interest. An additional factor which must be weighed in making the cost determinations is whether the cost of a prison financed with general obligation bonds issued at some future, uncertain date after (i) a 2/3 vote of the General Assembly is achieved or (ii) the project works its way up to the top of the queue for projects heretofore approved for general obligation bond financing, would be "comparable" to the brick and mortar cost of financing today. There are obviously other intangible losses associated with the State's failure to comply in timely fashion with the Nelson settlement order.

Given these overall cost comparisons I would conclude that Part I of Act 201 of 1985 would be satisfied should the State seek to market certificates of participation in a lease agreement in today's market. Our firm could give an unqualified approving legal opinion to any lease agreement containing an appropriately worded nonappropriation clause.

The majority of state supreme courts in the United States have now faced this question and they have unanimously agreed that leases containing appropriate nonappropriations clauses simply do not constitute bonded indebtedness. Our own Attorney General has also reached that conclusion and his opinion is codified as an annotation to the Constitution appearing at Volume 21 of the South Carolina Code.

Our own Supreme Court has given significant guidance on this question of creating general obligation debt with the recent decision approving the concept of tax increment financing. In that decision (Wolper v. City of Charleston, 336 S.E. 2d 871 (1985)), the court made clear, once and for all, that it is the pledge of the public body's full faith and credit which creates a general obligation. Under lease purchase arrangements the States'

full faith and credit are not pledged and thus no general obligation is created.

The question of nonsubstitution clauses is more delicate. In discussions with various investment bankers, I have become convinced that South Carolina could finance its prisons under a lease purchase arrangement and could do so successfully without requiring a nonsubstitution clause. The lessor's primary concern is that the lessee not "take a walk" in order at some future date to achieve a more favorable financing rate. If we were asked to consider the financing of equipment with a very short useful life and which might become quickly obsolete, the risk of lessee termination might be great. However, with a prison facility there is very little, if any, risk. The State must have the prison facility. It will continue to serve its stated purpose throughout the thirty year term. The lessor's interest could be quite properly protected with a simple covenant in which the State agrees that it will not terminate the lease simply to achieve a lower financing rate once the bargain is struck. It was the absence of this latter feature which inevitably caused concern when the State recently "renegotiated" the AT&T leases.

It is clear that if the State sought to do what the City of Charleston did in the case of Duncan v. The City of Charleston, 60 S.C. 532, 39 S.E. 265 (1901) (i.e., enter into a contract, binding itself in year one, without a nonappropriations clause, to make lease payments in year 50) today's court might decide, as did the court in Duncan, that bonded debt had been created. It is the nonappropriations clause which saves the situation.

With warm personal regards,

M. Wm. Youngblood, Jr.

M. William Youngblood, Jr.

MWYjr/tmm

APPENDIX
VI

009575

south carolina
department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
WILLIAM D. LEEKE, Commissioner

February 27, 1987

Mr. Kenneth D'Vant Long, Project Director
Jail/Prison Overcrowding Project
State Reorganization Commission
P.O. Box 11488
Suite 228 - Solomon Blatt Building
1105 Pendleton Street
Columbia, South Carolina 29201

Dear Kenny:

As per our previous conversation, you are aware that we have decided to use a housing unit design that incorporates a cell size of 100 square feet and anticipates occupancy by two(2) inmates per cell. This change will impact the cost of developing a 1200 bed facility for replacement of Central Correctional Institution by reducing the estimated cost from $50 million to $45 million.

I would like to reiterate that the above is an estimate and will depend greatly upon the ability of the developer to balance the cost and location of the property with the cost of water, sewer, and topographic considerations.

If you need additional information, please advise.

Kindest regards,

Nelson W. Meek, P.E., Director
Division of Construction,
Engineering & Maintenance

NWM:mb

cc: W. D. Leeke, Commissioner, SCDC
W. D. Catoe, D/C, Operations, SCDC
H. M. Clements, D/C, Administration, SCDC
P. Weldon, D/C, Program Services, SCDC
L. C. Batson, Legal Advisor, SCDC
J. L. Harvey, Regional Administrator, MCR, SCDC
J. Aiken, Warden, CCI
J. Edwards, Planning & Budgeting, SCDC
L. Osler, Legal Settlements & Compliance, SCDC

009576

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south carolina
department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE [803] 758-6444
WILLIAM D. LEEKE, Commissioner

April 14, 1986

Mr. Phillip G. Grose, Jr.
Director, State Reorganization Committee
P.O. Box 11488
Columbia, South Carolina 29211

Dear Mr. Grose:

Pursuant to our conversation regarding the status of Central Correctional Institution, (CCI), we would like to furnish the following information. The assumption is that we will be operating at CCI over the next fifteen years. We have estimated that we will expend the following amounts over and above normal expected costs if we do not replace CCI at this time:

Electrical Renovations	$ 1,675,000.00
Heating/Ventilation Renovations	2,000,000.00
Plumbing Renovations	2,192,000-2,842,000.00
Boiler Renovations	1,000,000.00
Asbestos Removal & Physical Plant Needs	7,383,000.00
Security Renovations	975,000.00
	$15,225,000-15,875,000.00

In addition to the above, our utility costs at CCI will be $552,000.00 per year greater than our utility costs at Perry Correctional Institution(PCI). We estimate that it would cost an additional $8,280,000.00. Our total excess expenditures to maintain and operate CCI for 15 years will be $23,505,000.00 to $24,155,000.00

We will be happy to meet with you or provide you with any additional cost breakdowns on the above information. Should you require any additional information, please advise.

Kindest regards,

William D. Leeke

WDL:mb

cc:K. Long

009577

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south carolina
department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
WILLIAM D. LEEKE, Commissioner

October 14, 1986

Mr. Phillip G. Grose, Jr.
Director, State Reorganization Committee
P.O. Box 11488
Columbia, South Carolina 29211

RE: RELOCATION OF CENTRAL CORRECTIONAL INSTITUTION

Dear Mr. Grose:

Attached hereto are the mandatory renovation projects which the Department of Corrections will have to complete if it is not allowed to vacate the Central Correctional Institution. The spendout schedule represents the year in which the spending committment is made and not the actual cash outlay.

The Department of Corrections authorized staffing at CCI currently consists of 494 positions plus 25 medical staff, for the hospital unit; bringing the total authorized to 519. We have staffed and prepared a post analysis for the 1200-bed prototype. The total staffing including medical for this unit will require 499 positions. Of the 499 positions, 346 are security positions and 153 are non-security. This will be a total savings of twenty staff positions over the current staff allocated to CCI.

If you have additional questions or need more information, please advise.

Sincerely,

Nelson W. Meek, P.E.
Director, Division of
Construction, Engineering
and Maintenance

NWM:mb

cc:Kenny Long

009578

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CENTRAL CORRECTIONAL INSTITUTION

MANDATORY RENOVATIONS

	TOTALS	1987	1988	1989	1990	1991
ELECTRICAL						
Primary Distribution	350,000	150,000	100,000	100,000		
Secondary Distribution	300,000	60,000	60,000	60,000	60,000	60,000
Lighting	250,000			150,000	100,000	
	$900,000	210,000	160,000	310,000	160,000	60,000
HVAC						
HVAC-Nelson	350,000		175,000	175,000		
Replacement Equipment	250,000	50,000	50,000	50,000	50,000	50,000
A/C Replacement	500,000		100,000	200,000	100,000	100,000
Boilers Replacement	500,000					500,000
Steam Lines Replacement	500,000		100,000	100,000	100,000	200,000
	$2,100,000	50,000	425,000	525,000	250,000	850,000
PLUMBING						
Plumbing-Nelson	162,000		81,000	81,000		
Fixtures-CB1	280,000	56,000	56,000	56,000	56,000	56,000
Fixtures-Other	150,000	30,000	30,000	30,000	30,000	30,000
Storm-Sanitation Redo	800,000	400,000	100,000	100,000	100,000	100,000
Water Distribution Redo	1,000,000	300,000	300,000	200,000	100,000	100,000
	$2,392,000	786,000	567,000	467,000	286,000	286,000
PHYSICAL PLANT & ASBESTOS REMOVAL						
Roofs	2,000,000	600,000	600,000	400,000	400,000	
Kitchen/Dining	3,000,000	1,500,000	1,500,000			
Griffin Building	250,000					250,000
Richard Building	50,000	50,000				
Showers (All)	255,000			155,000	100,000	
Maintenance Shop	225,000				125,000	100,000
Elevators	400,000	75,000	75,000			250,000
Central Laundry	130,000			130,000		
Paint	250,000	50,000	50,000	50,000	50,000	50,000
Asbestos Removal	1,500,000					1,500,000
	$8,060,000	2,275,000	2,225,000	735,000	675,000	2,150,000
SECURITY						
Fences	400,000	200,000		200,000		
Gates Vehicle	25,000	25,000				
Fencing Security System	200,000		200,000			
Control Room	150,000	150,000				
Crosswalk	10,000					10,000
Locks CB2 & 3	100,000	100,000				
ReKey	25,000	25,000				
Guard Posts	200,000					200,000
Security Lights	200,000					200,000
P.A. - Intercom	60,000				60,000	
Generator	150,000					150,000
	$1,520,000	500,000	200,000	200,000	60,000	560,000
TOTALS	$14,872,000	3,811,000	3,567,000	2,177,000	1,421,000	3,896,000

OTHER

CB1 Renovations
  Catwalk, Room Doors 100,000
Parking 200,000
Industry Warehouse

009579

APPENDIX
VII

009580

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF SOUTH CAROLINA

COLUMBIA DIVISION

GARY WAYNE NELSON, et al., Plaintiffs, vs. WILLIAM D. LEEKE, Commissioner, South Carolina Department of Corrections, and Members of South Carolina Board of Corrections, Defendants.	Civil Action No. 82-876-2 Consent Decree

009581

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III. Specific Terms of Settlement

A. Cell Housing

Defendants agree that the following arrangements shall apply to all housing of Plaintiffs:

1. In no event shall a cell or cubicle be used to confine more than two prisoners, except as provided herein.

2. Any Plaintiff confined to a cell more than twelve (12) hours per day shall be single-celled, in a cell containing at least forty (40) square feet of sleeping space in present institutions and fifty (50) square feet of sleeping space in any future institutions. This includes, but is not limited to, Plaintiffs classified as protective custody, mentally ill, or in administrative segregation, investigative segregation or disciplinary segregation. However, Plaintiffs assigned to Protective Custody may voluntarily request and receive a cell-mate for double-celling, subject to the criteria established pursuant to paragraph one (1) of section III M.

3. A Plaintiff in general population who is confined to a cell less than twelve (12) hours per day may be double-celled but shall be provided with at least fifty (50) square feet of sleeping space per person. However, up to one-half of the cells presently used for general population in the following present buildings may be double-celled:

Perry Correctional Institution, (Dorms 1,2,3,4);
Central Correctional Institution, (CB-3 Only);
Kirkland Correctional Institution, (five of seven presently existing sixty-four-cell dorms);

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MacDougall Youth Correction Center, (Dorms 1,2,3,4,5); Women's Correctional Center (five of the seven presently existing forty-eight cell cottages).

If there is available bed space (other than short term) at other institutions of comparable classification, Defendants shall make good faith effort to reasonably and rationally use such bed space, to minimize double-celling at each of the institutions listed above. Not more than one-half of any institution's general population shall be double-celled, except as provided above, unless the double-cells are at least 100 square feet.

4. In the event the Defendants wish to construct new facilities in addition to those institutions listed in Appendix F of this Decree, not already planned or under construction as of the date of this Decree, which vary from the space allocations discussed herein, Defendants shall submit the plans for such facilities to Plaintiffs' counsel and the Court. If Plaintiffs object to the plans, then the Court shall make a determination as to the reasonableness of or necessity for said variance, in light of but not limited to the requirements of this Decree and the totality of the conditions, and shall determine whether or not said variance shall be permitted. The parties agree that the process for variance described in this sub-section applies solely to new construction.

B. Wards/Cubicles

1. Each Plaintiff confined to a ward, or cubicle, or to a room in a pre-release or work release center shall be

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establish and implement procedures for enforcing grievances which are granted and shall implement the SCDC Inmate Grievance Procedure, at all of Defendants' institutions.

b. Complaints that any grievance clerk has not properly pursued, or has improperly refused to pursue a grievance, may be referred by the grievant to Inmate Relations for investigation. Appropriate action shall be taken.

c. Defendants shall include a description of the grievance procedure within all future printings of the Inmate Guide.

K. Fire Safety

1. Defendants shall ensure that each institution which is used to house Plaintiffs is in compliance with the Life Safety Code and Life Safety Code Handbook of the National Fire Protection Association Code 101 ("NFPA") and the Fire Protection Standards of the American Correctional Association, 2-4162 through 2-4175 and related provisions, including the 1983 revision to ACA 2-4163, and including the 1981 edition of 2-4165 ("ACA"). Where the ACA standards and NFPA standards conflict, the NFPA shall govern.

2. Within one (1) year from the signing of this Decree by the parties, Defendants shall submit a schedule relating to each institution, for the reasonably prompt completion of all construction and capital improvements necessary to accomplish said compliance.

3. Said schedules shall include the following improve-

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ments, in accord with requirements of NFPA Code 101:

a. All smoke detectors and fire alarms shall be on contract within one (1) year from the signing of this Decree by the parties;

b. Adequate and safe gang door releases, emergency exits and escape ladders shall be on contract within two (2) years from the signing of this Decree;

c. Sprinkler systems and/or smoke evacuation systems (or a combination thereof, whichever gives the greater probability of preserving life) shall be under contract within five (5) years from the signing of this Decree by the parties.

All such contracts shall be reasonably and promptly executed and completed.

L. Discipline

Defendants agree that, within thirty (30) days of the signing of this Decree by the parties, Defendants' Inmate Guide shall be rewritten and re-distributed to all Plaintiffs, to reflect the following:

1. Each Plaintiff who has been adjudicated and convicted of a violation of institutional rules shall be sentenced to the minimum disciplinary sentence as set out in the Inmate Guide, except for those Plaintiffs whose disciplinary offenses have been found to include identified aggravating circumstances; each sentenced Plaintiff shall have his/her sentence reviewed after serving one-third (1/3) of the sentence and, if there has been no additional disciplinary offense adjudicated,

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R. Environmental Sanitation

1. All institutions shall be maintained in compliance with applicable state standards, including those established for jails and prisons by the South Carolina Statutes, and the regulations of the South Carolina Department of Health and Environmenal Control including DHEC R. 61-55, and with Standards 2-4130 through 2-4132 and 2-4255 through 2-4270, of the American Correctional Association (2nd ed. 1981), including 1983 revisions, as modified below:

2-4130. Each room or cell has, at a minimum, the following facilities and conditions:

(1) Sanitation facilities, including access to:

(a) Toilet above floor level which is available for use without staff assistance 24 hours a day, and

(b) Wash basin with hot and cold running water;

(2) A bed at above floor level, a chair or stool, a mirror, appropriate writing surfaces upon request, and storage facilities in the cell for personal belongings. All of these items shall be maintained in a reasonably sanitary, good condition. [Modified];

(3) Natural light;

(4) Lighting is at least 20 footcandles at desk level and in the personal grooming area. [Modified];

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(5) Circulation is at least 10 cubic feet of outside or re-circulated filtered air per minute per human occupant. [Modified];

(6) Temperatures are appropriate to maintain health and safety year-round, provided that this Decree shall not require air-conditioning except where medically necessary [Modified]; and

(7) Reasonable noise levels shall be maintained [Modified].

2-4131. [Modified] Where used, multiple occupancy wards shall house the number of Plaintiffs established by the sleeping space requirements of this Decree, who are screened for suitability to group living prior to admission, subject to the provisions of the section of this Decree relating to classifications. Multiple occupancy rooms have continuous sight or sound observation by staff pursuant to Section III-H of this Decree. Multiple occupancy rooms provide the following facilities and conditions:

(1) A minimum floor are of 45 square feet per occupant in the sleeping area, except where otherwise provided in this Decree, and a clear floor to ceiling height of not less than eight feet. [Modified]

(2) Toilet and shower facilities at a minimum of one operable toilet and shower for every

eight occupants;

(3) One operable wash basin with hot and cold running water for every six occupants;

(4) Single beds only, subject to the provisions of the sections of this Decree pertaining to compliance with housing capacities and with mattresses in sanitary condition;

(5) Access to a mirror and a locker or private storage space for each occupant;

(6) Natural light;

(7) Lighting is at least 20 footcandles at desk level and in the personal grooming area [Modified];

(8) Circulation is at least 10 cubic feet of outside or recirculated filtered air per minute per occupant [Modified];

(9) Temperatures meet any applicable State standards and are appropriate to maintain health and safety year-round, provided that this Decree shall not require air-conditioning except where medically necessary [Modified]; and

(10) Reasonable noise levels shall be maintained [Modified].

2-4132. [Modified] When minimum security institutions or minimum security areas within larger institutions

009589

provide individual rooms, they provide key control shared by the occupants and staff, or continuous access to toilet and shower facilities and hot and cold running water, including drinking water. Rooms also provide the following facilities and conditions:

(1) Sleeping space as set forth in this Decree;

(2) Furnishings as set forth in 2-4130(2) above;

(3) Natural light;

(4) Lighting at least 20 footcandles at desk level and in the personal grooming area;

(5) Circulation at least 10 cubic feet of outside or recirculated filtered air per minute per occupant;

(6) Temperatures as set forth in 2-4130(6) above; and

(7) Reasonable noise levels shall be maintained. (Revised, 1983) [Modified].

2-4255. Written policy and procedure require weekly sanitation inspections of all institution areas by a designated administrative staff member; at least annual inspections by federal, state, and/or local sanitation, and health officials, or other qualified person(s); and, compliance with all applicable laws and regulations of the governing jurisdiction. There is documentation by an independent, outside source that deficiencies, if any, have been corrected.

2-4256. The institution's potable water source

009590

and supply, whether owned and operated by the public water department or the institution, is certified by an independent, outside source to be in compliance with jurisdictional laws and regulations.

2-4257. A written housekeeping plan for all areas of the facilility's physical plant provides for daily housekeeping and regular maintenance by assigning specific duties and responsibilities to staff and inmates.

2-4258. The institution provides for the control of vermin and pests.

2-4259. The institution provides for waste disposal.

2-4260. Written policy and procedure provide for the issue of suitable clothing to all inmates, which is properly fitted, climatically suitable, durable, and presentable.

2-4261. Subject to the provisions of this Decree, written policy and procedure require that articles necessary for maintaining proper personal hygiene are provided to all inmates.

2-4262. Written policy and procedure provide for the issue of special and, when appropriate, protective clothing and equipment to inmates assigned to food service, hospital, farm, garage, institution physical plant maintenance shops, and other special work.

2-4263. Written policy and procedure provide for the issue of suitable, clean bedding, and linen, including two sheets, pillow and pillowcase, one mattress and sufficient

009591

blankets to provide comfort under existing temperature controls. There is provision for linen exchange or cleaning, including towels, on at least a weekly basis. (Revised, 1983)

2-4264. Written policy specifies accountability for state-issued inmate clothing and bedding. [Modified]

2-4265. The store of clothing (for that portion of the institution's population who are issued clothing), linen, and bedding exceeds that required for the facility's inmate population.

2-4266. The institution provides for the thorough cleaning and, when necessary, disinfecting of inmate personal clothing before storage or before allowing the inmate to keep and wear personal clothing.

2-4267. An opportunity for cleaning clothes and towels is provided to all inmates a minimum of three times per week, except where institutions provide and allow seven sets of clothing to each prisoner, then said opportunity need only be provided once per week to those prisoners who possess such seven sets of clothing. [Modified]

2-4268. There are sufficient bathing facilities in the housing areas to permit inmates to shower at least three times per week. [Modified]

2-4269. Water for showers is thermostatically controlled to ensure the safety of the inmates.

2-4270. There are hair care services available to inmates which comply with applicable health requirements.

009592

2. Defendants shall prepare a study concerning compliance with the above stated conditions within sixty (60) days from the signing of this Decree by the parties and--as to standards 2-4130, 2-4131 and 2-4132--within seven (7) months from the signing of this Decree by the parties, and shall develop and submit to the parties and the Court both the studies and a plan for the reasonably prompt implementation of each of the above-stated conditions.

3. Defendants shall employ a sufficient number of trained, competent environmental and health inspectors to do the following:

a. make a semi-annual evaluation of each institution;

b. monitor Defendants' compliance at each institution periodically roughout the year, with applicable state codes and the standards identified in Q and R herein;

c. make said reports to Plaintiffs and the Court; and

d. make follow-up evaluations and reports within three (3) months on any deficiencies and non-compliance found.

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S. Closing of Institutions

1. Defendants agree that the Annex of the Midlands Reception and Evaluation Center shall be closed within one (1) year from the signing of this Decree by all parties, and that the Midlands Reception and Evaluation Center itself shall be closed within three (3) years from the signing of this Decree by all parties. In the interim, the parties agree as follows:

a. The population at the Annex shall be reduced to comply with the standards enunciated in this Decree within six (6) months from the signing of this Decree by all parties;

b. From July 1, 1985, and thereafter, the population at the Midlands Reception and Evaluation Center itself shall be reduced such that no Plaintiff confined there shall be triple-celled;

c. From August 1, 1986, and thereafter until the institution is closed, the population at Midlands Reception and Evaluation Center itself shall be reduced so that all Plaintiffs confined therein are confined according to the standards enunciated in this Decree;

d. From the signing of this Decree by the parties and thereafter, no Plaintiffs other than the prisoner-staff shall be confined at the Midlands Reception and Evaluation Center or Annex for longer than fourteen (14) days, except those Plaintiffs confined pursuant to South Carolina Code Section 24-19-50(b), and such Plaintiffs shall be housed in single cells in Midlands

009594

Reception and Evaluation Center or may be double-celled at Perry Correctional Institution Reception and Evaluation Center (and this provision shall apply to any Plaintiff so confined, within thirty (30) days from the signing of this Decree by the parties);

e. From September 1, 1985 through August 1, 1986, up to fifty cells at the Perry Correctional Institution Reception and Evaluation Center may be triple-celled;

f. From August 1, 1986 until July 1, 1987, Plaintiffs confined at the Perry Correctional Institution Reception and Evaluation Center may be double-celled, but after July 1, 1987 all such Plaintiffs must be single-celled;

g. From the signing of this Decree by the parties until September 1, 1985, no Plaintiffs shall be confined at the Perry Correctional Institution Reception and Evaluation Center for longer than thirty (30) days;

h. From September 1, 1985 and thereafter, no Plaintiffs shall be confined at the Perry Correctional Institution Reception and Evaluation Center for longer than fourteen (14) days;

i. Any Plaintiff confined in a reception and evaluation Center for more than fourteen (14) days shall have the right to the visitation and recreation provided by this Decree.

2. Defendants agree to make all good faith efforts to close Central Correctional Institution, including requesting the closing of Central Correctional Institution in their ten year plan to the legislature, until said institution is closed.

009597

3. Defendants agree that all lock-down, maximum security use of the Maximum Security Center shall end within one (1) year from the signing of this Decree by the parties.

4. These time limits shall not be subject to any extension, including as set forth in II-I of this Decree.

T. Effective Date

1. This Decree is intended to be an agreement between the named Defendants, in their official capacities, and the Plaintiffs, individually and as representatives of the class of all persons described in section I-A of this Decree. Accordingly, this Decree shall not be enforceable unless and until this action is certified by the Court as a class action with plaintiffs as representatives of the aforementioned class.

2. Unless otherwise noted, all provisions of this Decree shall take effect within thirty (30) days of the signing of this Decree by all parties. All parties shall attempt in good faith to obtain judicial approval of this Decree. However, the parties shall not be obligated to continue implementing this Decree if judicial approval is denied.

U. Compliance

1. Defendants shall provide Plaintiffs' counsel, the Court, the Budget and Control Board, and each institution library, with detailed quarterly reports and supporting documentation, where appropriate, indicating for each subsection of the Decree whether the Defendants are in compliance or not as to each institution. Such reports shall state the source(s) of the

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APPENDIX
VIII

009597

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

MARION P. CARNELL
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

734-2824 3090
P.O. BOX 142 TELEPHONE (803)~~-758-5088~~ OR ~~-8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
HORACE C. SMITH
JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
HUGH K. LEATHERMAN
THOMAS L. MOORE

HOUSE MEMBERS:
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

November 13, 1986

EXHIBIT

MAR 10 1987 NO. 10

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

Dear Mr. McInnis:

The Joint Bond Review Committee has had four meetings since October 1, 1986, to discuss the recommendations of the CCI Relocation Task Force, chaired by Rep. Jean Toal, which has recommended that the replacement facility for CCI be funded through a lease-purchase financing arrangement.

After thorough discussions of lease-purchase financing versus General Obligation Bond financing for the replacement facility with Rep. Toal, members of the Task Force, and the State Treasurer, Hon. Grady Patterson, the Committee, at its meeting of November 12, 1986, voted to advise the Budget and Control Board that the lease-purchase financing method was found to be an acceptable financing method for this particular project.

The Committee takes this action pursuant to Section 28, Permanent Provisions of the 1985-86 General Appropriations Act (Act #201, 1985) which authorizes the Budget and Control Board to enter into a lease-purchase agreement for a replacement facility for Central Corrections Institution "after consultation with the Joint Bond Review Committee".

With kind regards, I am

Sincerely,

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
Enc.: Act #201, Sec. 28 (1985)
cc: Rep. Jean Toal, Chairman
CCI Relocation Task Force
Mr. Bill Clement, Acting State Engineer

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EXHIBIT

MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 3

AGENCY: Executive Director

SUBJECT: AT&T Telecommunications Contract Negotiations Status Report

Deputy Director Griswold will advise the Board on the status of the negotiations on the AT&T telecommunications contract.

BOARD ACTION REQUESTED:

Receive as information.

ATTACHMENTS:

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EXHIBIT

MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)	
)	IN THE COURT OF COMMON PLEAS
COUNTY OF RICHLAND)	
AT&T Information Systems,)	
)	
Plaintiff,)	
)	JOINT REPORT TO THE COURT
v.)	
)	CIVIL ACTION NO. 87-CP-40-0876
S. C. Budget and Control)	
Board, An Agency of the)	
State of South Carolina,)	
)	
Defendant.)	
)	

Pursuant to the agreement entered into between the parties on Friday, February 20, 1987, and in accordance with the Order of the Court issued from the bench on that same date, the parties wish to advise the Court that they have finalized, and herewith enter into, an agreement regarding the dispute resolution process which, as the parties advised the Court, they would seek to complete not later than February 27, 1987. Accordingly, the Court is hereby advised, jointly, of the following process:

1. Fact Gathering Teams - each organization may, without limitation or restriction, designate certain staff individuals to meet with similarly designated staff individuals representing the opposite party for purposes of exchanging documents and engaging in discussions, including where appropriate, proposed solutions, on an issue-by-issue basis;

2. Negotiations Team - each organization will designate two (2) named individuals, one (1) of whom will act as lead spokesperson for each party, and three (3) other persons, (to vary based upon issues to be taken up and other considerations),

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for a total, per-side, of (5) individuals for each party. This group may either:

a. formulate a recommendation to be sent forward to the next, and final, preformal litigation step. Agreements may be reached at this level subject to approval by the Dispute Resolution Group;

b. set it aside for future discussion; or

c. remand the matter to the fact gathering group from which it came for further information, and the like; and

3. Dispute Resolution Group - this will be the final internal step in the dispute resolution process and will be made up of AT&T's General Manager for South Carolina and the Executive Director of the Budget and Control Board respectively, and at least one (1) member from the Negotiation Team, in addition to not more than two (2) other designees, who likewise need not be the same at each session, strictly at the pleasure and discretion of the respective organization making the selection. Otherwise stated, each side will be represented by not more than four (4) individuals. This group may either:

a. resolve the issue (and should be authorized to do so), on, at least, an item-by-item basis, subject to final authority from their respective principal;

b. remand the matter to the level below for reconsideration, if appropriate; or

c. agree to disagree, which will not be regarded as any indication of failure to bargain in good faith, and either set it aside for future consideration or determine that the matter cannot be resolved and thereby become the subject of the formal litigation procedure.

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MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

It is further agreed between the parties that the following principles will apply:

1. It is expected that the processes listed above will be strictly adhered to by the parties and that, without prior approval of the opposite party, no inter-party communications will occur outside the appropriate team or group. If such unapproved, extra dispute resolution processes communications do occur, it is understood that the other party has the right to withdraw immediately and all matters, resolved or unresolved, will become a component of the formal litigation process;

2. Each issue, as developed, will contain three (3) principal elements:

   a. each party's position under the terms of the contract, and any associated, documents;

   b. each party's assertion as to the other party's performance thereunder; and

   c. each party's position with regards to remedy, whether monetary or otherwise;

3. It is understood that, in the final dispute resolution group, neither the Executive Director of the Budget and Control Board, nor the General Manager for the State of South Carolina for AT&T may at all times be available and that as a consequence, either may designate the member of the Negotiating Team to act in their stead. The Executive Director and General Manager will exercise their best effort to be available for these group meetings;

4. The first order of business will be to finalize a list of issues to be discussed between the parties and for each organization to designate appropriate staff individuals to handle these issues as a part of the fact gathering stage. The Board will present such a list to AT&T by close of business Tuesday, March 3, 1987. While it is not a part of this arrangement that only documentation which is shared at this fact gathering stage will be used

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EXHIBIT

MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

in formal litigation, the parties should attempt to disclose all pertinent information, such as would be available through the process of discovery;

5. Following finalization of the immediately preceding item, the parties will seek to establish a time table, with specific deadlines, for this process, including regularly scheduled sessions as opposed to either "around the clock", or "meeting by meeting" scheduling;

6. Documents created and/or statements made for the first time within these processes shall be regarded as the product of settlement negotiations and shall not be admissible in evidence;

7. All parties will maintain the status quo, but by doing so it is understood that neither party is waiving any of its rights in connection with any claims, counterclaims, or the like, whether procedural or substantive, in connection with this overall controversy;

8. Pursuant to Paragraph 8 of the agreement entered into between the parties dated February 20, 1987, any new claims arising hereafter, and/or not currently known between the parties, will be made a part of the dispute resolution processes provided for herein;

9. While it is not anticipated between the parties that attorneys will be regularly present at either the negotiations team or dispute resolution group levels, each party maintains full flexibility with regards to having their respective attorneys in attendance, and hereby agrees to notify the opposite party prior to the onset of any session where an attorney will be present in behalf of a particular party, and will seek to make such notice not later than twenty-four (24) hours prior to the beginning of any such session; and

10. Notwithstanding the prospects for, at times, intense negotiations, all sides will make every effort to maintain a professional, clinical, and restrained environment throughout, without regard

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MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

to which stage is involved. Each organization pledges that the discussions will be issue and fact oriented, and that generally, although this is an attempt to avoid the very formal litigation process, the parties should conduct themselves as they might in such a formal environment, including a regard for principles such as relevancy of information, authenticity, and other matters which might pertain to the admissibility of evidence.

It is requested by the parties that, in order to maintain the momentum developed to this point, the Court schedule periodic status conferences and/or other updates at an appropriate interval, probably not less frequently than every other week, until the steps herein provided for are finalized.

Respectfully and jointly submitted,

H. Simmons Tate, Jr.
Francis P. Mood, Jr.
BOYD, KNOWLTON, TATE & FINLAY
1200 Palmetto Center
Columbia, South Carolina 29201
(803) 779-3080

ATTORNEYS FOR THE PLAINTIFF

Craig K. Davis
W. Thomas Lavender, Jr.
DAVIS & LAVENDER
1813 Main Street, Suite 1000
Columbia, South Carolina 29201
(803) 256-2494

EXHIBIT

MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

OF COUNSEL:

James F. Flanagan
Room 315 Law Center
Columbia, South Carolina 29208
(803) 777-4155

ATTORNEYS FOR DEFENDANT, South Carolina Budget & Control Board

87-143/7091D

009605

EXHIBIT

MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

IN THE COURT OF COMMON PLEAS

AT&T Information Systems,)
)
Plaintiff,)
)
v.)
)
S. C. Budget and Control)
Board, An Agency of the)
State of South Carolina,)
)
Defendant.)

DEFENDANT'S REPORT TO THE COURT

CIVIL ACTION NO. 87-CP-40-0876

87 MAR -2 AM 10:34
BARBARA A. SCOTT
C.C.C.P. S.C.

Pursuant to the agreement entered into between the parties on Friday, February 20, 1987, the Court is hereby advised as follows with regards to the payments set forth in paragraph 7 of said Agreement:

1. The State paid to AT&T $216,721.85, without protest, on Tuesday, February 24, 1987;

2. The State paid AT&T the amount of $102,409.61, without protest, on Friday, February 27, 1987;

3. The State paid AT&T the amount of $325,281.58 under protest, also on Friday, February 27, 1987 based on the current belief that these amounts may be related to issues arising from the contract of December 31, 1984; and

4. AT&T has credited to the State, against invoices relating to leased equipment the amount of $107,662.18. This was for withdrawn termination charges for leased equipment, which were the subject of Cause of Action No. 2 in the Complaint filed by AT&T dated February 18, 1987.

When the Agreement was entered into between the parties on February 20, 1987, the figures mentioned in paragraph 7

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STATE BUDGET & CONTROL BOARD

totaling approximately $829,911.00 were based upon the following components:

1. $329,900.00 for telephone service orders. This figure (based upon joint review by staff for both parties' since the Agreement was entered into on February 20, 1987) should be, as already cited to $325,281.58; and

2. an estimate of $500,000.00 for leased equipment for Columbia and Charleston. These are "non-contract" items which have been supplied by AT&T to the Board through arrangements separate and apart from the December 31, 1984 contract. This $500,000.00 figure was an approximation based upon separate tabulations provided during the course of negotiations on Friday, February 20, 1987 from the respective sides. Specifically, AT&T provided a figure of $435,000.00 and the State provided a figure of $519,000.00. In the intervening week, the parties have met, reviewed invoices, and have essentially determined that the AT&T figure of $435,000.00 was accurate, subject to approximately $7,700.00 for which invoices could not be located and would be submitted by AT&T within an additional week. Moreover, it was agreed between the parties that $107,662.18 had been improperly billed to the State and that a credit would be given against current invoices in that same amount.

As a consequence of the foregoing, the Board has paid to AT&T, in total, during the week following the arrangements entered into on Friday, February 20, 1987, the total of $644,413.04. In addition, AT&T has credited the Board the amount of $107,662.18 against leased equipment charges. Therefore, the figure appearing in paragraph 7 of $829,911.00, it is the Board's position, should be revised to $752,075.22, which covers all activity through February 12, 1987 for the categories included within paragraph 7 of said Agreement, with the exception of approximately $7,700.00.

The Board believes that AT&T regards the revised amount of $752,075.22 as deficient and, it is further believed, takes the position that the full $829,911.00 should have been paid by Friday, February 27, 1987. It is the Board's position,

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MAR 10 1987 NO. 11

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contrarily, that the figure was merely an approximation and that the elements listed in paragraph 7 of the Agreement, including all leased equipment and telephone service orders based upon invoices actually reviewed between the parties in the intervening week, override and take precedence over the figure actually mentioned. The Board stated during discussions both on Friday and subsequently on Tuesday, February 24, 1987, that if the invoice review indicated that the Board owed more than the $829,911.00 they would pay it. Conversely, if it were established that the figures were less, that would also be paid, which has proven to be the case. The Board regrets this separate difficulty, and is prepared to abide by whatever instructions the Court wishes to give the Board with regards to the discrepancy of approximately $77,000.00 between the figure mentioned in the Agreement of February 20, 1987 and the figure that has resulted from the review of the invoices. The Court is advised that it is the Board's position that without related invoices, which are not available, the Board would be without authority to make this payment of $7,700.00. It is also the Board's position that these matters were discussed in detail by the parties in the meeting of Tuesday, February 24, 1987, and that no misunderstanding concerning this matter existed at that time. The Board believes it has fully satisfied its obligations under paragraph 7 by virtue of the payments enumerated herein.

Respectfully submitted,

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W. Thomas Lavender, Jr.
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(803) 256-2494

OF COUNSEL:

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(803) 777-4155

ATTORNEYS FOR DEFENDANT, South Carolina Budget and Control Board

87-143/7091aD

009608

2-20-87

Based on the following mutual understandings and agreements, AT&T/IS and the State of South Carolina have agreed to continue to negotiate the differences that currently exist between these two parties. As a result of these negotiations, the essential ingredients of which are set forth hereinafter, it is no longer necessary for the State to pursue its motion for injunctive relief, and the same is withdrawn.

The parties hereby agree as follows:

(1) AT&T will proceed in the normal course of business to cut over the telecommunication switch to South Carolina State College.

(2) AT&T withdraws its letter to the Board dated February 12, 1987. If, in the future, AT&T feels the commercial need for assurances provided for pursuant to S. C. Code ¶ 36-2-609 (1976) and the case law of South Carolina, it will seek to have these assurances provided through the Court rather than by direct correspondence with the Board.

(3) By Friday, February 27, 1987, the parties will use their best efforts to develop a process for reviewing all presently outstanding issues existing between them; ~~specifically,~~ including those involving the payment of invoices, the installation ~~of equipment and~~ and performance requirements, performance of services, and warranty issues under the contract of December ~~22~~ 31, 1984 between the parties for telecommunications services, or otherwise. To be resolved through this process are those disputes raised by AT&T's First Cause of Action in its suit against the South Carolina Budget and Control Board, as well as those disputes relating to telephone repair orders in the approximate amount of $278,167 ~~pursuant to~~ set forth in its Second Cause of Action.

EXHIBIT

MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

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(4) The parties will use their best efforts to set in place a mechanism for ~~prior~~ dispute resolution to be followed prior to any future litigation between the parties. The parties will exercise their efforts to develop this mechanism by Friday, February 27, 1987.

(5) The parties mutually request that The Honorable Ralph King Anderson retain jurisdiction over the pending litigation between the parties, at least as long as he is ~~the Administrative Judge for~~ the Fifth Judicial Circuit, ~~and thereafter, if possible.~~

(6) The parties request that the Board be given a general extension of time in which to answer AT&T's Complaint, conditioned upon their having 30 days in which to answer or otherwise respond after notice and demand for answer by AT&T.

(7) As to claims in AT&T's Second Cause of Action relating to telephone service orders and rental and lease equipment in the approximate amounts of $329,911 and $500,000, respectively, the State agrees to make immediate payment of $216,000. By Friday, February 27, 1987, the State agrees to pay the balance of $613,911 either without protest or under protest as they deem appropriate. AT&T agrees to assist the Board in reviewing relevant invoices and ~~payments~~ between this date and February 27, 1987. Any amounts paid under protest will be resolved under the dispute resolution mechanism referred to in paragraph 4 above.

(8) Hereafter, the State agrees to pay for all goods and services billed by AT&T in a prompt and timely manner under the terms of the contract between the parties. In the event of any disagreement between them as to amounts to be paid, the questioned amounts will be paid under protest and the resolution of ~~the propriety of the~~ payments will be

EXHIBIT

MAR 10 1987 NO. 11

STATE BUDGET & CONTROL BOARD

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resolved by the dispute resolution mechanism set forth above.

(9) The parties hereby agree during the pendancy of these negotiations to maintain status quo as to the contractual relations between the parties.

(10) the parties ~~will~~ enter into a maintenance agreement between them to cover the maintenance of equipment following the expiration of applicable warranties in accordance with the terms of the contract.

~~This will become the Order of the Court subject to further Order of the Court.~~

Dated February 2, 1987.

CONCURRED:

SOUTH CAROLINA BUDGET AND CONTROL BOARD

By: _____

AT&T INFORMATION SYSTEMS, INC.

By: _____

EXHIBIT

MAR 1 0 1987 NO. 11

STATE BUDGET & CONTROL BOARD

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EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 4

AGENCY: Division of Motor Vehicle Management

SUBJECT: State Fleet Safety Program

The Division asks that the Board approve as Board policy the Fleet Safety Program described in the attachment. The Division notes that the 1982 amendment of the Motor Vehicle Management Act directs the Board to make sure that "...motor vehicles are operated in a safe manner in accordance with a statewide Fleet Safety Program." It also points out that, at present, the reporting of accidents involving State vehicles is required, agencies are required to operate Accident Review Boards, and that employees who meet certain criteria receive a safe driver award. The Division expresses the view that a more comprehensive State Fleet Safety Program is needed to reduce the State vehicle accident rate.

BOARD ACTION REQUESTED:

Adopt as Board policy the Fleet Safety Program proposed by the Division of Motor Vehicle Management.

ATTACHMENTS:

Agenda item worksheet and proposed Fleet Safety Program.

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BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

February 24, 1987

X *Blue Agenda*
___ *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:* STATE BUDGET & CONTROL BOARD
   (a) Agency: Division of Motor Vehicle Management
   (b) Authorized Official Signature: [signature]

2. *Subject:*

State Fleet Safety Program

3. *Summary Background Information:*

The State owns approximately 12,000 motor vehicles (excluding Department of Education vehicles), which are operated by 92 State agencies. During Fiscal Year 1984/85, State-owned vehicles were involved in 809 accidents, resulting in 6 deaths and 154 injuries. Although incomplete, data for calendar year 1985 indicates more than 800 State-owned vehicle accidents involving 2 deaths, 177 injuries, and costing approximately $6.9 million. During the past two years, State vehicle liability insurance premiums have increased 140%.

The 1982 Amendment to the State Motor Vehicle Management Act (Extract at Encl. 1) directs the Board "...to insure motor vehicles are operated in a safe manner in accordance with a statewide Fleet Safety Program." Currently, the State Motor Vehicle Management Manual provides only that State vehicle accidents be reported to authorities, that agencies operate Accident Review Boards, and that employees meeting certain criteria receive a safe driver award.

(See attached Sheet)

4. *What is Board asked to do?*

[redacted]

b. Approve the Fleet Safety Program at Encl. 3 as [redacted] Board policy [redacted]

5. *What is recommendation of the Board Division involved?*

Same as 4 above.

EXHIBIT

MAR 10 1987 NO. 12

6. *Recommendation of other office (as required)?* STATE BUDGET & CONTROL BOARD

(a) Office Name See Enclosure 5 *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
Enc. 1-Extract-1982 Amendment to Motor Vehicle Management Act Enc. 2-Notice of Drafting Period Enc. 3-Proposed Fleet Safety Program Manual Enc. 4-Summary of Program provisions Enc. 5-Other Office comments	Complete briefing concerning State Fleet accident experience and proposed Safety Program.

3. Summary Background Information continued:

In order to reduce the State vehicle accident rate, a more comprehensive State Fleet Safety Program is needed.

~~The Notice of Drafting Period at Encl. 2 notifies the public of the Board's intent to publish an Administrative Regulation for such a program. The proposed Safety Program at Encl. 3 may serve as interim Board policy until the Administrative Regulation is published.~~

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

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investigators' physical well-being would be jeopardized if they were identified. The Board is authorized to exempt vehicles carrying human service agency clients in those instances in which the privacy of the client would clearly and necessarily be impaired.

HISTORY: 1978 Act No. 644 Part II § 24(K) apparently effective July 24, 1978; 1982 Act No. 429 § 7, eff June 8, 1982.

Effect of Amendments—

The 1982 amendment substituted the words "and either state or agency seal decals" for the former language ", state seal decals, or agency decals" in the first sentence, and made minor changes in punctuation in the first and second paragraphs.

§ 1-11-330. Division of Motor Vehicle Management; State Department of Education vehicles exempted.

The provisions of §§ 1-11-220 to 1-11-330 shall not apply to school buses and service vehicles operated by the State Department of Education.

HISTORY: 1978 Act No. 644 Part II § 24(N), apparently effective July 24, 1978.

§ 1-11-340. Board to develop and implement statewide Fleet Safety Program.

The Board shall develop and implement a statewide Fleet Safety Program for operators of state-owned vehicles which shall serve to minimize the amount paid for rising insurance premiums and reduce the number of accidents involving state-owned vehicles. The Board shall promulgate rules and regulations requiring the establishment of an accident review board by each agency and mandatory driver training in those instances where remedial training for employees would serve the best interest of the State.

HISTORY: 1982 Act No. 429, § 9, eff June 8, 1982.

CHAPTER 13

State Human Affairs Commission

New Sections Added

SEC.

1-13-110. Affirmative action plans by State agencies; approval by Commission; action by General Assembly.

§ 1-13-10. Short title.

Research and Practice References—

Sullivan and Zimmer, The South Carolina Human Affairs Law: Two Steps Forward, One Step Back? 27 SC L Rev 1.

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

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EXHIBIT

MAR 1 0 1987 NO. 1 2

STATE BUDGET & CONTROL BOARD

S O U T H C A R O L I N A

F L E E T

S A F E T Y

P R O G R A M

Published by:

State Budget and Control Board
Division of Motor Vehicle Management

009616

3

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

INTRODUCTION

SOUTH CAROLINA VEHICLE FLEET SAFETY PROGRAM

I. STATE VEHICLE SAFETY POLICY. Motor vehicle accidents annually exact a terrible toll of human tragedy and suffering and of national resources within the United States. The same is true, on a smaller scale, within South Carolina State government. Every year, State employees or members of the general public are killed or injured, and a significant portion of the State's financial resources expended as a direct result of accidents involving State-owned vehicles. Accordingly, it is South Carolina policy that the State-owned motor vehicle fleet be operated and maintained in such a manner as to minimize deaths, injuries, and costs associated with State vehicle accidents.

II. POLICY IMPLEMENTATION.

A. As mandated by the Motor Vehicle Management Act, Section 1-11-220 through 1-11-340 of the Code of Laws of South Carolina, 1976, as amended, the Budget and Control Board has developed a Vehicle Fleet Safety Program to assure that State-owned vehicles are operated and maintained in accordance with the basic State Vehicle Safety Policy. For the purpose of this program, the term "vehicle" shall mean any vehicle, self-propelled or drawn by mechanical power, designed to be principally operated on the highway in the transportation of property or passengers, except devices used exclusively upon stationary rails or tracks, and requires registration and licensing in accordance with Article 3, Section 56-3-110 through 56-3-160 of the Code. The program includes:

1. Basic criteria concerning driver qualifications and selection, screening, education and discipline of drivers.

2. Required and prohibited driving practices.

3. Safety maintenance requirements.

4. Accident reporting and review procedures.

5. Provisions for safe-driving incentive awards programs.

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B. The administration of this program shall be the responsibility of the Division of Motor Vehicle Management under the direction of the State Fleet Manager.

II. PURPOSE. This program provides policy, administrative procedures, technical information, and standards for administering the State Vehicle Fleet Safety Program. It is directed to all State managers and personnel involved in the administration and operation of State-owned vehicles. Establishment of the Program statewide will result in monetary savings to the State as well as providing a safe working environment for employees.

III. SCOPE. The policy and procedures established under Chapter 19, Article 6, Regulations 19-630 through 19-633, are directed by the Budget and Control Board and are mandatory for all agencies operating State-owned vehicles not specifically exempted by the Act.

IV. APPEALS. In the event an agency or individual disagrees with the application of specific policies set forth in this manual, they may submit appeals in accordance with the procedures specified in section 19-613 of the State Administrative Regulations and in Chapter 19 (Appeals) of the State Motor Vehicle Management Manual.

DD9617-A

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CHAPTER 1

DRIVER QUALIFICATIONS, SELECTION, SCREENING AND EDUCATION.

I. GENERAL. Many factors influence vehicle accidents. These factors include driver skill, weather, road conditions and vehicle mechanical condition among others. Driver skill is the most important of all. With a proper level of driving skill, one can compensate for bad weather and road conditions, and to some degree, for unsafe vehicle mechanical condition. Therefore, it is State policy that the utmost care be exercised in the selection of vehicle drivers, and that a high priority be given to assuring that those drivers attain a level of driving skills sufficient to reduce accidents to a minimum. The policies described below apply to the qualifications, selection, screening, education, discipline and awarding of drivers of State-owned vehicles:

II. DRIVER QUALIFICATIONS.

A. The basic qualification for operation of a State vehicle is a valid, current South Carolina driver's license appropriate to the type vehicle being operated. Following are the classes of South Carolina driver's licenses:

1. Class 1. For operation of passenger vehicles and any single unit or combination of vehicles up to 24,000 pounds gross vehicle weight (gvw) except motorcycles.

2. Class 2. Allows you to operate any vehicle allowed by the Class 1 license, plus any single-unit vehicle weighing over 24,000 pounds gvw.

3. Class 3. Allows you to drive all vehicles covered in Class 1 and Class 2 and all other vehicles or combinations of vehicles over 24,000 pounds gvw. An example would be a tractor-trailer combination.

4. Class 4. Allows a person to operate a motorcycle.

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B. New State employees who have recently relocated to South Carolina may operate a State-owned vehicle using a valid driver's license from their former State for up to 90 days, at which time they must obtain a South Carolina driver's license.

C. Contract or consultant personnel who reside outside South Carolina, but must operate a State-owned vehicle while engaged in State business, may do so using a valid driver's license from their home state during the period in which their services are employed by the State of South Carolina.

D. Employees who are spouses of active duty military personnel stationed in South Carolina may operate a State-owned vehicle using a current, valid driver's license from their state-of residence.

III. DRIVER SELECTION AND SCREENING. Following are State policies with regard to the selection and screening of drivers of State-owned vehicles:

A. Applicants for State positions in which the primary responsibility is driving shall provide a copy of their Motor Vehicle Record (MVR), obtained at the applicant's expense from the South Carolina Department of Highways and Public Transportation, along with their employment application, to the servicing personnel office. Applicants whose MVR shows involvement in more than two accidents in the last three years or more than eight current violation points shall be unqualified for full time driver positions.

B. Agencies will establish dispatch procedures to ensure that operators of State-owned vehicles possess a current valid driver's license appropriate to the class of vehicle to be operated in accordance with paragraph II above.

C. Agencies will establish procedures to annually screen the MVRs of all employees who have occasion to drive State vehicles. Requests for MVR screening will be submitted in the format shown at Appendix A to the Division of Motor Vehicle Management, Attention: Fleet Safety Officer. The corrective actions shown at Appendix B will be taken concerning those employees discovered to have a history of traffic violations or vehicle accidents.

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IV. DRIVER EDUCATION. The lack of an appropriate level of driving skill is a major cause of vehicle accidents. Accordingly, agencies should assign a high priority to ensuring that employees attain necessary driving skills. Driver education efforts are classified as preventive programs and remedial programs. Ideally, preventive education programs will make remedial programs unnecessary. Following are State policies with regard to preventive and remedial driver education programs:

A. Preventive Programs. Agencies are encouraged to have as many of their employees as practicable attend the National Safety Council Defensive Driving Course (DDC) on a four-year cycle. Once the full eight-hour course has been completed, employees may attend the four-hour refresher course. The following categories of drivers must attend DDC as specified:

1. New employees whose primary responsibility is to drive a State vehicle will attend the full eight-hour DDC within sixty days of date of employment and will attend the four-hour refresher course every third year thereafter.

2. Employees who are permanently assigned a State-owned vehicle must attend the full eight-hour DDC within sixty days of the date of such vehicle assignment and must attend the four-hour refresher course every fourth year thereafter, as long as the employee is permanently assigned a vehicle.

B. Remedial programs. Section 1-11-340 of the Motor Vehicle Management Act requires that " The Board shall promulgate rules and regulations requiring the establishment of ... mandatory driver training in those instances where remedial training for employees would serve the best interest of the State". Thorough administration of effective driver selection, screening and preventive education programs should reduce the necessity for remedial education programs. However, in the event such programs are necessary, the following policies apply:

1. Employees whom an agency accident review board finds at fault in a preventable (See Glossary) State vehicle accident must complete the full 8-hour DDC before again being allowed to operate a State vehicle.

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2. Employees found to have accumulated 9-10 traffic violation points or 2 State vehicle accidents, or 3 total vehicle accidents on their motor vehicle record must complete the full 8-hour DDC before again being allowed to operate a State vehicle. (See Appendix B)

V. SAFE DRIVING INCENTIVE AWARDS PROGRAM. The Division will propose, coordinate and administer incentive awards programs designed to encourage safe driving on the part of individual State employees, and the administration of an effective vehicle safety program on the part of State agencies. The details of these programs will be published in a separate document.

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CHAPTER 2

REQUIRED DRIVING PRACTICES AND SAFETY MAINTENANCE

I. Drivers will abide by applicable State and Federal laws while operating State vehicles. Posted speed limits will be adhered to, and traffic signs or signals will be obeyed. Additionally, the following policies related to safety and/or security will be obeyed:

A. Wearing of Safety Belts. All employees of the State of South Carolina and passengers shall wear a safety belt at all times when operating or being transported as a passenger in a State-owned vehicle equipped with safety belts. It shall be each occupant's responsibility to insure compliance with the State's safety belt policy.

B. Security. State vehicles will be locked whenever they are unoccupied.

C. Engines. The engine of a State vehicle will be turned off at all times before the driver exits the vehicle.

II. SAFETY MAINTENANCE. State vehicles will be maintained in such a manner as to eliminate mechanical failure as a cause of vehicle accidents. The State Vehicle Maintenance Program (published separately) is designed to ensure such a level of maintenance. In addition to those procedures described in the Maintenance Program, the following policies apply:

A. State vehicles will be safety inspected in accordance with the laws of South Carolina.

B. In the case of special purpose vehicles equipped with load-bearing devices (booms, lifts, etc.), these devices will be load checked in accordance with appropriate technical manuals.

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CHAPTER 3

ACCIDENT REPORTING AND REVIEW PROCEDURES

I. GENERAL. The importance of accurate and timely reporting of accidents involving State vehicles cannot be over-emphasized. Such reporting not only may serve to protect the State from unwarranted liability claims, but also enables agency management to detect accident trends early enough to take corrective action before these accidents become a significant problem.

II. ACCIDENT ACTION AND REPORTING PROCEDURES.

A. Whenever a State-owned or operated vehicle is involved in a reportable accident (see Glossary for definition), the actions shown at Appendix C should be taken.

B. Agencies operating State vehicles will submit a quarterly Summary of Motor Vehicle Accidents (format at Appendix D) to the Division (Attention: Safety Officer) not later than the 10th working day following the end of each fiscal quarter.

III. ACCIDENT REVIEW PROCEDURES.

A. Agency Responsibilities.

1. Agency heads are responsible for insuring that these standards are applied by all subordinate activities and personnel operating vehicles in the performance of State business.

2. Agency heads or their designated representatives should periodically review driver performance records and determine whether effective accident prevention measures have been taken or are required.

3. As required by Section 1-11-340 of the Motor Vehicle Management Act, Agencies shall establish accident review boards in accordance with criteria published at Appendix E of this manual to review and make recommendations concerning accidents involving agency-owned vehicles. Results of decisions of these boards are to be made available to the Division periodically and during the annual Management Review.

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4. Employees cited and fined for speeding or failure to wear seat belts in State-owned vehicles are to be reprimanded through a written notification by the agency director with a copy of such notification to be placed in the employee's personnel file.

5. Appropriate agencies shall provide membership to the State Accident Action Committee as specified in paragraph III C 1 below.

B. Division Responsibilities. The Division is responsible for promulgating regulations for and monitoring execution of an effective State fleet safety program. Accordingly, the Division will perform the following safety functions, as a minimum:

1. The Division's State Fleet Safety Officer will provide technical assistance to agencies as requested.

2. The Division will gather necessary data, perform statistical analyses to detect accident trends, and propose corrective action to agencies and to the State's Accident Action Committee.

3. The State Fleet Safety Officer will serve as the permanent chair of the State Accident Action Committee, as described in Paragraph III C 1 below.

C. State Accident Action Committee. Effective implementation of a Statewide Fleet Safety Program requires the <u>active</u> involvement of appropriate levels of agency management. Therefore, the State Accident Action Committee is hereby constituted. The purpose of the Committee is to detect accident trends early enough that these trends may be corrected before substantial loss is incurred, and to perform continuous long range monitorship of the Fleet Safety Program. The following procedures will govern operations of the Committee:

1. Membership. Membership of the Committee shall be as follows:

a. <u>Permanent Members</u>:

(1) State Fleet Safety Officer - Chair

(2) Insurance Company Representative (advisory)

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(3) State Insurance Reserve Fund Representative (advisory)

(4) DHPT Representative

b. Annually Rotating Members:

(1) Agency members. Agencies to be represented will annually be selected by the State Fleet Manager from those agencies which have the potential to have the greatest positive impact on the overall State fleet accident record. Individual representatives will be appointed by the agencies concerned.

(2) Special agency member. Annually selected by the State Fleet Manager as the large (more than 50 vehicles) agency with the best accident frequency rate. Individual representative will be appointed by the selected agency.

2. Meetings. The Committee shall meet at least once per calendar quarter, or at the call of the Chairman. At each meeting, the Division will be prepared to present an analysis of recent accident trends, and propose possible corrective actions for consideration by the Committee.

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GLOSSARY

ACCIDENT: The causing or incurring of damage or injury, whether or not the vehicle concerned is the moving unit. Not an incident (See definition below).

ACCIDENT REPORTABLE:* Any accident in which a State-owned vehicle is involved where such accident results in death, personal injury, or property damage. An accident is reportable regardless of who was hurt, what property was damaged, or who was responsible.

ACCIDENT PREVENTABLE:* Any accident involving a State-owned vehicle which results in property damage or personal injury, regardless of who was injured, what property was damaged, or when it occurred, in which the driver in question failed to exercise every reasonable precaution to prevent the accident. Usually the presence of a moving violation indicated against the State driver on the uniform traffic ticket is an indication that the accident was preventable.

ACCIDENT FREQUENCY RATE:* The accident frequency rate is determined by multiplying the number of accidents by 1,000,000 and dividing by the total number of miles driven. In the case of individual agencies, accident frequency rate may be calculated per 1,000 miles driven.

BOARD: The State Budget and Control Board.

DDC: The National Safety Council-sponsored Defensive Driving Course or other driver training courses approved by the Division.

DIVISION: The Division of Motor Vehicle Management.

FAULT: The concept whereby a driver is guilty of error, either by committing improper actions or by omitting proper actions where that error results in a preventable accident. Determination of "fault" is made either by conviction of a driver for a traffic offense in a court of law, or determination by agency management or an Accident Review Board during review of a vehicle accident.

FLEET: That group of various types and classes of motor vehicles and vehicular equipment assigned to or owned by an agency.

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FLEET MANAGER: The Director of the Division of Motor Vehicle Management.

FLEET SAFETY OFFICER: The DMVM employee responsible for administering the State-wide Fleet Safety Program.

FULL-TIME DRIVER: A State employee, consultant, contractor, or volunteer worker who drives a State-owned vehicle for more than fifty percent of that person's compensated work hours.

INCIDENT: Incidents are cases where a State vehicle incurs damages as a result of some action (vandalism, acts of nature, etc.) not fitting the definition of "accident". Incidents are not used in calculating accident frequency rates.

MAINTENANCE: Cleaning, servicing, adjusting, repairing, replacing parts or components, testing, and checking for discrepancies.

MOTOR VEHICLE: Any vehicle, self-propelled or drawn by mechanical power, designed to be principally operated on the highway in the transportation of property or passengers.

MOTOR VEHICLE RECORD: A driver's history of traffic violations, accidents, suspensions, and convictions as maintained by the State Department of Highways and Public Transportation.

SPECIAL PURPOSE VEHICLE: Vehicles designed or adapted for specialized use other than providing transportation for personnel, supplies or equipment. Such vehicles have limited or no capacity for practical utilization in a general purpose role. Includes police pursuits, fire, ambulance, emergency vehicles, utility maintenance trucks, refuse trucks and similar vehicles with specialized engine or mounted equipment designed for specific task accomplishment.

STATE AGENCY: "State Agency" shall mean all officers, departments, boards, commissions, institutions, universities, colleges and all persons and administrative units of state government that operate motor vehicles purchased, leased or otherwise held with the use of state funds, pursuant to an appropriation, grant or encumbrance of state funds, or operated pursuant to authority granted by the State.

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Appendix A

Driver Record Screening Request

Requests for screening of the Motor Vehicle Record (MVR) will be submitted to the Division of Motor Vehicle Management on South Carolina Department of Highways and Public Transportation Form DL-15A (format shown below):

S.C. DEPARTMENT OF HIGHWAYS
AND PUBLIC TRANSPORTATION
FORM DL-15A

REQUEST
FOR
VEHICLE DRIVER RECORD

DRIVING RECORD OF NAME _____ (Last) (First) (Middle or Maiden)

ADDRESS _____ (Street or Route) (CITY) (State)

DRIVER LICENSE Nº _____ Date of Birth _____ (Month) (Day) (Year)

INQUIRY Being Submitted by _____

ADDRESS _____ (Street or P.O. Box) (City) (State)

ACCOUNT Nº _____ Code Nº _____ Date _____

IMPORTANT The information as being requested will be processed by machine methods and therefore the descriptive data of the individual for whom the record check is being requested must be complete in every detail with respect to first, middle or maiden and last names as well as Data of Birth-Drivers License Number Must be Shown
Fee is $4.00 for each record check.

GLOBE 413313-0

Blank forms may be obtained from the Division's Fleet Safety Officer.

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Appendix B
DRIVER CORRECTIVE ACTIONS

MVR VIOLATION PTS.	STATE VEHICLE or ACCIDENTS	ALL VEHICLE or ACCIDENTS (LAST 3 YRS)	then CORRECTIVE ACTIONS
6-8	1-Regardless of fault	--	Verbal counseling concerning responsibilities while driving State vehicles.
9-10	Action 1 1-at fault[2] 2-regardless of fault	Action 2 3-regardless of fault	Written counseling concerning responsibilities while driving State vehicles and Mandatory attendance of Defensive Driving Course.
11-12	3-regardless of fault	Action 3 4-regardless of fault	Review of State vehicle driving privileges[3] by agency management.
	Action 4 2-at fault		1 year suspension from driving State vehicles.
Driver Under Suspension			Driver suspended from operating State vehicles until suspension is lifted by DHPT.
	Action 5 3-at fault[2]		Permanent suspension from driving State vehicles.

Notes:

1. "Fault" is as determined by investigating law enforcement officers, and is indicated by the presence of a charge on the uniform Traffic Report. In the absence of a charge on the report, "fault" should be determined by the agency Accident Review Board.
2. Under the Insurance Proviso of the annual State Appropriations Act, a State employee may be held liable for up to $200.00 for negligence while driving a State vehicle.
3. The presence of 11-12 violation points, 3 State vehicle accidents, or 4 "all vehicle" accidents on an employee's MVR, regardless of fault, is cause for that employee's State vehicle driving privileges to be reviewed by agency management or by an agency Accident Review Board. The agency may take any action consistent with State and agency personnel regulations.

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Appendix C

South Carolina
State Vehicle Accident Procedures

1. Turn vehicle ignition off to prevent fire and evacuate vehicle.
2. Render first aid to any injured persons.
3. Call for medical assistance or ambulance if necessary.
4. Call local municipal or county police, or S. C. Highway Patrol. If appropriate, call your agency's Public Safety Office. All state vehicle accidents* must be investigated by law enforcement authorities.
5. Vandalism of a state vehicle also must be investigated by law enforcement officials.
6. Obtain data concerning other vehicle and driver, and complete accident report on the reverse of this page.
7. Give the other driver your name and the name and address of your agency. Do not admit responsibility or liability for any accident.
8. As soon as practicable, report accident to James C. Green, Insurance Adjusters, P. O. Box 616, Columbia, S. C. 29202. Call Collect (803) 771-8820.

Telephone Numbers

1. Emergency Medical Service -
   - Charleston Area - 577-7080(Emergency 911)
   - Lexington County - 359-2521
   - Richland County - 254-3061

2. Police -
   - Highway Patrol - Columbia Area - 737-1030
   - Highway Patrol - Charleston Area - 747-6353
   - Richland County Sheriff - 779-6100
   - Lexington County Sheriff - 359-8230
   - City Police - Columbia - 252-2911
   - City Police - Charleston - 577-7074(Emergency 911)

3. Division of Motor Vehicle Management (Columbia)
   - Director - 737-1515
   - Motor Pool Dispatcher - 737-1517
   - Maintenance Shop - 737-1511
   - Maintenance Officer - 737-1570
   - Vehicle Abuse Complaints - 737-1510

4. State Vehicle Insurance Adjuster - 771-8820

*An "accident" is defined as the causing or incurring of damage or injury, whether or not the vehicle concerned is the moving unit.

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South Carolina
State Vehicle Operator's Report of Accident
(Fold & Mail to address on reverse within 10 days)

1. Date/time of accident _____

2. Location of accident(County/City/Route No.)
   County _____ City _____ Rt.# _____

3. Vehicle/Driver involved:
   A. Your State Vehicle:
      1. Agency Name/Address _____
      2. Year/Make of Vehicle _____
      3. Vehicle License No. _____
      4. Your Name _____
      5. Your Driver's Lic. No. _____
      6. Your Address _____

   B. Other Vehicle:
      1. Year/Make of Vehicle _____
      2. Vehicle License No. _____
      3. Driver's Name _____
      4. Driver's Address _____
      5. Driver's License No. _____
      6. Ins. Co./Policy No. _____

4. A. Was accident investigated by police?
      Yes ____ No ____
   B. What police Dept? _____
   C. Was anyone charged with a violation?
      Yes ____ No ____
   D. If so, who and what charge? _____
   E. Was anyone injured? Yes ____ No ____
   F. If so, whom? _____
   G. What was the nature of injury? _____

5. Complete statement on reverse, fold and mail to address shown within 10 days

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Statement

In your own words, give circumstances of accident:

_____

_____

_____

_____

_____

_____

_____

_____

Stamp

State Budget & Control Board
Div. of Motor Vehicle Mgmt.
Attention: Safety Officer
1022 Senate Street
Columbia, South Carolina 29201

Appendix D

QUARTERLY AGENCY STATE VEHICLE ACCIDENT SUMMARY REPORT

Agency_____

QUARTER_____

No. of Owned/Leased State Vehicles in Agency Fleet_____

No. of Miles Accrued in State Vehicles During Quarter_____

Date_____

Accident Summary

(Use Codes Shown At Provided Enclosures)

Accident * No.	County Number	Route Number	Date	Day	Time	Persons Inj.	Persons Killed	Veh. Year	Tag Number

Damage Severity	D. L. Number	Sex	Race	Date of Birth	At Fault**	MVI***

*Assigned by Agency

**Either State Driver or other driver as determined by Agency Accident Review Board or investigating police.

***Moving Violation Indicated (See Code Sheet)

Enclosure

D-1

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INFORMATION SHEET
(To interpret Codes Used On Accident Summary Report)

County

01 - Abbeville	13 - Chesterfield	25 - Hampton	37 - Oconee
02 - Aiken	14 - Clarendon	26 - Horry	38 - Orangeburg
03 - Allendale	15 - Colleton	27 - Jasper	39 - Pickens
04 - Anderson	16 - Darlington	28 - Kershaw	40 - Richland
05 - Bamberg	17 - Dillon	29 - Lancaster	41 - Saluda
06 - Barnwell	18 - Dorchester	30 - Laurens	42 - Spartanburg
07 - Beaufort	19 - Edgefield	31 - Lee	43 - Sumter
08 - Berkeley	20 - Fairfield	32 - Lexington	44 - Union
09 - Calhoun	21 - Florence	33 - McCormick	45 - Wmsburg
10 - Charleston	22 - Georgetown	34 - Marion	46 - York
11 - Cherokee	23 - Greenville	35 - Marlboro	
12 - Chester	24 - Greenwood	36 - Newberry	

Day

1 - Sunday	3 - Tuesday	5 - Thursday	7 - Saturday
2 - Monday	4 - Wednesday	6 - Friday	

Time

0100 - 1:00 am	0900 - 9:00 am	1700 - 5:00 pm	
0200 - 2:00 am	1000 - 10:00 am	1800 - 6:00 pm	
0300 - 3:00 am	1100 - 11:00 am	1900 - 7:00 pm	
0400 - 4:00 am	1200 - 12:00 am	2000 - 8:00 pm	
0500 - 5:00 am	1300 - 1:00 pm	2100 - 9:00 pm	
0600 - 6:00 am	1400 - 2:00 pm	2200 - 10:00 pm	
0700 - 7:00 am	1500 - 3:00 pm	2300 - 11:00 pm	
0800 - 8:00 am	1600 - 4:00 pm	2400 - 12:00 pm	

Examples:

Code:	Accident Occurred
0650	6:50 am
2135	9:35 pm
1220	-12:20 am

Damage Severity

1 - Slight - Less than $200 damage
2 - Moderate - $201 - $1,000 damage
3 - Severe - More than $1,000 damage
4 - Not available

DL Number

The driver's license number of the operator.

Sex

1 - Male
2 - Female
0 - Not Stated

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Race

1 - White
2 - Negro
3 - Other
0 - Not Stated

MVI (Moving Violation Indicated)--(From S. C. Uniform Traffic Collision Report)

11 - Improper Backing
21 - Speeding (10 MPH & under)
22 - Shifting Lanes Imp.
23 - Parking Improperly
25 - Failure to Dim Lights
26 - Lights Improper
28 - Veh. Unsafe Cond.
29 - Driving in Wrong Lane
4A - No Sig. Imp. Sig.
4B - Following too closely
4C - Defective Brakes
41 - Speeding (More than 10 MPH)
42 - Disregard Sign/Sig
43 - Disobed. to Officer
44 - No Right of Way
45 - Wrong Side of Road
46 - Passing Unlawfully
47 - Turning Unlawfully
48 - Driving in Safety Zone
61 - Reckless Driving
62 - Pass Stpd. School Bus
63 - Hit & Run Prop. Dam.
79 - Violation Inspection Law
80 - Fail to Stop - Police Veh.
82 - Other Moving Violation
83 - Exc. Wt. Ht. Lt. Wh.
84 - Pedestrian Drunk
85 - Concealed Weapon
86 - Disorderly Conduct
87 - Driver Lic. Viol.
88 - Trash, etc. on Hwy.
89 - Veh. Lic. Viol.
90 - Veh. Lic. Improper
91 - Illegal Whiskey
92 - Faulty Equipment
93 - Walking Violation
94 - Other Violation
95 - Fuel Tax Marker
96 - Driv. Under Susp.
97 - Min. Speed Law
98 - Racing on Hwy.
99 - Driv. under Infl.
00 - No Improper Driving
01 - Violation Unknown

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Appendix E

ACCIDENT REVIEW BOARDS

1. PURPOSE. To promulgate guidelines for establishment of vehicular Accident Review Boards for review of all accidents involving agency-owned and Division of Motor Vehicle Management (DMVM)-owned vehicles.

2. BACKGROUND. Accidents involving State-owned vehicles result in deaths, injuries, loss of employee production time, and loss of State financial resources in the form of insurance premiums and vehicle repair costs. Safe and proper operation of State vehicles is a direct responsibility of operators, supervisors, agency heads and the Division of Motor Vehicle Management. Accident Review Boards perform a vital function in the State Vehicle Safety Program by identifying causes of accidents, establishing responsibility for these accidents, and recommending actions to reduce the number of accidents.

3. GOAL OF ACCIDENT REVIEW BOARDS. The primary goal of the Accident Review Board will be to promote safe driving and to reduce the number of accidents involving agency vehicles. Emphasis will be on training drivers and developing safe procedures. These programs can only succeed if each operator of a motor vehicle accepts his or her personal responsibility for safe vehicle operation. In those cases where an individual employee is unable or unwilling to consistently operate motor vehicles safely, the Board will recommend that appropriate disciplinary action be taken by the agency head or supervisor.

4. TYPES OF BOARDS. The State vehicle fleet consists of vehicles which are owned and managed by State agencies, and those owned by DMVM and dispatched to users from the general vehicle pool or leased to using agencies. Agency Accident Review Boards are required by the S. C. Motor Vehicle Management Act and are directed at accidents involving agency-owned vehicles. The DMVM Accident Review Board is directed at accidents involving DMVM-owned vehicles.

5. COMPOSITION OF BOARDS.

   A. Agency Boards. Composition of agency boards will be largely determined by the size of the agency fleet and accident rate. Smaller agencies with a limited number of vehicles may find that a formal board is unnecessary. Following are suggestions for members of formal agency boards:

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1. Agency head or designee, who shall act as Chairman

2. Agency Vehicle Coordinator, who shall act as Recorder

3. Public Safety Officer/Security Chief

4. Staff Attorney

5. 1-3 supervisory representatives appointed by Chairman

B. DMVM Board.

1. The State Fleet Manager, who shall act as Chairman.

2. Five representatives of agencies leasing DMVM vehicles, as appointed by the Chairman.

3. The Fleet Safety Officer, who shall act as Recorder.

4. A senior official of the S. C. Highway Patrol with significant traffic investigation experience, who shall serve in an advisory capacity.

5. An attorney as appointed by the Attorney General.

6. Board Responsibilities. Vehicle Accident Review Boards will exercise three major responsibilities:

A. Review all accidents involving appropriate vehicles (agency-owned or DMVM-owned) to determine cause and to establish responsibility or culpability where appropriate. In such cases, agency boards have the authority to recommend that the driver be held liable for damage not to exceed the insurance deductible amount or actual vehicle repair cost, whichever is less, if operator negligence or culpability have been established. The DMVM Board has the authority to recommend that damage be assessed to the using or leasing agencies. Both types of boards shall also review all moving violations issued to operators of the appropriate State-owned vehicle.

B. Driver Training. The Board will, with the Division of Motor Vehicle Management acting as a coordinating agency, examine present driver training procedures and, where appropriate, will recommend establishment of additional driver training requirements to ensure

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that all vehicle operators are fully trained and qualified in the operation of their particular vehicle. Mandatory driver training requirements set forth in Chapter 1 and Appendix B of this manual will be observed.

C. Disciplinary Action. Where flagrant or repeated violations occur, the Board will refer the case to the appropriate agency head for further disciplinary action.

D. Appeal. Recommendations made by the DMVM Board are appealable to the Motor Vehicle Management Council under the procedure promulgated in Section 1-11-240 of the Code of Laws of South Carolina, 1976. A copy of this procedure is available from DMVM.

7. BOARD PROCEDURES.

A. Meeting frequency. Agency boards should meet at least annually, or when directed by the chairman. The DMVM Board will meet at least quarterly, or when directed by the Chairman. Generally, agency board meetings should be called when the agency has experienced three or more vehicle accidents (five or more accidents in the case of the DMVM Board). The Board recorder will contact the Chairman and notify the board members of the scheduled time and place of the meeting.

B. Responsibilities of the Board Recorder. The Board Recorder will ensure that training aids such as blackboard, chalk, and any other necessary equipment are present at the time of the hearing. He shall also ensure that all documentation concerning the accident is available including:

1. Copies of the investigating officer's report

2. Copies of the employee's statement as to what happened

3. A summary of any court action

4. Statements from available witnesses

C. Accident Review Procedures.

1. The Board will be called to order by the Chairman and a note made of members present and members absent.

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2. The accident will be described by the Board Recorder. The completed accident report may be used to obtain specific information concerning the accident. Additional information will be provided to the Board with a complete detailed picture of the circumstances of the accident. The presentation will include the following essential information.

   a. Estimated speed

   b. A description of the intersection, if appropriate, including blind corners and visibility in all directions, parked vehicles, etc.

   c. If the vehicle involved in the accident was an emergency vehicle responding to an emergency, the Board will be provided with information regarding the state of the emergency.

   d. A positive statement regarding operation of emergency warning devices on the vehicle. Were the emergency lights and sirens serviceable and operating if required?

   e. A statement by the operator(s) as to what happened.

   f. Answer any questions by members of the Board.

D. Findings/Recommendations of the Board.

   1. After reviewing the circumstances of the accident, the Board will determine whether the accident was preventable or non-preventable. (See glossary)

   2. Before reaching a finding of non-preventable, the Board must be satisfied that the accident could not have been prevented by the driver through normal alertness and attention to driving. In the case of an emergency vehicle, the Board must be satisfied that the driver was complying with all laws regarding emergency operation of vehicles and the provisions of Title 56, Chapter 5 of the Code of Laws of South Carolina, 1976.

E. Assessment of Damage. If the Board determines that the accident was preventable, it may recommend that the $200 insurance deductible or cost of repair, whichever is less, be assessed to the operator in accordance with the insurance proviso to the annual Appropriations Act.

009639

8. DISCIPLINARY ACTION. In addition to the assessment by the Board or as a separate action upon recommendation of the Board, agency heads shall impose, but are not limited to, the penalties described at Appendix B of this manual.

9. REPORTS. No reports are required of agency accident review boards. In the case of the DMVM Accident Review Board, a quarterly accident report will be prepared by the Division. This report will list all accidents involving Division vehicles during the past 3 month period. The report will also list the total number of accidents for the year to date with a comparative figure for the preceding year. Copies of the minutes of the Accident Review Board will be made available to each leasing agency, the Motor Vehicle Management Council, and the State Budget and Control Board at their request.

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

009640

PROPOSED STATE VEHICLE SAFETY PROGRAM

--Establishes basic State vehicle safety policy.

--Drivers:
  --Formalizes license requirements.
  --Requires MVR screening for full-time driver applicants.
  --Requires annual MVR screening of all State employees who drive vehicles.
  --Establishes a driver disciplinary policy
  --Provides for driver education:
    --Preventive:
      --New full-time drivers attend DDC within 60 days/every third year thereafter
      --Employees permanently assigned a vehicle attend every four years
      --Corrective:
        --Mandatory attendance for:
          --Employees at fault in a preventable State vehicle accident.
        --Those whose MVR shows 9 or more points, 2 State vehicle accidents or 3 total vehicle accidents.

--Required Driving Practices:
  --Wearing of safety belts.
  --Locking of vehicles.
  --Engines shut off.

--Safety Maintenance: Continue current system.

--Accident Reporting and Review:
  --Establishes standard State accident procedure and report form.
  --Provides for a quarterly Agency Accident Summary Report.
  --Continues requirement for agency accident review boards.
  --Establishes State Accident Action Committee (SAAC).

--Incentive Programs: Provides for individual and agency level safe-driving incentive programs.

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

009641

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF HUMAN RESOURCE MANAGEMENT
1205 PENDLETON STREET
POST OFFICE BOX 12547
COLUMBIA, SOUTH CAROLINA 29211
803-734-0208

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

PHYLLIS M. MAYES
Director

REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

November 10, 1986

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

Mr. Allan J. Spence
Director
Division of Motor Vehicle Management
1022 Senate Street
Columbia, South Carolina 29201

Dear Allan:

This is in response to your correspondence to Ms. Phyllis Mayes of October 20, 1986, requesting comments regarding the proposed revisions to Chapter 14 (Safety) of the State Motor Vehicle Management Manual.

We appreciate the opportunity to comment on the proposed regulations. We also recognize the objective of the revisions is to minimize accidents and costs associated with State vehicles. Our staff worked with Mr. Bob Bonner of your office in the preliminary development of parts of the program and applaud the efforts being made to increase safety.

We do wish to express a general concern regarding two sections of the proposed regulations as presently written. Specifically, our reservations are contained in Section 14-2.B. and Section 14-2.C.2. and Appendix Q, Corrective Actions. Our reservations concern whether any legal rights of employees may be infringed upon by these sections. The primary legal question is to what degree an employee's personal driving record may be linked to his employment when the individual is only an occasional driver of State vehicles. Due to the fact that these sections raise what we think are legal concerns in this area, we would suggest that they be reviewed by the Office of the Attorney General before submission to the General Assembly.

Please let us know if our office may be of assistance regarding any further review.

Sincerely,

Stephen C. Osborne

Stephen C. Osborne
Director, Employee/Employer Relations

SCO/sb

cc: Ms. Phyllis M. Mayes

009642

5

The State of South Carolina

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803-734-3680

RECEIVED
JAN 15 1987
DIVISION OF MOTOR VEHICLE MANAGEMENT

January 14, 1987

Allan J. Spence
Director of the Division of Motor
Vehicle Management
1022 Senate Street
Columbia, South Carolina 29201

Re: Drafted comprehensive revision to Chapter 14 (Safety) of the State Motor Vehicle Management Manual

Dear Mr. Spence:

Your recent letter to Attorney General T. Travis Medlock requesting that this Office review the drafted revision to Chapter 14 (Safety) of the State Motor Vehicle Management Manual was referred to me for response. You directed our attention "particularly to Sections 14-2B, 14-2C2, and Appendix Q, Corrective Actions."

I have reviewed the draft included with your letter and make the following comments concerning legal issues raised by the revisions. Please note that this Office cannot comment on the wisdom or soundness of the policy decisions which prompted these revisions.

After completing my review of the draft, I conducted some cursory legal research which I will share with you in my following comments on the legal issues raised by the revisions; however, please understand that this research was limited and is not represented to be exhaustive or conclusive. As a result of my review and limited research, I generally concur with comments made by Stephen C. Osborne, Director of Employee/Employer Relations, in his letter, dated November 10, 1986, to you concerning this matter.

009643

As to eligibility to office or public employment, the general rule seems to be that, "[a]lthough all persons who are not excluded by some constitutional or legal disqualification are equally eligible to public office or employment, to be appointed or elected to such office or employment is not a natural or inherent right." 67 C.J.S. Officers & Public Employees §15. Nevertheless, "while there is no right to public employment, it may not be denied for just any reason." Id. See Elrod v. Burns, 427 U.S. 347 (1976).

According to 67 C.J.S. Officers & Public Employees §16,

> [i]n the absence of anything in the fundamental law guaranteeing the right to public office or employment, such right may be qualified or taken away by the legislative branch of the government, or may be conferred, for reasons deemed sufficient by it, on all of the same class provided there is no discrimination with respect to the classification. Subject to such limitations as may be imposed by the constitution, the power to fix the qualifications of public officers or employees may be exercised by the legislature. The qualifications for, or conditions of, public employment may not be arbitrary, but must be reasonable and based on substantial grounds which are natural and inherent in the subject matter of the legislation. The theory that public employment which may be denied altogether may be subjected to any conditions, regardless of how unreasonable, has been uniformly rejected.
>
> Qualifications used to limit or deny the right to hold office or employment must bear a rational relationship to the responsibilities, duties, and purposes of the office or employment in question, as, for example, with respect to the demands of a specialized office. Such reasonable and uniform qualification for office may be attached as legislative wisdom dictates, and where the state imposes reasonable conditions, they must be accepted if one is to be, or continue to be, a public officer.

009644

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

> Public employment may not be conditioned upon the surrender of constitutional rights which could not be abridged by direct governmental action, and a person may not be denied public employment for unconstitutional reasons or in disregard of his constitutional rights. The fact that a person is not compelled to hold public office cannot be an excuse for barring him from office by state-imposed criteria forbidden by the federal Constitution; and if a state's exercise of its right to impose restrictions on one seeking a public office invades an individual's constitutional rights, the restrictions become unconstitutional unless there is a showing of a compelling state interest justifying them. A governmental agency which would require a waiver of constitutional rights as a condition of public employment must demonstrate that the political restraints rationally relate to the enhancement of the public service, that the benefits which the public gains by the restraints outweigh the resulting impairment of constitutional rights, and that no alternatives less subversive of constitutional rights are available.

See, McLure v. McElroy, 211 S.C. 106, 44 S.E.2d 101 (1947).

Similarly, 63A Am. Jur. 2d Public Officers & Employees §37 states:

> the legislature may be authorized to place qualifications on the right to hold an office under authority of the state, so long as the limitations do not offend the federal or state constitutions, and so long as such limitations are not unreasonable, arbitrary or capricious. Qualifications for office must have a rational basis, such as age, integrity, training, or perhaps, residence. There must be a rational nexus between any requirements and the duties of the position in question. The legislature may prescribe qualifications which reasonably relate to the needs of office-holding or to the specialized

EXHIBIT

MAR 10 1987 NO. 12

STATE BUDGET & CONTROL BOARD

demands of an office, whether that office is elective or appointive.

In addition, 63A Am. Jur. 2d Public Officers & Employees §38 states:

> With respect to public employment, to state that a person does not have a constitutional right to government employment is only to say that he must comply with reasonable, lawful, and nondiscriminatory terms laid down by the proper authorities. In general, a person cannot be denied government employment because of factors totally unconnected with responsibilities of that employment. The government may not condition public employment upon compliance with unconstitutional conditions, and a person cannot be barred from public employment arbitrarily or in disregard of the person's constitutional rights. Thus, it has been stated that the right to be considered for public employment without unreasonable or invidious distinctions is a fundamental right.

Considering these statements of the general law concerning eligibility for public employment, §14-2B3 raises the legal issue of whether public employees "who have occasion to drive State vehicles" - as opposed to "State positions in which the primary responsibility is driving" [§14-2B1] - may be disciplined pursuant to Appendix Q when it is discovered that the employees have "a history of traffic violations or vehicle accidents." A similar issue is raised by §14-2C2b (and Appendix Q). In my cursory research, I could find no case that specifically addressed this issue.[1] If a public employee were to raise con-

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[1] Cf. State of Washington v. City of Seattle, 69 Wn.2d 816, 420 P.2d 704 (1966)(City policeman, who on two occasions was affected by intoxicating liquors such that it was not safe for him to drive an automobile, was dismissed from the police force by the chief of police.); Thurmond v. Steele, 159 W. Va. 630, 225 S.E.2d 210 (1976)(Commissioner of the Department of Motor Vehicles was dismissed for driving while intoxicated, failing to obey an officer, driving recklessly, and leaving the scene of an (footnote continued on page 5)

009646

EXHIBIT
MAR 10 1987 NO. 12
STATE BUDGET & CONTROL BOARD

stitutional challenges to §§14-2B3 & 14-2C2b concerning, for example, whether a rational nexus exists between §§14-2B3 & 14-2C2b and specific job duties or whether there is discrimination with respect to the classification or whether adequate due process rights are afforded, it is uncertain what the judicial determination of such issues would be. The Division of Motor Vehicle Management may want to consider and analyze thoroughly any potential liability and success of such constitutional challenges concerning §14-2B, §14-2C2, and Appendix Q.

I hope these comments will be of assistance to you in revising Chapter 14 (Safety) of the State Motor Vehicle Management Manual. If I can answer any questions concerning these comments, please do not hesitate to contact me.

Sincerely,

Samuel L. Wilkins

Samuel L. Wilkins
Assistant Attorney General

SLW/fg

---

accident in which he had been involved while driving his personal automobile and not on State business. The court held that, if the employing authority dismisses or otherwise disciplines a civil service-protected employee for gross misconduct occurring off the job and not involving state property, such misconduct must be substantial and not frivolous, trivial, or inconsequential, and it must be shown that such misconduct reflects adversely upon the employee's ability to perform his job, impairs efficient operation of the employing authority, and bears substantial relationship to duties directly affecting rights and interests of the public.); Cranston v. City of Richmond, 40 Cal. 3d 755, 710 P.2d 845 (1985)(Police officer was discharged for conduct unbecoming an employee of the City Service when, though previously warned about his driving habits, he drove his car with inoperative lights in the middle of the night and led fellow police officers on a wild chase over wet and slippery streets at speeds up to 95 miles per hour.).

EXHIBIT

MAR 10 1987 NO. 13

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 5

AGENCY: Budget Division

SUBJECT: Civil Contingent Fund Allocation, Board of Accountancy

The Budget Division advises that the State Board of Accountancy has requested a $6,791 allocation from the Civil Contingent Fund to pay the agency's June 30, 1987, terminal leave indebtedness.

The Division advises that the change in the agency head's retirement date from June 30, 1988, to June 30, 1987, has created the problem and that the agency's appropriation is insufficient to cover the cost.

The Board of Accountancy has projected revenue of $315,000 for the current fiscal year; its appropriation is $267.792.

The Division recommends that the Board allocate $6,791 from the Civil Contingent Fund to the Board of Accountancy.

BOARD ACTION REQUESTED:

Allocate $6,791 from the Civil Contingent Fund to the Board of Accountancy to pay terminal leave indebtedness.

ATTACHMENTS:

Agenda item worksheet and attachments

009648

EXHIBIT

MAR 10 1987 NO. 13

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-63

Meeting Scheduled for: March 10, 1987 Regular Agenda

1. Submitted By:
   (a) Agency: State Budget Division
   (b) Authorized Official Signature: A Barm Holmes IV

2. Subject:
   Board of Accountancy's Civil Contingent Fund Allocation Request.

3. Summary Background Information:
   The State Board of Accountancy requests a $6,791.00 Civil Contingent Fund allocation to pay the agency's June 30, 1987 terminal leave indebtedness. The change in the agency head's retirement date from June 30, 1988 to June 30, 1987 has created this problem and the agency's appropriation is insufficient to cover this cost. The Board projects revenue of $315,000 for the current fiscal year and its appropriation is fixed at $267,792.

4. What is Board asked to do?
   Approve a $6,791.00 Civil Contingent fund allocation to the State Accountancy Board.

5. What is recommendation of Board Division involved?

   Recommend Approval

   Frances H. Barr

6. Recommendation of other Division/agency (as required)?

   (a) Authorized Signature:
   (b) Division/Agency Name:

7. Supporting Documents:
   (a) List Those Attached:
      1. Agency Letter
      2. Staff Memo

   (b) List Those Not Attached But Available From Submitter:

009649

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
406 WADE HAMPTON STATE OFFICE BUILDING
COLUMBIA, S.C. 29201

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.
DIVISION DIRECTOR

EXHIBIT

MAR 10 1987 NO. 13

STATE BUDGET & CONTROL BOARD

TO: Jesse A. Coles, Jr., Ph.D.
Executive Director

FROM: Frances Barr
Budget Analyst

DATE: February 24, 1987

SUBJECT: Civil Contingent Funds
S.C. Board of Accountancy

I have met with Larry Kight, Director of the South Carolina Board of Accountancy and reviewed the request of $6,791 from the Civil Contingent Fund for terminal leave. These funds were not budgeted for 1986-87. The agency is a small operating unit and the funds are not available to cover this need.

There are two sources of funding available: Fourth Quarter Personal Service and Civil Contingent Funds. I discussed this request with Preston and he said we have no authority to fund from the Fourth Quarter Personal Service funds, therefore, I recommend $6,791 from the Civil Contingent Funds to cover the terminal leave that is needed.

009650

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
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 24, 1987

EXHIBIT

MAR 10 1987 NO. 13

STATE BUDGET & CONTROL BOARD

Mr. R. Larry Kight, Director
SC Board of Accountancy
Dutch Plaza, Suite 260
Columbia, South Carolina 29210

Dear Mr. Kight:

This is to acknowledge your letter requesting $6,791 from the Civil Contingent Fund for terminal leave and employer contributions.

By copy of this letter, I am forwarding your request to the Budget Division for review and recommendation. Mrs. Barr, your budget analyst, will contact you if additional information is needed.

Congratulations on your pending liberation!

Sincerely,

Jesse A. Coles, Jr., Ph.D.

JACj/nk

cc: Mrs. Frances Barr

009651

South Carolina Board of Accountancy

Dutch Plaza, Suite 260 / 800 Dutch Square Boulevard
Columbia, South Carolina 29210
(803) 737-9266

R. LARRY KIGHT, CPA
Director

FRED E. STUART, CPA
Investigator

February 20, 1987

RECEIVED
FEB 23 1987
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

Jessie A. Coles, Jr., Ph.D.
Executive Director
Budget and Control Board
State of South Carolina
Columbia, South Carolina 29211

Dear Dr. Coles:

My original retirement date as Director of the South Carolina Board of Accountancy was set for June 30, 1988. This was for two reasons. First, it was my mandatory retirement date before the change in the law. Second, the Director should be a CPA with many years in public accounting with heavy audit experience. This is necessary to keep our Positive Enforcement Program moving forward. The Director should be able to recruit CPA volunteers for hundreds of hours of audit review and other services for the Board. It is very hard to find such a person for government service.

Mr. Fred E. Stuart, CPA, age 55, retired after 27 years in public accounting, most of the time as a partner in a large local firm. He will accept the job and is willing to start July 1, 1987. We would like to change my retirement date back to June 30, 1987 while Mr. Stuart is still available.

The Budget and Control Board, at its meeting on December 2, 1986, approved the appointment of Mr. Stuart as Director effective July 1, 1987.

Because my retirement date was set for June 30, 1988, we did not ask for the necessary appropriation to fund my terminal leave in the 1986-87 fiscal year. Also, we did not know of Mr. Stuart's availability in time to make the budget request.

Our current projection is a deficit of about $5,500, so we are not in position to fund the terminal leave out of the current 1986-87 appropriation.

Board collections are now projected at $315,000 for the current fiscal year. Subtracting $274,583 ($267,792 + $6,791) will leave $40,417 in the general fund for the year.

009652

JOHN M. GREENE, CPA
Chairman
P. O. Box 1406
Anderson, SC 29622

BERNARD H. BAUM
Vice-Chairman
P. O. Box 3487
North Myrtle Beach, SC 29582

FRANCIS A. HUMPHRIES, CPA
Secretary-Treasurer
155 King Street
Charleston, SC 29401

CONVERSE A. CHELLIS, III, CPA
P. O. Box 927
Summerville, SC 29484

WILLIAM P. EDENFIELD, CPA
P. O. Box 1284
Orangeburg, SC 29116

JOSEPH E. HEYWARD
P. O. Box 384
Florence, SC 29503

MARION E. SMITH, SR., PA
P. O. Box 676
Conway, SC 29526

JOHN M. STOVER, CPA
P. O. Box 135
Columbia, SC 29202

JOHN A. THEODORE, PA
46 Pine Knoll Drive
Greenville, SC 29609

We respectfully request sufficient allocation from the Budget and Control Board to fund $5,892 for terminal leave plus $899, Employer Contributions, or a total of $6,791.

Thank you for your consideration.

Sincerely,

R. Larry Kight
Director

RLK:cp

cc: Frances H. Barr, Budget Analyst

EXHIBIT

MAR 10 1987 NO. 13

STATE BUDGET & CONTROL BOARD

009653

RECEIVED
FEB 23 1987
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

Budget and Control Board, Office of Executive Director

CIVIL CONTINGENT FUND - 86-87

Fund Status Report at March 10, 1987

Appropriation:		
General	$	$477,910.00
Transfers:		
Governor's Ofc Exec Policy and Pgms/CETA 75-76 Claim	37,523.00	
BCB/DRSS/Board of Economic Advisors	21,110.00	
Water Resources Commission	83,900.00	
Board of Examiners, LPC, AC, M&FT*	23,140.00	
Parole and Community Corrections for Sentencing Guidelines/Ms. Causey	1,102.67	
Board of Geologists	17,466.00	
Governor's Office/Nat'l Governors Conference	30,000.00	
Commission on Women	6,000.00	
Att Gen Ofc/Catawba Suit/Legal Fees	30,000.00	
		$250,241.67
Direct Expenditures:		
Budget and Control Board Meetings	3,496.26	
Board of Economic Advisors	390.00	
Construction Advisory Committee	277.76	
Retirement/Preretirement Advisory Council	116.50	
Governor's Youth Advisory Council	2,396.46	
Florence Crittenton Programs	12,500.00	
Study Committee/Hunger and Nutrition	2,685.69	
NASBO Regional Meeting, SC Host	9,611.00	
Southeastern Audit Forum ($2,500 refunded 3/2/87)	0	
Tax Study Commission	80,000.00	
		$111,473.67
Encumbrances:		
Budget and Control Board Meetings	503.74	
BCB, OED, Microfilming, Binding Board Minutes	2,000.00	
Retirement/Preretirement Advisory Council	233.50	
Construction Advisory Council	322.24	
Governor's Youth Advisory Council Meetings	1,603.54	
Clemson University/Fire Ant Research	30,000.00	
Att Gen Ofc/Catawba Suit/Legal Fees**	25,000.00	
Sentencing and Guidelines Commission	439.00	
		$60,102.02
YTD Encumbered (Trans, Expend and Encumb):		$421,817.36

* * * * * * * * * * * *

Year-to-date Disbursement:	$361,715.34
Balance (Cash available)	$116,194.66
Balance Unencumbered (Total Available):	$56,092.64

EXHIBIT

MAR 10 1987 NO. 13

STATE BUDGET & CONTROL BOARD

009654

* Licensed Professional Counselors, Associate Counselors, Marital and Family Therapists

** Att Gen Ofc/Catawba Suit released $75,000 from encumbrance December 31, 1986

NOTE: Appropriation reflects budget cuts totalling $16,714 ordered by Board.

EXHIBIT

MAR 10 1987 NO. 14

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 6

AGENCY: Budget Division

SUBJECT: FTE Position Transfer, Mental Health/HHSFC

The Budget Division advises that the Department of Mental Health, in accord with Section 44-6-120, has requested authorization to transfer one full-time-equivalent position and up to $27,039 of personal service funds to the Health and Human Services Finance Commission. The transfer is for a period not to exceed the employee's employment with the Commission, at which time the FTE position will be transferred back to the Department of Mental Health.

BOARD ACTION REQUESTED:

In accord with Section 44-6-120, authorize the transfer of one full-time-equivalent position and up to $27,039 of personal service funds from the Department of Mental Health to the Health and Human Services Finance Commission for a period not to exceed the employee's employment with the Commission, at which time the FTE position will be transferred back to the Department of Mental Health.

ATTACHMENTS:

Agenda item worksheet and attachments

009655

EXHIBIT

MAR 10 1987 NO. 14

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-64

Meeting Scheduled for: March 10, 1987 Regular Agenda

1. Submitted By:
   (a) Agency: State Budget Division
   (b) Authorized Official Signature: R Barron Holmes IV

2. Subject:
   Department of Mental Health request to transfer one FTE position to the Health & Human Services Finance Commission.

3. Summary Background Information:
   The Department of Mental Health requests authorization to transfer up to $27,039 and one (1.00) State Fund FTE position to the Health & Human Services Finance Commission for a period not to exceed the employee's employment with the Commission, at which time the FTE position will be transferred back to the Department of Mental Health. This request is made to the Budget and Control Board under Act ~~84~~ 83 of 1983.

4. What is Board asked to do?
   Approve the transfer of up to $27,039 and one (1.00) State Funded FTE Position from Mental Health to the Health & Human Services Finance Commission.

5. What is recommendation of Board Division involved?
   Recommend Approval

6. Recommendation of other Division/agency (as required)?

   (a) Authorized Signature: _____
   (b) Division/Agency Name:

7. Supporting Documents:
   (a) List Those Attached:
      1. FTE Position Transfer Form
      2. Agency Letter
      3. Letter of Agreement
      4. Letter of Justification

   (b) List Those Not Attached But Available From Submitter:

009656

EXHIBIT

FTE POSITION TRANSFER REQUEST

MAR 10 1987 NO. 14

STATE BUDGET & CONTROL BOARD

CODE NO. J12

AGENCY: S. C. Department of Mental Health

SUBJECT: Request is to transfer 1.00 position(s) to The Health & Human Services Finance Commission as follows:

Position Title	Grade	Class Code	Annual Salary	Source of Funds State	Federal	Other
Personnel Specialists I	26	2202	27,039	100%		

REQUEST JUSTIFICATION:

See Attached Agency Letter

STATE BUDGET DIVISION:

X Recommend Approval

___ Recommend Disapproval

Doris T. Fisher
State Budget Analyst

3/3/87
Date

Assistant Director
State Budget Division

Date

BUDGET AND CONTROL BOARD ACTION:

009657

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202

Information (803) 734-7783

Joseph J. Bevilacqua, Ph.D. / State Commissioner

(803) 734-7780

March 2, 1987

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

Willie G. Boulware
Rock Hill

Ernest E. Harrill
Greenville

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

EXHIBIT

MAR 10 1987 NO. 14

STATE BUDGET & CONTROL BOARD

Mr. David Anderson
Budget Development
Wade Hampton Office Building
Columbia, South Carolina 29202

Dear Mr. Anderson:

In reference to our recent request to transfer an FTE to the Health and Human Services Finance Commission, and their intention to employ Mr. Harry R. Shaw, we wish to offer the following information.

It is our understanding that the Health and Human Services Finance Commission was in need of a position to function as a Property and Inventory Control Office but did not possess any additional FTE's to meet this need.

When our employee (Mr. Shaw) expressed interest to the Health and Human Services Finances Commission regarding possible employment opportunities, discussions began that would hopefully prove beneficial to the two agencies involved and to Mr. Shaw. The result was the attempt by our agency to provide the needed FTE to the Health and Human Services Finance Commission in order to allow their employing Mr. Shaw.

Gregory T. Kilburn
Classification-Compensation Manager

GTK:db

009658

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202

Information (803) 734-7783

Joseph J. Bevilacqua, Ph.D. / State Commissioner

(803) 734-7780

EXHIBIT

MAR 10 1987 NO. 14

STATE BUDGET & CONTROL BOARD

January 21, 1987

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

Willie G. Boulware
Rock Hill

Ernest E. Harrill
Greenville

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

Mr. David Anderson
Budget Development
Wade Hampton Office Building
Columbia, South Carolina

Dear David:

Please reference the attached correspondence regarding this request to transfer 1 FTE from the Department of Mental Health to the Health and Human Services Finance Commission.

As is indicated in the agreement, a request to transfer funds for the remainder of the individual's salary for this year will be submitted once the effective date can be determined.

I appreciate your timely attention to this matter, and I am available to provide additional information as necessary.

Sincerely,

Jack

Jack Balling, Director
Fiscal Planning
Financial Services

JB:cmb
Enclosure

RECEIVED
JAN 22 1987
Budget & Control Board
STATE BUDGET DIVISION

EXHIBIT

AGREEMENT MAR 10 1987 NO. 14

STATE BUDGET & CONTROL BOARD

In order to effect the transfer of Mr. Harry E. Shaw from the Department of Mental Health to the Health and Human Services Finance Commission, the undersigned hereby agree to the following provisions:

1) Upon the effective date of Mr. Shaw's transfer, and for the remainder of the current fiscal year, the Department of Mental Health will transfer to the Health and Human Services Finance Commission funds equal to one-half of the pro-rated balance of Mr. Shaw's current total annual salary.

2) The Department of Mental Health will transfer one (1) FTE to the Health and Human Services Finance Commission. The FTE authorization for both agencies will be adjusted accordingly by the State Budget and Control Board.

3) The Health and Human Services Finance Commission will return the aforementioned FTE to the Department of Mental Health whenever Mr. Shaw's employment with the Commission is terminated.

10/24/86
DATE

Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

10/1/86
DATE

Dennis Cladwell, Exec. Director
Health & Human Svc. Finance Comm.

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RECEIVED
JAN 22 1987
Budget & Control Board
STATE BUDGET DIVISION

EXHIBIT

MAR 10 1987 NO. 14

STATE BUDGET & CONTROL BOARD

Section 44-6-120. In order to carry out the provisions of this chapter as promptly as practicable the State Budget and Control Board shall transfer all necessary health and human services program planning and administrative functions including personnel, current appropriations, assets and liabilities from departments currently operating the programs cited in Section 44-6-30 and from any other related function delegated to the Commission. The Research and Statistical Services Division of the State Budget and Control Board must not be transferred to the Commission, but the Commission shall have full access to any and all material it needs from the Division. Employees or any function or program which is transferred to the Commission shall be transferred with state merit system coverage along with such function or program. The Commission shall develop an efficient and cost-effective organizational structure and the executive director shall offer available positions to the transferred employees who have the requisite qualifications if funds are available for that purpose and if individual employees have good work records. The director with Commission approval shall eliminate functions, programs, or positions which are not necessary for the accomplishment of the Commission's duties or are not cost efficient.

No such transfer shall be made unless prior approval is obtained when such approval is required by law.

Section 44-6-30. The Commission shall:

(1) Administer Title XIX of the Social Security Act (Medicaid), including the Early Periodic Screening, Diagnostic and Treatment Program, and the Community Long-Term Care System.

(2) Be designated as the South Carolina Center for Health Statistics to operate the Cooperative Health Statistics Program pursuant to the Public Health Services Act.

(3) Administer the Social Services Block Grant Program.

(4) Be prohibited from engaging in the delivery of services.

EXHIBIT

MAR 10 1987 NO. 15

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 7

AGENCY: Fire Marshal Appeal Panel

SUBJECT: St. Paul's Child Care Appeal

On or about July 21, 1986, a Fire Marshal Inspection Order was issued regarding the St. Paul's Child Care Center, 1715 Bull Street, Columbia, SC. Appellant timely appealed the Order and a hearing was held on January 20, 1987.

The Fire Marshal Appeal Panel has submitted findings and recommendations on whether the appellant should be granted a variance from the requirements of Regulation 19-300.11 B(2)(a) which provides:

B. Facilities with Infant Care
2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.
   a. Room for infants shall have one hour fire separation with a direct exit to the outside.

A copy of Regulation 19-312 which prescribes how appeals from decisions of the State Fire Marshal are handled is attached.

BOARD ACTION REQUESTED:

Affirm the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of St. Paul's Child Care Center, 1715 Bull Street, Columbia, SC 29201 and incorporate the recommendations into the following Order:

Pursuant to Regulation 19-312, Appellant is granted a variance from the requirements of Regulation 19-300.11 B(2)(a) on the following conditions:

A. That the door leading into the Literacy Council of Greater Columbia be shut when not in use;
B. That the door stop be removed from the door leading into the hallway adjacent to the nursery room and that the manual door closing device on this door remain in good working order.

ATTACHMENTS:

Fire Marshal Appeal Panel Findings and Recommendations; Order

009662

EXHIBIT

MAR 1 0 1987 NO. 1 5

STATE BUDGET & CONTROL BOARD

19–312. Adjustments and Appeals.

Whenever any municipality, county, state agency or any owner or occupant of premises directly affected by a decision of the State Fire Marshal, enforcing or interpreting these Rules and Regulations and any subsequent Rules and Regulations filed in accordance with Title 1, Chapter 23, Code of Laws of South Carolina 1976, as amended, feels he has been aggrieved by such decision, he may appeal such decision to the State Budget and Control Board. Notice of such appeal shall be in writing, containing the specific grounds of appeal, and shall be served by mail or otherwise on the State Fire Marshal within thirty (30) days after the decision appealed from is rendered. This shall not, however, be construed as preventing any appeal to the appropriate courts of this State as already provided by law or equity.

Upon receipt of such appeal, the State Fire Marshal shall furnish the Board with all papers and documents relating to such appeal. The Board will, thereafter, select a special group or committee composed of individuals knowledgeable with the requirements and rules of the State Fire Marshal pertaining to construction and fire prevention to be known as the Fire Marshal Appeal Panel and request said panel to hold a hearing to consider the appeal and report its findings and recommendations to the Board. Said panel upon hearing the appeal may recommend a variance in the application of any provision of said rules and regulations in any particular case when, in its opinion, the enforcement thereof would do manifest injustice, and would be contrary to the spirit and purpose of the rules and regulations or public interest, or when in its opinion, the interpretation of the State Fire Marshal should be modified or reversed. Based upon such findings and recommendations, the Board may vary the application of any provision of the rules and regulations to any particular case, when in its opinion, the enforcement thereof would do manifest injustice, and would be contrary to the spirit and purpose of the rules or regulations or public interest, or when, in its opinion the interpretation of the State Fire Marshal should be modified or reversed.

The decision of the Board to vary the application of any provision of the rules and regulations or to modify an Order of the State Fire Marshal shall specify in what manner such variance or modification is made, the conditions upon which it is made and the reasons therefor.

009663

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

March 10, 1987

EXHIBIT

MAR 10 1987 NO. 15

STATE BUDGET & CONTROL BOARD

CERTIFIED - RETURN RECEIPT

Mr. John A. Sowards, Chairman
St. Paul's Child Care Center
1715 Bull Street
Columbia, SC 29201

Dear Mr. Sowards:

Enclosed is a copy of the decision by the State Budget and Control Board on an appeal from an a July 21, 1986, Fire Marshal Order requiring, in accord with Regulation 19-300.11 B(2)(a), that the nursery room has a separate outside entrance.

At its meeting on March 10, 1987, the Budget and Control Board affirmed the findings and recommendations of the Fire Marshal Appeal Panel and incorporated the Panel's recommendations as the Board's Order, a copy of which is attached.

A copy of the Fire Marshal Appeal Panel's Findings and Recommendations accompanies the Board Order.

Sincerely,

William A McInnis

William A. McInnis
Deputy Executive Director

WAM:dw
cc: H. Harold Tarleton, Jr.
C. Havird Jones
Charles W. Gambrell, Jr.
E. A. Laurent
Richard S. Campbell

009664

EXHIBIT

MAR 10 1987 NO. 15

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) DECISION BY SOUTH CAROLINA
COUNTY OF RICHLAND) STATE BUDGET AND CONTROL BOARD

DECISION RE: ST. PAUL'S CHILD CARE CENTER
1715 BULL STREET STREET
COLUMBIA, SOUTH CAROLINA 29201

Decision on Appeal from State Budget and Control Board Regulation 19-300.11 B(2)(a) as a result of a Fire Marshal Inspection Order dated July 21, 1986.

The South Carolina State Budget and Control Board at its meeting held March 10, 1987, reviewed the Findings and Recommendations of the South Carolina State Fire Marshal Appeal Panel in this matter.

The Board affirms the Findings and Recommendations of the Fire Marshal Appeal Panel and incorporates the recommendations as its Order as follows:

Pursuant to Reg. 19-312, Appellant is granted a variance from the requirements of Reg. 19-300.11 B(2)(a) on the following conditions:

A. That the door leading into the Literacy Council of Greater Columbia be shut when not in use;

B. That the door stop be removed from the door leading into the hallway adjacent to the nursery room and that the manual door closing devise on this door remain in good working order.

These conditions be should completed within ten (10) days from the date of this Decision.

Let a copy of this Decision and a copy of the Findings and Recommendations of the Fire Marshal Appeal Panel be forwarded to St. Paul's Child Care Center, 1715 Bull Street, Columbia, South Carolina, 29201

SOUTH CAROLINA STATE BUDGET
AND CONTROL BOARD

BY: William A McInnis
William A. McInnis, Secretary

Columbia, South Carolina

March 10, 1987

009665

EXHIBIT

MAR 10 1987 NO. 15

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) BEFORE THE SOUTH CAROLINA
COUNTY OF RICHLAND) FIRE MARSHAL APPEAL PANEL

IN THE MATTER OF:)
)
ST. PAUL'S CHILD) FINDINGS AND
CARE CENTER,) RECOMMENDATIONS
)
APPELLANT.)

This matter is before the South Carolina Fire Marshal Appeal Panel (hereinafter referred to as the "Panel") for administrative review pursuant to the Administrative Procedures Act, South Carolina Code §1-23-310 et seq. (1983, as amended), and pursuant to State Budget and Control Board Regulation 19-312 as a result of an Order issued by the State Fire Marshal and a request by Appellant for review of that Order.

PROCEDURAL HISTORY

On or about July 21, 1986, Deputy Fire Marshal Lucius Moltrie issued a Fire Marshal Inspection Order regarding the St. Paul's Child Care Center, Appellant herein. Appellant timely appealed this Order to the Panel.

A hearing was held in this matter at 2:00 p.m. on January 20, 1987. Appellant was represented by John A. Sowards, Esquire and the State Fire Marshal was represented by C. H. Jones, Jr., Assistant Attorney General. Testifying on behalf of Appellant were John A. Sowards, Director of the St. Paul's Care Ministry, Elizabeth A. Sowards, Director of St. Paul's Child Care Center and Ralph Justin Wallace, Pastor of St. Paul's Lutheran Church. Testifying on behalf of the State Fire Marshall was Lucius Moltrie of the Columbia Fire Department.

The issue on which this Panel must submit its findings and recommendations is whether Appellant should be granted a variance from the requirements of Reg. 19-300.11 B(2)(a) which provides:

> B. Facilities with Infant Care
> 2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.
> a. Room for infants shall have one hour fire separation with a direct exit to the outside.

Upon hearing the testimony of all the witnesses and upon reviewing the exhibits and arguments presented by the parties, the Panel makes the following findings and recommendations.

FINDINGS

1. St. Paul's Lutheran Church is located at 1715 Bull Street, Columbia, South Carolina.

2. St. Paul's Child Care Center has been in operation approximately two and one-half years.

3. The building in which Appellant is located is basically of cinder block construction with plaster ceilings.

4. Appellant has a fire alarm system which is tied directly into the Columbia Fire Department and Appellant has renovated the church boiler room to maximize safety.

5. The total enrollment of Appellant is thirty four (34) children: ten (10) children in the four year old class; nine (9) children in the three year old class; eight (8) children in the two (2) year old class; and, seven (7) children in the nursery class.

009667

6. At least one adult is present at all times in all of the classes. The nursery typically has one full-time instructor plus a part-time worker. Additionally, the director and assistant director of Appellant, church staff, and members of the Literacy Council of Greater Columbia (consisting of three (3) employees whose offices are in the church building) are available to assist during emergency evacuations.

7. Appellant has a posted evacuation plan which has been discussed with all appropriate personnel. Fire drills are held periodically.

8. There is no direct exit from the nursery room; however, there is an exit within twenty (20) feet of the nursery room. The evacuation plan of Appellant has dedicated this exit for the exclusive use of the nursery class. Additionally, there are windows in the nursery room which could be used as a means of exit in case of an emergency.

9. The door leading into the hallway adjacent to the nursery room is equipped with a manual door closer but is often propped open with the use of a door stop. If this door were closed the corridor exclusively dedicated to the exit of the nursery class would be rated as a one-hour separation.

10. The Panel finds pursuant to Reg. 19-312 that it is in the best interest of justice and safety that a variance be granted on the conditions that the door to the Literacy Council remain shut and that the door stop be removed from the door leading into the hallway adjacent to the nursery room and that the manual door closing devise on this door remain in good working order.

009668

RECOMMENDATIONS

Pursuant to Reg. 19-312, the Panel recommends that Appellant be granted a variance from the requirements of Reg. 19-300.11 B(2)(a) on the following conditions:

A. That the door leading into the Literacy Council of Greater Columbia be shut when not in use;

B. That the door stop be removed from the door leading into the hallway adjacent to the nursery room and that the manual door closing devise on this door remain in good working order.

These conditions should be completed within ten (10) days from the date of a decision by the Budget and Control Board on this Panel's recommendation.

SOUTH CAROLINA FIRE MARSHAL
APPEAL PANEL

By: H. Harold Tarleton Jr.
H. HAROLD TARLETON, JR.
CHAIRMAN

GREENVILLE, South Carolina
18 FEB, 1987

009669

FIRE MARSHAL INSPECTION ORDER

EXHIBIT

STATE OF SOUTH CAROLINA)
COUNTY OF Richland)

SOUTH CAROLINA STATE FIRE MARSHAL MAR 10 1987 NO. 15

IN RE:)
Columbia)

NOTICE OF ORDER

STATE BUDGET & CONTROL BOARD

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 758-6612

Name of Facility: St. Paul Child Care Center	Number of Years in Operation: 2 years	Phone #: 254-9287	Date of Inspect.: 7-21-86

Street & No: 1715 Bull St. City: Columbia Zip: 29201 County: Richland

Location: Within City Limits ☐ Out of City Limits ☐ Distance Out of City Limits _____

Name & Address of Tenant: Mrs. Elizabeth A. Howard

Name & Address of Owner: Same

Building Name or Number:

Nature of Inspection: ☒ Routine ☐ Re-Inspect ☐ Requested Person Making Request: Gloria Green

Age of Building: 60 years Height of Building: Twenty Number of Stories: 2 Stories Approximate Square Footage: 2000 sq.

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible ☐ Ordinary ☒ Wood Frame ☐ Other ☐ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational ☒ Hazardous ☐ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building: Capacity of People:

				MANDATED CORRECTIONS		
				ITEM	DESCRIPTION & LOCATION	CODE
A	1	Number of Exit Doors 3 Adequate: Yes ☒ No ☐	EXITS & ESCAPES	1-A	Provide a direct exit from Infant Care room as required by code.	
	2	Blocked ☐ Locked ☐				
	3	Exit Signs: Good ☒ Unsatisfactory ☐ Not Required ☐				
	4	Emergency Lights: Good ☐ Unsatisfactory ☐ Not Required ☒				
	5	Panic Hardware: Good ☐ Unsatisfactory ☐ Not Required ☒				
	6	Self-closing Device: Good ☒ Unsatisfactory ☐ Not Required ☐				
	7	Number of Stairways 0 Adequate: Yes ☒ No ☐				
	8	Open ☐ Closed ☐, Wood ☐ Metal ☐ Masonry ☒				
	9	Number of Fire Escapes 0 Adequate: Yes ☐ No ☐				
	10	Wood ☐ Metal ☐ Other ☐ (Specify) _____				
	11	Handrails Adequate: Yes ☐ No ☐ NA ☐				
	12	Landings Adequate: Yes ☐ No ☐ NA ☐				
	13	Other				
B	1	Fire Alarm: Yes ☒ No ☐ Adequate: Yes ☒ No ☐	FIRE SYSTEMS			
	2	Smoke Detectors: Yes ☒ No ☐ Adequate: Yes ☒ No ☐				
	3	Sprinkler System: Yes ☐ No ☒ Adequate: Yes ☐ No ☐				
	4	Standpipe System: Yes ☐ No ☒ Adequate: Yes ☐ No ☐				
	5	Number of Fire Extinguishers 4 Adequate: Yes ☒ No ☐				
	6	Date Last Charged 8-85 Good ☐ Unsatisfactory ☐				
	7	Fixed Hood Extinguisher System: Yes ☐ No ☐ Not Required ☐				
	8	Date Last Serviced 8-85 Adequate: Yes ☐ No ☐				
	9	Other				
C	1	Fire Rated Corridors-Walls: Yes ☒ No ☐ Adequate: Yes ☐ No ☐	CONST.			
	2	Fire Rated Ceilings: Yes ☒ No ☐ Adequate: Yes ☐ No ☐				
	3	Flame Spread Rating Adequate: Yes ☒ No ☐				
	4	Fire & Draft Stopping Adequate: Yes ☒ No ☐				
	5	Other				
D	1	Heating System: Gas ☒ Electric ☐ Oil ☐ Wood ☐ Other ☐ _____	HEATING			
	2	Condition: Good ☒ Fair ☐ Unsatisfactory ☐				
	3	Chimneys & Flues: Metal ☐ Masonry ☒ NA ☐				
	4	Condition: Good ☐ Fair ☐ Unsatisfactory ☐				
	5	Other				
EE	1	Electrical: Good ☒ Fair ☐ Unsatisfactory ☐	ELEC.			
	2	Excessive Use of Extension Cords: Yes ☐ No ☒				
	3	Open Breakers: Yes ☐ No ☒				
	4	Covers Missing on Electrical Boxes: Yes ☐ No ☒				
	5	Proper Sized Fuses/Breakers: Yes ☒ No ☐				
	6	Licensed Electrician Certification Required: Yes ☐ No ☒				
	7	Other				
F	1	Housekeeping: Good ☒ Fair ☐ Unsatisfactory ☐	GENERAL			
	2	Excessive Storage of Combustibles: Yes ☐ No ☒				
	3	Storage Under Stairs: Yes ☐ No ☒				
	4	Flammable Liquid Storage: Yes ☐ No ☒				
	5	Chemical Storage: Yes ☐ No ☒ Adequate ☐				
	6	Excessive Flammable Decorative Materials: Yes ☐ No ☒ Adequate ☐				
	7	Other				

In accordance with §23-9-80, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was

Delivered Personally to Elizabeth A Howard, as owner or occupant

Lucius Montlyn
Resident or Deputy Fire Marshal

Verity W. Ware Fire Ch
Columbia, SC 29201

DATE 7-21-86

009670

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

RECEIVED
MAR 10 1987 NO. 15
STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

DATE: November 13, 1986

SUBJECT: ST. PAUL'S CHILD CARE CENTER

This is to notify you that the appeal of St. Paul's Child Care Center **is rescheduled for Tuesday, January 20, 1987, at 2:00 p.m. in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.** The Chairman of the Appeals Panel, Mr. Harold Tarleton, received a request for postponement of the hearing scheduled for 2 p.m., November 25, from Mr. John Sowards. He felt it would be better to postpone the morning hearing also since this is Thanksgiving week and a number of people are planning to be out of town.

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Chief Harvey Evans, Columbia Fire Department
Mr. John A. Sowards, Chairman, St. Paul's Child Care Center

009671

RECEIVED NOV 17 1986

NEXSEN PRUET JACOBS & POLLARD
ATTORNEYS AND COUNSELORS AT LAW
1401 MAIN STREET, TWELFTH FLOOR
POST OFFICE DRAWER 2426
COLUMBIA, SOUTH CAROLINA 29202
(803) 771-8900

JULIAN J. NEXSEN
GENE V. PRUET
HAROLD W. JACOBS
THOMAS B. POLLARD, JR.
WILBURN BREWER, JR.
T. EUGENE ALLEN III
EDWARD G. MENZIE
SAMUEL F. PAINTER
ROBERT M. EARLE
JOHN C. B. SMITH, JR.
WILLIAM A. POLLARD
GLENN BOWERS
MARK L. BENDER
JAMES W. ORR
RICHARD C. HANDEL
SUSAN BATTEN LIPSCOMB
PAUL A. DOMINICK
G. MARCUS KNIGHT
JOHN A. SOWARDS
JAMES L. WERNER
SUSAN P. McWILLIAMS
PAUL R. CLEMENTS
GORDON S. VINCENT
R. KENT PORTH
VALENTINE H. STIEGLITZ
CALVIN C. HARMON
CALHOUN THOMAS III
RUSSELL T. INFINGER
W. DIXON ROBERTSON III
ROBERT C. BYRD
RUSSELL T. BURKE
ELIZABETH CORR SMEDLEY

PAUL A. COOPER
1869-1956
FRANK B. GARY
1900-1971
C. ALVIN BROWN
1940-1978

TELECOPIER (803) 799-6748

OF COUNSEL
HARRY J. HAYNSWORTH

November 11, 1986

EXHIBIT
MAR 10 1987 NO. 15
STATE BUDGET & CONTROL BOARD

Mr. H. Harold Tarleton, Jr., AIA
Chairman
Fire Marshall Appeal Panel
Post Office Box 5265
Greenville, South Carolina 29606

Re: Appeal by St. Paul's Child Care Center

Dear Mr. Tarleton:

I am in receipt of your correspondence dated October 13, 1986 regarding the hearing date for the above-referenced matter. As chairman and counsel to St. Paul's Child Care Center, I would respectfully request a postponement of our hearing until some time after the first of the year.

St. Paul's is celebrating its 100th anniversary this year and many activities are scheduled to occur during the week of November 24 through November 29, 1986. Many members of our church staff will therefore be unable to attend the hearing. In addition, the hearing date is currently set during the week of Thanksgiving. Many of our parents and some of our witnesses intend to be out of town during this week; and, therefore, they would be unable to attend the hearing. Finally, my wife, who is the director of the child care center, and I are also scheduled to be out of town during this week.

Frankly, I expect that we and probably the Appeal Panel, as well, will have similar problems throughout the month of December.

I sincerely hope that we will be able to reschedule the existing hearing date in light of the above-referenced conflicts. I also believe it would be in the best interest of everybody to determine a date some time after the first of the year.

009672

Thank you ahead for your assistance and cooperation in this matter and I look forward to hearing from you at your convenience.

Very truly yours,

John A. Sowards

JAS:nht

009673

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

DATE: October 17, 1986

SUBJECT: **ST. PAUL'S CHILD CARE CENTER**

This is to notify you that the appeal of St. Paul's Child Care Center has been **scheduled for Tuesday, November 25, 1986, at 2:00 p.m. in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.**

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date, so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Chief Harvey Evans, Columbia Fire Department
Mr. John A. Sowards, Chairman, St. Paul's Child Care Center

009674

State of South Carolina
State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

October 13, 1986

CERTIFIED MAIL

Mr. John A. Sowards, Chairman
St. Paul's Child Care Center
1715 Bull Street
Columbia, South Carolina 29201

RE: Notice of Hearing
St. Paul's Child Care Center

Dear Mr. Sowards:

The State Fire Marshal Appeal Panel as designated by the State Budget and Control Board, Rule 19-312, Regulations, Budget and Control Board, S. C. Code of Laws, 1976, as amended, has scheduled a formal hearing at **2:00 p.m. on Tuesday, November 25, 1986, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.** The matter before the Appeal Panel as stated in the Appeal Request of September 22, 1986, is as follows:

S. C. Code Section:	State Statute 23-9-40
Rules & Regulations	19-310.11-B.2
Facility is appealing:	See attached Appeal Request.

This hearing will be conducted in accordance with procedures as set forth in ARTICLE 3 of the "Administrative Procedures Act," 1-23-320, et.seq., Code of Laws of South Carolina, 1976, as amended.

009675

Please provide the undersigned with the names and addresses of any witnesses requiring subpoenas within ten days after your receipt of this letter in order that appropriate subpoenas may be issued. Any responsive pleadings, motions, or memoranda that you wish to submit for the Appeal Panel's consideration should be submitted to the undersigned by certified mail or hand delivered within 20 days after receipt of this notice.

Very truly yours,

FIRE MARSHAL APPEAL PANEL

H. Harold Tarleton, Jr., A.I.A.
Chairman
P. O. Box 5265
Greenville, South Carolina 29606

HHT:hc

cc: Richard S. Campbell, State Fire Marshal
Charles W. Gambrell, Attorney for Panel
C. H. Jones, Jr., Attorney for Fire Marshal
Chief Harvey Evans, Columbia Fire Department
Members - Fire Marshal Appeal Panel

009676

STATE FIRE MARSHAL APPEAL PANEL
Post Office Box 12444, Columbia, SC 29211

St. Paul's Child Care Ministry (name of facility)
1715 Bull Street
Columbia, SC 29201 (address)

Chief Harvey Evans (name of inspector)

1. Date of District Fire Marshal's Inspection Report: 7-21-86

2. Description of Appeal: (S. C. Code Section: State Statute 23-9-40
(Regulation: Fire Marshal's Rules & Regulations 19-310.11-B.2

VIOLATION/WAIVER REQUEST

See appeal request.

3. Fire Marshal's Review/Action: Requirements stated in appeal request are needed for minimum fire and life safety and should be complied with.

S/ R S Campbell Date: 9/23/86
Richard S. Campbell, P.E. (forwarded to Appeal Panel)

==========

For the Appeal Panel:

Date Received: _____ Date of Hearing: _____

1. Recommendation of Appeal Panel: _____

2. Rationale of Recommendation: _____

S/ _____ Date: _____
Harold Tarleton, Jr., Chairman

==========

Budget and Control Action: Appeal Received: RECEIVED SEP 25 1986

Date of Board Action: _____

Board Decision: _____

S/ _____
William A. McInnis, Secretary
Budget and Control Board

009677

Distribution: Appellant
Appeal Panel
Fire Marshal's Office Date: _____

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

APPEAL REQUEST

NAME OF FACILITY St. Paul's Child Care Ministry

ADDRESS 1715 Bull Street FIRE CHIEF Chief Harvey Evans

Columbia, S.C. 29201 FIRE DEPT. Columbia Fire Dept.

DATE OF ORDER 7/21/86 BUILDING OFFICIAL Rev. R. J. Wallace

NAME OF DEPUTY STATE FIRE MARSHAL Unknown

REQUEST FOR APPEAL

STATE SPECIFICALLY WHAT YOU ARE APPEALING: Request relief from requirement that nursery room has separate outside entrance and exit inasmuch as (when) it is prohibitively expensive to construct the same and probably impossible to do so, as well; (2) Entrance/Exit exists within 20 feet of doorway of nursery room; (3) The fire worthiness of facility and existing alarm systems make it highly unlikely that such an entrance exit would provide any additional safety for the children and, (4) More than adequate adult supervision insures immediate removal of all infants from the facilities in the event of an emergency.

St. Paul's Child Care Ministry

Signature of Appellant
Chairman of the Board

September 22, 1986
Date

OFFICE USE ONLY:

DATE RECEIVED IN OFFICE

DATE SENT TO EXECUTIVE DIRECTOR'S OFFICE

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

August 22, 1986

Mr. John A. Sowards, Chairman
St. Paul's Child Care Center
1715 Bull Street
Columbia, SC 29201

Dear Mr. Sowards:

I am in receipt of your letter dated August 15, 1986, advising that you wish to appeal an Order dated July 21, 1986, issued to your facility.

So that we may proceed with this request and forward it to the Budget and Control Board for them to set up a date for you to appear before the Fire Marshal's appeals panel, the enclosed form must be completed and returned to this office no later than September 22, 1986.

If we may be of further assistance in this matter, please feel free to call on us.

Sincerely,

B. Harvey Scurry
Assistant State Fire Marshal

BHS/cc

cc: Chief Harvey Evans, Columbia Fire Department
Ann McMichael, Department of Social Services

009679

NEXSEN PRUET JACOBS & POLLARD
ATTORNEYS AND COUNSELORS AT LAW
1401 MAIN STREET, TWELFTH FLOOR
POST OFFICE DRAWER 2426
COLUMBIA, SOUTH CAROLINA 29202

JULIAN J. NEXSEN
GENE V. PRUET
HAROLD W. JACOBS
THOMAS B. POLLARD, JR.
WILBURN BREWER, JR.
T. EUGENE ALLEN III
EDWARD G. MENZIE
SAMUEL F. PAINTER
ROBERT M. EARLE
JOHN C. B. SMITH, JR.
WILLIAM A. POLLARD
GLENN BOWERS
MARK L. BENDER
JAMES W. ORR
RICHARD C. HANDEL
SUSAN BATTEN LIPSCOMB
PAUL A. DOMINICK
G. MARCUS KNIGHT
JOHN A. SOWARDS
JAMES L. WERNER
SUSAN P. McWILLIAMS
PAUL R. CLEMENTS
GORDON S. VINCENT
R. KENT PORTH
VALENTINE H. STIEGLITZ
CALVIN C. HARMON
CALHOUN THOMAS III
RUSSELL T. INFINGER
W. DIXON ROBERTSON III
ROBERT C. BYRD
RUSSELL T. BURKE
ELIZABETH CORR SMEDLEY

PAUL A. COOPER
1889-1956
FRANK B. GARY
1900-1971
C. ALVIN BROWN
1940-1978

TELEPHONE 771-8900
AREA CODE 803
TELECOPIER 799-6746

August 15, 1986

RECEIVED
AUG 19
STATE FIRE MARSHALL

South Carolina State Fire Marshall
800 Dutch Square Boulevard
Suite 201
Columbia, South Carolina 29210

RECEIVED
MAR 10 1987 NO. 15
STATE BUDGET & CONTROL BOARD

Attention: Mr. Harvey Scurry

Dear Mr. Scurry:

Per our telephone conversation this date, please accept this correspondence on behalf of St. Paul's Lutheran Child Care Ministry as its formal request for relief of the requirement that a direct exit from the infant care room be required. This correction was noted in an inspection of the facilities conducted by Mr. Lucius Moultrie of the City of Columbia Fire Department on July 21, 1986. A copy of the Inspection Order is attached hereto.

As I explained in our telephone conversation, we feel that adequate safety is being provided to all of our children as our facilities are now configured. In addition, it seems unfair to impose this requirement on an operating center that has been in existence for some time, when such requirement was not made at the time of the center's opening. Finally, it is virtually impossible for us to comply with this requirement.

I look forward to hearing from you at your convenience regarding this matter.

With best regards,

Sincerely yours,

John A. Sowards
Chairman, Board of Directors
St. Paul's Child Care Ministry

JAS:mjo

Enclosure

009680

EXHIBIT

MAR 10 1987 NO. 16

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 8

AGENCY: Fire Marshal Appeal Panel

SUBJECT: Andy's Restaurant Appeal

On or about August 27, 1986, a Fire Marshal Inspection Order was issued regarding Andy's Restaurant, Highway 215, P. O. Box 106, Buffalo, South Carolina. Appellant timely appealed the Order and a hearing was held on February 18, 1987.

The Fire Marshal Appeal Panel has submitted findings and recommendations on whether the appellant's hood system complies with N.F.P.A. 96.

BOARD ACTION REQUESTED:

Affirm the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Andy's Restaurant, Highway 215, P. O. Box 106, Buffalo, SC, 29321, and incorporate the recommendations into the following Order:

A. That Appellant shall bring the hood and duct system in its establishment into compliance with N.F.P.A. 96; and
B. That the Appellant shall bring his automatic fire supression system in his establishment into compliance with N.F.P.A. 96;
C. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what is required to bring Appellant into full compliance with the appropriate fire and safety codes and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of noncompliance.

ATTACHMENTS:

Fire Marshal Appeal Panel Findings and Recommendations; Order

009681

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
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

March 10, 1987

EXHIBIT

MAR 10 1987 NO. 16

STATE BUDGET & CONTROL BOARD

CERTIFIED - RETURN RECEIPT

Mr. Billy Ray
Andy's Restaurant
Highway 215
P. O. Box 106
Buffalo, SC 29321

Dear Mr. Ray:

Enclosed is a copy of the decision by the State Budget and Control Board on an appeal from an ~~an~~ August 27, 1986, Fire Marshal Order requiring that the hood and duct system and the fire suppression system in your establishment comply with N.F.P.A. 96.

At its meeting on March 10, 1987, the Budget and Control Board affirmed the findings and recommendations of the Fire Marshal Appeal Panel and incorporated the Panel's recommendations as the Board's Order, a copy of which is attached.

A copy of the Fire Marshal Appeal Panel's Findings and Recommendations accompanies the Board Order.

Sincerely,

William A. McInnis

William A. McInnis
Deputy Executive Director

WAM:dw
cc: H. Harold Tarleton, Jr.
C. Havird Jones
Charles W. Gambrell, Jr.
E. A. Laurent
Richard S. Campbell

009682

EXHIBIT

MAR 10 1987 NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) DECISION BY SOUTH CAROLINA
COUNTY OF RICHLAND) STATE BUDGET AND CONTROL BOARD

DECISION RE: ANDY'S RESTAURANT
HIGHWAY 215
BUFFALO, SOUTH CAROLINA 29321

Decision on Appeal from State Budget and Control Board Regulation 19-300.11 B(2)(a) as a result of a Fire Marshal Inspection Order dated August 27, 1986.

The South Carolina State Budget and Control Board at its meeting held March 10, 1987, reviewed the Findings and Recommendations of the South Carolina State Fire Marshal Appeal Panel in this matter.

The Board affirms the Findings and Recommendations of the Fire Marshal Appeal Panel and incorporates the recommendations as its Order as follows:

Pursuant to Reg. 19-312, the Board orders:

A. That Appellant shall bring the hood and duct systems in his establishment into compliance with N.F.P.A. 96; and

B. That Appellant shall bring his automatic fire suppression system in his establishment into compliance with N.F.P.A. 96;

C. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what may be further required to bring Appellant into full compliance with the appropriate fire and safey codes, and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of non-compliance.

These conditions should be completed within thirty (30) days from the date of this decision.

Let a copy of this Decision and a copy of the Findings and Recommendations of the Fire Marshal Appeal Panel be forwarded to Andy's Restaurant, Highway 215, Buffalo, South Carolina 29321.

SOUTH CAROLINA STATE BUDGET
AND CONTROL BOARD

BY: William A McInnis
William A. McInnis, Secretary

Columbia, South Carolina

March 10, 1987

009683

EXHIBIT NO. 16
MAR 10 1987
STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) BEFORE THE SOUTH CAROLINA
COUNTY OF RICHLAND) FIRE MARSHAL APPEAL PANEL

IN THE MATTER OF:)
)
ANDY'S RESTAURANT,) FINDINGS AND
) RECOMMENDATIONS
APPELLANT.)

This matter is before the South Carolina Fire Marshal Appeal Panel (hereinafter referred to as the "Panel") for administrative review pursuant to the Administrative Procedures Act, South Carolina Code §1-23-310 et seq. (1983, as amended), and pursuant to State Budget and Control Board Regulation 19-312 as a result of an Order issued by the State Fire Marshal and a request by Appellant for review of that Order.

PROCEDURAL HISTORY

On or about August 27, 1986, Deputy Fire Marshal Charles O. Vaughn issued a Fire Marshal Inspection Order regarding the Andy's Restaurant, Appellant herein. Appellant timely appealed this Order to the Panel.

A hearing was held in this matter at 2:00 p.m. on February 18, 1987. Appellant was not represented by counsel. The State Fire Marshal was represented by C. H. Jones, Jr., Assistant Attorney General. Testifying on behalf of Appellant was Mr. Billy Ray, owner of Andy's Restaurant, the Appellant herein. Testifying on behalf of the State Fire Marshall was Charles O. Vaughn, Deputy Fire Marshal. The Board called as its witness Clyde C. Baird, Jr.

The issues on which this Panel must submit its findings and recommendations are whether Appellant's hood, duct system, and automatic fire depression system comply with N.F.P.A. 96 which provides in pertinent part as follows:

Chapter 2 Hoods

2-1 Construction.

2-1.1 The hood or that portion of a primary collection means designed for collecting cooking vapors and residues shall be constructed of and be supported by steel not less than 0.043 in. (1.09 mm) (No. 18 MSG), stainless steel not less than 0.037 in. (0.94 mm) (No. 20 MSG), or of other approved material of equivalent strength, fire, and corrosion resistance.

2-1.2 All seams, joints and penetrations shall have a liquidtight continuous external weld. Penetrations may also be sealed by other listed devices that are evaluated under the same conditions of fire severity as the hood or enclosure of listed grease extractors and whose presence does not detract from the hood's or duct's structural integrity.

Chapter 3 Duct Systems

* * *

3-1.5 Clearance

3-1.5.1 Where ducts pass through partitions or walls of combustible material, the material shall be cut away to provide a clearance to the duct not less than 18 in. (457.2 mm).

3-3.1 Materials. Ducts shall be constructed of and supported by carbon steel not less than 0.054 in. (1.37 mm) (No. 16 MSG) or stainless steel not less than 0.043 in. (1.09 mm) (No. 18 MSG) in thickness.

3-3.2 Installation

3-3.2.1 All seams, joints and penetrations shall have a liquidtight continuous external weld, except where the duct stub collar of the hood or a listed ventilator

009685

is connected to the exhaust duct. This connection shall be a continuous liquidtight external weld, a connection to a listed grease extractor, a connection to a listed automatic damper and hood assembly, or a method such as shown in Figure 3-3.

Chapter 7 Fire Extinguishing Equipment

7-1 Where Required

7-1.1 Approved fire extinguishing equipment shall be provided for the protection of duct systems grease removal devices and hoods...

7-1.2 Cooking Equipment (such as deep fat fryers, ranges, griddles, and broilers which may be a source of ignition of grease in the hood. Grease removal device or duct shall be protected by approved extinquishing equipment...

7-2.1.1.1 Listed fire extinguishing systems shall be installed in accordance with the terms of their listing and the manufacturers instructions.

Upon hearing the testimony of all the witnesses and upon reviewing the exhibits and arguments presented by the parties, the Panel makes the following findings and recommendations.

FINDINGS

1. Andy's Restaurant, Appellant herein, is located at Highway 215, P. O. Box 106, Buffalo, South Carolina, in Union County.

2. Billy Ray is the owner of Appellant, which opened in June of 1984, and was later enlarged in 1986. The duct and hood systems, and an automatic fire suppression system, was installed at or about the time Appellant opened.

3. As a part of the construction, Appellant had a local firm construct and install the hood and duct system, and automatic fire suppression system.

EXHIBIT
009686 MAR 10 1987 NO. 16
STATE BUDGET & CONTROL BOARD

4. It is undisputed that the hood and duct system do not comply with N.F.P.A. 96--the gauges of the metal constituting the hood and duct system are below code requirements; additionally, the seams and joints are not liquidtight continuous external weld as required by N.F.P.A. 96.

5. It is also undisputed that the automatic fire suppression system is in need of repairs, and is not consistent with the provisions of Chapter 7 of N.F.P.A. 96 as cited above.

6. The Panel finds that the portions of N.F.P.A. 96 relating to hoods, duct systems, and automatic fire suppression systems, must be followed in order to insure acceptable safety conditions.

7. Mr. Ray indicated in his testimony to this Panel that he is seeking not so much an appeal of the Fire Marshal's Order, as he is seeking some definition, direction, and standards under which to operate and be within the requirements of the State Fire Marshal.

RECOMMENDATIONS

Pursuant to Reg. 19-312, the Panel recommends:

A. That Appellant shall bring the hood and duct systems in his establishment into compliance with N.F.P.A. 96; and

B. That Appellant shall bring the automatic fire suppression system in his establishment into compliance with N.F.P.A. 96;

009687

C. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what may be further required to bring Appellant into full compliance with the appropriate fire and safey codes and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of non-compliance.

These conditions should be completed within thirty (30) days from the date of a decision by the Budget and Control Board on this Panel's recommendations.

SOUTH CAROLINA FIRE MARSHAL
APPEAL PANEL

By: H. Harold Tarleton, Jr.
H. HAROLD TARLETON, JR.
CHAIRMAN

GREENVILLE, South Carolina
4 MARCH, 1987

009688

FIRE MARSHAL INSPECTION ORDER

STATE OF SOUTH CAROLINA)
COUNTY OF UNION)

SOUTH CAROLINA STATE FIRE MARSHALL

IN RE:)
Andy's Resturant)

NOTICE OF ORDER

RECEIVED SEP 03 1986 DIVISION OF STATE FIRE MARSHAL

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

EXHIBIT 2

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 758-6612

MAR 10 1987 NO. 16

STATE BUDGET & CONTROL BOARD

Name of Facility	Number of Years in Operation	Phone #	Date of Inspect.
Andy's Resturant			8-27-86

Street & No. Hwy 215 PO Box 106 City Buffalo, SC Zip 29321 County UNION

Location: Within City Limits ☐ Out of City Limits ☐ Distance Out of City Limits _____

Name & Address of Tenant Billy Ray

Name & Address of Owner Same

Building Name or Number

Nature of Inspection ☑ Routine ☐ Re-Inspect ☐ Requested Person Making Request

Age of Building 1984 Height of Building Number of Stories 1 Approximate Square Footage 1500

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible ☐ Ordinary ☐ Wood Frame ☐ Other ☑ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational ☑ Hazardous ☐ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building Capacity of People

A EXITS & ESCAPES	1	Number of Exit Doors _____ Adequate: Yes ☐ No ☐	
	2	Blocked ☐ Locked ☐	
	3	Exit Signs: Good ☐ Unsatisfactory ☐ Not Required ☐	
	4	Emergency Lights: Good ☐ Unsatisfactory ☐ Not Required ☐	
	5	Panic Hardware: Good ☐ Unsatisfactory ☐ Not Required ☐	
	6	Self-closing Device: Good ☐ Unsatisfactory ☐ Not Required ☐	
	7	Number of Stairways _____ Adequate: Yes ☐ No ☐	
	8	Open ☐ Closed ☐; Wood ☐ Metal ☐ Masonry ☐	
	9	Number of Fire Escapes _____ Adequate: Yes ☐ No ☐	
	10	Wood ☐ Metal ☐ Other ☐ (Specify) _____	
	11	Handrails Adequate: Yes ☐ No ☐ NA ☐	
	12	Landings Adequate: Yes ☐ No ☐ NA ☐	
	13	Other	
B FIRE SYSTEMS	1	Fire Alarm: Yes ☐ No ☐ Adequate: Yes ☐ No ☐	
	2	Smoke Detectors: Yes ☐ No ☐ Adequate: Yes ☐ No ☐	
	3	Sprinkler System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐	
	4	Standpipe System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐	
	5	Number of Fire Extinguishers _____ Adequate: Yes ☐ No ☐	
	6	Date Last Charged _____ Good ☐ Unsatisfactory ☐	
	7	Fixed Hood Extinguisher System: Yes ☐ No ☐ Not Required ☐	
	8	Date Last Serviced _____ Adequate: Yes ☐ No ☐	
	9	Other	
C CONST.	1	Fire Rated Corridors-Walls: Yes ☐ No ☐ Adequate: Yes ☐ No ☐	
	2	Fire Rated Ceilings: Yes ☐ No ☐ Adequate: Yes ☐ No ☐	
	3	Flame Spread Rating Adequate: Yes ☐ No ☐	
	4	Fire & Draft Stopping Adequate: Yes ☐ No ☐	
	5	Other	
D HEATING	1	Heating System: Gas ☐ Electric ☐ Oil ☐ Wood ☐ Other ☐ _____	
	2	Condition: Good ☐ Fair ☐ Unsatisfactory ☐	
	3	Chimneys & Flues: Metal ☐ Masonry ☐ NA ☐	
	4	Condition: Good ☐ Fair ☐ Unsatisfactory ☐	
	5	Other	
E ELEC.	1	Electrical: Good ☐ Fair ☐ Unsatisfactory ☐	
	2	Excessive Use of Extension Cords: Yes ☐ No ☐	
	3	Open Breakers: Yes ☐ No ☐	
	4	Covers Missing on Electrical Boxes: Yes ☐ No ☐	
	5	Proper Sized Fuses/Breakers: Yes ☐ No ☐	
	6	Licensed Electrician Certification Required: Yes ☐ No ☐	
	7	Other	
F GENERAL	1	Housekeeping: Good ☐ Fair ☐ Unsatisfactory ☐	
	2	Excessive Storage of Combustibles: Yes ☐ No ☐	
	3	Storage Under Stairs: Yes ☐ No ☐	
	4	Flammable Liquid Storage: Yes ☐ No ☐	
	5	Chemical Storage: Yes ☐ No ☐ Adequate ☐	
	6	Excessive Flammable Decorative Materials: Yes ☐ No ☐ Adequate ☐	
	7	Other	

MANDATED CORRECTIONS

ITEM	DESCRIPTION & LOCATION	COL
B.7.	The Hood & duct System is Constructed of Materials which do Not Meet Minimum Standard The duct System Shall Be of 16 gauge Carbon Steel or 18 gauge Stainless Steel. All Seams, Joints And Penetrations Shall have A Continuous Liquid tight External Weld. The duct Shall Be Clear of Any Combustible Material By 18 Inches. A The Hood System Shall Be of 18 gauge Carbon Steel or 20 gauge Stainless Steel - All Joints, Seams And Penetrations Shall have Liquid tight Continuous external Weld. openings at pipe Configurations Shall Also Be Sealed. An Approved Exhaust System Sh Be Provided in Accordance with NFPA 96.	
B.7.	The Automatic Fire Suppression System Shall Be Expanded as Needed to meet the Manufacturer Listing And NFPA Standards.	

In accordance with §23-9-80, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was:

Delivered Personally to Billy Ray. , as owner or occupant

009689

Charles D. Vaughan
Resident or Deputy Fire Marshal

212 Hillcrest Dr. Union SC 29379

DATE 8-27-86

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

January 22, 1987

MEMORANDUM TO: Mr. and Mrs. Billy Ray
Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

RE: **ANDY'S RESTAURANT**
BUFFALO, SOUTH CAROLINA

In Mr. Tarleton's letter of January 14, 1987, I inadvertently quoted the incorrect rules and regulations and matter the facility is appealing for the hearing scheduled for February 18, 1987, at 2:00 p.m. I apologize for any inconvenience this may have caused. Please substitute the revised first page of his letter and throw away the incorrect one.

Thanks for your cooperation.

/hc

EXHIBIT
MAR 10 1987 NO. 16
STATE BUDGET & CONTROL BOARD

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

DATE: January 19, 1987

SUBJECT: **ANDY'S RESTAURANT**
BUFFALO, SOUTH CAROLINA

This is to notify you that the appeal of Andy's Restaurant has been scheduled for **2:00 p.m., Wednesday, February 18, 1987, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.**

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Charles O. Vaughan, Deputy Fire Marshal

009691

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

January 14, 1987

CERTIFIED MAIL

Mr. and Mrs. Billy Ray
c/o Andy's Restaurant
Post Office Box 106
Buffalo, South Carolina 29321

RE: Notice of Hearing
Andy's Restaurant
Buffalo, South Carolina

Dear Mr. and Mrs. Ray:

The State Fire Marshal Appeal Panel as designated by the State Budget and Control Board, Rule 19-312, Regulations, Budget and Control Board, S. C. Code of Laws, 1976, as amended, has scheduled a formal hearing at 2:00 p.m. on Wednesday, February 18, 1987, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina. The matter before the Appeal Panel as stated in the Appeal Request of October 23, 1986, is as follows:

S. C. Code Section:	State Statute 23-9-40
Rules & Regulations	Standard Fire Prevention Code 18-201 NFPA 96
Facility is appealing:	Hood system does not meet specifications

This hearing will be conducted in accordance with procedures as set forth in ARTICLE 3 of the "Administrative Procedures Act," 1-23-320, et.seq., Code of Laws of South Carolina, 1976, as amended.

009692

EXHIBIT

MAR 10 1987 NO. 16

STATE BUDGET & CONTROL BOARD

Please provide the undersigned with the names and addresses of any witnesses requiring subpoenas within ten days after your receipt of this letter in order that appropriate subpoenas may be issued. Any responsive pleadings, motions, or memoranda that you wish to submit for the Appeal Panel's consideration should be submitted to the undersigned by certified mail or hand delivered within 20 days after receipt of this notice. No continuances of this hearing will be granted unless unusual or extenuating circumstances beyond the control of the parties can be demonstrated.

Very truly yours,

FIRE MARSHAL APPEAL PANEL

H. Harold Tarleton, Jr. /hc

H. Harold Tarleton, Jr., A.I.A.
Chairman
P. O. Box 5265
Greenville, South Carolina 29606

HHT:hc

cc: Richard S. Campbell, State Fire Marshal
Charles W. Gambrell, Attorney for Panel
C. H. Jones, Jr., Attorney for Fire Marshal
Charles O. Vaughan, Deputy Fire Marshal
Members - Fire Marshal Appeal Panel

STATE FIRE MARSHAL APPEAL PANEL
Post Office Box 12444, Columbia, SC 29211

Andy's Restaurant
(name of facility)
PO Box 106
Buffalo, SC 29321
(address)

Charles O. Vaughan
(name of inspector)

1. Date of District Fire Marshal's Inspection Report: August 27, 1986
2. Description of Appeal: (S. C. Code Section: State Statute 23-9-40
(Regulation: Standard Fire Prevention Code 18-201 NFPA 96
VIOLATION/WAIVER REQUEST
That hood over cooking appliances be accepted in present condition.
3. Fire Marshal's Review/Action: Hood does not meet code requirements and should be brought up to standards.

S/ [signature] Date: 10/28/86
Richard S. Campbell, P.E. (forwarded to Appeal Panel)

==========

For the Appeal Panel:
Date Received: _____ Date of Hearing: _____
1. Recommendation of Appeal Panel: _____
2. Rationale of Recommendation: _____

S/ _____ Date: _____
Harold Tarleton, Jr., Chairman

==========

Budget and Control Action: Appeal Received: RECEIVED OCT 30 1986
Date of Board Action: _____
Board Decision: _____

S/ _____
William A. McInnis, Secretary
Budget and Control Board

009694

Distribution: Appellant
Appeal Panel
Fire Marshal's Office Date: _____

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

RECEIVED
OCT 24 1986
DIVISION OF
STATE FIRE MARSHAL

APPEAL REQUEST

NAME OF FACILITY Andy's Restaurant

ADDRESS PO Box 106
Buffalo, S.C. 29321

FIRE CHIEF Wilber Lawson

FIRE DEPT. Union, S.C.

DATE OF ORDER Aug. 27, 1986

BUILDING OFFICIAL _____

NAME OF DEPUTY STATE FIRE MARSHAL Charles O. Vaughan

REQUEST FOR APPEAL

STATE SPECIFICALLY WHAT YOU ARE APPEALING:

I am Appealing Mr. Vaughan's inspection stating that our road did not meet specifications.

Billy Pan
Signature of Appellant

Oct. 23, 1986
Date

OFFICE USE ONLY:

009695

10/24/86
DATE RECEIVED IN OFFICE

10/28/86
DATE SENT TO EXECUTIVE DIRECTOR'S OFFICE

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
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TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

October 1, 1986

Mr. and Mrs. Billy Ray
c/o Andy's Restaurant
Post Office Box 106
Buffalo, SC 29321

Dear Mr. and Mrs. Ray:

Your letter stating that you would like to appeal fire inspection order dated August 27, 1986, by Charles O. Vaughan, Deputy State Fire Marshal, has been received.

In order to proceed with your request, it will be necessary for you to complete and return the enclosed form to this office no later than October 31, 1986. We will then forward the information to the Budget and Control Board who will schedule a date for you to appear before the Fire Marshal's Appeal Panel.

If you have any questions or if we can be of further assistance, please contact this office.

Sincerely,

David Cullum

David Cullum
Assistant Director

/pz

Enclosure

009696

Andy's
P.O. Box 106
Buffalo, S.C. 29321

Sept. 27, 1986

Division State Fire Marshall
800 Dutch Square Blvd.
Suite 201
Columbia, S.C. 29210

RECEIVED
SEP 30 1986
DIVISION OF
STATE FIRE MARSHALL

Dear Sir:

In April of 1984, we began building a restaurant on highway 215, west of Union. At that time we followed every specification and building code, asking questions and obtaining whatever information we could obtain in order that we might be in compliance wherever necessary. Now, after 2½ years of operation we have just had our first visit from the local fire marshall as of Aug. 27, 1986, and he has informed us that our 24 gauge exhaust hood does not meet specifications. Along with this, we purchased an Ansul Fire Spray System from Carolina Safety Associates who also installed the system and has since inspected the system only to be told now that it is improperly installed and doesn't even have an electrical shut-off. Carolina Safety was paid for their system and the installation of it in good faith since we had no prior knowledge of how it should be installed. We were not informed after the first inspection that there was any problem with

005697

EXHIBIT
(2) MAR 10 1987 NO. 16
STATE BUDGET & CONTROL BOARD

the installation of the system. This was brought to our attention during the second inspection, by accident, when I asked the inspector to explain the system to me. The management of Carolina Safety does not want to accept any responsibility for this inefficient system even though if we had a fire during those two years the system would not have worked properly.

The inspection by Mr. Vaughan, the fire marshal here was prompted by the fact that a restaurant on Main Street, copied our hood, had it made by the same sheet metal company and installed. Because of the dispute with Carolina Safety over our improperly installed ansul system, they refused to install one for the Main Street Restaurant. All of this confussion from Main Street brought about an inspection of us after 2½ years. It is because of all of this confussion we are filing this appeal against Mr. Vaughan's inspection of August 27. (a new ruling)

We feel that if this is something that has taken place since 1984, we shouldn't have to make any changes now. We are trying to do what is right about this situation and would appreciate your consideration of this appeal.

Sincerely,
Mr. & Mrs. Billy Ray
Rt. 2

009698

2-1.2 All seams, joints and penetrations shall have a liquidtight continuous external weld. Penetrations may also be sealed by other listed devices that are evaluated under the same conditions of fire severity as the hood or enclosure of listed grease extractors and whose presence does not detract from the hood's or duct's structural integrity. (*See definition of continuous external weld in Section 1-2.*)

Exception: *See exception to 2-1.1 above.*

2-2 Hood Size. Hoods shall be sized and configured to provide for the capture and removal of grease-laden vapors (*see 5-2.2*).

2-3 Hoods with Integrated Outside Make-up Air in which Introduction of the Make-up Air Requires the Penetration of the Exhaust Hood.

2-3.1 The construction of these hoods shall comply with the requirements of 2-1.1 and Section 2-2.

2-3.1.1 The construction of the outer shell or the inner exhaust shell shall have a continuous liquidtight external weld. If the outer shell is welded the inner shell shall be of greasetight construction.

2-3.1.2 A fire-actuated damper of at least the same gage as the hood shall be installed in the supply plenum at the same plane as the external weld.

Chapter 3 Duct Systems

3-1 General.

3-1.1 Ducts shall not pass through fire walls or fire partitions.

3-1.2 All ducts shall lead, as directly as possible, to the exterior of the building.

3-1.3 Duct systems shall not be interconnected with any other building ventilating or exhaust system.

3-1.4 All ducts shall be installed without forming dips or traps which might collect residues.

Exception: *Traps provided for continuous or automatic removal of residue are permissible.*

3-1.5 Clearance.

3-1.5.1 Where ducts pass through partitions or walls of combustible material, the material shall be cut away to provide a clearance to the duct not less than 18 in. (457.2 mm).

Exception: *When the combustible construction is protected in a manner satisfactory to the authority having jurisdiction.*

3-1.5.2 For listed grease ducts, see Section 3-2.

3-1.6 Openings.

3-1.6.1 An opening large enough to permit cleaning shall be provided at each change in direction of the duct for purposes of inspection and cleaning.

3-1.6.2 Openings shall conform to the following:

3-1.6.2.1 Openings shall be at the sides of the duct.

3-1.6.2.2 In horizontal sections the lower edge of the opening shall be not less than 1½ in. (38.1 mm) from the bottom of the duct.

3-1.6.2.3 Covers shall be constructed of the same material and thickness as the duct and shall not permit the passage of grease under any conditions.

3-1.6.3 Openings for installation, servicing, and inspection of listed fire protection system devices shall be permitted in ducts and enclosures provided they conform to the requirements of Sections 3-1.6.2 and 3-5.1.5.

3-2 Listed Grease Ducts. Listed grease ducts shall be installed in accordance with the terms of the listing and the manufacturer's instructions.

3-3 Other Grease Ducts. Other grease ducts shall comply with the following requirements.

3-3.1 Materials. Ducts shall be constructed of and supported by carbon steel not less than 0.054 in. (1.37 mm) (No. 16 MSG) or stainless steel not less than 0.043 in. (1.09 mm) (No. 18 MSG) in thickness.

3-3.2 Installation.

3-3.2.1 All seams, joints and penetrations shall have a liquidtight continuous external weld, except where the duct stub collar of the hood or a listed ventilator is connected to the exhaust duct. This connection shall be a continuous liquidtight external weld, a connection to a listed grease extractor, a connection to a listed automatic damper and hood assembly, or a method such as shown in Figure 3-3.

3-3.2.2 Penetrations may also be sealed by other listed devices that are evaluated under the same conditions of fire severity as the hood or enclosure of listed grease extractors and whose presence does not detract from the hood's or duct's structural integrity.

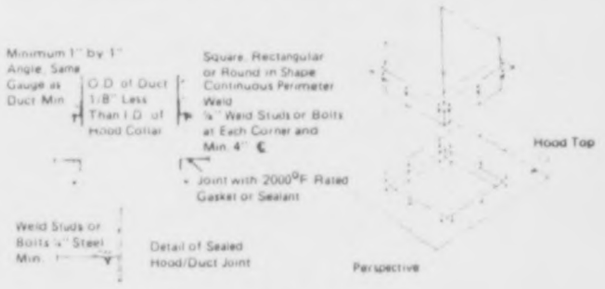


Figure 3-3

For SI units, 1 in. = 25.4 mm

009699

Liquidtight. Constructed and performing in such a manner as not to permit the passage of any liquid at any temperature.

Listed. Equipment or materials included in a list published by an organization acceptable to the "authority having jurisdiction" and concerned with product evaluation, that maintains periodic inspection of production of listed equipment or materials and whose listing states either that the equipment or material meets appropriate standards or has been tested and found suitable for use in a specified manner.

NOTE: The means for identifying listed equipment may vary for each organization concerned with product evaluation, some of which do not recognize equipment as listed unless it is also labeled. The "authority having jurisdiction" should utilize the system employed by the listing organization to identify a listed product.

Pitched. To be fixed or set at a desired angle or inclination.

Removable. Capable of being transferred to another location although a limited application of effort and tools may be required to accomplish the process.

Replacement Air. Air deliberately brought into the structure, then specifically to the vicinity of either a combustion process or a mechanically or thermally forced exhausting device for the purpose of compensating for the vapor and/or gases being consumed or expelled.

Salamander Broiler. (See Upright Broiler.)

Shall. Indicates a mandatory requirement.

Single Hazard Area. Shall be as considered in the applicable extinguishing system standard (*see Section 7-2*) or as determined by the authority having jurisdiction.

Solvent. A substance (usually liquid) capable of or used in dissolving something. A chemical compound designed and used for the purpose of converting solidified grease into a liquid or semi-liquid state to facilitate a cleaning operation.

Termination. The concluding or intentional ending portion of a duct system that is designed and functions to fulfill the obligations of the system in a satisfactory manner.

Thermal Recovery Unit. A device or series of devices whose purpose is to reclaim only the heat content of air, vapors, gases, and/or fluids that were being expelled through the exhaust system, and transferring the thermal energy so reclaimed to a location whereby a useful purpose may be served.

Trap. A cup-like or U-shaped configuration occurring on the inside of a duct system component where liquids could accumulate.

Upright Broiler. An appliance used in the preparation of food by the exposure of the foods to intense radiant heat, and perhaps convective heat as well, with the food, or the food and radiant source not being limited to a horizontal mode.

1-3 General Requirements.

1-3.1 Cooking equipment used in processes producing smoke or grease-laden vapors shall be equipped with an exhaust system complying with the following:

(a) A hood complying with the requirements of Chapter 2, and

(b) A duct system complying with the requirements of Chapter 3, and

(c) Grease removal devices complying with the requirements of Chapter 4, and

(d) Fire extinguishing equipment complying with the requirements of Chapter 7.

1-3.2 **Clearance.** Hoods, grease extractors, and ducts shall have a clearance of at least 18 in. (457.2 mm) to combustible material.

Exception: When the hood or grease extractor is listed for lesser clearances or the combustible material is protected in a manner satisfactory to the authority having jurisdiction.

1-3.3 If required by the authority having jurisdiction, notification in writing shall be given of any alteration, replacement, or relocation of any exhaust or extinguishing system or part thereof, or cooking equipment.

1-3.4 Nothing in this standard is intended to prevent the use of methods or devices, provided that sufficient technical data is submitted to the authority having jurisdiction to demonstrate that the proposed method or device is equivalent in quality, strength, fire endurance, effectiveness, durability, and safety to that prescribed by this standard.

EXHIBIT

MAR 10 1987 NO. 16

CONTROL BOARD

Chapter 2 Hoods

2-1 Construction.

2-1.1 The hood or that portion of a primary collection means designed for collecting cooking vapors and residues shall be constructed of and be supported by steel not less than 0.043 in. (1.09 mm) (No. 18 MSG), stainless steel not less than 0.037 in. (0.94 mm) (No. 20 MSG), or of other approved material of equivalent strength, fire, and corrosion resistance.

Exception: Hoods or enclosures of listed grease extractors or listed automatic damper and hood assemblies, evaluated under the same conditions of fire severity as the hood or enclosure of listed grease extractors, shall be considered as complying with the material and construction requirements of 2-1.1 and 2-1.2.

008700

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 9

AGENCY: Fire Marshal Appeal Panel

SUBJECT: Trinity Child Care Center Appeal

On or about August 12, 1986, a Fire Marshal Inspection Order was issued regarding the Trinity Child Care Center, 1100 Sumter Street, Columbia, SC. Appellant timely appealed the Order and a hearing was held on February 18, 1987.

The Fire Marshal Appeal Panel has submitted findings and recommendations on whether the appellant should be granted a variance from the requirements of Regulation 19-300.11 B(2)(a) which provides:

B. Facilities with Infant Care
2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.
   a. Room for infants shall have one hour fire separation with a direct exit to the outside.

BOARD ACTION REQUESTED:

Affirm the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Trinity Child Care Center, 1100 Sumter Street, Columbia, SC 29201 and incorporate the recommendations into the following Order:

Pursuant to Regulation 19-312, Appellant is granted a variance from the requirements of Regulation 19-300.11 B(2)(a) so as to allow Appellant's present layout and assignment of children to rooms and exit plans to be utilized.

ATTACHMENTS:

Fire Marshal Appeal Panel Findings and Recommendations; Order

009701

EXHIBIT

MAR 10 1987 NO. 17

State of South Carolina

State Budget and Control Board

BUDGET & CONTROL BOARD

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

March 10, 1987

CERTIFIED - RETURN RECEIPT

Ms. Anita Gypin, Executive Director
Trinity Child Care Center
1100 Sumter Street
Columbia, SC 29201

Dear Ms. Gypin:

Enclosed is a copy of the decision by the State Budget and Control Board on an appeal from an August 12, 1986, Fire Marshal Order requiring, in accord with Regulation 19-300.11 B(2)(a), that a room for infants shall have one hour fire separation with a direct exit to the outside.

At its meeting on March 10, 1987, the Budget and Control Board affirmed the findings and recommendations of the Fire Marshal Appeal Panel and incorporated the Panel's recommendations as the Board's Order, a copy of which is attached.

A copy of the Fire Marshal Appeal Panel's Findings and Recommendations accompanies the Board Order.

Sincerely,

William A. McInnis

William A. McInnis
Deputy Executive Director

WAM:dw
cc: H. Harold Tarleton, Jr.
C. Havird Jones
Charles W. Gambrell, Jr.
E. A. Laurent
Richard S. Campbell
James P. Fields, Jr.

009702

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) DECISION BY SOUTH CAROLINA
COUNTY OF RICHLAND) STATE BUDGET AND CONTROL BOARD

DECISION RE: TRINITY CHILD CARE CENTER
1100 SUMTER STREET
COLUMBIA, SOUTH CAROLINA 29201

Decision on Appeal from State Budget and Control Board Regulation 19-312 as a result of a Fire Marshal Inspection Order dated August 12, 1986.

The South Carolina State Budget and Control Board at its meeting held March 10, 1987, reviewed the Findings and Recommendations of the South Carolina State Fire Marshal Appeal Panel in this matter.

The Board affirms the Findings and Recommendations of the Fire Marshal Appeal Panel and incorporates the recommendations as its Order as follows:

Pursuant to Reg. 19-312, Appellant is granted a variance from the requirements of Reg. 19-300.11 B(2)(a) so as to allow Appellant's present layout and assignment of children to rooms and exit plans to be utilized.

Let a copy of this Decision and a copy of the Findings and Recommendations of the Fire Marshal Appeal Panel be forwarded to Trinity Child Care Center, 1100 Sumter Street, Columbia, South Carolina, 29201.

SOUTH CAROLINA STATE BUDGET
AND CONTROL BOARD

BY: William A. McInnis
William A. McInnis, Secretary

Columbia, South Carolina

March 10, 1987

009703

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) BEFORE THE SOUTH CAROLINA
COUNTY OF RICHLAND) FIRE MARSHAL APPEAL PANEL

IN THE MATTER OF:)
)
TRINITY CHILD) FINDINGS AND
CARE CENTER,) RECOMMENDATIONS
)
APPELLANT.)

This matter is before the South Carolina Fire Marshal Appeal Panel (hereinafter referred to as the "Panel") for administrative review pursuant to the Administrative Procedures Act, South Carolina Code §1-23-310 et seq. (1983, as amended), and pursuant to State Budget and Control Board Regulation 19-312 as a result of an Order issued by the State Fire Marshal and a request by Appellant for review of that Order.

PROCEDURAL HISTORY

On or about August 12, 1986, Deputy Fire Marshals John G. Reich and C. G. Reaves issued a Fire Marshal Inspection Order regarding the Trinity Child Care Center, Appellant herein. Appellant timely appealed this Order to the Panel.

A hearing was held in this matter at 10:00 a.m. on February 18, 1987. Appellant was represented by Jim Fields of the Richland County Bar and the State Fire Marshal was represented by C. H. Jones, Jr., Assistant Attorney General. Testifying on behalf of Appellant were Anita Gypin, Executive Director of Trinity Child Care Center and Phelps Bultman, an architect with the Keenan Company in Columbia, South

Carolina. Testifying on behalf of the State Fire Marshal was Richard S. Campbell the State Fire Marshal.

The parties hereto have entered into a Stipulation and Order dated February 18, 1987, which concerns admissibility of evidence and resolves all of the issues raised by the Fire Marshal Inspection Order except one. The issue on which this Panel must submit its findings and recommendations is whether Appellant should be granted a variance from the requirements of Reg. 19-300.11 B(2)(a) which provides:

> B. Facilities with Infant Care
> 2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.
> a. Room for infants shall have one hour fire separation with a direct exit to the outside.

Upon hearing the testimony of all the witnesses and upon reviewing the exhibits and arguments presented by the parties, the Panel makes the following findings and recommendations.

FINDINGS

1. Trinity Episcopal Church in Columbia, South Carolina operates Trinity Child Care Center, located at 1100 Sumter Street, Columbia, South Carolina, Richland County.

2. Trinity Child Care Center has been in operation since approximately 1977.

3. The building in which Appellant is located is basically of masonry and steel, constructed in the 1950s; however, a recently constructed wing, completed approximately three months ago, is constructed primarily of masonry.

009705

4. Appellant has a fire alarm system tied directly into the Columbia Fire Department.

5. The total enrollment of Appellant is approximately one hundred and three children: fourteen (14) infants (children under age two); twenty-eight (28) children in the five year kindergarten; seventeen (17) children in the over two year kindergarten; twenty-four (24) children in the four year kindergarten; and twenty (20) children in the three year kindergarten.

6. The infants are located in two rooms on the ground floor of Appellant, six (6) infants in one room with two full-time workers and eight (8) infants in the other, also with two full-time workers.

7. There are two full-time workers in the five year kindergarten class, also located on the same floor as the infants' rooms, who are assigned to go and assist the adult workers in removing the infants from their respective rooms in cases of emergencies.

8. The ground floor of Appellant is located approximately four feet below grade, requiring individuals to climb between six and ten stairs, depending upon the exit, to exit the building.

9. There are two sextants who are on duty in the building, or on call within the church property, at any time during the operating hours of Appellant; these sextants are available to assist the children during an emergency evacuation.

EXHIBIT

009706 MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

10. Appellant's operating hours are from approximately 7:00 a.m. to approximately 6:00 p.m., Monday through Friday.

11. There are windows hinged to open outward, located in both rooms containing the infants.

12. Announced and unannounced fire drills are periodically conducted by the Appellant.

13. Removal of infants during the fire drills or in cases of emergencies is accomplished by carrying them.

14. Appellant's facility is located approximately six blocks from the main Columbia Fire Station.

15. All exits on the ground floor, including the two from the two rooms containing the infants, are within twenty (20) feet of an outside exit of the building; however, there is no direct exit to the outside from either room containing the infants, nor from the other rooms on the ground or first floors.

16. There are two adults on duty from approximately 10:00 a.m. to 2:00 p.m. on the first floor of the building at the book store; in addition, two other adults are located in the offices on the top floor of the building. These adults are available to assist the children during an emergency evacuation.

17. The kitchen is located on the first floor of the building, in a room directly above the room containing the eight (8) infants, both of which are part of the newest wing of the structure. The kitchen has a two hour constructed floor separating it from the room containing the eight (8) infants.

009707

18. Appellant has a history of passing required inspections in 1985 and 1983.

19. The Panel notes the special efforts made by Appellant to comply with the requirements imposed by the Fire Marshal as a result of his inspection on August 12, 1986, as embodied in the parties' Stipulation and Order.

20. The Panel finds pursuant to Regulation 19-312 that it is in the best interest of justice and safety that a variance be granted, and that Appellant's present layout and assignment of children to rooms and exit plans be utilized.

RECOMMENDATIONS

Pursurant to Reg. 19-312, the Panel recommends that Appellant be granted a variance from the requirements of Reg. 19-300.11 B(2)(a) so to allow Appellant's present layout and assignment of children to rooms and exit plans to be utilized.

SOUTH CAROLINA FIRE MARSHAL
APPEAL PANEL

By: H. Harold Tarleton, Jr.
H. HAROLD TARLETON, JR.
CHAIRMAN

GREENVILLE, South Carolina
4 MARCH, 1987

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

009708

FIRE MARSHAL INSPECTION ORDER

EXHIBIT

STATE OF SOUTH CAROLINA)
)
COUNTY OF Richland)

SOUTH CAROLINA STATE FIRE MARSHALL

IN RE:
)
Columbia)

NOTICE OF ORDER MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 (occupy) days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 758-6612

Name of Facility	Number of Years in Operation	Phone #	Date of Inspect.
TRINITY EPISCOPAL Church	9	771-7300	8-12-1986

Street & No. 1100 Sumter ST. City Columbia SC. Zip 29201 County Richland

Location: Within City Limits X Out of City Limits ☐ Distance Out of City Limits _____

Name & Address of Tenant ANITA Gypin

Name & Address of Owner TRINITY EPISCOPAL Church — Building Name or Number Educational Bldg. (DAY CARE)

Nature of Inspection: ☐ Routine ☐ Re-Inspect X Requested Person Making Request PHELPS H. BULTMAN

Age of Building	Height of Building	Number of Stories	Approximate Square Footage
30 APRX	35'	3	4000

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible X Ordinary ☐ Wood Frame ☐ Other ☐ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational X Hazardous ☐ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building 100 LOWER level Capacity of People N/A

EXITS & ESCAPES

A
1. (1) Number of Exit Doors 3 Adequate: Yes ☐ No X
2. Blocked ☐ Locked ☐
3. (3) Exit Signs: Good ☐ Unsatisfactory ☐ Not Required ☐
4. (4) Emergency Lights: Good ☐ Unsatisfactory X Not Required ☐
5. (5) Panic Hardware: Good ☐ Unsatisfactory X Not Required ☐
6. (6) Self-closing Device: Good ☐ Unsatisfactory ☐ Not Required ☐
7. Number of Stairways _____ Adequate: Yes ☐ No ☐
8. Open ☐ Closed ☐; Wood ☐ Metal ☐ Masonry ☐
9. Number of Fire Escapes _____ Adequate: Yes ☐ No ☐
10. Wood ☐ Metal ☐ Other ☐ (Specify) _____
11. Handrails Adequate: Yes ☐ No ☐ NA ☐
12. Landings Adequate: Yes ☐ No ☐ NA ☐
13. Other

FIRE SYSTEMS

B
1. Fire Alarm: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
2. Smoke Detectors: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
3. Sprinkler System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
4. Standpipe System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
5. Number of Fire Extinguishers _____ Adequate: Yes ☐ No ☐
6. Date Last Charged _____ Good ☐ Unsatisfactory ☐
7. Fixed Hood Extinguisher System: Yes ☐ No ☐ Not Required ☐
8. Date Last Serviced _____ Adequate: Yes ☐ No ☐
9. Other

CONST.

C
1. Fire Rated Corridors-Walls: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
2. Fire Rated Ceilings: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
3. Flame Spread Rating Adequate: Yes ☐ No ☐
4. Fire & Draft Stopping Adequate: Yes ☐ No ☐
5. Other

HEATING

D
1. Heating System: Gas ☐ Electric ☐ Oil ☐ Wood ☐ Other ☐ _____
2. Condition: Good ☐ Fair ☐ Unsatisfactory ☐
3. Chimneys & Flues: Metal ☐ Masonry ☐ NA ☐
4. Condition: Good ☐ Fair ☐ Unsatisfactory ☐
5. Other

ELEC.

EE
1. Electrical: Good ☐ Fair ☐ Unsatisfactory ☐
2. Excessive Use of Extension Cords: Yes ☐ No ☐
3. Open Breakers: Yes ☐ No ☐
4. Covers Missing on Electrical Boxes: Yes ☐ No ☐
5. Proper Sized Fuses/Breakers: Yes ☐ No ☐
6. Licensed Electrician Certification Required: Yes ☐ No ☐
7. Other

GENERAL

F
1. Housekeeping: Good ☐ Fair ☐ Unsatisfactory ☐
2. Excessive Storage of Combustibles: Yes ☐ No ☐
3. Storage Under Stairs: Yes ☐ No ☐
4. Flammable Liquid Storage: Yes ☐ No ☐
5. Chemical Storage: Yes ☐ No ☐ Adequate ☐
6. Excessive Flammable Decorative Materials: Yes ☐ No ☐ Adequate ☐
7. Other

MANDATED CORRECTIONS

ITEM	DESCRIPTION & LOCATION	CODE
1A	Lower Level EXITS UTILIZE INTERIOR STAIRWELLS. PROVIDE Adequate EXITS to All Rooms used for day CARE NURSERIES, KINDERGARTEN OR FIRST GRADE pupils in ACCORDANCE to S.B.C section 406.2.1. These Rooms SHALL NOT BE LOCATED ABOVE OR below the floor of EXIT discharge.	SBC 406.2
1A	Room FOR infants shall have one hour protection/FIRE Seperation with A direct EXIT TO the outside.	SFM 19-3 11 F
1A	Rooms FOR infants shall Be limited to 10 infants per direct exit. There shall Be NO more than twenty infants per Room. EXIT doors Shall swing in the direction of egress And be A minimum of 36 inches wide.	SFM 19-3 11 D
3A	PROVIDE ILLUMINATED EXIT Signs And directional lights where needed to illuminate Means of egress	SBC 1118
4A	PROVIDE emergency lights in CORRIDORS And STAIRWELLS.	SFPC 15-11 C
3A	PROVIDE PANIC Hardware ON All EXIT doors which release when pressure OF Not to exceed 15 lb. is applied to the releasing device in the direction of EXIT travel	SBC 1114.2
6A	DOORS in the required 1 Hour Seperation PARTION Shall have door closers or Be held open with SMOKE Actuated device	SFM 19-3 F

In accordance with §23-9-80, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was:

Delivered Personally to R.E. Ellison, as owner or occupant

John G. Reich / C. H. Reaves / R.E. Ellison
Resident or Deputy Fire Marshal D.S.F.M.

009709

Columbia, SC 29201

DATE August 12 1986

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

FIRE MARSHAL INSPECTION ORDER

STATE OF SOUTH CAROLINA)
COUNTY OF Richland)
IN RE:)
Columbia)

SOUTH CAROLINA STATE FIRE MARSHAL

EXHIBIT

NOTICE OF ORDER MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the specific violations on the above referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 10 days to occupy days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 758-6612

Name of Facility	Number of Years in Operation	Phone #	Date of Inspect.
Trinity Episcopal Church		771-7300	8-12-1986

Street & No. | City | Zip | County

Location: Within City Limits ☐ Out of City Limits ☐ Distance Out of City Limits

Name & Address of Tenant

Name & Address of Owner | Building Name or Number

Nature of Inspection: ☐ Routine ☐ Re-Inspect ☐ Requested Person Making Request

Age of Building | Height of Building | Number of Stories | Approximate Square Footage

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible ☐ Ordinary ☐ Wood Frame ☐ Other ☐ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational ☐ Hazardous ☐ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building | Capacity of People

A — EXITS & ESCAPES

1. Number of Exit Doors _____ Adequate: Yes ☐ No ☐
2. Blocked ☐ Locked ☐
3. Exit Signs: Good ☐ Unsatisfactory ☐ Not Required ☐
4. Emergency Lights: Good ☐ Unsatisfactory ☐ Not Required ☐
5. Panic Hardware: Good ☐ Unsatisfactory ☐ Not Required ☐
6. Self-closing Device: Good ☐ Unsatisfactory ☐ Not Required ☐
7. Number of Stairways 3 Adequate: Yes ☒ No ☐
8. Open ☐ Closed ☒ Wood ☐ Metal ☐ Masonry ☒
9. Number of Fire Escapes N/A Adequate: Yes ☐ No ☐
10. Wood ☐ Metal ☐ Other ☐ (Specify) _____
11. Handrails Adequate: Yes ☒ No ☐ NA ☐
12. Landings Adequate: Yes ☒ No ☐ NA ☐
13. Other

B — FIRE SYSTEMS

1. Fire Alarm: Yes ☐ No ☐ Adequate: Yes ☐ No ☒
2. Smoke Detectors: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
3. Sprinkler System: Yes ☐ No ☒ Adequate: Yes ☒ No ☐
4. Standpipe System: Yes ☐ No ☒ Adequate: Yes ☒ No ☐
5. Number of Fire Extinguishers NONE Adequate: Yes ☐ No ☒
6. Date Last Charged N/A Good ☐ Unsatisfactory ☐
7. Fixed Hood Extinguisher System: Yes ☐ No ☒ Not Required ☐
8. Date Last Serviced N/A Adequate: Yes ☐ No ☐
9. Other

C — CONST.

1. Fire Rated Corridors-Walls: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
2. Fire Rated Ceilings: Yes ☒ No ☐ Adequate: Yes ☐ No ☐
3. Flame Spread Rating Adequate: Yes ☒ No ☐
4. Fire & Draft Stopping Adequate: Yes ☒ No ☐
5. Other

D — HEATING

1. Heating System: Gas ☐ Electric ☒ Oil ☐ Wood ☐ Other ☒ Remote
2. Condition: Good ☒ Fair ☐ Unsatisfactory ☐ NEW
3. Chimneys & Flues: Metal ☐ Masonry ☐ NA ☒
4. Condition: Good ☒ Fair ☐ Unsatisfactory ☐
5. Other

E — ELEC.

1. Electrical: Good ☐ Fair ☐ Unsatisfactory ☐
2. Excessive Use of Extension Cords: Yes ☐ No ☐
3. Open Breakers: Yes ☐ No ☐
4. Covers Missing on Electrical Boxes: Yes ☐ No ☐
5. Proper Sized Fuses/Breakers: Yes ☐ No ☐
6. Licensed Electrician Certification Required: Yes ☐ No ☐
7. Other

F — GENERAL

1. Housekeeping: Good ☐ Fair ☐ Unsatisfactory ☐
2. Excessive Storage of Combustibles: Yes ☐ No ☐
3. Storage Under Stairs: Yes ☐ No ☐
4. Flammable Liquid Storage: Yes ☐ No ☐
5. Chemical Storage: Yes ☐ No ☐ Adequate ☐
6. Excessive Flammable Decorative Materials: Yes ☐ No ☐ Adequate ☐
7. Other

MANDATED CORRECTIONS

ITEM	DESCRIPTION & LOCATION	CODE
1B	Provide Fire alarm system And connected to public Fire department or other outside assistance as may be available in case of Fire or other Emergency	A-3 A SFM
2B	Rooms for infants shall have single station smoke alarms placed inside the Room and in the adjacent Area of Facility near the protected Room's entrance	SFM 1930 E
5B	Provide 2A 10BC minimum fire extinguishers each 3,000 SQ.FT. or no less than 75'. Additional extinguishers will be required in extra hazard areas ie Kitchen/mechanical Room etc.	SFM 1826
1C	It shall be prohibited to use Exit Access Corridors, separated From Building use areas by Fire Rated partitions and providing Access to exit, for Return or exhaust From Adjoining Air conditioned spaces through louvers or other devices mounted in corridor doors or partitions	SBC 1104.2
3C	Rooms for infants shall have wall coverings with a flame spread rating no less than Class B	SFM 1930 11 B
1D	Heating units in areas subject to 25 persons or more shall be protected by 2 hour fire resistant construction	SBC 806.1

In accordance with §23-9-80, Code of Laws-South Carolina, 1976, as amended, a true copy of the ORDER was:

Delivered Personally to _____, as owner or occupant

John L. Reich / C. N. Reaves / R. E. Ellison
Resident or Deputy Fire Marshal DSFM

009710

Columbia, SC 29201

DATE August 12 1986

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

FIRE MARSHAL INSPECTION ORDER

EXHIBIT

STATE OF SOUTH CAROLINA)
)
COUNTY OF Richland)

SOUTH CAROLINA STATE FIRE MARSHALL

MAR 10 1987 NO. 17

IN RE:)
Columbia)

NOTICE OF ORDER

STATE BUDGET & CONTROL BOARD

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 10 (excuse) days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 758-6612

Name of Facility	Number of Years in Operation	Phone #	Date of Inspect.
Trinity Episcopal Church	9	771-7300	8-12-86

Street & No _____ City _____ Zip _____ County _____

Location: Within City Limits ☐ Out of City Limits ☐ Distance Out of City Limits _____

Name & Address of Tenant _____

Name & Address of Owner _____ Building Name or Number _____

Nature of Inspection ☐ Routine ☐ Re-Inspect ☐ Requested Person Making Request

Age of Building _____ Height of Building _____ Number of Stories _____ Approximate Square Footage _____

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible ☐ Ordinary ☐ Wood Frame ☐ Other ☐ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational ☐ Hazardous ☐ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building _____ Capacity of People _____

A EXITS & ESCAPES

1 Number of Exit Doors _____ Adequate: Yes ☐ No ☐
2 Blocked ☐ Locked ☐
3 Exit Signs: Good ☐ Unsatisfactory ☐ Not Required ☐
4 Emergency Lights: Good ☐ Unsatisfactory ☐ Not Required ☐
5 Panic Hardware: Good ☐ Unsatisfactory ☐ Not Required ☐
6 Self-closing Device: Good ☐ Unsatisfactory ☐ Not Required ☐
7 Number of Stairways _____ Adequate: Yes ☐ No ☐
8 Open ☐ Closed ☐; Wood ☐ Metal ☐ Masonry ☐
9 Number of Fire Escapes _____ Adequate: Yes ☐ No ☐
10 Wood ☐ Metal ☐ Other ☐ (Specify) _____
11 Handrails Adequate: Yes ☐ No ☐ NA ☐
12 Landings Adequate: Yes ☐ No ☐ NA ☐
13 Other

B FIRE SYSTEMS

1 Fire Alarm: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
2 Smoke Detectors: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
3 Sprinkler System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
4 Standpipe System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
5 Number of Fire Extinguishers _____ Adequate: Yes ☐ No ☐
6 Date Last Charged _____ Good ☐ Unsatisfactory ☐
7 Fixed Hood Extinguisher System: Yes ☐ No ☐ Not Required ☐
8 Date Last Serviced _____ Adequate: Yes ☐ No ☐
9 Other

C CONST.

1 Fire Rated Corridors-Walls: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
2 Fire Rated Ceilings: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
3 Flame Spread Rating Adequate: Yes ☐ No ☐
4 Fire & Draft Stopping Adequate: Yes ☐ No ☐
5 Other

D HEATING

1 Heating System: Gas ☐ Electric ☐ Oil ☐ Wood ☐ Other ☐ _____
2 Condition: Good ☐ Fair ☐ Unsatisfactory ☐
3 Chimneys & Flues: Metal ☐ Masonry ☐ NA ☐
4 Condition: Good ☐ Fair ☐ Unsatisfactory ☐
5 Other

EE ELEC.

1 Electrical: Good ☒ Fair ☐ Unsatisfactory ☐ New/unfinished
2 Excessive Use of Extension Cords: Yes ☐ No ☒
3 Open Breakers: Yes ☐ No ☐
4 Covers Missing on Electrical Boxes: Yes ☐ No ☐
5 Proper Sized Fuses/Breakers: Yes ☐ No ☐
6 Licensed Electrician Certification Required: Yes ☒ No ☐
7 Other

F GENERAL

1 Housekeeping: Good ☐ Fair ☐ Unsatisfactory ☐ N/A
2 Excessive Storage of Combustibles: Yes ☐ No ☐ N/A
3 Storage Under Stairs: Yes ☐ No ☒ N/A
4 Flammable Liquid Storage: Yes ☐ No ☒
5 Chemical Storage: Yes ☐ No ☒ Adequate ☐
6 Excessive Flammable Decorative Materials: Yes ☐ No ☒ Adequate ☐
7 Other

MANDATED CORRECTIONS

ITEM	DESCRIPTION & LOCATION SEPS 1821b.	CODE
6EE	Provide electrician certification upon Building Renovation completion to include Fire Alarm test & installation	334 SFC
7F	Rooms for infants shall not have any type of open flame Appliances. Any forced AIR ducts entering room shall be protected by smoke dampers operated by smoke sensor or automatic smoke actuated shut down of AIR handling equipment & shall be per National Fire Protection Ase 90	SFM 193

In accordance with §23-9-80, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was

Delivered Personally to D R Owens, as owner or occupant

John G Reed / C. M Reaves / R E Ellison D.S.F.M.
Resident or Deputy Fire Marshal

009711

Columbia, SC 29201

DATE August 12, 1986

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

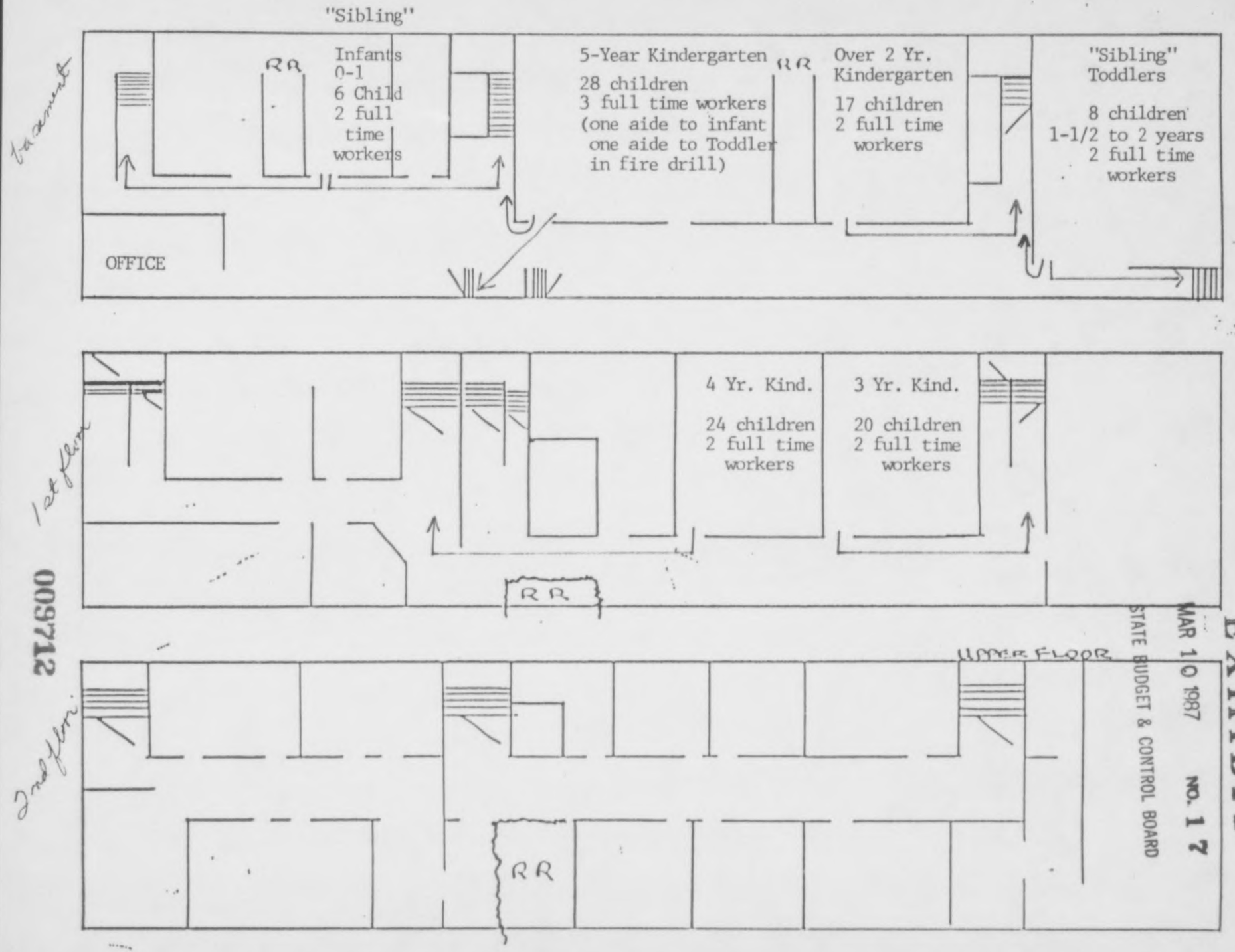
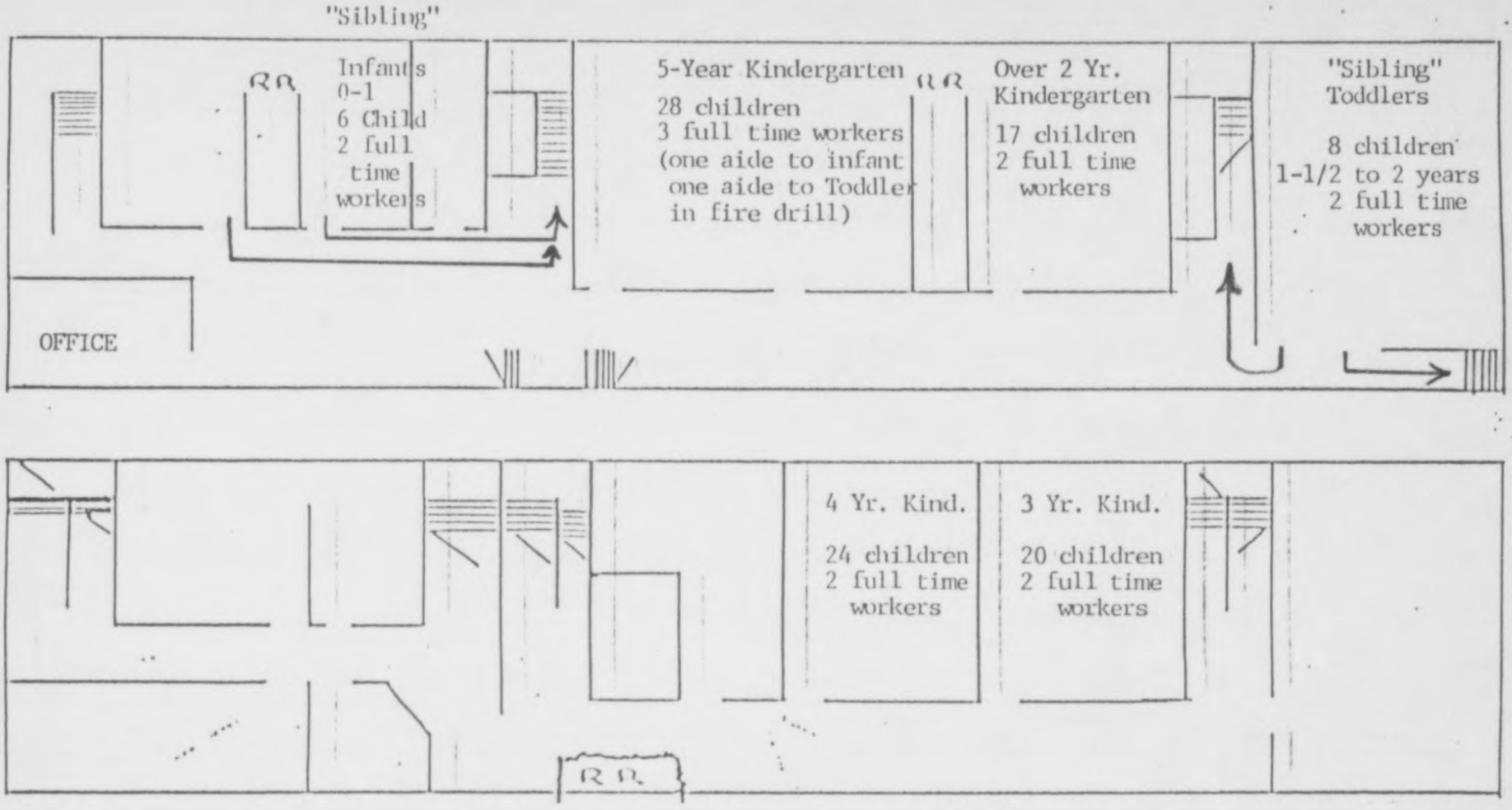


EXHIBIT NO. 17

MAR 10 1987

STATE BUDGET & CONTROL BOARD

009712



Infant (0-1) Playroom - to exit 12' 10" (exit door - 36" w) (up 10 stairs) (28'9" to outside) - from exit up stairs 14' to elevator corridor to outside 14'9"

* Infant (0-1)Playroom - to exit 27' (exit door - 60" w) (up 9 stairs) (21'4" to outside) (from exit to stairs 16', then 5'4" outside)

* Infant (0-1) Sleeproom - to exit 12'6" (exit door - 60" w) (up 9 stairs), then 21'4" to outside

* Toddler (1-1/2 - 2) - to exit 7' (exit door - 40" w) (up 6 stairs), then 11' to outside

* Toddler (1-1/2 - 2) - to exit 4'5" (exit door - 36" w) (up 9 stairs), then 21' to outside

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

009713

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

BEFORE THE STATE BUDGET AND CONTROL BOARD
DIVISION OF STATE FIRE MARSHAL PANEL

IN RE:)
)
TRINITY CHILD)
CARE CENTER)
)
)

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

STIPULATION AND ORDER

This matter comes before the Panel on the joint request of the parties for approval of their Stipulation, and approval of their proposed Order, narrowing and defining the issues to be decided.

A. Stipulation

1. The parties have been able to reach an agreement that all mandated corrections in the Fire Marshal Order of August 12, 1986, attached hereto and incorporated herein as Exhibit A have been waived except the mandated correction relating to State Fire Marshal Regulation 19-300.11 which states that rooms used for infants shall have one hour fire protection with a direct exit to the outside.

2. The parties have been able to agree to waive specifically the issue involving Standard Building Code Section 406.2.1 which states that rooms used for day care nurseries, kindergarten or first grade pupils must not be located above or below the floor of exit discharge.

3. The parties have been able to agree that the Trinity Child Care Center was an existing day care center which became operational in September, 1977.

4. The parties have been able to agree to admit the following documents into evidence:

1. Letters from members of Trinity in support of Trinity Child Care Center's request for a variance.

2. Enlarged floor plan of Trinity Child Care Center indicating the exits used during a fire drill.

3. Floor plans of Trinity Child Care Center for each member of the Fire Marshal Appeal Panel indicating the exits used during a fire drill.

4. Floor plans of Trinity Child Care Center for each member of the Fire Marshal Appeal Panel indicating the distance from the infant care rooms to an exit leading directly outside.

5. Video Tape of Trinity Child Care Center.

B. Order

It appears that the Stipulation of the parties is reasonable, and in accordance with the law. It is therefore hereby

ORDERED, that:

1. The stipulation of the parties is approved and shall be binding in this appeal.

This the 18th day of February, 1987.

H. Harold Tarleton, Jr., Chairman
State Fire Marshal Appeal Panel

We so stipulate, and we ask for this:

C. Havird Jones, Jr., Esquire

James P. Fields, Jr., Esquire

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

009715

EXHIBIT A

List of Corrections Mandated in the Fire Marshal Inspection Order dated August 12, 1986.

Item	Description & Location	Code
1A	Lower level exits utilize interior stairwells. Provide adequate exits to all rooms used for daycare nurseries, kindergarten or first grade pupils in accordance to S.B.C. Section 406.2.1. These rooms shall not be located above or below the floor of exit discharge.	S.B.C. 406.2.1
1A	Room for infants shall have one hour protection/fire separation with a direct exit to the outside	SFM 19-300.11A
1A	Rooms for infants shall be limited to 10 infants per direct exit. There shall be no more than twenty infants per room. Exit doors shall swing in the direction of egress and be a minimum of 36 inches wide.	SFM 19-300.11D
3A	Provide illuminated exit signs and directional lights where needed to illuminate means of egress.	SBC 1118.1
4A	Provide emergency lights in corridors and stairwells	SFPC 15:11 C
5A	Provide panic hardware on all exit doors which release when pressure of not to exceed 15lb is applied to the releasing device in the direction of exit travel	SBC 1114.2
6A	Doors in the required 1 hour separation par[ti]tion shall have door closures or be held open with smoke actuated device.	SFM 19-300 F
1B	Provide fire alarm system and connected to public	SFM 19-300.11 A

EXHIBIT
MAR 10 1987 NO. 17
STATE BUDGET & CONTROL BOARD

009716

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

	fire department or other outside assistance as may be available in case of fire or other emergency	
2B	Rooms for infants shall have single station smoke alarms placed inside the room and in the adjacent area of facility near the protected rooms entrance.	SFM 19-300.11 E
5B	Provide 2A 10 BC minimum fire extinguishers each 3000 Sq.ft. or no less than 75'. Additional extinguishers will be required if extra hazard areas, i.e. kitchen/ mechanical room, etc.	SFPC 18201
1C	It shall be prohibited to use exit access corridors, separated from building use areas by fire rated par[ti]-tions and providing access to exit, for return or exhaust from adjoining air conditioned spaces through louvers or other devices mounted in corridor doors or par[ti]tions.	SBC 11043.1
3C	Rooms for infants shall have wall coverings with a flame spread protection no less than Class B	SFM 19-300.11B
1D	Heating units in areas subject to 75 persons or more shall be protected by 2 hour fire resistant construction	SBC 806 12
6EE	Provide electrician certification upon building renovation completion to include fire alarm test and installation.	SFPC 18216 SFPC 33.405
7F	Rooms for infants shall not have any type of open flame appliances. Any forced air	SFM 19-300.11

009717

EXHIBIT

MAR 1 0 1987 NO. 17

STATE BUDGET & CONTROL BOARD

ducts entering room shall be protected by smoke dampers operated by smoke sensor or automatic smoke actuated shut down of air handling equipment and shall be for national fire protection ASC 90A

009718

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

BEFORE THE STATE BUDGET AND CONTROL BOARD
DIVISION OF STATE FIRE MARSHAL

IN RE:)
)
)
TRINITY CHILD)
CARE CENTER)

MEMORANDUM IN SUPPORT
OF REQUEST FOR
A VARIANCE

STATEMENT OF FACTS

This is an appeal from an Inspection Order of the State Fire Marshal dated August 12, 1986, mandating the corrections listed in Appendix A of this memorandum (attached).

Trinity Child Care Center (the Center) has complied with all mandated corrections but two which are structural in nature.

The first involves State Fire Marshal regulation 19-300.11 which states that rooms for infants must have one hour fire separation with a direct exit to the outside.

The second involves Standard Building Code Section 406.2.1 which states that rooms used for day care nurseries, kindergarten or first grade pupils must not be located above or below the floor of exit discharge.

On December 4, 1986, the State Fire Marshal viewed the renovations to the Center and stated that due to the substantial number of fire safety improvements made to the Center, all mandated corrections would be waived but the direct exit to the outside for infants.

009719

It is from the first mandated correction involving a direct exit from rooms used for infant care that we appeal to the Fire Marshal Appeal Panel to request a variance.

ARGUMENT

A. ROOM FOR INFANTS SHALL HAVE ONE HOUR FIRE SEPARATION WITH A DIRECT EXIT TO THE OUTSIDE

State Fire Marshal Regulation 19-300.11B(2)(a) states:

> (2) All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and who are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.
>
> (a) Room for infants shall have one hour fire separation with a direct exit to the outside. (emphasis added).

In the Fire Marshal regulations promulgated on March 23, 1984, the term "direct exit" was defined in a NOTE to Section 19-300.11(B)(2)(a). The NOTE stated:

> A one-hour protected corridor no longer than twenty (20) feet to an exit shall be considered a direct exit.

A copy of the new regulations was sent to the Center by the South Carolina Department of Social Services on July 13, 1984. Under the architect's interpretation of the NOTE, compliance with the spirit of the regulation was met by providing a one-hour protected corridor no longer than twenty feet from an exit leading directly to the outside. Each infant care room of the Center now exits into a one-hour protected corridor. Within twenty feet, there is either an exit leading directly to the outside or an exit leading to a two-hour protected internal stairwell which leads to an exit directly to the outside.

009720

On March 14, 1986, the City of Columbia issued a building permit for "interior renovations and addition to educational building." The renovations to the Center were accomplished in reliance upon the architect's interpretation of the NOTE.

However, on June 27, 1986, the NOTE was deleted from the regulation.

Under the current version of the regulation, the term "direct exit" is not defined, but is interpreted to mean an exit leading directly to the outside. If this interpretation were to be given a retroactive application, then no room in the Center would be suitable for infant care because no room contains a direct exit.

In considering this request for the variance, it should be noted that this Center was an existing day care center. It became operational in September, 1977. There has been no change in occupancy classification since that date nor did the cost of the renovations exceed fifty per cent of the then physical value of the existing building. See R.19-300.8. In existing day care centers, the State Fire Marshal has authority to grant alternate methods of compliance within the intent of the regulations. See R.19-300.11B (1). This regulation states:

The intent means:

> (c) Other alternatives may be approved by the State Fire Marshal in cases where adequate fire safety is furnished by the owner.

The Center has undertaken numerous measures to not only comply with the child care regulations but also to improve the facility above and beyond the requirements of "adequate fire safety."

There is now a one-hour protected corridor into which each child enters when exiting his room. The three internal stairwells on the lower level are

009721

now and always have been two-hour protected stairwells. Cut-off dampers were installed. Panic hardware was installed on all doors but one which is considered an additional exit. A fire alarm system which is connected directly to the Fire Department was installed. Additional fire safety equipment was installed at each exit as required by the State Fire Marshal regulations. All doors are rated doors. During renovations, an additional exit was constructed so that the total number of exits on the lower level now equals five. These improvements were made at an additional cost of over $22,000 to the existing building renovation costs. A new room was also added to the Senate Street side of the building and is now used for infant care. The new room has easy access to two exits: one exit leading to a two-hour stairwell; the other exit leading directly to the outside. The new room also has twelve windows at ground level which are operational.

The Center has a formal fire safety plan. Fire drills are conducted on a regular basis. Each room has a floor plan on the wall adjacent to the exit door indicating the path the children are to follow in case of fire. Each room is staffed by two adults and one room is staffed by three adults.

The Center has complied and continues to comply with the spirit of the regulations promulgated by the State Fire Marshal. The Center was an existing facility and as now renovated, fully provides adequate fire safety.

For these reasons, the Center respectfully requests this Panel to recommend a variance from the requirement of constructing an exit leading directly to the outside.

009722

B. CONCLUSION

The Center has complied with every Fire Inspection Order from the date it became operational in 1977 to the present. Until the issuance of the August 12, 1986 Order, conditions at the Center were deemed satisfactory and the Center was cited for minor cosmetic corrections only.[1]

The mandated change discussed above is structural in nature and has existed since 1954 when the building was first constructed. The additional cost required to add the direct exits would force Trinity to close the operation of the Child Care Center for infants causing extreme hardship to the parents now using its facilities.

The Center has made every effort to make its "existing building" comply with the spirit of the law. The safety of the children and staff members is and always will be of the greatest concern to the Center.

We respectfully request a recommendation from the Panel to grant a variance from the Fire Inspection Order of August 12, 1986. Enforcement of the Order would result in a manifest injustice to the Center and would be contrary to the spirit and purpose of the rules and regulations and the public interest.

---

[1]This building has previously been inspected by not only the City of Columbia but also the State Fire Marshal who had inspected and approved the use of the building prior to its renovations.

009723

APPENDIX A

List of Corrections Mandated in the Fire Marshal Inspection Order dated August 12, 1986.

Item	Description & Location	Code
1A	Lower level exits utilize interior stairwells. Provide adequate exits to all rooms used for daycare nurseries, kindergarten or first grade pupils in accordance to S.B.C. Section 406.2.1. These rooms shall not be located above or below the floor of exit discharge.	S.B.C. 406.2.1
1A	Room for infants shall have one hour protection/fire separation with a direct exit to the outside	SFM 19-300.11A
1A	Rooms for infants shall be limited to 10 infants per direct exit. There shall be no more than twenty infants per room. Exit doors shall swing in the direction of egress and be a minimum of 36 inches wide.	SFM 19-300.11D
3A	Provide illuminated exit signs and directional lights where needed to illuminate means of egress.	SBC 1118.1
4A	Provide emergency lights in corridors and stairwells	SFPC 15:11 C
5A	Provide panic hardware on all exit doors which release when pressure of not to exceed 15lb is applied to the releasing device in the direction of exit travel	SBC 1114.2

009724

6A	Doors in the required 1 hour separation par[ti]tion shall have door closures or be held open with smoke actuated device.	SFM 19-300 F
1B	Provide fire alarm system and connected to public fire department or other outside assistance as may be available in case of fire or other emergency	SFM 19-300.11 A
2B	Rooms for infants shall have single station smoke alarms placed inside the room and in the adjacent area of facility near the protected rooms entrance.	SFM 19-300.11 E
5B	Provide 2A 10 BC minimum fire extinguishers each 3000 Sq.ft. or no less than 75'. Additional extinguishers will be required if extra hazard areas, i.e. kitchen/ mechanical room, etc.	SFPC 18201
1C	It shall be prohibited to use exit access corridors, separated from building use areas by fire rated par[ti]-tions and providing access to exit, for return or exhaust from adjoining air conditioned spaces through louvers or other devices mounted in corridor doors or par[ti]tions.	SBC 11043.1
3C	Rooms for infants shall have wall coverings with a flame spread protection no less than Class B	SFM 19-300.11B
1D	Heating units in areas subject to 75 persons or more shall be protected by 2 hour fire resistant construction	SBC 806 12
6EE	Provide electrician	SFPC

009725

	certification upon building renovation completion to include fire alarm test and installation.	18216 SFPC 33.405
7F	Rooms for infants shall not have any type of open flame appliances. Any forced air ducts entering room shall be protected by smoke dampers operated by smoke sensor or automatic smoke actuated shut down of air handling equipment and shall be for national fire protection ASC 90A	SFM 19-300.11

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

009726

CERTIFICATE OF SERVICE

I, Dee Matthews, do hereby certify that I caused the within Memorandum In Support Of Request For A Variance to be served upon opposing parties by having same hand delivered to the following:

Mrs. Hettie Cross
on behalf of:
H. Harold Tarleton, Jr.
Fire Marshal - State of South Carolina
612 Wade Hampton Building
Columbia, South Carolina

Dee Matthews
Dee Matthews

Columbia, South Carolina

February 17, 1987

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

009727

CERTIFICATE OF SERVICE

I, Dee Matthews, do hereby certify that I caused the within Memorandum In Support Of Request For A Variance to be served upon opposing parties by having same hand delivered to the following:

C. Havird Jones, Jr.
Assistant Attorney General
Rembert Dennis Building
State House Grounds
Columbia, South Carolina

Dee Matthews
Dee Matthews

Columbia, South Carolina

February 17, 1987

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

009728

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
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistan

DATE: January 26, 1987

SUBJECT: **TRINITY CHILD CARE CENTER**
COLUMBIA, SOUTH CAROLINA

EXHIBIT
MAR 10 1987 NO. 17
STATE BUDGET & CONTROL BOARD

This is to notify you that the appeal of Trinity Child Care Center has been rescheduled for 10:00 a.m., **Wednesday, February 18, 1987, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.**

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Robert E. Ellison, Jr., Deputy Fire Marshal
Chief Harvey Evans, Columbia Fire Department
Mr. D. Ray Owens, Administrative Assistant to the Dean

009729

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

DATE: December 3, 1986

SUBJECT: **TRINITY CHILD CARE CENTER**
COLUMBIA, SOUTH CAROLINA

This is to notify you that the appeal of **Trinity Child Care Center scheduled for 10:00 a.m., December 9, 1986,** in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina, is being postponed. The Chairman of the Appeals Panel, Mr. Harold Tarleton, received a request for postponement of the hearing from the attorney based upon lack of time to clear up legal aspects of the case. I will notify you when a time has been set for rescheduling the hearing.

The hearing scheduled for 2:00 p.m., Tuesday, December 9, 1986, (Union Station Restaurant) will still be conducted.

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Robert E. Ellison, Jr., Deputy Fire Marshal
Chief Harvey Evans, Columbia Fire Department
Mr. D. Ray Owens, Administrative Assistant to the Dean

009730

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

October 31, 1986

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

CERTIFIED MAIL

Mr. D. Ray Owens
Administrative Assistant to the Dean
Trinity Cathedral
1100 Sumter Street
Columbia, South Carolina 29201

RE: Notice of Hearing
Trinity Child Care Center

Dear Mr. Owens:

The State Fire Marshal Appeal Panel as designated by the State Budget and Control Board, Rule 19-312, Regulations, Budget and Control Board, S. C. Code of Laws, 1976, as amended, has scheduled a formal hearing at **10:00 a.m. on Tuesday, December 9, 1986, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.** The matter before the Appeal Panel as stated in the Appeal Request of September 12, 1986, is as follows:

S. C. Code Section:	State Statute 23-9-40
Rules & Regulations	19-310.11-B D
Facility is appealing:	See attached Appeal Request.

This hearing will be conducted in accordance with procedures as set forth in ARTICLE 3 of the "Administrative Procedures Act," 1-23-320, et.seq., Code of Laws of South Carolina, 1976, as amended.

009731

Please provide the undersigned with the names and addresses of any witnesses requiring subpoenas within ten days after your receipt of this letter in order that appropriate subpoenas may be issued. Any responsive pleadings, motions, or memoranda that you wish to submit for the Appeal Panel's consideration should be submitted to the undersigned by certified mail or hand delivered within 20 days after receipt of this notice.

Very truly yours,

FIRE MARSHAL APPEAL PANEL

H. Harold Tarleton, Jr./hc

H. Harold Tarleton, Jr., A.I.A.
Chairman
P. O. Box 5265
Greenville, South Carolina 29606

HHT:hc

cc: Richard S. Campbell, State Fire Marshal
Charles W. Gambrell, Attorney for Panel
C. H. Jones, Jr., Attorney for Fire Marshal
Robert E. Ellison, Jr., Deputy Fire Marshal
Chief Harvey Evans, Columbia Fire Department
Members - Fire Marshal Appeal Panel

RECEIVED
SEP 12 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

State of South Carolina
Division of State Fire Marshal
Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

APPEAL REQUEST

NAME OF FACILITY Trinity Child Care Center

ADDRESS 1100 Sumter Street FIRE CHIEF Harvey Evans

Columbia, S. C. 29201 FIRE DEPT. Columbia

DATE OF ORDER August 12, 1986 BUILDING OFFICIAL D. Ray Owens

NAME OF DEPUTY STATE FIRE MARSHAL Robert E. Ellison, Jr.

REQUEST FOR APPEAL

STATE SPECIFICALLY WHAT YOU ARE APPEALING: (1) Section cited as SBC 406.21, requiring that rooms shall not be located above or below the floor of "exit discharge." We questioned whether or not the standard building code applies to facilities with infant care; and how the term "exit discharge" should be interpreted. (2) Section cited as SFM 19-300.11 A (SFM 19-300.11 B (2) (a)) requiring one hour fire separation with a "direct exit" to the outside. The 1985 cumulative supplement to Budget and Control Board Regulations R 19-310.B.1. includes the following sentence: "A one hour

(see attached)

D. Ray Owens
Signature of Appellant

9-12-86
Date

OFFICE USE ONLY:

DATE RECEIVED IN OFFICE

DATE SENT TO EXECUTIVE DIRECTOR'S OFFICE

REQUEST FOR APPEAL - continued

protected corridor no longer than twenty (20) feet to an exit shall be considered a direct exit." (3) Appellant will show that adequate fire safety is furnished within the provisions of SFM 19-300.11 B (1), giving the State Fire Marshal authority to approve alternative methods of compliance. (4) Appellant will show that manifest injustice would result from enforcement of the regulations as interpreted, and that such enforcement would be contrary to the public interest.

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

9-12-86

009734

STATE FIRE MARSHAL APPEAL PANEL
Post Office Box 12444, Columbia, SC 29211

Trinity Child Care Center (name of facility)
1100 Sumter Street
Columbia, SC 29201
(address)

Robert E. Ellison - Lonnie Wages (name of inspector)

1. Date of District Fire Marshal's Inspection Report: August 12, 1986
2. Description of Appeal: (S. C. Code Section: State Statute 23-9-40
(Regulation: Standard Building Code CH 406.2.1
VIOLATION/WAIVER REQUEST Fire Marshal's Rules & Regulations 19-310.11 B D
See appeal request.

3. Fire Marshal's Review/Action: These are Fire Marshal's Codes, Rules and Regulations and must be complied with.

S/ R S Campbell Date: 9/17/86
Richard S. Campbell, P.E. (forwarded to Appeal Panel)

==========

For the Appeal Panel:

Date Received: _____ Date of Hearing: _____

1. Recommendation of Appeal Panel: _____
2. Rationale of Recommendation: _____

EXHIBIT
MAR 10 1987 NO. 17
STATE BUDGET & CONTROL BOARD

S/ _____ Date: _____
Harold Tarleton, Jr., Chairman

==========

Budget and Control Action: Appeal Received: RECEIVED SEP 19 1986

Date of Board Action: _____

Board Decision: _____

S/ _____
William A. McInnis, Secretary
Budget and Control Board

009735

Distribution: Appellant
Appeal Panel
Fire Marshal's Office Date: _____

State of South Carolina
Division of State Fire Marshal
Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

August 18, 1986

Mr. Ray D. Owens
Admistrative Assistant to the Dean
Trinity Cathedral
1100 Sumter Street
Columbia, SC 29201

Dear Mr. Owens:

I have received your letter dated August 12, 1986, advising that you wish to appeal certain items of fire ispection order dated August 12, 1986.

So that we may proceed with your request and forward to the Budget and Control Board in order that they may set up a date for you to appear before the Fire Mashal's appeals panel, the enclosed form must be completed and returned to this office no later than September 15, 1986.

If we may be of further assistance in this matter, please feel free to call on us.

Sincerely,

B. Harvey Scurry

B. Harvey Scurry
Assistant State Fire Marshal

BHS/cc

cc: Mr. Robert Ellison, Deputy State Fire Marshal
Chief Harvey Evans, Columbia Fire Department

enclosure

009736

TRINITY CATHEDRAL

The Very Reverend John E. Banks, Jr. Dean

August 12, 1986

EXHIBIT

MAR 10 1987 NO. 17

STATE BUDGET & CONTROL BOARD

RECEIVED

AUG 13 1986

DIVISION OF
STATE FIRE MARSHAL

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, South Carolina 29210

Dear Sir:

We have received copies of the Fire Marshal Inspection Order dated August 12, 1986, and wish to notify you that we want to appeal certain items listed as not up to code.

We request our appeal to be heard as soon as possible as today's findings impact many areas of our building program.

Sincerely,

D. Ray Owens
Administrative Assistant to the Dean

dro/bh

009737

EXHIBIT
MAR 10 1987
NO. 17
STATE BUDGET & CONTROL BOARD
009738

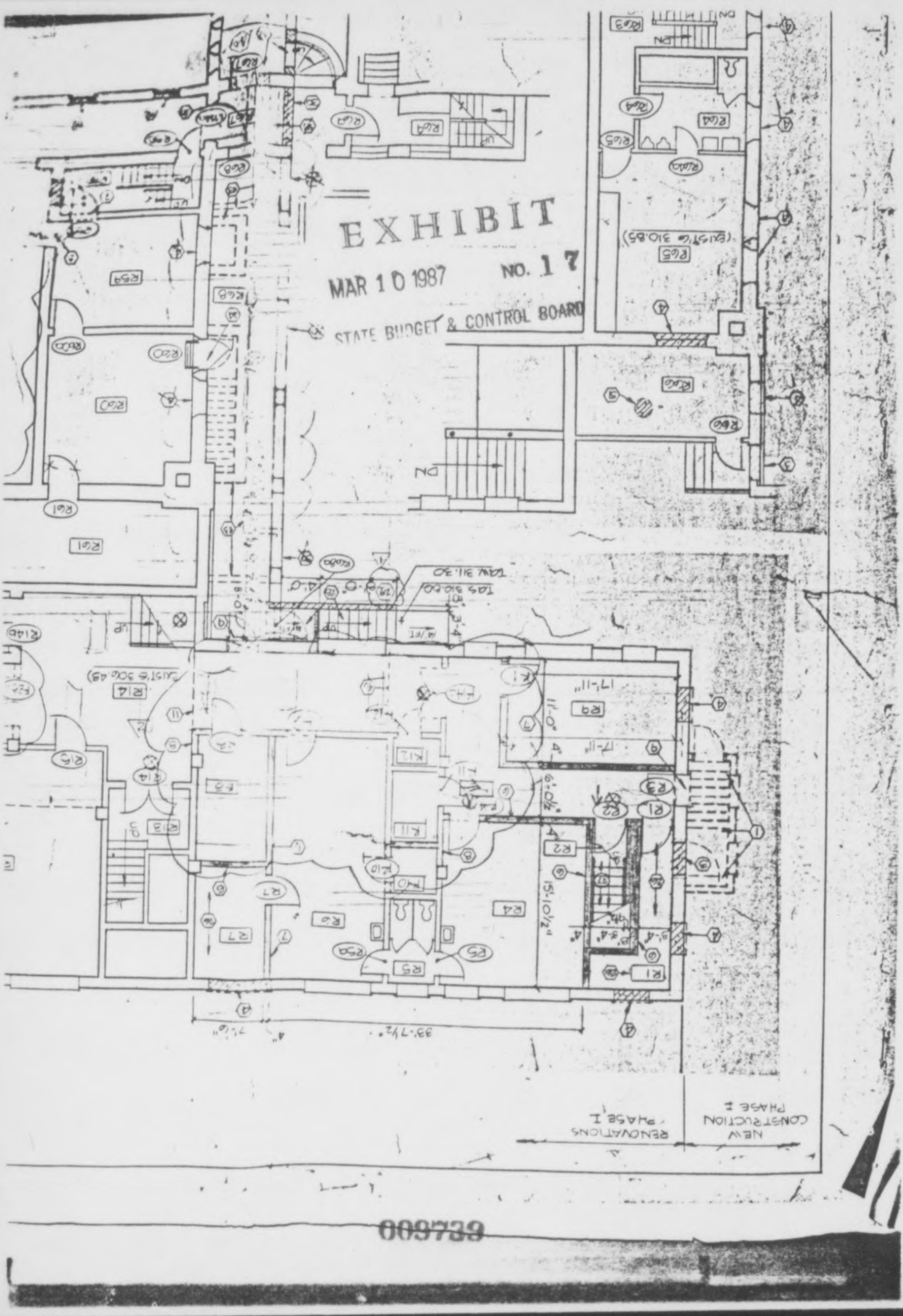


EXHIBIT
MAR 10 1987
NO. 17
STATE BUDGET & CONTROL BOARD
NEW CONSTRUCTION PHASE II
RENOVATIONS PHASE I

009739

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 10

AGENCY: Fire Marshal Appeal Panel

SUBJECT: First Presbyterian Church Child Care Appeal

On or about August 12, 1986, a Fire Marshal Inspection Order was issued regarding the First Presbyterian Church Child Care, 400 West Main Street, Laurens, SC. Appellant timely appealed the Order and a hearing was held on January 20, 1987.

The Fire Marshal Appeal Panel has submitted findings and recommendations on whether the appellant should be granted a variance from the requirements of Regulation 19-300.11 B(2)(a) which provides:

B. Facilities with Infant Care
2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.
   a. Room for infants shall have one hour fire separation with a direct exit to the outside.

BOARD ACTION REQUESTED:

Affirm the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of First Presbyterian Church, 400 West Main Street, Laurens, SC 29630 and incorporate the recommendations into the following Order:

Pursuant to Regulation 19-312, Appellant is granted a variance from the requirements of Regulation 19-300.11 B(2)(a) on the following conditions:
A. That the door from the infant room in question be rehinged so as to swing away from the exterior exit door and;
B. That only cribs which fit both through the infant room door and through the exit door be utilized in the infant room in question.

ATTACHMENTS:

Fire Marshal Appeal Panel Findings and Recommendations; Order

EXHIBIT

State of South Carolina MAR 10 1987 NO. 18

State Budget and Control Board

STATE BUDGET & CONTROL BOARD

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

March 10, 1987

CERTIFIED - RETURN RECEIPT

Ms. Agnes L. Teague, Chairman
Child Care Committee
First Presbyterian Church
400 West Main Street
Laurens, SC 29360

Dear Ms. Teague:

Enclosed is a copy of the decision by the State Budget and Control Board on an appeal from an an August 12, 1986, Fire Marshal Order requiring, in accord with Regulation 19-300.11 B(2)(a), that a room for infants shall have one hour fire separation with a direct exit to the outside.

At its meeting on March 10, 1987, the Budget and Control Board affirmed the findings and recommendations of the Fire Marshal Appeal Panel and incorporated the Panel's recommendations as the Board's Order, a copy of which is attached.

A copy of the Fire Marshal Appeal Panel's Findings and Recommendations accompanies the Board Order.

Sincerely,

William A. McInnis

William A. McInnis
Deputy Executive Director

WAM:dw
cc: H. Harold Tarleton, Jr.
C. Havird Jones
Charles W. Gambrell, Jr.
E. A. Laurent
Richard S. Campbell

009741

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) DECISION BY SOUTH CAROLINA
COUNTY OF RICHLAND) STATE BUDGET AND CONTROL BOARD

DECISION RE: FIRST PRESBYTERIAN CHURCH CHILD CARE
400 W. MAIN STREET
LAURENS, SOUTH CAROLINA 29360

Decision on Appeal from State Budget and Control Board Regulation 19-300.11 B(2)(a) as a result of a Fire Marshal Inspection Order dated August 12, 1986.

The South Carolina State Budget and Control Board at its meeting held March 10, 1987, reviewed the Findings and Recommendations of the South Carolina State Fire Marshal Appeal Panel in this matter.

The Board affirms the Findings and Recommendations of the Fire Marshal Appeal Panel and incorporates the recommendations as its Order as follows:

Pursuant to Reg. 19-312, Appellant is granted a variance from the requirements of Reg. 19-300.11 B(2)(a) on the following conditions:

A. That the door from the infant room in question be re-hinged so as to swing away from the exterior exit door and;

B. That only cribs which fit both through the infant room door and through the exit door be utilized in the infant room in question.

These conditions should be completed within thirty (30) days from the date of this decision.

Let a copy of this Decision and a copy of the Findings and Recommendations of the Fire Marshal Appeal Panel be forwarded to First Presbyterian Church Child Care, 400 W. Main Street, Laurens, South Carolina 29360.

SOUTH CAROLINA STATE BUDGET
AND CONTROL BOARD

BY: William A McInnis
William A. McInnis, Secretary

Columbia, South Carolina

March 10, 1987

009742

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) BEFORE THE SOUTH CAROLINA
COUNTY OF RICHLAND) FIRE MARSHAL APPEAL PANEL

IN THE MATTER OF:)
)
FIRST PRESBYTERIAN) FINDINGS AND
CHURCH CHILD CARE,) RECOMMENDATIONS
)
APPELLANT.)

This matter is before the South Carolina Fire Marshal Appeal Panel (hereinafter referred to as the "Panel") for administrative review pursuant to the Administrative Procedures Act, South Carolina Code §1-23-310 et seq. (1983, as amended), and pursuant to State Budget and Control Board Regulation 19-312 as a result of an Order issued by the State Fire Marshal and a request by Appellant for review of that Order.

PROCEDURAL HISTORY

On or about August 12, 1986, Deputy Fire Marshal Mack Lancaster issued a Fire Marshal Inspection Order regarding the First Presbyterian Church Child Care, Appellant herein. Appellant timely appealed this Order to the Panel.

A hearing was held in this matter at 10:00 a.m. on January 20, 1987. Appellant was represented by James E. Bryan and the State Fire Marshal was represented by C. H. Jones, Jr., Assistant Attorney General. Testifying on behalf of Appellant were Dr. George McGill, minister of First Presbyterian Church, Charles Gibson Cooper, and Agnes Lockman Teague, Chairman of the First Presbyterian Church Child Care Committee. Testifying on behalf of the State Fire Marshall was Douglas McArthur Lancaster, Deputy Fire Marshal.

009743

The issue on which this Panel must submit its findings and recommendations is whether Appellant should be granted a variance from the requirements of Reg. 19-300.11 B(2)(a) which provides:

> B. Facilities with Infant Care
> 2. All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards. Children under twenty-four months are defined as infants.
> a. Room for infants shall have one hour fire separation with a direct exit to the outside.

Upon hearing the testimony of all the witnesses and upon reviewing the exhibits and arguments presented by the parties, the Panel makes the following findings and recommendations.

FINDINGS

1. First Presbyterian Church is located at 400 West Main Street, Laurens, South Carolina, 29360.

2. The church building which houses the day care was built in 1981.

3. There are "working" smoke alarms in each room of Appellant and in the hallways.

4. The fire alarm system is manually triggered with "pull-down" switches spaced throughout the facility.

5. Appellant's facilities are within two blocks of the Laurens City Fire Department.

6. There are approximately 38 to 40 children enrolled at Appellant.

7. There are two infant care rooms in use, one of which has a direct exit to the outside and one of which does not.

8. The infant care room in question presently has six (6) children between the ages of 13 and 24 months. At least one adult attendant is present at all times and often two are present. Also, there are additional adult staff available to assist in an emergency.

9. The infant care room in question is within ten (10) feet of an exit; the room contains three (3) windows each of which are approximately 32" wide with two sashes approximately 30" high. These windows are approximately three (3) feet from ground level and the window screens are hinged at the top. These windows raise and lower readily and could be used as a means of exit in an emergency.

10. Adjacent to the infant care room in question is an unused classroom (the two rooms are connected by a common bathroom) with three windows of the same size and in the same condition as those in the infant care room. The windows in this room could also be used as an exit in an emergency.

11. The kitchen facilities are not normally used during the hours of the day care operation.

12. The Panel finds pursuant to Reg. 19-312 that it is in the best interest of justice and safety that a variance be granted on the conditions:

a. that the door from the infant room in question be re-hinged so as to swing away from the exterior exit door and;

b. that only cribs which fit both through the infant room door and through the exit door be utilized in the infant room in question.

009745

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

RECOMMENDATIONS

Pursuant to Reg. 19-312, the Panel recommends that it is in the best interest of justice and safety that a variance be granted on the conditions:

A. That the door from the infant room in question be re-hinged so as to swing away from the exterior exit door and;

B. That only cribs which fit both through the infant room door and through the exit door be utilized in the infant room in question. 1/

These conditions should be completed within thirty (30) days from the date of a decision by the Budget and Control Board on this Panel's recommendation.

SOUTH CAROLINA FIRE MARSHAL
APPEAL PANEL

By: H. Harold Tarleton
H. HAROLD TARLETON, JR.
CHAIRMAN

GREENVILLE, South Carolina

18 FEB, 1987

1/ Appellant has submitted an Affidavit from Dr. George L. McGill, Jr. dated January 2, 1987, indicating that both these conditions have been completed.

009746

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

Affidavit

COUNTY OF LAURENS

Personally appeared before me, Dr. George L. McGill, Jr., the affiant herein, who being duly sworn says:

First: That he is the Pastor of the First Presbyterian Church, 400 West Main Street, Laurens, South Carolina, 29360.

Second: That the said church operates a child care program as a part of the church activities.

Third: That the said affiant has examined all of the cribs located in the Toddler Room, being room 112, of the child care facility and certifies that all of the cribs contained in the said room will fit through the door exiting the Toddler Room into the hallway and will also fit through the exit doors from corridor which exits into the parking lot. That all doors have sufficient width to enable the cribs to be removed from the said room 112 to the said parking lot without any problem.

Fourth: The said affiant also states that the door exiting the said Toddler Room 112 has been rehinged so as to swing away from the exit door empting into the parking lot.

Fifth: That this affidavit is made by the affiant herein for the purpose of showing that the requirements of the South Carolina Fire Marshal have been complied with.

Sixth: And, further the said affiant says not.

Sworn to before me this the 2nd. day of January, A. D., 1987.

J. Hooker Wasson
Notary Public for South Carolina
Commission expires 11/10/90.

Dr. George L. McGill, Jr.
Dr. George L. McGill, Jr.
Pastor, First Presbyterian Church
Laurens, South Carolina.

009747

ATTACHMENT 2

FIRE MARSHAL INSPECTION ORDER

EXHIBIT

STATE OF SOUTH CAROLINA)
COUNTY OF Laurens)
IN RE: First Pres. Church Day Care)

SOUTH CAROLINA STATE FIRE MARSHAL
NOTICE OF ORDER

MAR 10 1987
STATE BUDGET & CONTROL BOARD

NO. 18

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 45 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: ~~758-6612~~ 737-8300

Name of Facility: First Pres. Church Day Care	Number of Years in Operation: 1	Phone #: ~~758-6561~~	Date of Inspect.: 8-12-86

Street & No: 400 W. Main St. City: Laurens Zip: 29360 County: Laurens

Location: Within City Limits ☐ Out of City Limits ☐ Distance Out of City Limits: _____

Name & Address of Tenant: Mrs. Frankie White

Name & Address of Owner: Same — Building Name or Number:

Nature of Inspection: ☐ Routine ☐ Re-Inspect ☑ Requested Person Making Request: Stan Turner DSS

Age of Building: 1983 Height of Building: 15' Number of Stories: 1 Approximate Square Footage: 6000

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible ☑ Ordinary ☐ Wood Frame ☐ Other ☐ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational ☐ Hazardous ☑ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building: 34 Capacity of People:

A EXITS & ESCAPES	1	Number of Exit Doors 11 Adequate: Yes ☐ No ☑		
	2	Blocked ☐ Locked ☐		
	3	Exit Signs: Good ☐ Unsatisfactory ☑ Not Required ☐		
	4	Emergency Lights: Good ☐ Unsatisfactory ☑ Not Required ☐		
	5	Panic Hardware: Good ☑ Unsatisfactory ☐ Not Required ☐		
	6	Self-closing Device: Good ☐ Unsatisfactory ☑ Not Required ☐		
	7	Number of Stairways 0 Adequate: Yes ☐ No ☐		
	8	Open ☐ Closed ☐ Wood ☐ Metal ☐ Masonry ☐		
	9	Number of Fire Escapes 0 Adequate: Yes ☐ No ☐		
	10	Wood ☐ Metal ☐ Other ☐ (Specify) _____		
	11	Handrails Adequate: Yes ☑ No ☐ NA ☐		
	12	Landings Adequate: Yes ☑ No ☐ NA ☐		
	13	Other		
B FIRE SYSTEMS	1	Fire Alarm: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	2	Smoke Detectors: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	3	Sprinkler System: Yes ☐ No ☑ Adequate: Yes ☐ No ☐		
	4	Standpipe System: Yes ☐ No ☑ Adequate: Yes ☐ No ☐		
	5	Number of Fire Extinguishers 5 Adequate: Yes ☐ No ☑		
	6	Date Last Charged 1-30-86 Good ☐ Unsatisfactory ☑		
	7	Fixed Hood Extinguisher System: Yes ☑ No ☐ Not Required ☐		
	8	Date Last Serviced 11-85 Adequate: Yes ☐ No ☑ ST. ARSIS		
	9	Other		
C CONST.	1	Fire Rated Corridors-Walls: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	2	Fire Rated Ceilings: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	3	Flame Spread Rating Adequate: Yes ☑ No ☐		
	4	Fire & Draft Stopping Adequate: Yes ☑ No ☐		
	5	Other		
D HEATING	1	Heating System: Gas ☑ Electric ☐ Oil ☐ Wood ☐ Other ☐ _____		
	2	Condition: Good ☐ Fair ☐ Unsatisfactory ☐		
	3	Chimneys & Flues: Metal ☐ Masonry ☐ NA ☐		
	4	Condition: Good ☐ Fair ☐ Unsatisfactory ☐		
	5	Other		
E ELEC.	1	Electrical: Good ☑ Fair ☐ Unsatisfactory ☐		
	2	Excessive Use of Extension Cords: Yes ☐ No ☑		
	3	Open Breakers: Yes ☐ No ☑		
	4	Covers Missing on Electrical Boxes: Yes ☐ No ☑		
	5	Proper Sized Fuses/Breakers: Yes ☑ No ☐		
	6	Licensed Electrician Certification Required: Yes ☐ No ☑		
	7	Other		
F GENERAL	1	Housekeeping: Good ☑ Fair ☐ Unsatisfactory ☐		
	2	Excessive Storage of Combustibles: Yes ☐ No ☑		
	3	Storage Under Stairs: Yes ☐ No ☑		
	4	Flammable Liquid Storage: Yes ☐ No ☑		
	5	Chemical Storage: Yes ☐ No ☑ Adequate ☐		
	6	Excessive Flammable Decorative Materials: Yes ☐ No ☑ Adequate ☐		
	7	Other		

MANDATED CORRECTIONS

ITEM	DESCRIPTION & LOCATION	CODE
A-1	install a direct exit of 36" width from each infant Room.	F.M. 1981 B-1
A-3	Exit Signs Must be Illuminated at all times.	SFC 15.1
B-6	Hydro test CO² fire extinguisher in Kitchen	NFP 10
B-8	Fixed hood extinguishing System must be installed to manufacturers specs and NFPA 96 Regulations	SFC
	Duct must be of Continuous Weld	18-22

In accordance with §23-9-80, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was:

Delivered Personally to Agnes L. League, as owner or occupant

Mack Lancaster
~~Recipient~~ Deputy Fire Marshal

009748

A.2 Enroe SC 29335

DATE 8-12-86

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

RECEIVED FEB 20 1986

The State of South Carolina

EXHIBIT
MAR 10 1987 NO. 18
STATE BUDGET & CONTROL BOARD

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803 734-3680

February 18, 1987

Hettie Cross, Administrative Assistant
State Budget and Control Board
612 Wade Hampton Office Building
Post Office Box 12444
Columbia, South Carolina 29211

Re: First Presbyterian Church Child Care

Dear Hettie:

When I sent you the proposed Findings and Recommendations I forgot to send you the Affidavit of Dr. McGill regarding the above case. Enclosed for you information is the original Affidavit which should be made a part of the above file.

With kindest regards, I am

Sincerely yours,

Charles W. Gambrell, Jr./ss

Charles W. Gambrell, Jr.
Assistant Attorney General

CWGjr:ss

Enclosure

009749

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

DATE: November 13, 1986

SUBJECT: **FIRST PRESBYTERIAN CHURCH CHILD CARE**

This is to notify you that the appeal of First Presbyterian Church Child Care **is rescheduled for Tuesday, January 20, 1987, at 10:00 a.m. in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.** The Chairman of the Appeals Panel, Mr. Harold Tarleton, received a request for postponement of the hearing scheduled for 2 p.m., November 25. He felt it would be better to postpone the morning hearing also since this is Thanksgiving week and a number of people are planning to be out of town.

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Mack Lancaster, Deputy Fire Marshal
Mrs. Agnes Teague, Chairman, Child Care Committee

009750

RECEIVED NOV 03 1986

THE TARLETON-TANKERSLEY ARCHITECTURAL GROUP, INC.

H. Harold Tarleton, Jr., FAIA
Ladson D. Tankersley, AIA
John A. Pinckney, Jr., AIA

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

Ms. Hettie Cross
State Budget and Control Board
P.O. Box 12444
Columbia, S.C. 29211

Re: Fire Marshal Appeals Panel
First Presbyterian Church Child Care
Laurens, S.C.

Hettie:

Enclosed is a package of data brought to me by the appellant, Mrs. Teague. Please distribute copies to other members of the Panel as well as the Fire Marshal's office, Sonny Jones, etc.

I have made copies for myself. There is no need to distribute copies of several letters and a floor plan that you sent earlier.

Sincerely,

H. Harold Tarleton, Jr., FAIA

29 October 1986

lbj

009751

P.O. BOX 5265 • 412 PELHAM ROAD • GREENVILLE, SOUTH CAROLINA 29606 • TELEPHONE (803) 235-1611

RECEIVED NOV 03 1986

PC
USA

First Presbyterian Church

400 West Main Street
Laurens, South Carolina 29360

October 28, 1986

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

Mr. Harold Tarleton, Jr., A.I.A.
Chairman
P. O. Box 5265
Greenville, South Carolina 29606

Dear Mr. Tarleton,

In reply to your letter of October 13, 1986, we expect to appear for the hearing at 10:00 a.m. on Tuesday, November 25, 1986, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina. We will be appealing (Attachment #1) Item A-1 of Deputy Fire Marshal Mack Lancaster's inspection order (Attachment #2) of August 12, 1986, requiring a direct exit from each infant room.

We began our Child Care Program with toddlers in Room 112 on the floor plan (Attachment #3) under our interpretation of Item #19-310, B-1, pages 97-98 (Attachment #4) stating that "a one-hour protected corridor no longer than twenty (20) feet to an exit shall be considered an exit." We had not been notified of any changes in that specification until Mr. Lancaster told us it had been deleted.

On August 14, 1986, we requested a variance of this item (Attachment #5) from Fire Marshall Richard S. Campbell. This request was denied in a letter (Attachment #6) dated August 22, 1986. Because of this change in regulations and because we feel the room is safe for toddlers, we are, therefore, appealing this order.

We feel that adequate security is provided for a maximum of eight (8) toddlers (ages 13 to 24 months). These children are supervised by a teacher in the room at all times. Our program hours are 7:30 a.m. to 5:15 p.m.

The door of Room #112 opens into a one-hour rated corridor. This door is only ten (10) feet from an outside exit (Attachment #7). In addition, there are three (3) windows, each 32" wide. These windows are only 36" from ground level and open with ease. The room has another door with access to the same one-hour corridor through a small bathroom and adjoining classroom.

We have received a bid of approximately $2500 to install an outside exit in this room. We are already struggling financially (Attachment #8)

009752

George L. McGill, Jr., D. Min., Minister
Nancy D. Collins, D.C.E. Augusta M. Dixon, Secretary
W. B. Card, Financial Secretary

to provide this needed service to the community. This expenditure would increase our operating deficit even more.

If the appeal panel can permit this variance, you will lessen the cost of child care and still provide a safe environment. We shall greatly appreciate your favorable consideration of our request.

Very truly yours,

Agnes L. Teague

Agnes L. Teague, Chairman
Child Care Committee

Committee Members:
Sandra Alexander
Charles Cooper
Billy Hamilton
Carol Kennedy
Donna Owings
Dale Spears

Ex Officio:
Jim Welborn, Elder
Nancy Collins, D. C. E.
George McGill, Pastor

ALT/amd

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

Attachments (8)
1-Appeal Request
2-Fire Marshal Inspection Order
3-Floor Plan
4-Fire Marshal Regulations 19-310-B1
5-Letter to Fire Marshal requesting Waiver
6-Letter from Assistant State Fire Marshal denying request for Waiver
7-Floor Plan
8-Financial Statement

Copy to: Senator James E. Bryan, Jr.

009753

ATTACHMENT 1

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

APPEAL REQUEST

NAME OF FACILITY First Presbyterian Church Child Care

ADDRESS 400 West Main Street FIRE CHIEF Bootsie Cox, Acting Fire Ch

Laurens, SC 29360 FIRE DEPT. Laurens City

DATE OF ORDER 8-12-86 BUILDING OFFICIAL Property Chairman, Robert H. Roper

NAME OF DEPUTY STATE FIRE MARSHAL Mack Lancaster

REQUEST FOR APPEAL

STATE SPECIFICALLY WHAT YOU ARE APPEALING: We are appealing Deputy Fire Marshal Mack Lancaster's order (Attachment 1) for a direct exit from Room #115 as shown on Attachment 2 (since our request for a waiver of this requirement was denied). As stated in our August 14, 1986, letter to the State Fire Marshal (Attachment 3) we feel that adequate security is provided for a maximum of eight infants in this room through a door into a one-hour rated corridor, and this door is only 10 feet from an outside exit. In addition, we have three windows in this room which are 36" above ground level. Your permitting this variance will lessen the cost of infant care and, at the same ~~(over)~~ TIME, PROVIDE A SAFE ENVIRONMENT.

Signature of Appellant — Date

Agnes League — 8-29-86

OFFICE USE ONLY:

DATE RECEIVED IN OFFICE

DATE SENT TO EXECUTIVE DIRECTOR'S OFFICE

ATTACHMENT 4

19-310. Special Code Provisions which Prevails Over 19-308 and 19-317.

A. Alarm Systems

When a fire alarm system is required by Regulations adopted in Paragraph 19-308 above, such alarm systems shall conform with the appropriate standards of the National Fire Protection Association, and, where possible and reasonable, shall be connected to the Public Fire Department or such other outside assistance as may be available in case of fire or other emergency.

B. Facilities with Infant Care

All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards:

1. Room for infants shall have one hour fire separation with a direct exit to the outside. NOTE: A one hour protected corridor no longer than twenty (20) feet to an exit shall be considered a direct exit.

2. Room for infants shall have wall covering with a flame spread protection no less than Class B.

3. Room for infants shall not have any type of open flame appliances. Any forced air ducts entering room shall be protected by smoke dampers operated by a smoke sensor. Actuation of smoke sensor shall actuate an audible alarm.

4. Rooms for infants shall be limited to ten (10) infants per direct exit. Exit doors shall swing in the direction of egress and be a minimum of thirty-six (36) inches wide.

5. Rooms for infants shall have single station smoke alarms placed inside the room and in the adjacent area of the facility near the protected room's entrance.

6. Doors in the required one hour separation partitions shall have door closures or be held open with a smoke actuated device.

EXHIBIT 1

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

7. A fire plan describing what actions are to be taken by the staff in event of a fire must be developed, posted, and copies made available to all employees, and local fire authorities.

8. A fire drill shall be conducted at least every three months. Records of drills shall be maintained to report the date, time, and a description and evaluation of each drill.

9. All existing infant care facilities shall comply with this section on or before July 1, 1985.

10. This section shall waive additional institutional requirements ruled for infants.

Special Requirements for Hospitals, Nursing Homes, and Intermediate Care.

1. All new construction regardless of type construction, must be fully sprinklered.

2. Enclosures for stairways, elevator shafts chutes and other vertical shafts shall be of not less than two (2) hour fire resistive construction.

3. Service openings to chutes, dumbwaiters, conveyors, and other material handling systems shall not be located in corridors or passageways but shall be located in a room enclosed by construction having at least a one hour fire resistive rating. Doors to such rooms shall not be less that "C" labeled, 3/4 hour fire rated. Service entrance doors to chutes and to vertical shafts containing dumbwaiters, conveyors and material handling systems shall be not less than "B" labeled, 1½ hour fire rated and shall be self-closing.

4. Gases (flammable and nonflammable) shall be handled and stored in accordance with the provisions of applicable NFPA No. 56A and 56F.

009755

ATTACHMENT 6

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

August 22, 1986

Mrs. Agnes Teague
Chairman, Child Care Committee
First Presbyterian Church
400 West Main Street
Laurens, SC 29360

Dear Mrs. Teague:

Your letter dated August 14, 1986, requested that we waiver the requirement for a direct exit to the outside from infant room.

As discussed during our meeting on August 20, 1986, we cannot waive a mandated State Regulation. This exit is a requirement of the Fire Marshal's Rules and Regulations, 19-310-B.1. I have discussed your situation in great detail with Deputy Fire Marshal Mack Lancaster, who issued the fire inspection order, and we agree on the above. However, we can, and will, work with you within any reasonable time frame to install this exit.

Also, if you wish to appeal this order, you may do so. To appeal, the enclosed form must be completed and returned to this office by September 24, 1986, so that we may forward it to the Budget and Control Board who, in turn, will set a date for you to appear before the Fire Marshal's appeals panel.

If we may be of assistance in any way as you proceed in this matter, please feel free to call on us.

Sincerely,

H Arvey S Curry/bs

B. Harvey Scurry
Assistant State Fire Marshal

BHS/cc

cc: Mr. Mack Lancaster, Deputy State Fire Marshal
Ms. Ann McMichael, Department of Social Services

009756

ATTACHMENT 5

PC
USA

First Presbyterian Church

400 West Main Street
Laurens, South Carolina 29360

August 14, 1986

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

Mr. Richard S. Campbell, P. E.
State Fire Marshall
800 Dutch Square Blvd., Suite 201
Columbia, SC 29210

Dear Mr. Campbell:

On August 12, 1986, Mr. Mack Lancaster, Deputy Fire Marshall, inspected the First Presbyterian Child Care facility, and a copy of his findings is attached. In regard to item A-1 we request that you find that nursery room 115 (see attached floor plan) has access to the outside equivalent to a direct exit to the outside, in that the door to this room opens into a one-hour rated corridor, and this door is only ten (10) feet from an outside door. We also have three 32" windows in this room that are 36" from ground level.

Under these conditions we feel that adequate security is afforded for a maximum of eight infants to be cared for in this room, and we anticipate timely correction of the other deficiencies noted. Your favorable consideration of this request is appreciated. Your permitting this variance will lessen the cost of infant care and, at the same time, provide a safe environment.

Sincerely Yours,

Agnes Teague

(Mrs.) Agnes Teague
Chairman, Child Care Committee

ALT/amd

Enclosures: Floor Plan
Report

Copies to: The Honorable James E. Bryan
The Honorable Marion P. Carnell
The Honorable J. W. Johnson, Jr.
The Honorable Eugene C. Stoddard
Mr. Mack Lancaster
Dr. George McGill
Mr. Bootsie Cox

009757

George L. McGill, Jr., D. Min., Minister
Nancy D. Collins, D.C.E. Augusta M. Dixon, Secretary
W. B. Card, Financial Secretary

RF.11732

SEE SITE PLAN FOR CONTINUATION

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

C.O.

1½"

From window ledge to ground, 36"

NURSERY 115

110"

4"

3/4"

1" MEN

P-4 P-3 P-1

1¼"

3/4"

10"

4"

4"

3"

3" VTR

W.H.

P-5

P-2

P-5

3/4"

3" FD

F.C.O.

3/4"

WOMEN 117

P-4 P-1 P-1

NURSERY 113

C.O.

3/4"

1"

1¼"

NURSERY 112

4"

2"

3 VTR

P-2

2"

P-5

P-5

P-7

1/2"

F.C.O.

3/4"

4"

1¼"

NURSERY 110

3"

4"

1/2"

P-6

P-2

F.C.C

3/4"

3" V

3/4"

2"

P-6

1/2"

3/4"

W.H.

009758

Int. walls – 8" thk. (Concrete Block)

DRIVEWAY

FUTURE PORTE COCHERE

ELEVATION B

NURSERY

MEN

FOUNTRY

STOR.

KITCHEN 22'x24'

MECH 22'x14'

TABLE & CHAIR STORAGE 22'x16'

STORAGE

FELLOWSHIP HALL 40'x80'

5 & 6 YEAR KINDERGARTEN 22'x24' 530 01

ELEVATION D

PLAY YARD

FUTURE

BEDDIE TODD 12'x20.5' 246 01

D.C.E. 16'x20.5' 328 01

CHURCH OFFICE

PASTOR'S STUDY 16'x20.5'

LADIES BIBLE CLASS 16'x20.5'

COMMUNICANTS CLASS 10'x14'

T.

FELLOWSHIP BIBLE 22'x33'

009759

ATTACHMENT 8

FIRST PRESBYTERIAN CHURCH

Laurens, S. C.

CHILD CARE PROGRAM

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

Checking Account Balance, August 31, 1986 $1,926.91

STATEMENT:	Sept 86	Aug 86	1986	85-86
Receipts:				
$8,000.00 Draw Account				4,000.00
Interest, Church Ck Acct		555.71	2,132.76	3,836.50
Fees	5,512.50	5,187.50	48,795.50	62,833.50
Registrations	490.00	60.00	770.00	1,235.00
Interest, Ck Acct	12.37	27.46	119.52	149.29
Gifts	88.01	1,525.00	3,638.01	6,258.01
Other			11.00	11.00
Total	$6,102.88	$7,355,67	$55,466.79	$78,323.30
Disbursements:				
Salaries	3,899.41	4,860.55	34,044.14	45,177.51
Food	728.40	686.98	5,041.99	6,680.19
Supplies	120.93	30.40	403.13	516.37
Utilities & Phone	363,19	449.03	2,837.91	3,331.37
Employee Tax & Insurance	1,192.44	995.14	9,285.59	12,249.34
General			193.33	852.69
Capital Items	622.26	1,654.40	4,520.78	8,410.65
Total	$6,926.63	$8,676.50	$56,326.87	$77,218.12
Gain/(LOss)	($823.75)	($1,320.83)	($860.08)	$1,105.18

Checking Account Balance, September 30, 1986 $1,105.30

009760

EXHIBIT

FIRST PRESBYTERIAN CHURCH
Laurens, S. C.

MAR 10 1987 NO. 18

CHILD CARE PROGRAM

STATE BUDGET & CONTROL BOARD

Checking Account Balance, November 30, 1986 $955.00

STATEMENT:	Dec 86	Nov 86	1986	85-86
Receipts:				
$8,000.00 Draw Account				4,000.00
Interest, Church Ck Acct			2,132.76	3,836.50
Fees	6,590.00	5,435.00	68,628.00	82,666.00
Registrations	35.00	65.00	940.00	1,405.00
Interest, Ck Acct	5.99	6.33	141.26	171.03
Gifts	1,600.00		5,263.01	7,883.01
Other			11.00	11.00
Total	$8,230.99	$5.506.33	$77,116.03	$99,972.54
Disbursements:				
Salaries	3,978.89	3,911.26	46,806.26	57,939.63
Food	681.22	655.64	7,224.29	8,862.49
Supplies	118.99	28.96	556.32	669.56
Utilities & Phone	338.23	291.49	3,743.90	4,237.36
Employee Tax & Insurance	1,034.59	1,323.95	12,806.80	15.770.55
General	163.26		507.84	1,167.20
Capital Items	18.90	25.18	4,584.09	8,473.96
Total	$6,334.08	$6,145.48	$76,229.50	$97,120.75
Gain / (Loss)	$1,896.91	($639.15)	$886.53	$2,851.79

Checking Account Balance, December 31,1986 $2,851.91

Operating Income		Church Support		Total
Fees	82,666.00	Draw Acct	4,000.00	
Registrations	1,405.00	Interest	3,836.50	
Interest	171.03	Gifts	7,883.01	
Other	11.00			
Total	$84,253.03		$15,719.51	$99,972.54
Operating Expense		Capital Items		
Staff	73,710.18	Equipment	8,473.96	
Food	8,862.49			
Supplies	669.56			
Util & Phone	4,237.36			
General	1,167.20			
Total	$88,646.79		$8,473.96	$97,120.75
Gain/ (LOss)	($4,393.76)		$7,245.55	$2,851.79

009761

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

DATE: October 17, 1986

SUBJECT: **FIRST PRESBYTERIAN CHURCH CHILD CARE**

This is to notify you that the appeal of the First Presbyterian Church has been **scheduled for Tuesday, November 25, 1986, at 10:00 a.m. in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.**

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date, so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Mack Lancaster, Deputy Fire Marshal
Mrs. Agnes Teague, Chairman Child Care Committee

009762

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

October 13, 1986

CERTIFIED MAIL

Mrs. Agnes Teague
Chairman, Child Care Committee
First Presbyterian Church
400 West Main Street
Laurens, South Carolina 29360

RE: Notice of Hearing
First Presbyterian Church Child Care

Dear Mrs. Teague:

The State Fire Marshal Appeal Panel as designated by the State Budget and Control Board, Rule 19-312, Regulations, Budget and Control Board, S. C. Code of Laws, 1976, as amended, has scheduled a formal hearing at **10:00 a.m. on Tuesday, November 25, 1986, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.** The matter before the Appeal Panel as stated in the Appeal Request of August 29, 1986, is as follows:

S. C. Code Section:	State Statute 23-9-40
Rules & Regulations	19-300-11-D
Facility is appealing:	Direct exit from infant room be waived.

This hearing will be conducted in accordance with procedures as set forth in ARTICLE 3 of the "Administrative Procedures Act," 1-23-320, et.seq., Code of Laws of South Carolina, 1976, as amended.

009763

Please provide the undersigned with the names and addresses of any witnesses requiring subpoenas within ten days after your receipt of this letter in order that appropriate subpoenas may be issued. Any responsive pleadings, motions, or memoranda that you wish to submit for the Appeal Panel's consideration should be submitted to the undersigned by certified mail or hand delivered within 20 days after receipt of this notice.

Very truly yours,

FIRE MARSHAL APPEAL PANEL

H. Harold Tarleton, Jr./hc

H. Harold Tarleton, Jr., A.I.A.
Chairman
P. O. Box 5265
Greenville, South Carolina 29606

HHT:hc

cc: Richard S. Campbell, State Fire Marshal
Charles W. Gambrell, Attorney for Panel
C. H. Jones, Jr., Attorney for Fire Marshal
Mack Lancaster, Deputy Fire Marshal
Members - Fire Marshal Appeal Panel

STATE FIRE MARSHAL APPEAL PANEL
Post Office Box 12444, Columbia, SC 29211

First Presbyterian Church Child Care — Mack Lancaster
(name of facility) (name of inspector)
400 West Main Street
Laurens, SC 29360
(address)

1. Date of District Fire Marshal's Inspection Report: 8-12-86
2. Description of Appeal: (S. C. Code Section: State Statute 23-9-40
(Regulation: Fire Marshal's Rules & Regulations 19-300-11-D

VIOLATION/WAIVER REQUEST

Direct exit from infant room be waived.

3. Fire Marshal's Review/Action: Direct exit from infant room required by State Fire Marshal Rules & Regulations.

S/ R S Campbell Date: 9/15/86
Richard S. Campbell, P.E. (forwarded to Appeal Panel)

==========

For the Appeal Panel:

Date Received: _____ Date of Hearing: _____

1. Recommendation of Appeal Panel: _____
2. Rationale of Recommendation: _____

S/ _____ Date: _____
Harold Tarleton, Jr., Chairman

==========

Budget and Control Action: Appeal Received: RECEIVED SEP 16 1986

Date of Board Action: _____

Board Decision: _____

S/ _____
William A. McInnis, Secretary
Budget and Control Board

009765

Distribution: Appellant
Appeal Panel
Fire Marshal's Office Date: _____

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

EXHIBIT

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

RECEIVED
SEP 02 1986
DIVISION OF
STATE FIRE MARSHAL

MAR 10 1987 NO. 18
STATE BUDGET & CONTROL BOARD

APPEAL REQUEST

NAME OF FACILITY First Presbyterian Church Child Care

ADDRESS 400 West Main Street FIRE CHIEF Bootsie Cox, Acting Fire Chi

Laurens, SC 29360 FIRE DEPT. Laurens City

DATE OF ORDER 8-12-86 BUILDING OFFICIAL Property Chairman, Robert H. Roper

NAME OF DEPUTY STATE FIRE MARSHAL Mack Lancaster

REQUEST FOR APPEAL

STATE SPECIFICALLY WHAT YOU ARE APPEALING: We are appealing Deputy Fire Marshal Mack Lancaster's order (Attachment 1) for a direct exit from Room #115 as shown on Attachment 2 (since our request for a waiver of this requirement was denied). As stated in our August 14, 1986, letter to the State Fire Marshal (Attachment 3) we feel that adequate security is provided for a maximum of eight infants in this room through a door into a one-hour rated corridor, and this door is only 10 feet from an outside exit. In addition, we have three windows in this room which are 36" above ground level. Your permitting this variance will lessen the cost of infant care and, at the same (over)

Signature of Appellant: Agnes League

Date: 8-29-86

OFFICE USE ONLY:

9/2/86
DATE RECEIVED IN OFFICE

DATE SENT TO EXECUTIVE DIRECTOR'S OFFICE

009766

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

EXHIBIT

MAR 10 1987 NO. 18

STATE BUDGET & CONTROL BOARD

August 22, 1986

Mrs. Agnes Teague
Chairman, Child Care Committee
First Presbyterian Church
400 West Main Street
Laurens, SC 29360

Dear Mrs. Teague:

Your letter dated August 14, 1986, requested that we waiver the requirement for a direct exit to the outside from infant room.

As discussed during our meeting on August 20, 1986, we cannot waive a mandated State Regulation. This exit is a requirement of the Fire Marshal's Rules and Regulations, 19-310-B.1. I have discussed your situation in great detail with Deputy Fire Marshal Mack Lancaster, who issued the fire inspection order, and we agree on the above. However, we can, and will, work with you within any reasonable time frame to install this exit.

Also, if you wish to appeal this order, you may do so. To appeal, the enclosed form must be completed and returned to this office by September 24, 1986, so that we may forward it to the Budget and Control Board who, in turn, will set a date for you to appear before the Fire Marshal's appeals panel.

If we may be of assistance in any way as you proceed in this matter, please feel free to call on us.

Sincerely,

H Arvey S Curry/dn

B. Harvey Scurry
Assistant State Fire Marshal

BHS/cc

009767

cc: Mr. Mack Lancaster, Deputy State Fire Marshal
Ms. Ann McMichael, Department of Social Services

Attachment 3

PC
USA

First Presbyterian Church

400 West Main Street
Laurens, South Carolina 29360

August 14, 1986

Mr. Richard S. Campbell, P. E.
State Fire Marshall
800 Dutch Square Blvd., Suite 201
Columbia, SC 29210

Dear Mr. Campbell:

On August 12, 1986, Mr. Mack Lancaster, Deputy Fire Marshall, inspected the First Presbyterian Child Care facility, and a copy of his findings is attached. In regard to item A-1 we request that you find that nursery room 115 (see attached floor plan) has access to the outside equivalent to a direct exit to the outside, in that the door to this room opens into a one-hour rated corridor, and this door is only ten (10) feet from an outside door. We also have three 32" windows in this room that are 36" from ground level.

Under these conditions we feel that adequate security is afforded for a maximum of eight infants to be cared for in this room, and we anticipate timely correction of the other deficiencies noted. Your favorable consideration of this request is appreciated. Your permitting this variance will lessen the cost of infant care and, at the same time, provide a safe environment.

Sincerely Yours,

Agnes Teague

(Mrs.) Agnes Teague
Chairman, Child Care Committee

ALT/amd

Enclosures: Floor Plan
Report

Copies to: The Honorable James E. Bryan
The Honorable Marion P. Carnell
The Honorable J. W. Johnson, Jr.
The Honorable Eugene C. Stoddard
Mr. Mack Lancaster
Dr. George McGill
Mr. Bootsie Cox

009768

George L. McGill, Jr., D. Min., Minister
Nancy D. Collins, D.C.E. Augusta M. Dixon, Secretary
W. B. Card, Financial Secretary

File.

FIRE MARSHAL INSPECTION ORDER EXHIBIT

STATE OF SOUTH CAROLINA)
COUNTY OF Laurens)
IN RE: East Ins. Laundry Laurens)

MAR 10 1987 . NO. 18

SOUTH CAROLINA STATE FIRE MARSHALL
STATE BUDGET & CONTROL BOARD

NOTICE OF ORDER

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 45 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: ~~758-6612~~ 737-8300

Name of Facility: East End Laundry	Number of Years in Operation: 1	Phone #: 984-2661	Date of Inspect.: 8-12-86

Street & No.: 400 W. Main St. City: Laurens Zip: 29360 County: Laurens

Location: Within City Limits ☐ Out of City Limits ☐ Distance Out of City Limits: _____

Name & Address of Tenant: Mrs. Frankie White

Name & Address of Owner: Same — Building Name or Number: _____

Nature of Inspection: ☐ Routine ☐ Re-Inspect ☑ Requested Person Making Request: Stan Turner DSS

Age of Building: 1983 Height of Building: 15' Number of Stories: 1 Approximate Square Footage: 2000

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible ☐ Ordinary ☑ Wood Frame ☐ Other ☐ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational ☐ Hazardous ☑ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building: 34 Capacity of People: _____

A EXITS & ESCAPES	1	Number of Exit Doors: 4 Adequate: Yes ☐ No ☑		
	2	Blocked ☐ Locked ☐		
	3	Exit Signs: Good ☐ Unsatisfactory ☑ Not Required ☐		
	4	Emergency Lights: Good ☐ Unsatisfactory ☐ Not Required ☐		
	5	Panic Hardware: Good ☑ Unsatisfactory ☐ Not Required ☐		
	6	Self-closing Device: Good ☑ Unsatisfactory ☐ Not Required ☐		
	7	Number of Stairways: 0 Adequate: Yes ☐ No ☐		
	8	Open ☐ Closed ☐: Wood ☐ Metal ☐ Masonry ☐		
	9	Number of Fire Escapes: 0 Adequate: Yes ☐ No ☐		
	10	Wood ☐ Metal ☐ Other ☐ (Specify) _____		
	11	Handrails Adequate: Yes ☑ No ☐ NA ☐		
	12	Landings Adequate: Yes ☑ No ☐ NA ☐		
	13	Other		
B FIRE SYSTEMS	1	Fire Alarm: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	2	Smoke Detectors: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	3	Sprinkler System: Yes ☐ No ☑ Adequate: Yes ☐ No ☐		
	4	Standpipe System: Yes ☐ No ☑ Adequate: Yes ☐ No ☐		
	5	Number of Fire Extinguishers: 2 Adequate: Yes ☐ No ☑		
	6	Date Last Charged: 1750 - 83 Good ☐ Unsatisfactory ☑		
	7	Fixed Hood Extinguisher System: Yes ☑ No ☐ Not Required ☐		
	8	Date Last Serviced: 11-85 Adequate: Yes ☐ No ☑ NSF ARSIS		
	9	Other		
C CONST.	1	Fire Rated Corridors-Walls: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	2	Fire Rated Ceilings: Yes ☑ No ☐ Adequate: Yes ☐ No ☐		
	3	Flame Spread Rating Adequate: Yes ☑ No ☐		
	4	Fire & Draft Stopping Adequate: Yes ☑ No ☐		
	5	Other		
D HEATING	1	Heating System: Gas ☑ Electric ☐ Oil ☐ Wood ☐ Other ☐ _____		
	2	Condition: Good ☐ Fair ☐ Unsatisfactory ☐		
	3	Chimneys & Flues: Metal ☐ Masonry ☐ NA ☐		
	4	Condition: Good ☐ Fair ☐ Unsatisfactory ☐		
	5	Other		
E ELEC.	1	Electrical: Good ☑ Fair ☐ Unsatisfactory ☐		
	2	Excessive Use of Extension Cords: Yes ☐ No ☑		
	3	Open Breakers: Yes ☐ No ☑		
	4	Covers Missing on Electrical Boxes: Yes ☐ No ☑		
	5	Proper Sized Fuses/Breakers: Yes ☑ No ☐		
	6	Licensed Electrician Certification Required: Yes ☐ No ☑		
	7	Other		
F GENERAL	1	Housekeeping: Good ☑ Fair ☐ Unsatisfactory ☐		
	2	Excessive Storage of Combustibles: Yes ☑ No ☐		
	3	Storage Under Stairs: Yes ☐ No ☐		
	4	Flammable Liquid Storage: Yes ☐ No ☑		
	5	Chemical Storage: Yes ☐ No ☑ Adequate ☐		
	6	Excessive Flammable Decorative Materials: Yes ☐ No ☑ Adequate ☐		
	7	Other		

MANDATED CORRECTIONS

ITEM	DESCRIPTION & LOCATION	CODE
A-1	install a direct exit of 36" width from each infant Room.	FM 1934 B-1
A-3	Exit Signs Must be illuminated at all times.	SFC 15.4
B-6	Hydro test CO² fire extinguisher in Kitchen	NFP 10
B-8	Fixed hood extinguisher system must be installed to manufacturers specs and NFPA 96 Regulations	SFC 18.2
	Duct. must be of continuous Weld.	

In accordance with §23-9-80, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was:

Delivered Personally to Agnes T. League, as owner or occupant

009769

Mack Lancaster
~~Resident~~ Deputy Fire Marshal

Ft. Z Encoe SC 29335

DATE 8-12-86

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

DRIVEWAY

ELEVATION B

A1

16'

10'-11"

10'-1"

112

10

111 WOMEN 18

113 MEN

ENTRY

STOR.

KITCHEN 20' x 24'

MECH. 22' x 14'

TABLE & CHAIR STORAGE 22' x 12'

109

107C

STORAGE

107B

FELLOWSHIP HALL 40' x 60'

107

107A

STORAGE

A104

104

21'

105

#103 2 & 3 YEAR KINDERGARTEN 22' x 24' 530 SF

24'

#102

19'

ELEVATION D

PLAY YARD

PARKING

S102

S101

81'

110

108

D.C.E. 16' x 20.5' 328 SF

CHURCH OFFICE 106

STOR.

PASTOR'S STUDY 16' x 20.5'

10f

102

LADIES BIBLE CLASS 16' x 20.5'

20'

16'

98'

107

MEN'S CLASS

OFFICE

T.

105

103

FELLOWSHIP BIBLE 22' x 33'

101

100

24'

009770

EXHIBIT
MAR 10 1987 NO. 18
STATE BUDGET & CONTROL BOARD

19-310. Special Code Provisions which Prevails Over 19-308 and 19-317.

A. Alarm Systems

When a fire alarm system is required by Regulations adopted in Paragraph 19-308 above, such alarm systems shall conform with the appropriate standards of the National Fire Protection Association, and, where possible and reasonable, shall be connected to the Public Fire Department or such other outside assistance as may be available in case of fire or other emergency.

B. Facilities with Infant Care

All facilities in South Carolina which provide care for four or more children too young to be termed ambulatory and are unattended by a parent or guardian shall provide the following safeguards:

1. Room for infants shall have one hour fire separation with a direct exit to the outside. NOTE: A one hour protected corridor no longer than twenty (20) feet to an exit shall be considered a direct exit.

2. Room for infants shall have wall covering with a flame spread protection no less than Class B.

3. Room for infants shall not have any type of open flame appliances. Any forced air ducts entering room shall be protected by smoke dampers operated by a smoke sensor. Actuation of smoke sensor shall actuate an audible alarm.

4. Rooms for infants shall be limited to ten (10) infants per direct exit. Exit doors shall swing in the direction of egress and be a minimum of thirty-six (36) inches wide.

5. Rooms for infants shall have single station smoke alarms placed inside the room and in the adjacent area of the facility near the protected room's entrance.

6. Doors in the required one hour separation partitions shall have door closures or be held open with a smoke actuated device.

7. A fire plan describing what actions are to be taken by the staff in event of a fire must be developed, posted, and copies made available to all employees, and local fire authorities.

8. A fire drill shall be conducted at least every three months. Records of drills shall be maintained to report the date, time, and a description and evaluation of each drill.

9. All existing infant care facilities shall comply with this section on or before July 1, 1985.

10. This section shall waive additional institutional requirements ruled for infants.

C. Special Requirements for Hospitals, Nursing Homes, and Intermediate Care.

1. All new construction regardless of type construction, must be fully sprinklered.

2. Enclosures for stairways, elevator shafts chutes and other vertical shafts shall be of not less than two (2) hour fire resistive construction.

3. Service openings to chutes, dumbwaiters, conveyors, and other material handling systems shall not be located in corridors or passageways but shall be located in a room enclosed by construction having at least a one hour fire resistive rating. Doors to such rooms shall not be less that "C" labeled, 3/4 hour fire rated. Service entrance doors to chutes and to vertical shafts containing dumbwaiters, conveyors and material handling systems shall be not less than "B" labeled, 1½ hour fire rated and shall be self-closing.

4. Gases (flammable and nonflammable) shall be handled and stored in accordance with the provisions of applicable NFPA No. 56A and 56F.

009774

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 11

AGENCY: Fire Marshal Appeal Panel

SUBJECT: Union Station Restaurant Appeal

On or about July 25, 1986, a Fire Marshal Inspection Order was issued regarding the Union Station Restaurant, 101 East Main Street, Union, SC. Appellant timely appealed the Order and a hearing was held on December 9, 1986.

The Fire Marshal Appeal Panel has submitted findings and recommendations on (a) whether the appellant's hood and duct system complies with N.F.P.A. 96 and (b) whether the appellant has an adequate number of exits.

BOARD ACTION REQUESTED:

Affirm the findings and recommendation of the Fire Marshal Appeal Panel in the appeal of Union Station Restaurant, 101 East Main Street, Union, and incorporate the recommendations into the following Order:

A. That Appellant shall bring the hood and duct system in its establishment into compliance with N.F.P.A. 96; and
B. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what is required to bring Appellant into full compliance with the appropriate fire and safety codes and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of noncompliance.

ATTACHMENTS:

Fire Marshal Appeal Panel Findings and Recommendations; Order

009772

EXHIBIT

State of South Carolina MAR 10 1987 NO. 19

State Budget and Control Board

STATE BUDGET & CONTROL BOARD

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

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

March 10, 1987

CERTIFIED - RETURN RECEIPT

Mrs. Ann J. Bowman
Union Station Restaurant
101 East Main Street
Union, SC 29379

Dear Ms. Bowman:

Enclosed is a copy of the decision by the State Budget and Control Board on an appeal from an a July 25, 1986, Fire Marshal Order requiring the removal and reconstruction of a hood system and duct system in the kitchen in accord with N.F.P.A. 96 and which questioned the adequacy of the number of exits provided.

At its meeting on March 10, 1987, the Budget and Control Board affirmed the findings and recommendations of the Fire Marshal Appeal Panel and incorporated the Panel's recommendations as the Board's Order, a copy of which is attached.

A copy of the Fire Marshal Appeal Panel's Findings and Recommendations accompanies the Board Order.

Sincerely,

William A. McInnis
Deputy Executive Director

WAM:dw
cc: H. Harold Tarleton, Jr.
C. Havird Jones
Charles W. Gambrell, Jr.
E. A. Laurent
Richard S. Campbell

009773

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) DECISION BY SOUTH CAROLINA
COUNTY OF RICHLAND) STATE BUDGET AND CONTROL BOARD

DECISION RE: UNION STATION RESTAURANT
101 EAST MAIN STREET
UNION, SOUTH CAROLINA 29379

Decision on Appeal from State Budget and Control Board Regulation 19-312 as a result of a Fire Marshal Inspection Order dated July 25, 1986.

The South Carolina State Budget and Control Board at its meeting held March 10, 1987, reviewed the Findings and Recommendations of the South Carolina State Fire Marshal Appeal Panel in this matter.

The Board affirms the Findings and Recommendations of the Fire Marshal Appeal Panel and incorporates the recommendations as its Order as follows:

A. That Appellant shall bring the hood and duct system in its establishment into compliance with N.F.P.A. 96; and

B. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what is required to bring Appellant into full compliance with the appropriate fire and safety codes and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of non-compliance.

These conditions be completed within thirty (30) days from the date of this Decision.

Let a copy of this Decision and a copy of the Findings and Recommendations of the Fire Marshal Appeal Panel be forwarded to Union Station Restaurant, 101 East Main Street, Union, South Carolina 29379.

SOUTH CAROLINA STATE BUDGET
AND CONTROL BOARD

BY: William A. McInnis
William A. McInnis, Secretary

Columbia, South Carolina

March 10, 1987

003774

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) BEFORE THE SOUTH CAROLINA
COUNTY OF RICHLAND) FIRE MARSHAL APPEAL PANEL

IN THE MATTER OF:)
)
UNION STATION RESTAURANT,) FINDINGS AND
) RECOMMENDATIONS
APPELLANT.)

This matter is before the South Carolina Fire Marshal Appeal Panel (hereinafter referred to as the "Panel") for administrative review pursuant to the Administrative Procedures Act, South Carolina Code §1-23-310 et seq. (1983, as amended), and pursuant to State Budget and Control Board Regulation 19-312 as a result of an Order issued by the State Fire Marshal and a request by Appellant for review of that Order.

PROCEDURAL HISTORY

On or about July 25, 1986, Deputy Fire Marshal Charles O. Vaughn issued a Fire Marshal Inspection Order regarding the Union Station Restaurant, Appellant herein. Appellant timely appealed this Order to the Panel.

A hearing was held in this matter at 2:00 p.m. on December 9, 1986. Appellant was represented by Ann J. Bowman and the State Fire Marshal was represented by C. H. Jones, Jr., Assistant Attorney General. Testifying on behalf of Appellant were Ann J. Bowman and Larry Bowman, owners and operators of Appellant. Testifying on behalf of the State Fire Marshal were Clyde C. Baird, Jr., Assistant Fire Marshal; Michael Elgin, Manager of Carolina Safety Associates; C. Spear Sedgley, Manager of Anderson Fire and Safety; Jim Williamson, Building Inspector

for the City of Union; and Charles O. Vaughn, Deputy Fire Marshal.

The issues on which this Panel must submit its findings and recommendations are:

A) Whether Appellant's hood and duct system complies with N.F.P.A. 96 which provides in pertinent part as follows:

Chapter 2 Hoods

2-1 Construction.

2-1.1 The hood or that portion of a primary collection means designed for collecting cooking vapors and residues shall be constructed of and be supported by steel not less than 0.043 in. (1.09 mm)(No. 18 MSG), stainless steel not less than 0.037 in. (0.94 mm) (No. 20 MSG), or of other approved material of equivalent strength, fire, and corrosion resistance.

2-1.2 All seams, joints and penetrations shall have a liquidtight continuous external weld. Penetrations may also be sealed by other listed devices that are evaluated under the same conditions of fire severity as the hood or enclosure of listed grease extractors and whose presence does not detract from the hood's or duct's structural integrity.

Chapter 3 Duct Systems

* * * *

3-3.1 Materials. Ducts shall be constructed of and supported by carbon steel not less than 0.054 in. (1.37 mm) (No. 16 MSG) or stainless steel not less than 0.043 in. (1.09 mm) (No. 18 MSG) in thickness.

3-3.2 Installation.

3-3.2.1 All seams, joints and penetrations shall have a liquidtight continuous external weld, except where the duct stub collar of the hood or a listed ventilator is connected to the exhaust duct. This connnection shall be a continuous liquidtight external weld, a connection to a listed grease extractor, a connection to a listed automatic damper and hood assembly, or a method such as shown in Figure 3-3.

B) Whether Appellant has an adequate number of exits.

009776

Upon hearing the testimony of all the witnesses and upon reviewing the exhibits and arguments presented by the parties the Panel makes the following findings and recommendations.

FINDINGS

1. Union Station Restaurant is located at 101 East Main Street, Union, S.C. 29379.

2. Appellant leases the facilities at 101 East Main and, after various renovations, opened for business in the late summer of 1986.

3. As part of the renovations Appellant had a local firm construct a hood and duct system over its cooking facilities.

4. It is undisputed that the hood and duct system do not comply with N.F.P.A. 96 -- the gauges of the metal constructing the hood and duct system are below code requirements; additionally, the seams and joints are not liquidtight continuous external weld as required by N.F.P.A. 96.

5. The Panel finds that the portions of N.F.P.A. 96 that relate to hoods and duct systems must be followed in order to insure acceptable safety conditions.

6. The Fire Marshal Order under appeal indicates that there is some confusion about the number of exits that are required to be located at Appellant; therefore, the Panel recommends that an additional inspection be made by the State Fire Marshal or his designee and that the Fire Marshal's Office present Appellant a list of which is required to bring Appellant into full compliance with the appropriate fire and safety codes. The Panel further requests that the Fire Marshal's Office cooperate with Appellant to solve any problems of noncompliance.

009777

EXHIBIT NO. 19
MAR 10 1987
STATE BUDGET & CONTROL BOARD

7. The Panel was advised that the State Fire Marshal has not been conducting inspections within the city limits of Union, because of an agreement between the State Fire Marshal and the City of Union. The Panel has obtained a copy of that agreement and finds that the agreement does not prevent inspection by the State Fire Marshal within the city limits of Union. 1/ In fact the agreement specifically provides:

> IT IS AGREED that this Cooperative Agreement will not infringe upon the right of the State Fire Marshal to make fire and life safety inspections when requested or when it is deemed necessary by the State Fire Marshal. (emphasis added)

RECOMMENDATIONS

Pursuant to Reg. 19-312, the Panel recommends:

A. That Appellant shall bring the hood and duct system in its establishment into compliance with N.F.P.A. 96; and

B. That the Fire Marshal or his designee shall inspect Appellant and provide Appellant with a list of what is required to bring Appellant into full compliance with the appropriate fire and safety codes and, further, the Fire Marshal's Office is requested to cooperate with Appellant to solve any problems of noncompliance.

1/ If the agreement had attempted to limit the State Fire Marshal's authority, the agreement clearly would have been invalid.

009778

These conditions should be completed within thirty (30) days from the date of a decision by the Budget and Control Board on this Panel's recommendation.

SOUTH CAROLINA FIRE MARSHAL
APPEAL PANEL

By: H. Harold Tarleton Jr.
H. HAROLD TARLETON, JR.
CHAIRMAN

GREENVILLE, South Carolina
18 FEB, 1987

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

009779

EXHIBIT

FIRE MARSHAL INSPECTION ORDER

MAR 10 1987 NO. 19

STATE OF SOUTH CAROLINA)
COUNTY OF UNION)

SOUTH CAROLINA STATE FIRE MARSHALL BUDGET & CONTROL BOARD

IN RE: Union Station)

NOTICE OF ORDER

DIVISION OF STATE FIRE MARSHAL

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 758-6612

Name of Facility: Union Station	Number of Years in Operation	Phone #	Date of Inspect: 3-25-86

Street & No: E. Main St City: Union S.C. Zip: 29379 County: Union

Location: Within City Limits ☑ Out of City Limits ☐ Distance Out of City Limits _____

Name & Address of Tenant: Ann Bowman

Name & Address of Owner: Same Building Name or Number:

Nature of Inspection: ☐ Routine ☐ Re-Inspect ☐ Requested Person Making Request

Age of Building: Height of Building: Number of Stories: 2 w/B Approximate Square Footage: 4500

Type Construction: Fire Proof ☐ Fire Resistive ☐ Heavy Timber ☐ Non-Combustible ☐ Ordinary ☐ Wood Frame ☐ Other ☐ Specify ☐

Occupancy Category: Assembly ☐ Business ☐ Educational ☐ Hazardous ☐ Factory ☐ Institutional ☐ Mercantile ☐ Residential ☐ Storage ☐

Number of People using Building: Capacity of People: 88

A EXITS & ESCAPES

1. Number of Exit Doors _____ Adequate: Yes ☐ No ☐
2. Blocked ☐ Locked ☐
3. Exit Signs: Good ☐ Unsatisfactory ☐ Not Required ☐
4. Emergency Lights: Good ☐ Unsatisfactory ☐ Not Required ☐
5. Panic Hardware: Good ☐ Unsatisfactory ☐ Not Required ☐
6. Self-closing Device: Good ☐ Unsatisfactory ☐ Not Required ☐
7. Number of Stairways _____ Adequate: Yes ☐ No ☐
8. Open ☐ Closed ☐: Wood ☐ Metal ☐ Masonry ☐
9. Number of Fire Escapes _____ Adequate: Yes ☐ No ☐
10. Wood ☐ Metal ☐ Other ☐ (Specify) _____
11. Handrails Adequate: Yes ☐ No ☐ NA ☐
12. Landings Adequate: Yes ☐ No ☐ NA ☐
13. Other

B FIRE SYSTEMS

1. Fire Alarm: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
2. Smoke Detectors: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
3. Sprinkler System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
4. Standpipe System: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
5. Number of Fire Extinguishers _____ Adequate: Yes ☐ No ☐
6. Date Last Charged _____ Good ☐ Unsatisfactory ☐
7. Fixed Hood Extinguisher System: Yes ☐ No ☐ Not Required ☐
8. Date Last Serviced _____ Adequate: Yes ☐ No ☐
9. Other

C CONST.

1. Fire Rated Corridors-Walls: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
2. Fire Rated Ceilings: Yes ☐ No ☐ Adequate: Yes ☐ No ☐
3. Flame Spread Rating Adequate: Yes ☐ No ☐
4. Fire & Draft Stopping Adequate: Yes ☐ No ☐
5. Other

D HEATING

1. Heating System: Gas ☐ Electric ☐ Oil ☐ Wood ☐ Other ☐ _____
2. Condition: Good ☐ Fair ☐ Unsatisfactory ☐
3. Chimneys & Flues: Metal ☐ Masonry ☐ NA ☐
4. Condition: Good ☐ Fair ☐ Unsatisfactory ☐
5. Other

E ELEC.

1. Electrical: Good ☐ Fair ☐ Unsatisfactory ☐
2. Excessive Use of Extension Cords: Yes ☐ No ☐
3. Open Breakers: Yes ☐ No ☐
4. Covers Missing on Electrical Boxes: Yes ☐ No ☐
5. Proper Sized Fuses/Breakers: Yes ☐ No ☐
6. Licensed Electrician Certification Required: Yes ☐ No ☐
7. Other

F GENERAL

1. Housekeeping: Good ☐ Fair ☐ Unsatisfactory ☐
2. Excessive Storage of Combustibles: Yes ☐ No ☐
3. Storage Under Stairs: Yes ☐ No ☐
4. Flammable Liquid Storage: Yes ☐ No ☐
5. Chemical Storage: Yes ☐ No ☐ Adequate ☐
6. Excessive Flammable Decorative Materials: Yes ☐ No ☐ Adequate ☐
7. Other

MANDATED CORRECTIONS

ITEM	DESCRIPTION & LOCATION	CODE
A.1	The hood & Duct System is Constructed of materials which do not meet Minimum Standards. An Approved Exhaust System Shall be provided in Accordance with NFPA 96.	
A.1	Exit Capicity for this type Occupancy - Small Assembly is Not Adequate. A Future Inspection will be made to Clarify The Number of Exits Required.	

In accordance with §23-9-80, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was:

009780

Delivered Personally to Ann Bowman, as owner or occupant

Charles C. Vaughan
Resident or Deputy Fire Marshal

212 Hillcrest Dr. Union SC 29379

DATE 7-25-86

White Copy - OFFICE — Green Copy - REQUESTING AGENCY — Canary Copy - OPERATOR-AGENT — Pink Copy - DEPUTY OR R.F.M. — Gold Copy - FIRE DEPT.

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

Before the Fire Marshal Appeal Panel

In the Matter of Union Station Restaurant

Respondent

Richland County

SUBPOENA

TO: Mr. Wilbur Lawson
Fire Chief
Union Fire Department
Union, S. C. 29379

You are hereby directed to personally appear before the Appeal Panel of the Budget and Control Board at Room 252, Edgar Brown Building, Capitol Complex on December 9, 1986, at 2:00 P.M., to testify under oath on behalf of the State Fire Marshal.

This subpoena is issued pursuant to Section 1-23-320(d) of the Code of Laws of South Carolina, the Administrative Procedures Act. It shall be enforced by the Court of Common Pleas, if necessary.

This _____ day of _____, 19____.

By Order of:

_____
Chairman, Fire Marshal Appeal Panel

009781

Before the Fire Marshal Appeal Panel

EXHIBIT

In the Matter of Union Station Restaurant

MAR 1 0 1987 NO. 19

Respondent

STATE BUDGET & CONTROL BOARD

Richland County

SUBPOENA

TO: Mr. Jim Williamson
Building Inspector
City of Union
City Hall
Union, S. C. 29379

You are hereby directed to personally appear before the Appeal Panel of the Budget and Control Board at Room 252, Edgar Brown Building, Capitol Complex on December 9, 1986, at 2:00 P.M., to testify under oath on behalf of the State Fire Marshal.

This subpoena is issued pursuant to Section 1-23-320(d) of the Code of Laws of South Carolina, the Administrative Procedures Act. It shall be enforced by the Court of Common Pleas, if necessary.

This _____ day of _____, 19____.

By Order of:

_____
Chairman, Fire Marshal Appeal Panel

009782

Before the Fire Marshal Appeal Panel

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

In the Matter of Union Station Restaurant

Respondent

Richland County

SUBPOENA

TO: Mr. Michael Elgin
Manager, Carolina Safety Association
P. O. Box 18402
Spartanburg, S. C. 29318

You are hereby directed to personally appear before the Appeal Panel of the Budget and Control Board at Room 252, Edgar Brown Building, Capitol Complex on December 9, 1986, at 2:00 P.M., to testify under oath on behalf of the State Fire Marshal.

This subpoena is issued pursuant to Section 1-23-320(d) of the Code of Laws of South Carolina, the Administrative Procedures Act. It shall be enforced by the Court of Common Pleas, if necessary.

This _____ day of _____, 19___.

By Order of:

_____
Chairman, Fire Marshal Appeal Panel

009783

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

Before the Fire Marshal Appeal Panel

In the Matter of Union Station Restaurant

Respondent

Richland County

SUBPOENA

TO: Mr. Spear Sedgley
Anderson Fire & Safety Equipment Co.
P. O. Box 1265
Anderson, S. C. 29622

You are hereby directed to personally appear before the Appeal Panel of the Budget and Control Board at Room 252, Edgar Brown Building, Capitol Complex on December 9, 1986, at 2:00 P.M., to testify under oath on behalf of the State Fire Marshal.

This subpoena is issued pursuant to Section 1-23-320(d) of the Code of Laws of South Carolina, the Administrative Procedures Act. It shall be enforced by the Court of Common Pleas, if necessary.

This _____ day of _____, 19___.

By Order of:

_____
Chairman, Fire Marshal Appeal Panel

009784

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

MEMORANDUM

TO: Appeal Panel Members and Alternates

FROM: Hettie W. Cross, Administrative Assistant

DATE: November 5, 1986

SUBJECT: **UNION STATION RESTAURANT**

This is to notify you that the appeal of Union Station Restaurant has been **scheduled for Tuesday, December 9, 1986, at 2:00 p.m. in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.**

The primary members of the Panel are requested to notify this office (734-2320) in the event there is a conflict on this date, so that alternates may be notified to attend.

/hc

cc: Richard S. Campbell, State Fire Marshal
C. H. Jones, Jr., Attorney for Fire Marshal
Bill Gambrell, Attorney for Panel
Charles O. Vaughn, Deputy Fire Marshal
Chief Wilbur Lawson, Union Fire Department

009785

State of South Carolina

State Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

October 31, 1986

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

CERTIFIED MAIL

Mrs. Ann J. Bowman
Union Station Restaurant
101 E. Main Street
Union, South Carolina 29379

RE: Notice of Hearing
Union Station Restaurant

Dear Mrs. Bowman:

The State Fire Marshal Appeal Panel as designated by the State Budget and Control Board, Rule 19-312, Regulations, Budget and Control Board, S. C. Code of Laws, 1976, as amended, has scheduled a formal hearing at **2:00 p.m. on Tuesday, December 9, 1986, in Room 252 of the Edgar Brown Building, 1205 Pendleton Street, Capitol Complex, Columbia, South Carolina.** The matter before the Appeal Panel as stated in the Appeal Request of September 23, 1986, is as follows:

S. C. Code Section:	State Statute 23-9-40
Rules & Regulations	Standard Fire Prevention Code 18.201 Standard Fire Prevention Code 15.04G National Fire Prevention Assn. #96
Facility is appealing:	Removal and reconstruction of a hood system in kitchen and number of exits needed.

This hearing will be conducted in accordance with procedures as set forth in ARTICLE 3 of the "Administrative Procedures Act," 1-23-320, et.seq., Code of Laws of South Carolina, 1976, as amended.

009786

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

Please provide the undersigned with the names and addresses of any witnesses requiring subpoenas within ten days after your receipt of this letter in order that appropriate subpoenas may be issued. Any responsive pleadings, motions, or memoranda that you wish to submit for the Appeal Panel's consideration should be submitted to the undersigned by certified mail or hand delivered within 20 days after receipt of this notice.

Very truly yours,

FIRE MARSHAL APPEAL PANEL

H. Harold Tarleton, Jr.

H. Harold Tarleton, Jr., A.I.A.
Chairman
P. O. Box 5265
Greenville, South Carolina 29606

HHT:hc

cc: Richard S. Campbell, State Fire Marshal
Charles W. Gambrell, Attorney for Panel
C. H. Jones, Jr., Attorney for Fire Marshal
Charles O. Vaughn, Deputy Fire Marshal
Chief Wilbur Lawson, Union Fire Department
Members - Fire Marshal Appeal Panel

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

STATE FIRE MARSHAL APPEAL PANEL
Post Office Box 12444, Columbia, SC 29211

Union Station Restaurant
(name of facility)
101 East Main Street
Union, SC 29379
(address)

Charles O Vaughan
(name of inspector)

1. Date of District Fire Marshal's Inspection Report: July 25, 1986
2. Description of Appeal: (S. C. Code Section: State Statute 23-9-40
(Regulation: Standard Fire Prevention Code 18.201
Standard Fire Prevention Code 15.04-G
National Fire Protection Association #96

VIOLATION/WAIVER REQUEST

That hood in kitchen be accepted in present condition and that additional exits not be required.

3. Fire Marshal's Review/Action: These requirements are minimum standards of Division of State Fire Marshal and must be in compliance.

S/ R S Campbell Date: 10/1/86
Richard S. Campbell, P.E. (forwarded to Appeal Panel)

==========

For the Appeal Panel:

Date Received: _____ Date of Hearing: _____

1. Recommendation of Appeal Panel: _____
2. Rationale of Recommendation: _____

S/ _____ Date: _____
Harold Tarleton, Jr., Chairman

==========

Budget and Control Action: Appeal Received: RECEIVED OCT 03 1986

Date of Board Action: _____

Board Decision: _____

S/ _____
William A. McInnis, Secretary
Budget and Control Board

009788

Distribution: Appellant
Appeal Panel
Fire Marshal's Office Date: _____

EXHIBIT

NO. 19

State of South Carolina
Division of State Fire Marshal
Budget and Control Board

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM [illegible], CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

RECEIVED
SEP 24 1986
DIVISION OF
STATE FIRE MARSHAL

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

APPEAL REQUEST

NAME OF FACILITY Union Station of Union, Inc.

ADDRESS 101 E. Main St. FIRE CHIEF Wilbur Lawson

Union, S.C. 29379 FIRE DEPT. Union

DATE OF ORDER 7-25-86 BUILDING OFFICIAL Jim Williamson

NAME OF DEPUTY STATE FIRE MARSHAL Charlie Vaughn

REQUEST FOR APPEAL

STATE SPECIFICALLY WHAT YOU ARE APPEALING: The removal and reconstruction of a hood system in Kitchen. The number of exits needed.

Signature of Appellant

9-23-86
Date

OFFICE USE ONLY:

DATE RECEIVED IN OFFICE

009789
10/1/86
DATE SENT TO EXECUTIVE DIRECTOR'S OFFICE

State of South Carolina

Division of State Fire Marshal

Budget and Control Board

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS, CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM, CHAIRMAN
WAYS AND MEANS COMMITTEE
WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

800 DUTCH SQUARE BLVD., SUITE 201
COLUMBIA, S.C. 29210
(803) 758-6612

RICHARD S. CAMPBELL, P.E.
STATE FIRE MARSHAL

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

August 26, 1986

Mrs. Ann J. Bowman
Union Station Restuarant
101 E. Main St.
Union, S.C. 29379

Re: Union Station Restaurant

Dear Mrs. Bowman:

We have received your letter dated August 18, 1986, advising that you wish to appeal fire inspection order dated July 25, 1986.

In order that we may proceed with your request to forward to the Budget and Control Board, who, in turn, will set up a date for you to appear before the State Fire Marshal's appeals panel, the enclosed form must be completed and returned to this office not later than September 25, 1986.

If we may be of further assistance in this matter, please feel free to call on us.

Sincerely,

B. Harvey Scurry

B. Harvey Scurry
Assistant State Fire Marshal

HS/cfo

cc: Charlie Vaughan
Clyde Baird
Chief Wilburn Lawson

009790

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

8-18-86

South Carolina State Fire Marshal
800 Dutch Square Blvd. Suite 201
Columbia, S.C. 29210

RECEIVED
AUG 25 1986
DIVISION OF
STATE FIRE MARSHAL

Sir,

This is an appeal to your office concerning an inspection order, dated 7-25-86 by Deputy Fire Marshall Charles Vaughn. Upon this visit we were mandated to dismantle our new hood and exhaust system, and install in its place an approved system.

After conceiving the idea of entering the Restaurant business in downtown Union, our first actions were to question the City of Union building inspection department and the local representatives of the South Carolina Heal Dept., for all rules and regulations that w would have to abide by in establishing this unit. Our local health dept. man is brand new and followed up on our every move with a strict hand. Our City builder inspector also kept us in accordance with local codes and laws.

009791

As we put together our actual cooking facilities, we went to several local restaurants to look at their exhaust systems. We picked out the hood system that appeared to the be the best and found the contractor that had constructed this system and installed it. We contacted this Company and was assured that they could put a system in for us, just like the one we looked at.

As we desired to deal locally, to keep our money in our county, we had this Company install our system. They are a very reputable sheet metal company and have been in business a long time. Not one time did either department of the City or State that we were working with furnish us with any design, or really anything to do with a hood system.

Only after contacting the hood safety equipment company to install an extinguisher system in our completed hood system were we told that our system did not

009792

EXHIBIT
MAR 10 1987 NO. 19
STATE BUDGET & CONTROL BOARD

come up to standards and therfore they would not connect their safety equipme to our system. They stated that the la changed 2 years ago, but this same fir installed the safety system in the Hos that we patterned ours after, less than 2 years ago.

We then contacted another fire safety equipment company, whose name was furnished to us by our local fire chief This company installed the system we presently have. The following are a numb of adverse observations that we have made in trying to determine why we catching this much grief.

A. There is a lack of communication not only between the state and municipalities, but this carries fort to the representatives of these two parties. Example (the local city offi fire and building inspection has not one copy of the new laws.

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

B. The City of Union does not have a code book issued by the State of South Carolina to follow in these situations.

C. There has been at least 3 restaurant to either open up new or reopen in Union that has not had this type of inspection. In fact, we firmly believe that we could have kep quiet about our intentions to the state and local authorities, and opened up haphazardly, but with out this hassle.

D. The fire safety protection companies in this state will lead you to believe that they are state approved when in reality they are only appro by the manufacturers of the systems

E. We have operated over 6 weeks with our hood system complete with extinguisher system and feel we are ~~to~~ fully within current statues and laws regarding equipment in

EXHIBIT

MAR 10 1987 NO. 19

STATE BUDGET & CONTROL BOARD

5

restaurants.

F. If this correction report stands and we are held in violation, we feel that monies will have to come from State legislature to employ new inspectors, instructors, enforcers, and others to bring the hundreds of violations that we see locally everyday, up to date. There are Buildings and businesses in Union County that have never had a fire marshall or building inspector to pay them a visit.

Please advise of the date of our appeal hearing.

Sincerely

Ann J. Bowman
Union Station Restaurant
101 E. Main St.
Union, S.C. 29379
427-4164

009795

EXHIBIT

MAR 10 1987 NO. 20

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 12

AGENCY: Human Resource Management

SUBJECT: Senior Management System

In accordance with Section 713.02 A of the State Personnel Regulations, the Division of Human Resource Management is requesting establishment of a Senior Management category for classified employees grade 45 and above. This Senior Management category would become a subcategory of the Executive Compensation System. Inclusion in the system would be voluntary at the discretion of the agency head.

The Division advises that the Budget and Control Board included a similar proviso covering grade 40 and above in its version of the appropriations bill. The proviso was eliminated in the House Ways and Means Committee in February.

Board approval of the request would enable the Division to pursue the program legislatively as the appropriation bill develops.

BOARD ACTION REQUESTED:

Endorse the concept of an Executive Compensation System Senior Management category for classified employees grade 45 and above with inclusion in the system to be voluntary at the discretion of the agency head.

ATTACHMENTS:

Agenda item worksheet

009796

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

March 10, 1987

___ *Blue Agenda*
_X_ *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of Human Resource Management
   (b) Authorized Official Signature: Phyllis M. Mayer

2. *Subject:*
   Senior Management System

3. *Summary Background Information:*

In accordance with Section 713.02 A of the State Personnel Regulations, the Division of Human Resource Management is requesting establishment of a Senior Management category for classified employees, grade 45 and above. This category would become a sub-category of the Executive Compensation System. Inclusion into the system would be voluntary at the discretion of the agency head.

The Budget and Control Board included a similar proviso in its version of the Appropriation Bill. The proviso was eliminated in the House Ways and Means Committee in February. Approval of this item would give authority to the Division of Human Resource Management to pursue this program legislatively as the Appropriation Bill develops.

EXHIBIT

MAR 10 1987 NO. 20

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Endorse the concept of a Senior Management category in the higher grade classifications by approving the item.

5. *What is recommendation of the Board Division involved?*

Approval

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
	009797

EXHIBIT

MAR 10 1987 NO. 21

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 13

AGENCY: Human Resource Management

SUBJECT: Mental Health Educational Leave and Tuition Support Program

The Division of Human Resource Management advises that the Department of Mental Health has requested a three-year extension of the Budget and Control Board approval for educational leave and tuition support for Mental Health employees to participate in the Associate Degree in Nursing (ADN) Program at Midlands Technical College.

On July 6, 1978, the Board approved a Mental Health request to grant special educational leave and tuition support for employees to participate in the Licensed Practical Nursing Program and Midlands TEC. On January 12, 1982, the Board's approval was extended to include the Associate Degree in Nursing Program provided that these arrangements be reevaluated after three years.

The Department advises that, over an eight-year period, it has spent $108,573.12 in tuition payments and has produced 67 new licensed personnel. The average cost per graduate was $1,620.50. The Division also advises that, of the 67 graduates, 50 are still employed by the Department. There are currently 21 employees enrolled in the program.

The Division recommends approval of the request.

BOARD ACTION REQUESTED:

Extend for three years the Department of Mental Health authorization to grant special education leave and tuition support for employees to participate in the Associate Degree in Nursing Program at Midlands Technical College.

ATTACHMENTS:

Agenda item worksheet and attachment

009798

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

March 10, 1987

___ *Blue Agenda*
X *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of Human Resource Management
   (b) Authorized Official Signature: Phyllis M. Mayes

2. *Subject:*
   S.C. Department of Mental Health Educational Leave and Tuition Support Program

3. *Summary Background Information:*

The S.C. Department of Mental Health requests a three (3) year extension of the Board's approval for educational leave and tuition support for Mental Health employees to participate in the Associate Degree in Nursing (ADN) Program at Midlands Technical College. The Board approved a similar program for the Licensed Practical Nursing (LPN) Program at Midlands Tec. in 1978 and on January 12, 1982, extended its approval for the Licensed Practical Nursing (LPN) Program and included the Associate Degree in Nursing (ADN) Program. The Department of Mental Health requests only approval for participation in the Associate Degree in Nursing (ADN) Program for a three (3) year period.

EXHIBIT

MAR 10 1987 NO. 21

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Approve the Department of Mental Health's request.

5. *What is recommendation of the Board Division involved?*

Approval

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. Letter of Request from Mental Health dated January 22, 1987.	
2. Letter to Mental Health dated February 17, 1987.	009799
3. Follow-up letter from Mental Health dated February 18, 1987.	

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 2414 Bull Street Columbia, South Carolina 29202
Telephone (803) 758-7701

Joseph J. Bevilacqua, Ph.D. / State Commissioner of Mental Health

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

E. A. Hall, Jr.
Columbia

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

Willie G. Boulware
Rock Hill

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

January 22, 1987

EXHIBIT

MAR 10 1987 NO. 21

STATE BUDGET & CONTROL BOARD

Steven Osborne
Director of Employee Relations
Division of Human Resource Management
Budget and Control Board
P. O. Box 12547
Columbia, S. C. 29211

Dear Mr. Osborne:

On July 6, 1978 the Budget and Control Board approved a request by the South Carolina Department of Mental Health to grant special educational leave and tuition support for employees to participate in the Licensed Practical Nursing Program at Midlands Technical College. On January 12, 1982, this approval was extended to include the Associate Degree in Nursing Program. The attached information provides detailed data on expenditures and retention rates of this program.

Over an 8 year period the South Carolina Department of Mental Health has spent $108,573.12 in tuition payments and has produced 67 new licensed personnel. This results in an average cost per graduate of $1,620.50.

Of the 67 graduates, 50 are still employed by the Department. Additionally, there are 21 employees currently enrolled in this program.

I am requesting that the Budget and Control Board extend our authorization to participate in this program for another three (3) year period. If additional information is required, please feel free to contact me.

Sincerely,

William L. Noyes

William Noyes, Director
Human Resource Service

/pwg
Attachments

009800

EXHIBIT

MAR 10 1987 NO. 22

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 14

AGENCY: Division of General Services

SUBJECT: Sale of Surplus Real Property (State Board of Education)

The Division of General Services advises that Mr. Fred Clark has proposed to purchase a small tract (some 5,476 square feet or about 0.13 acre) located in Berkeley County from the Board of Education to provide access to S. C. Highway #S-834. Mr. Clark recently acquired a 73.81-acre tract which joins the Board of Education property and which could be used more effectively if access to the referenced highway could be gained.

Mr. Ralph Hendrix, Director of the Board of Education's State Office of Transportation, has advised Property Management that the 0.13-acre tract is surplus to the needs of the Department of Education which he indicated was agreeable to its sale. He noted that the property is very narrow and that it does not have any real value to the Board in its operation of the School Bus Maintenance Shop in the area.

The Berkeley County Tax Assessor has estimated the property to be worth $4,000.

The Division recommends that the Board approve the sale of the referenced property to Mr. Fred Clark by quit-claim deed for $4,000. The Division also believes that this small tract would have no useful value to any other State agency. On that basis, it also recommends that the transaction be exempted from the Board's surplus property disposition procedure which calls for a 45-day notification period for other State agencies which might be interested in the property.

Mr. Sprott, head of the General Services Property Management Section, has examined this proposal and has concluded that the value of this property is $3,500.

BOARD ACTION REQUESTED:

Approve the sale of a tract of about 0.13 acre, located in Berkeley County on SC Highway #S-8-34, to adjoining landowner Mr. Fred Clark for $4,000 and exempt this transaction from the Board's surplus property disposal procedure.

ATTACHMENTS:

Agenda item worksheet; Dennis January 13 letter to Hendrix plus attachments; Taylor January 16 letter to Hendrix; Hendrix January 29 letter to Taylor

009801

EXHIBIT

MAR 10 1987 NO. 22

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for: STATE BUDGET & CONTROL BOARD

March 10, 1987

___ *Blue Agenda*
X *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard M. Kelly

2. *Subject:*
   Approve the sale of .13 acres to Mr. Fred Clark

3. *Summary Background Information:*

   1. On January 13, 1987, Mr. R. M. Hendrix was contacted by Mr. R. Markley Dennis concerning a request by his client, Mr. Fred Clark, for a small parcel of land (.13 acres) owned by the South Carolina Board of Education.
   2. Mr. Clark needs the parcel to allow him access and more effective utilization of an adjacent tract of land that he has recently purchased.
   3. Mr. Ralph Hendrix, Director of the State Office of Transportation, reported to Property Management that the property is very narrow and does not have any real value to the State Board of Education or to the operation of the School Bus Maintenance Shop. He states that the Department of Education is agreeable to the sale.
   4. Market value is estimated to be $4,000.00 for the property.

4. *What is Board asked to do?*

   Approve the sale of the property for $4,000.00 to Mr. Clark by Quit-Claim Deed. Exempt this transaction from normal Surplus Property procedure.

5. *What is recommendation of the Board Division involved?*

   Approve the sale of property to Mr. Clark by Quit-Claim Deed. Exempt this transaction from Surplus Property procedure.

6. *Recommendation of other office (as required)?*

   (a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. Letter from R. Markley Dennis dated January 13, 1987 2. Letter to Mr. R. M. Hendrix from Bruce Taylor, Property Management 3. Letter from Department of Education dated January 19, 1987 4. Appraisal dated January 12, 1987 5. Copy of plat 6. Review Appraisal by Jack Sprott	

009802

EXHIBIT

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2140

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR.
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D
EXECUTIVE DIRECTOR

RICHARD W. KELLY
DIVISION DIRECTOR

February 27, 1987

RECEIVED
MAR 31 1987
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

Dr. J. Samuel Griswold
Deputy Director
Budget and Control Board
Wade Hampton Office Building
Columbia, S.C. 29201

Dear Sam:

On the next Budget and Control Board agenda, the Division of General Services requested the Board approve the sale of .13 acres of property owned by the South Carolina Board of Education. Following a review of that information, in the agenda review, it was decided to withdraw that item pending further review by our staff. This office has reviewed more thoroughly the appraisal and I have attached a copy of Mr. Sprott's report on this appraisal. Further, I have reviewed with Jack the process of disposing of this property without offering same to other agencies. It is our sincere belief that this very small tract of land would have no useful value to any other agency.

We again request this item be submitted to the Board for approval.

Sincerely,

Richard W. Kelly

Richard W. Kelly

/ab

attachment

cc: Mr. Jack Sprott

009803

EXHIBIT

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-7444

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

JACK C. SPROTT, CAE
ASSISTANT DIVISION DIRECTOR
PROPERTY MANAGEMENT

RECEIVED
FEB 26 1987
DIV. OF GEN. SERVICES
OFFICE OF
DIRECTOR

M E M O R A N D U M

TO: Richard W. Kelly, Director
Division of General Services

FROM: Jack C. Sprott, CAE
Assistant Division Director
Division of General Services
Property Management Section

SUBJECT: Review Appraisal of South Carolina Board of Education Property in Berkeley County

DATE: February 26, 1987

A review of all farmland sales in Berkeley County during 1985-87 indicates that larger tracts of land are selling for approximately $4,000.00 per acre. The subject property is a small .13 acre parcel that is being sought by Mr. Fred Clark to allow him access to his larger tract that adjoins the Department of Education property. I have enclosed a copy of an aerial photograph that shows the subject property as the tip of the triangular Department of Education Bus Maintenance site. Mr. R. Markley Dennis, Mr. Clark's attorney, told me that the larger tract will be used as pasture for cows and I understand that it has been in Mr. Clark's family for many years.

The appraiser, Mr. Wayne Forte, was very thorough in his presentation of facts but it appears that he may have considered some sales that are inappropriate. I feel that sales comparable number's 1 and 2 are residential lots located in town, they were not purchased solely for access and should not have been used. I selected two other sales of property purchased exclusively for access or property line correction.

My first sale dated January 15, 1987, is five (5) miles further out of town than the subject property; is in a low, wet area; is very comparable in size (.14 acres) and was purchased for access to a large 892.21 acre tract.

009804

EXHIBIT

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

My second sale dated December 1985 is near town on a major highway (Highway 52); is larger in size (.30 acres); and was purchased to expand a community lodge site.

My adjustments and indicated values are as follows:

SALE #1

Map #:	141-00-02-034
Address:	S-8-34
Proximity:	5 miles
Sales Price:	$1,800.00
Date of Sale and Adjustment:	January 1987 $0.00
Location:	+$1,000.00
Topo:	+$1,000.00
Size:	.14 acres -$300.00
Net:	+$1,700.00
Indicated Value of Subject:	$3,500.00

SALE #2

Map #:	142-00-00-118
Address:	Highway 52
Proximity:	1 mile
Sales Price:	$10,000.00
Date of Sale and Adjustment:	December 1985 +$500.00
Location:	-$1,000.00
Topo:	$0.00
Size:	.30 acres -$6,000.00
Net:	-$6,500.00
Indicated Value of Subject:	$3,500.00

SALE #3

Map #:	142-00-00-093
Address:	Highway 17A
Proximity:	2 miles
Sales Price:	$4,500.00
Date of Sale and Adjustment:	March 1986 +$500.00
Location:	$0.00
Topo:	+$1,000.00
Size:	.50 acres -$2,000.00
Net:	-$500.00
Indicated Value of Subject:	$4,000.00

EXHIBIT

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

I do not have any problem with accepting $4,000.00 dollars for the property. It is my opinion that its value is $3,500.00 as of this date.

JCS:dp

Enclosure

009806

EXHIBIT

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

LAW OFFICES

Dennis & Dennis

337 EAST MAIN STREET

POST OFFICE DRAWER 1174

MONCKS CORNER, SOUTH CAROLINA 29461

803/761-8111

803/577-5390

R. MARKLEY DENNIS

R. MARKLEY DENNIS, JR.

ASSOCIATE

ALVIN L. McELVEEN, JR.

January 13, 1987

Mr. R.M. Hendrix
Director of Transportation
S.C. Department of Education
1429 Senate Street, Room 512
Columbia, South Carolina 29202

In Re: Fred Clark
0.13 Acre Tract of Property of
S.C. State Board of Education
Our File #115,509

Dear Mr. Hendrix:

On November 13, 1986, our client, Mr. Fred Clark, acquired a tract of land from the Estate of S. Itley Wilson, identified on attached map as Plat of Tracts "A" & "B", containing 73.81 acres and marked Enclosure A. Further examination of Enclosure A would indicate ownership of property of S.C. State Board of Education lying between the tract acquired as aforesaid and S.C. Highway #S-8-34. We are attempting to assist Mr. Clark in acquisition of an access to the property acquired to and from said S.C. Highway #S-8-34.

In addition, enclosed herwith you will please find plat of William H. Dennis, R.L.S. #10035, identified as Enclosure B, on which is delineated a portion of S.C. State Board of Education tract containing 0.13 acres, which we hope can be acquired for client for the purpose as indicated.

In connection with the 0.13 tract, we also enclose appraisal report by Mr. Wayne Forte, Berkeley County Tax Assessor, indicating value on this tract.

Please consider this letter as an application on behalf of Mr. Clark for purchase of the tract delineated on Enclosure B. We respecfully invite your thinking to the fact that property we are seeking to purchase is not now being used in connection with the operation of the school bus maintenance shop and parking area and is at the western extremity of the S.C. Board of Education tract. We respectfully further urge and suggest that severance of this tract from the main tract would not interfere with the utilization of the tract for the purposes apparently intended, and neither would it devalue the main tract to any appreciable

EXHIBIT

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

extent. Acquisition of this property by our client would enable him to effectively and advantageously utilize the tract acquired and would increase the tax base for the County by increasing the value of the property to which it affords access.

It is sincerely hoped that you will be in a position to accommodate our client who is a substantial freeholder and tax payer in the County by favorable treatment of the request herewith tendered on his behalf.

Respectfully submitted,

R. MARKLEY DENNIS

RMD:ef
CC: Mr. Jack Sprott

009808

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES

300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-7444

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
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WILLIAM T. PUTNAM
EXECUTIVE DIRECTOR

JACK C. SPROTT, CAE
ASSISTANT DIVISION DIRECTOR
PROPERTY MANAGEMENT

EXHIBIT

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

January 16, 1987

Mr. R. M. Hendrix
Director of Transportation
S.C. Department of Education
1429 Senate Street, Room 512
Columbia, South Carolina 29202

Re: Mr. Fred Clark
.13 acre tract of property of S.C. State Board of Education

Dear Mr. Hendrix:

The Property Management Section of the Division of General Services has been copied on a January 13, 1987 letter to you from R. Markley Dennis, Esquire, concerning the possibility of his client, Mr. Fred Clark, purchasing .13 acres more or less of property under the purview of your agency. The Budget and Control Board has established a procedure for the disposition of surplus State owned real property. Should your agency determine that the .13 acres is surplus to it's needs, as Mr. Clark's request suggest, please notify the Property Management Section of the Division of General Services for disposition under standard Budget and Control Board procedures. We may be reached by phone at 737-2130.

Sincerely yours,

Bruce Taylor

Bruce Taylor, Supervisor
Sales and Acquisitions

BT/jtb

cc: R. Markley Dennis

009809

STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

COLUMBIA 29201

Charlie G. Williams
State Superintendent of Education

EXHIBIT

MAR 1 0 1987 NO. 22

STATE BUDGET & CONTROL BOARD

January 29, 1987

Mr. Bruce Taylor, Supervisor
Sales and Acquisitions
Budget and Control Board
300 Gervais Street
Columbia, South Carolina 29201

Dear Mr. Taylor:

We are in receipt of a letter from the Honorable R. Markley Dennis, on behalf of Mr. Fred Clark, who wishes to purchase .13 of an acre at our school bus maintenance shop site in Berkeley County.

The property in question is located at the end of the triangle of our property, which is very narrow and does not have any real value to the State Board of Education and the operation of the school bus maintenance shop.

Since this .13 of an acre is surplus to our needs, the Department of Education is agreeable for your disposal of this property under the procedures established by the Budget and Control Board. We are requesting that the State Board of Education be able to retain the proceeds from the sale of this property to be used for drainage and other permanent improvements at the Berkeley School Bus Maintenance Shop.

If there is any additional information you need, please let me hear from you.

Sincerely yours,

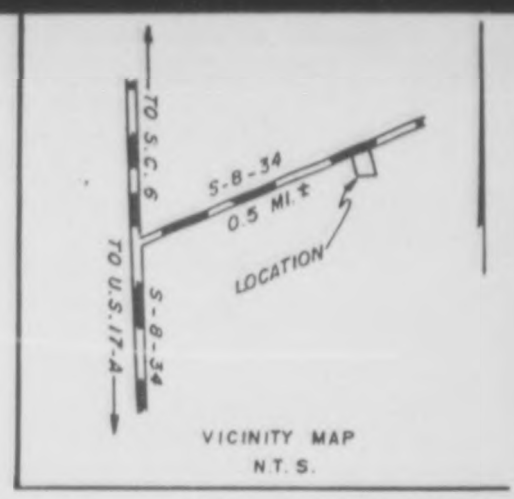
Ralph M. Hendrix, Director
State Office of Transportation

RMH:gb

cc: The Honorable R. Markley Dennis

009810

RECEIVED
FEB 0 4 1987
REAL PROPERTY



EXHIBIT

MAR 10 1987 NO. 22

STATE BUDGET & CONTROL BOARD

0 10 20 40 60

LEGEND:

O.I. = OLD IRON

N/F = NOW OR FORMERLY

PLAT OF 0.13 ACRES

FOR

INGRESS - EGRESS EASEMENT

COMPILED AT THE REQUEST OF

FRED CLARK

2ND. ST. JOHNS PARISH

BERKELEY COUNTY, SOUTH CAROLINA

JANUARY 9, 1987 SCALE: 1"=20'

NOTE: This is to certify that I have consulted the Federal Insurance Administration flood hazard boundary map, and find the LOT described is not located in a special flood hazard area.

I, HEREBY CERTIFY THAT THE RATIO OF PRECISION OF THE UNADJUSTED FIELD SURVEY IS 1/COMPILED AS SHOWN HEREON; THE AREA WAS DETERMINED BY D.M.D. METHOD OF AREA DETERMINATION; AND MONUMENTS HAVE BEEN PLACED AS SHOWN HEREON.

William H. Dennis R.L.S.

REG. NO 10035

WILLIAM H. DENNIS
CAROLINA SURVEYING & MAPPING
MONCKS CORNER, S.C.

SOUTH CAROLINA REGISTERED LAND SURVEYOR NO. 10035 WILLIAM H. DENNIS

009811

Enclosure B

LAND APPRAISAL REPORT

Owner South Carolina State Board of Education — Census Tract 205 — Map Reference 141-00-02-034

Property Address

City Moncks Corner — County Berkeley — State SC — Zip Code 29461

Legal Description

Sale Price $ — Date of Sale — Loan Term — yrs — Property Rights Appraised [X] Fee [ ] Leasehold [ ] De Minimis PUD

Actual Real Estate Taxes $ — (yr.) — Loan charges to be paid by seller $ — Other sales concessions

Lender/Client N/A — Address N/A

Occupant Owner — Appraiser Wayne Forte — Instructions to Appraiser Market value

					Good	Avg.	Fair	Poor
Location	[ ] Urban	[ ] Suburban	[X] Rural	Employment Stability	[ ]	[X]	[ ]	[ ]
Built Up	[ ] Over 75%	[X] 25% to 75%	[ ] Under 25%	Convenience to Employment	[ ]	[X]	[ ]	[ ]
Growth Rate	[ ] Fully Dev.	[ ] Rapid	[X] Steady	[ ] Slow	Convenience to Shopping	[ ]	[X]	[ ]	[ ]
Property Values	[X] Increasing	[ ] Stable	[ ] Declining	Convenience to Schools	[ ]	[X]	[ ]	[ ]
Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply	Adequacy of Public Transportation	[ ]	[X]	[ ]	[ ]
Marketing Time	[ ] Under 3 Mos.	[X] 4-6 Mos.	[ ] Over 6 Mos.	Recreational Facilities	[ ]	[X]	[ ]	[ ]
Present Land Use	30% 1 Family % 2-4 Family % Apts. % Condo 10 % Commercial			Adequacy of Utilities	[ ]	[X]	[ ]	[ ]
	% Industrial 60% Vacant %			Property Compatibility	[ ]	[X]	[ ]	[ ]
Change in Present Land Use	[X] Not Likely	[ ] Likely (*)	[ ] Taking Place (*)	Protection from Detrimental Conditions	[ ]	[X]	[ ]	[ ]
	(*) From	To		Police and Fire Protection	[ ]	[X]	[ ]	[ ]
Predominant Occupancy	[ ] Owner	[ ] Tenant	100 % Vacant	General Appearance of Properties	[ ]	[X]	[ ]	[ ]
Single Family Price Range	$ N/A to $	Predominant Value $		Appeal to Market	[ ]	[X]	[ ]	[ ]
Single Family Age	N/A yrs. to yrs.	Predominant Age yrs.						

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise) No apparent factors unfavorable to the marketability of this property.

Dimensions 60.37' X 83.50' X 60.50' X 97.92' — .13 acres Sq. Ft. or Acres — [ ] Corner Lot

Zoning classification None — Present improvements [ ] do [ ] do not conform to zoning regulations

Highest and best use [ ] Present use [ ] Other (specify)

	Public	Other (Describe)
Electricity	[X]	
Gas	[ ]	
Water	[ ]	Private
San. Sewer	[ ]	Private
	[ ] Underground Elect. & Tel.	

OFF-SITE IMPROVEMENTS

Street Access [X] Public [ ] Private

Surface Asphalt

Maintenance [X] Public [ ] Private

[ ] Storm Sewer [ ] Curb/Gutter

[ ] Sidewalk [ ] Street Lights

Topo Level

Size .13 acres

Shape Rectangular

View Good

Drainage Average

Is the property located in a HUD Identified Special Flood Hazard Area? [X] No [ ] Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions) No apparent adverse easements, encroachments, or other adverse conditions.

Berkeley County Flood Map No 450029 0170 B Zone C.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	Subject Property	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	See survey attached	142-02-01-010 West Street		142-02-02-018 Broughton Road		142-00-00-093 Hwy 17 A	
Proximity to Subj.		1 mile		1 mile		2 miles	
Sales Price	$ N/A		$ 5000		$ 6500		$ 4500
Price /sq. ft.	$ N/A		$ .68		$ .53		$ .21
Data Source	Inspection	Market sales		Market sales		Market sales	
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
	Jan 12 1987	Jul 1986	+ 1000	Jul 1986	+ 1000	Mar 1986	+ 1000
Location	Whitesville Rd	West Street	0	Broughton Rd	0	Hwy 17 A	0
Site/View	.13 acres	.17 acres	- 1000	.28 acres	- 2000	.50 acres	- 3000
Access	Paved road	Paved road	0	Paved road	0	Paved road	0
Topo	Level	Level	0	Level	0	Low	+ 1000
Water/sewer	None	Available	- 1000	Available	- 1000	Similar	0
Shape	Rectangular	Rectangular	0	Rectangular	0	Triangular	+ 1000
Sales or Financing Concessions	None	None	0	None	0	None	0
Net Adj. (Total)		[ ] Plus [X] Minus	$ 1000	[ ] Plus [X] Minus	$ 2000	[ ] Plus [X] Minus	$ 0
Indicated Value of Subject			$ 4000		$ 4500		$ 4500

Comments on Market Data All three comparables lending some weight to final value, with comparable No 1 being given most weight due to the similarity in size.

Comments and Conditions of Appraisal This appraisal made "as is" and not subject to any other conditions.

Final Reconciliation The market approach is the best indication of value.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF January 12 1987 to be $ 4000

Appraiser(s) Wayne Forte
Wayne Forte, RPSA

Review Appraiser (if applicable) 009812
[X] Did [ ] Did Not Physically Inspect Property

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YY

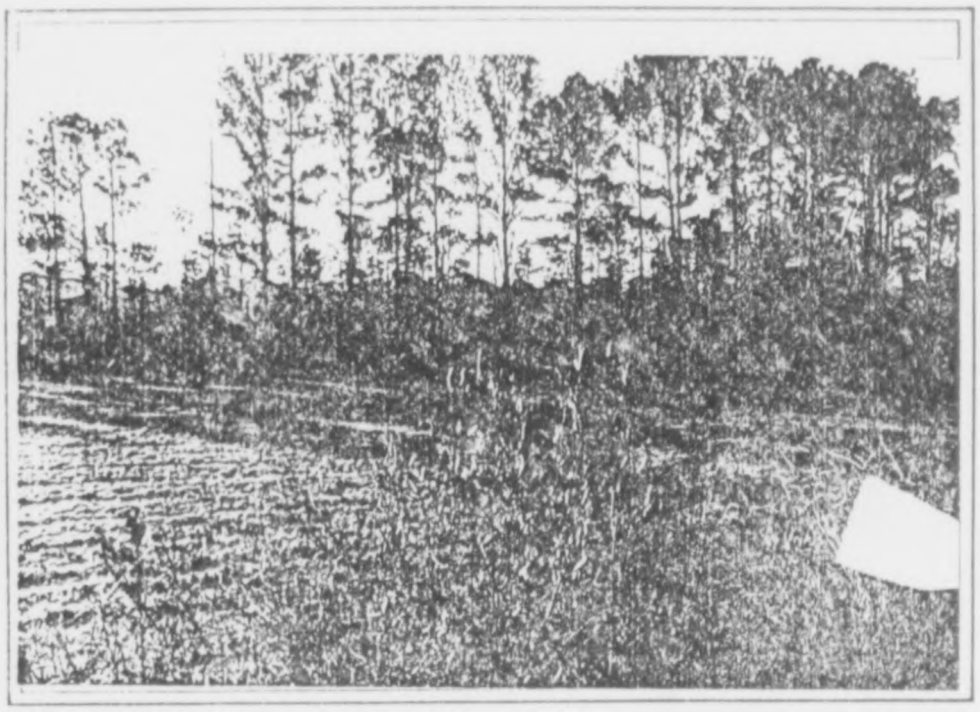
PHOTOGRAPH ADDENDUM

Owner of Record: South Carolins State Board of Education

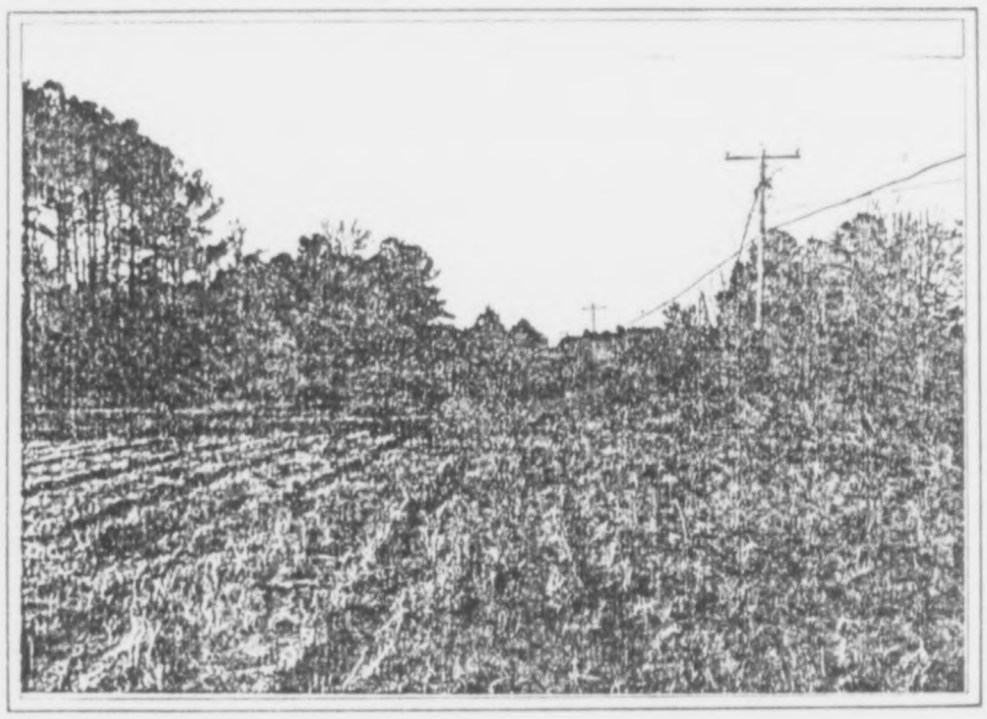
Property Address:

City: Moncks Corner County: Berkeley State: SC Zip Code: 29461

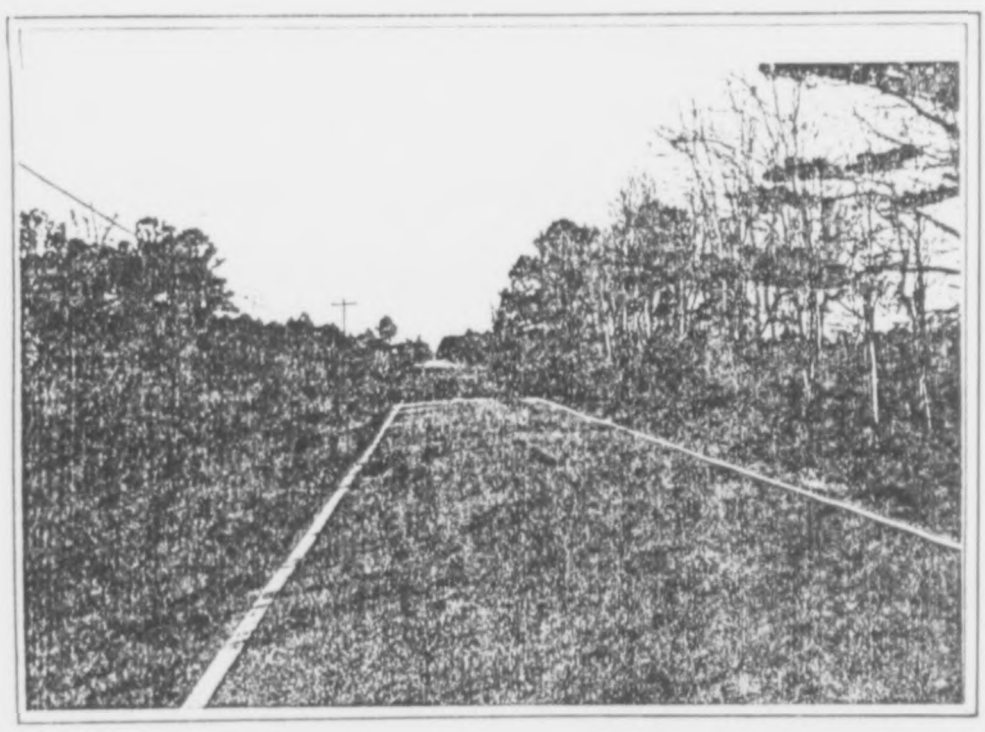
Lender: N/A



FRONT OF
SUBJECT PROPERTY



REAR OF
SUBJECT PROPERTY



STREET SCENE

009813

[ ] ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

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DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

CERTIFICATION: The Appraiser certifies and agrees that:

1. The Appraiser has no present or contemplated future interest in the property appraised; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the property.

2. The Appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the participants to the sale. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

3. The Appraiser has personally inspected the property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. To the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraiser has not knowingly withheld any significant information.

4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analyses, opinions, and conclusions contained in the report).

5. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.

6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser." No change of any item in the appraisal report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.

2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.

3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefor.

4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.

6. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.

7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.

8. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.

9. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

009814

Date: January 12 1987 Appraiser(s) Wayne Forte

Wayne Forte, RPSA

THIS CASE MAY HAVE SOME OR ALL OF THE FOLLOWING DEFECTS WHICH MAY BE QUESTIONABLE WHEN READING. IN SPECIAL PROBLEM AREAS, THIS ROLL NOTE MAY BE REFILMED BEFORE THE DOCUMENT OR DOCUMENTS IN QUESTION.

1. PHOTOCOPY NOT CENTERED PROPERLY CUTTING OFF SOME OF THE INFORMATION.

2. DOCUMENTS ARE OF POOR QUALITY AND MAY NOT PHOTOGRAPH WELL.

3. DOCUMENTS DAMAGED OR TORN BEFORE ARRIVING FOR FILMING.

4. DOCUMENTS CONTAIN A DOUBLE-COPY IMAGE, THE UNDERLYING IMAGE IS IRRELEVENT TO THE READABLE INFORMATION.

5. DOCUMENTS WITH GLUED INSERTS WHICH WERE OR COULD NOT BE REMOVED, INFORMATION MAY OR MAY NOT BE UNDER THE INSERT.

6. OVERSIZED DOCUMENTS THAT COMPRISE TWO OR MORE FRAMES.

7. EXTREMELY DARK COLORED DOCUMENTS THAT LACK CONTRAST BETWEEN WRITING AND BACKGROUND.

8. THE NUMBERED PAGES OF THESE FILES MAY APPEAR TO BE MISSING, OR NUMBERED WRONG.

141-16
34.0

EXHIBIT

MAR 1 0 1987 NO. 2 3

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF MARCH 10, 1987 ITEM NUMBER 15

AGENCY: Department of Highways and Public Transportation

SUBJECT: Annexation of Department Property by Town of Cheraw

The Department of Highways and Public Transportation advises that it concurs in the annexation by the Town of Cheraw of its property (approximately 6.1 acres) which the Department uses primarily for storage (and maintenance) of equipment and materials.

The property is located adjacent to the southern corporate limits of the Town on Inglis Road opposite Dizzy Gillespie Drive. Code Section 5-3-140 provides that an annexation involving property owned entirely by the State may be done in response to a petition executed by the Board.

BOARD ACTION REQUESTED:

Agree to annexation of approximately 6.1 acres of Department of Highways and Public Transportation property by the Town of Cheraw and authorize the execution of a petition to that effect.

ATTACHMENTS:

Fulmer February 19 and 24 letters to McInnis plus attachments.

009816

FEB 2 6 1987

SOUTH CAROLINA
DEPARTMENT OF HIGHWAYS AND PUBLIC TRANSPORTATION
P.O. BOX 191
COLUMBIA, S.C. 29202

EXHIBIT

February 24, 1987

MAR 1 0 1987 NO. 23

STATE BUDGET & CONTROL BOARD

Mr. Bill McInnes
S. C. Budget & Control Board
612 Wade Hampton Office Building
P. O. Box 12444
Columbia, SC 29211

Dear Mr. McInnes:

As per your recent request, I attach maps of our property located in Cheraw. This is with reference to the petition for annexation that was recently submitted to your office.

Should you need further information, please let me know.

Yours very truly,

McRaney Fulmer
Director of Maintenance

7-1290

009817

SOUTH CAROLINA
DEPARTMENT OF HIGHWAYS AND PUBLIC TRANSPORTATION
P.O. BOX 191
COLUMBIA, S.C. 29202

RECEIVED
FEB 24 1987
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

February 19, 1987

EXHIBIT
MAR 10 1987 NO. 23
STATE BUDGET & CONTROL BOARD

Dr. Jesse A. Coles, Jr.
Executive Director
S. C. Budget & Control Board
P. O. Box 12444
Columbia, SC 29211

Dear Dr. Coles:

In accordance with Section 5-3-140 of the State Code the attached Annexation Petition is being forwarded to you for execution.

This is to advise that the Department of Highways and Public Transportation concurs with the annexation of this property to the Town of Cheraw.

Yours very truly,

Herman P. Snyder
State Highway Engineer

By: _____
McRaney Tulmer
Director of Maintenance

009818

EXHIBIT

Branch MAR 10 1987 NO. 23

STATE BUDGET & CONTROL BOARD

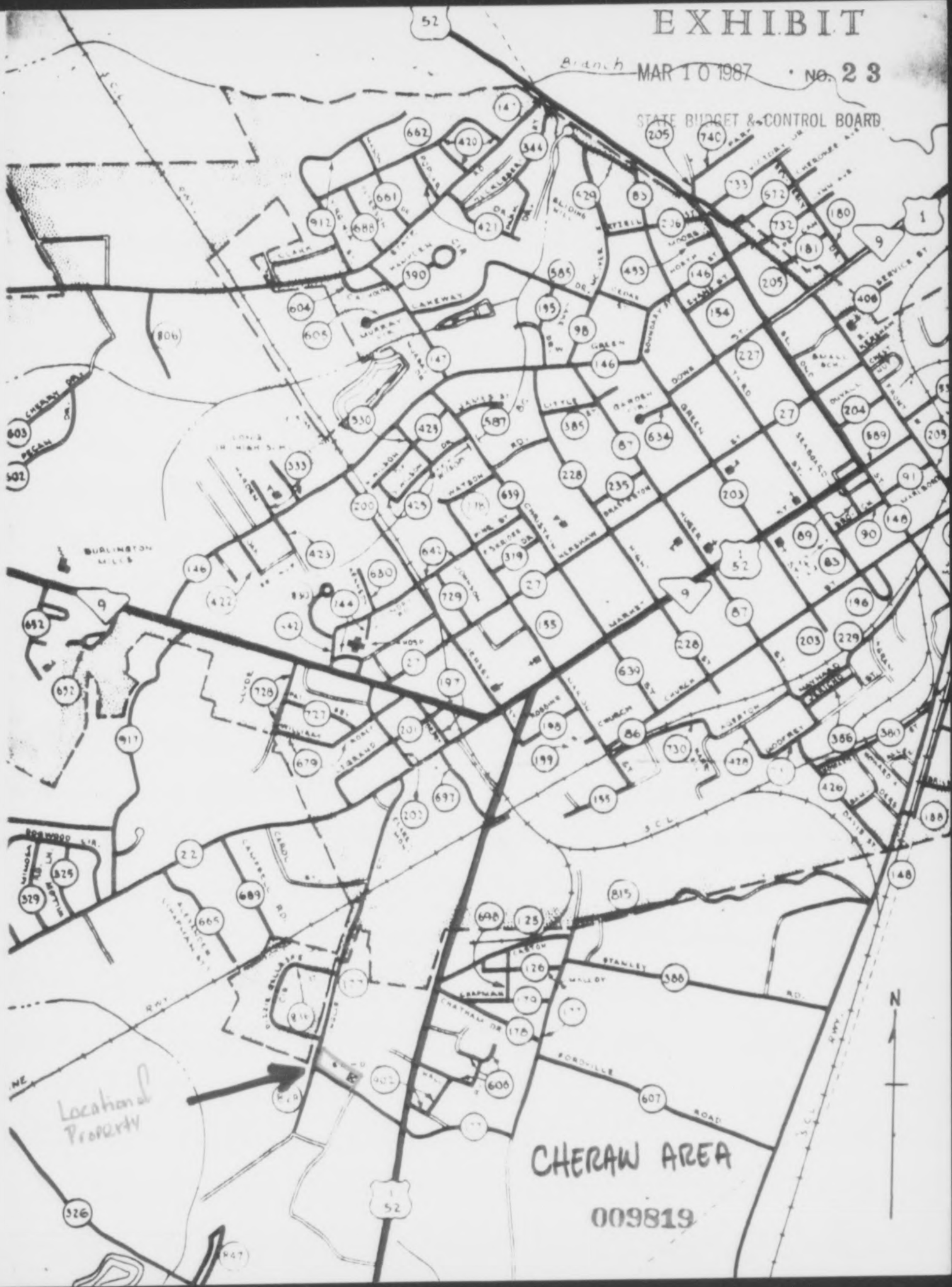

EXHIBIT
MAR 10 1987
NO. 23
STATE BUDGET & CONTROL BOARD
EVANS ROAD
EASTON ST
WILLOW ST
CHAPPAN ST
HAGAN DR
EVERGREEN
OAK ST
R-2
DRD 87.9
6.1 ACRES
CAMPBELL ROAD
009820

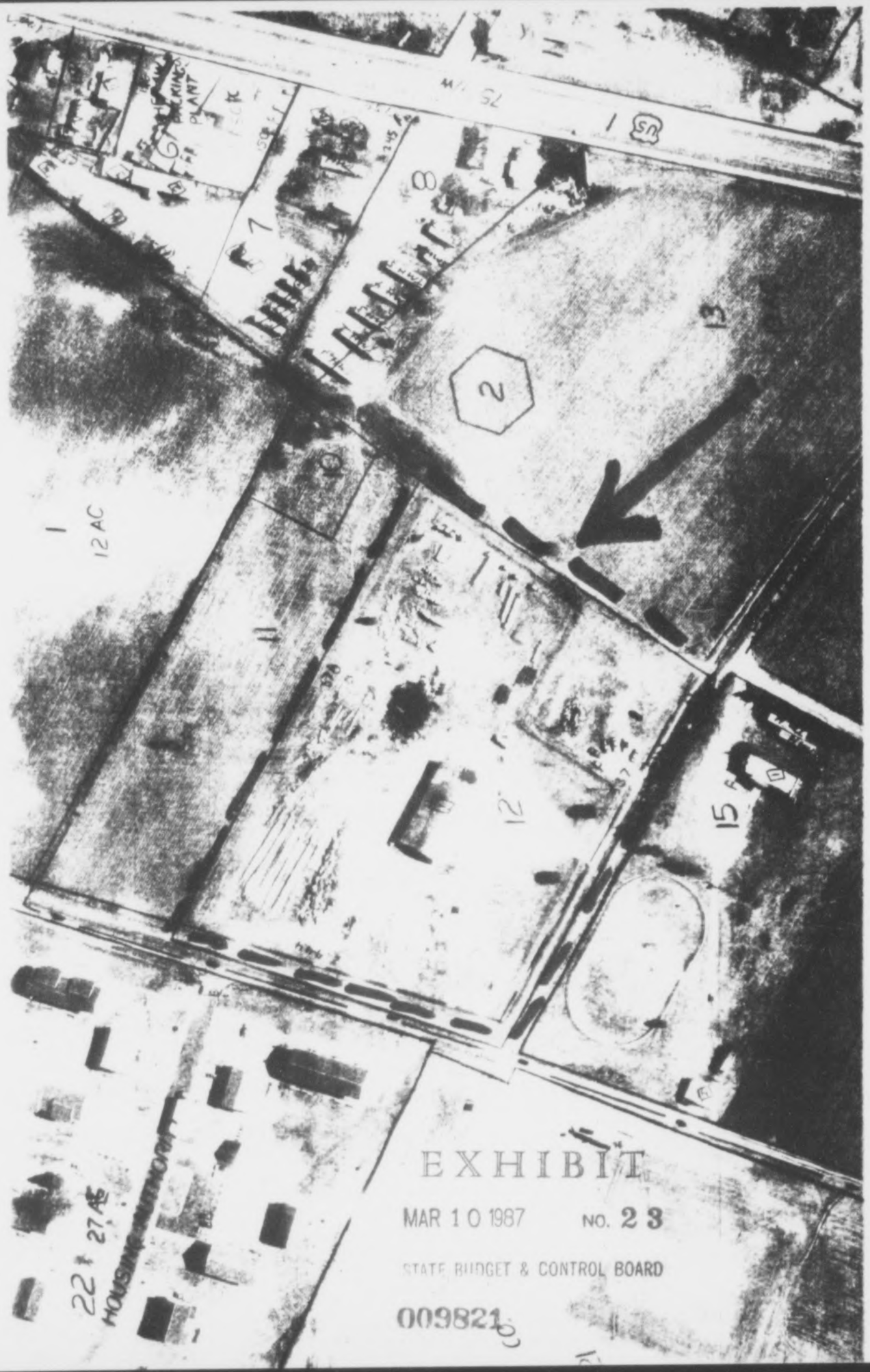
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EXHIBIT
MAR 10 1987 NO. 23
STATE BUDGET & CONTROL BOARD
009821

EXHIBIT

MAR 10 1987 NO. 23

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHESTERFIELD)

PETITION FOR ANNEXATION

TO: THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CHERAW
CHERAW, SOUTH CAROLINA

WHEREAS, Section 5-3-140 of the 1976 South Carolina Code of Laws, as amended, provides for annexation of a contiguous area or property upon petition by all of the freeholders thereof to the governing body of the adjoining Town or City, requesting annexation, and

WHEREAS, the undersigned is the sole freeholder of real property in the area hereinafter generally described and more particularly shown as Tax Map #259-15-2-12 in the office of the Tax Assessor for Chesterfield County, a copy of which is attached hereto and incorporated herein by reference and being an area contiguous to the southern corporate limits of the Town of Cheraw, to wit:

> All that certain piece, parcel or tract of land situate, lying and being in the southern suburbs of the Town of Cheraw, Chesterfield County, South Carolina, adjacent to the southern corporate limits of the Town, containing 6.1 acres, more or less, and being generally bounded now or formerly, as follows: On the North by property of Bertha O. Stanley; on the East by property of Edward P. and Nancy L. Zilonka; on the South by Highway S-13-177; and on the West by Inglis Road, all of which will more particularly appear by reference to a Tax Map #259-15-2-12 in the office of the Tax Assessor for Chesterfield County.
>
> This is the identical property conveyed to the South Carolina State Highway Department by Deed of Bertha O. Stanley, recorded on September 24, 1957, in Deed Book 137, at Page 129, in the office of the Clerk of Court for Chesterfield County. See also Plat Book 10, at Page 148, in the said Clerk's office.

NOW, THEREFORE, the undersigned freeholder of the said area specifically acknowledges that it has read the foregoing; that its name and the signature of its agent are being affixed hereto; that it has examined the map of the area attached and does hereby petition the governing body of the Town of Cheraw to enact an Ordinance under the provisions of the said Section 5-3-140 of the 1976 South Carolina Code of Laws, as amended, declaring the above described contiguous area annexed to the Town of Cheraw.

009822

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 10th day of March, 1987.

WITNESSES:

Warren Tompkins

Mark R. Elam

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD

BY: Carroll A. Campbell, Jr.
Carroll A. Campbell, Jr., Governor
Chairman

EXHIBIT

MAR 10 1987 NO. 23

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Mark Elam and made oath that he/she saw the within named SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD, by Carroll A. Campbell, Jr., Governor, its Chairman, sign, seal and as his act and deed deliver the within-written Petition for Annexation, and that he/she with Warren Tompkins witnessed the execution thereof.

Warren Tompkins

SWORN to before me this 10th
day of March, 1987.

Faye Adkins (L.S.)
Notary Public for South Carolina
My commission expires 3-21-95.

009823

EXHIBIT

MAR 10 1987 NO. 24

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 16

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

A. Budget and Control Board approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

On Summary 15-87:
Item 12: Agency: Mental Health
Project: 8518, CF Bldg 14-Convert to ICF-MR
Request: Increase budget to $700,000
Amount: Add $585,000
Source: Excess Debt Service
Purpose: Due to changes in DHEC licensing standards for this type facility, it has been determined that outside labor will have to be used instead of the Department's work force as originally planned.

On Summary 16-87:
Item 8: Agency: Adjutant General
Project: Columbia Armory Storage Building
Request: Establish project and budget
Amount: $267,000
Source: Federal funds
Purpose: To build a 21,000 square foot storage building for National Guard equipment utilizing 100% of Federal funds.

BOARD ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

Referenced summary extracts plus attachments.

009824

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
January 1, 1987 Through January 15, 1987

Item 12. Agency: J12 Mental Health Project: 8518, CF Bldg 14-Convert to ICF-MR

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 115,000.00 to $ 700,000.00

(Add $ 585,000.00 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	700,000.00
TOTAL FUNDS	700,000.00

Purpose: The renovation of this building was originally scheduled to be accomplished by the Department's work force. However, due to changes in DHEC licensing standards for this type facility, the extent of the renovation required has been increased, both the base cost and the time that would be required to accomplish the work. Therefore, it has been determined that the project should be done by using outside labor.

Ref: Supporting document pages 39-41.

009825

EXHIBIT
MAR 10 1987 NO. 24
STATE BUDGET & CONTROL BOARD

1-14-87

For Board Use Only
15-87 (12)
Packet Number

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

REVISION OF PROJECT BUDGET OR PROJECT SCOPE
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1986/87

1. PROJECT IDENTIFIERS:

A. Agency: Number J-12 Name Department of Mental Health
B. Contact person: C. Milford Hunter, Jr., P.E. Phone: 734-7760
C. Project Number: 8518 Name: CF Bldg. 14 - Convert to ICF-MR

2. PROJECT ACTION PROPOSED:

X Increase total project budget
___ Decrease total project budget
___ Change source of funds
___ Revise scope

3. WHAT IS THE REVISION PROPOSED?:

Increase the funding for project from $115,000.00 to $700,000.00.

EXHIBIT

MAR 10 1987 NO. 24

STATE BUDGET & CONTROL BOARD

4. JUSTIFICATION FOR REVISION (Why is it needed?):

The renovation of this building was originally scheduled to be accomplished by the Department of Mental Health work force. However, due to changes in DHEC licensing standards for this type facility, the extent of the renovation required has been increased, both the base cost and the time that would be required to accomplish the work. Therefore, it has been determined that the project should be done by using outside labor. Delay in completion is resulting in loss of revenues that coul be generated by having this type patient in a certified facility.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes ___ No X
If yes, complete and attach Addendum A-49

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: $ 700,000.00

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

(1) $ 50,000.00 Planning/design services
(2) ___ Site work (including utilities)
(3) ___ Central energy systems repair/replacement
(4) 40,000.00 Mechanical systems repair/replacement
(5) 570,000.00 General renovation/repair of floor space: (Gross sq. ft. 13,580)
(6) ___ Roof repair/replacement
(7) ___ Construction of additional floor space (Gross sq. ft. ___)
(8) 40,000.00 Equipment/supplies
(9) ___ Purchase of facilities: (Floor space, gross sq. ft. ___)
(Land, acres: ___)
(10) ___ Other (Specify) ___

$ 700,000.00 Total (Same as 6A)

009826

FORM A-23 PAGE 2

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $ 700,000.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$ 700,000.00
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other	$

7. **PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:**

A. Estimated expenditures and expenditure purposes, this FY 1986/87 $ 300,000.00
(expenditure purposes (use 6B categories): 5)
6,065.71 previously expended

B. Estimated expenditures after this FY $ 393,934.29

C. Total (Same as 6A, 6B and 6C) $ 700,000.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE –	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$	$	$			
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service Paying Patient Fee Account	115,000.00	+585,000.00	700,000.00	451602	45015500	4658
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$ 115,000.00	$585,000.00	$700,000.00			

EXHIBIT
MAR 10 1987 NO. 24
STATE BUDGET & CONTROL BOARD

9. **Submitted By:**

Authorized Official R. Brooks Galloway
Typed Name and Title and Signature
Deputy Commissioner, Administrative Svcs., SCDMH

Date Submitted 12/22/86
FY Submitted 1986/87

10. **APPROVED (For Board Use Only):**

Typed Name and Title and Signature

Date

40

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
January 16, 1987 Through January 31, 1987

Forwarded to JBRC 02/03/87

Item 8. Agency: E24 Adjutant General Project: 9379, Columbia Armory Storage Building

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Establish project.

Total budget	$ 267,000.00
[7] Federal	$ 267,000.00

Budget After Action Proposed

Source	Amount
Federal	267,000.00
TOTAL FUNDS	267,000.00

Purpose: To build a 21,000 square foot storage building for National Guard equipment utilizing 100% of Federal funds.

Ref: Supporting document pages 21-23.

008828

EXHIBIT
MAR 10 1987 NO. 24
STATE BUDGET & CONTROL BOARD

FEB 2 1987

2-2-87

For Board Use Only
16-87(8)
Packet Number

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR_____

1. PROJECT IDENTIFIERS:

A. Agency: Number E24 Name THE ADJUTANT GENERAL OF SOUTH CAROLINA

B. Contact Person LTC HARRY J. VANN Phone: 748-4304

C. Project Name: Columbia ARMORY STORAGE BUILDING #9379

D. Facility Affected: Name COLUMBIA ARMORY Number_____

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):

To build a 21,000 SF storage building for storage of National Guard equipment.

Site Description: (Attach a map showing project location)
Location: Richland (county) 40 (code) Columbia (city) 1225 Bluff Road (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):

Construction of a storage building.

EXHIBIT

MAR 10 1987 NO. 24

STATE BUDGET & CONTROL BOARD

(What specific needs does this project address?):

Lack of space to store National Guard equipment.

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

5. PRIORITY: This project is priority number 1 of 1 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
Yes____ No X If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:

A. Total estimated cost of project $ 267,000.00

B. Total estimated cost of project includes the following (1. through 10.=7A above)

(1) $_____ Planning/design services
(2) _____ Site work (including utilities)
(3) _____ Central energy systems repair/replacement
(4) _____ Mechanical systems repair/replacement
(5) _____ General renovation/repair of floor space (Gross sq. ft.:_____)
(6) _____ Roof repair/replacement
(7) 267,000.00 Construction of additional floor space: (Gross sq. ft.: 21,000 SF)
(8) _____ Equipment/supplies
(9) _____ Purchase of facilities: (Floor space, gross sq. ft._____)
(Land, acres:_____)
(10) _____ Other (Specify)_____

$ 267,000.00 Total (Same as 7 A)

009829

21

27

7. C. Total estimated cost of project by broad purpose: Total cost: $ 267,000.00
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$ 267,000.00	8. Other:	$

8. **PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:**

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 260,000.00
(Expenditure purposes (use 7B categories):

B. Estimated expenditures after this FY: $ 7,000.00

C. Total (Same as 7A, 7B and 7C): $ 267,000.00

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal	267,000.00	280/	78808102		900/	0750
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 267,000.00					

EXHIBIT
MAR 10 1987
NO. 24
STATE BUDGET & CONTROL BOARD

10. **Submitted By:**

Authorized Official: [signature] Date Submitted 30 Jan 87
Typed Name and Title and Signature
HARRY J. VANN, LTC, FAC MGMT. OFFICER FY Submitted 86-87

11. **APPROVED (For Board Use Only):**

Typed Name and Title and Signature Date

PROJECT NUMBER
PROJECT NAME: 009830

22

EXHIBIT

MAR 1 0 1987 NO. 2 5

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF March 10, 1987 ITEM NUMBER 17

AGENCY: Mental Health

SUBJECT: Moving Expense

In accord with Code Section 8-11-135, the Department of Mental Health requests authorization to pay not to exceed $5,000 as a reimbursement to Jack E. McCants, Ph.D., Weatherford, Oklahoma, for the costs incurred in moving personal and household effects from Weatherford, Oklahoma to Greenwood, South Carolina.

Dr. McCants has been recruited to fill the position of Executive Director of the Beckman Mental Health Center in Greenwood.

The Department certifies that the indicated amount is the total paid and to be paid by the agency toward the total moving costs incurred by Dr. McCants.

BOARD ACTION REQUESTED:

In accord with Code Section 8-11-135, approve the Department of Mental Retardation request to pay not to exceed $5,000 as a reimbursement to Jack E. McCants, Ph.D., who has been recruited to fill the position of Executive Director of the Beckman Mental Health Center, for the costs incurred in moving personal and household effects from Weatherford, Oklahoma to Greenwood.

ATTACHMENTS:

Harrill February 27 memo to McInnis; Taylor February 20 letter to Mayes

009831

MAR 4 1987

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202

Information (803) 734-7783

Joseph J. Bevilacqua, Ph.D. / State Commissioner
(803) 734-7780

EXHIBIT

MAR 10 1987 NO. 25

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

Willie G. Boulware
Rock Hill

Ernest E. Harrill
Greenville

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

MEMORANDUM STATE BUDGET & CONTROL BOARD

TO: William A. McInnis, Secretary
Budget and Control Board

FROM: Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

SUBJECT: New Employee Moving Expense Payment Approval Request

DATE: February 27, 1987

In accord with Code Section 8-11-135, this is a request for Budget and Control Board approval of the payment by this agency not to exceed $5,000 as a reimbursement to Jack E. McCants, Ph.D., Weatherford, Oklahoma, for the costs incurred in moving personal and household effects from Weatherford, Oklahoma to Greenwood, South Carolina.

Dr. McCants is being recruited to fill the position of Executive Director of the Beckman Mental Health Center in Greenwood. He has eight years of experience as an assistant center director for a rural Oklahoma mental health center which would be beneficial in working with the large rural area served by the Beckman Mental Health center. Dr. McCants was the only applicant with the vision, credentials, experience and energy which will be required in managing the large, rural Beckman catchment area. Because of the critical need to have this position filled, it is necessary for this agency to pay this reimbursement.

I certify that the indicated amount to be paid is the total paid and to be paid by this agency toward the moving cost incurred by this potential applicant.

JOSEPH J. BEVILACQUA, PH.D.
STATE COMMISSIONER OF MENTAL HEALTH

JJB:cmb

009832

EXHIBIT

MAR 10 1987 NO. 26

STATE BUDGET & CONTROL BOARD

State of South Carolina

Department of Agriculture

D. Leslie Tindal - Commissioner

Wade Hampton Office Building
P. O. Box 11280
Columbia, S. C. 29211

Telephone: (803) 734-2210

March 5, 1987

Dr. Jesse Coles, Director
State Budget and Control Board
Wade Hampton Office Building
Columbia, SC 29201

Dear Dr. Coles:

I am requesting permission to appear at the next Budget and Control Board meeting for the purpose of discussing budget reduction for the South Carolina Department of Agriculture.

Thank you for your attention to our agenda request.

With best regards,

Sincerely,

Les

D. LESLIE TINDAL

DLT:meb

009833

EXHIBIT

MAR 10 1987 NO. 27

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD — BLUE AGENDA

MEETING OF MARCH 10, 1987 — ITEM NUMBER 1

AGENCY: Health and Human Services Finance Commission

SUBJECT: Projected 1986-87 Medicaid Program Shortfall

In response to the Board's direction at its February 10, 1987, meeting when it recognized the necessity for a potential deficit of $24.1 million ($6.6 million State and $17.5 million federal), HHSFC has provided the first update on this situation. The following is a summary:

	January Estimate (in $ millions)	March 4 Estimate (in $ millions)
1. Projected 1986-87 expenditure	333.52	322.152
2. Available Medicaid funding	309.42	321.601
3. Projected shortfall	24.10	.551
4. (State portion)	6.60	.151
5. (Federal portion)	17.50	.400

Additional detail on the factors involved in this dramatic change is presented in the attachments.

BOARD ACTION REQUESTED:

Receive as information a report that the Health and Human Services Finance Commission 1986-87 Medicaid program shortfall is now estimated at $551,000 (about $150,000 State) rather than the prior estimate of $24.1 million (with about $6.6 million State).

ATTACHMENTS:

Caldwell March 4, 1987 letter to McInnis plus attachments.

009834

State of South Carolina

State Health And Human Services Finance Commission

William T. Putnam, Chairman

DISTRICT 1
Elise Davis McFarland, Ph. D.

DISTRICT 2
Edward C. Roberts

DISTRICT 3
T. Ree McCoy, Jr.

Dennis Caldwell, Executive Director

DISTRICT 4
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DISTRICT 6
James L. Pasley, Jr.

P. O. Box 8206, Columbia, South Carolina 29202-8206

March 4, 1987

EXHIBIT

MAR 10 1987 NO. 27

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Secretary
State Budget and Control Board
P.O. Box 12444
Columbia, SC 29211

Dear Mr. McInnis:

This constitutes the Finance Commission's update to the Budget and Control Board concerning the projected shortfall in the Medicaid program for FY 1986-87.

In January 1987, upon review and analysis of Medicaid expenditures through the 6 month period July-December '86, a projected expenditure estimate of $333.52 million was developed for the 12 month (FY 1986-87) period. Available Medicaid funding was identified at $309.42 million. Therefore, the difference between the projection of $333.5 and available funding of 309.4 identified a Medicaid funding shortfall of $24.1 million for FY 86-87 (approximately $6.6 million State).

A strategy was developed to deal with the shortfall and included actions and proposals to: (a) reduce projected expenditures by program reductions and (b) make additional funding available for the Medicaid program.

2. Update (Please refer to enclosure.)

A. Adjustments to Projected Expenditures:

There are three items that reduce projected expenditures. The first two are Medicaid program adjustments which includes eliminating the Medically Needy program. These two listed items are expected to realize $1.886 million State savings.

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STATE BUDGET & CONTROL BOARD

The third adjustment is due to the identification of a $2.23 million total ($.61 million State) overpayment to hospital during the first half of the year through December '86. Since that overpayment was also part of the projected expenditures for the last half of the year, the adjustment is doubled to $4.458 million total ($1.217 State).

Total adjustments to the January estimate of projected Medicaid expenditures for FY 86-87 are $11.368 million total ($3.103 million State) which results in a revised projected expenditure level of $322.152 million total ($87.948 million State and Other funds).

B. Items affecting Available Funds

There are five items which affect the Medicaid program available funding. The first is the transfer of $.400 million State from operating balances. The second item is the availability of $.596 million from earmarked funds. The third item is the availability of $.150 million through legislative action. Originally $.300 million was appropriated (carried forward) for a Medicaid alternate delivery system study. Half of that amount, $.150 million will be released by the legislature for use against the shortfall.

In February. the Finance Commission received an additional 0.8% reduction ($.717 million State). Finally, the availability of $2.896 which originated from Medicaid Federal Refunds is now available as earmarked funds and can be used to affect the projected shortfall.

The net total of items affecting available funds is $3.325 million (State and earmarked funding) which, when matched with Federal Medicaid funding, yields $12.178 million total.

The revised projected expenditures level for the FY 86-87 Medicaid program is $322.152 million total. The revised available funding is $321.601 million total. The revised shortfall is now $.551 million total which equates to $.151 million State or Other funding.

The Finance Commission will continue to review and analyze the Medicaid program expenditures monthly and provide updates to the Budget and Control Board.

Please advise me if there are any questions.

Sincerely,

Dennis Caldwell
Executive Director

EXHIBIT
MAR 10 1987 NO. 27
STATE BUDGET & CONTROL BOARD

DC:bst

Enclosure

009837

STATE HEALTH AND HUMAN SERVICES FINANCE COMMISSION
STRATEGY FOR MEDICAID SHORTFALL - FISCAL YEAR 1986-87
MARCH 4, 1987

($Millions)

	PLANNED STRATEGY		ACHIEVABLE		
	TOTAL	STATE/OTHER	TOTAL	STATE/OTHER	REMARKS
A. ITEMS AFFECTING PROJECTED EXPENDITURES					
ADMINISTRATIVE ACTIONS					
PROGRAM REDUCTIONS	4.180	1.141	3.910	1.067	(1) REDUCED ESTIMATE OF ACHIEVABLE PROGRAM REDUCTIONS.
MEDICALLY NEEDY	3.000	0.820	3.000	0.819	
ANNUALIZED ADJUSTMENT FOR OVERPAYMENT TO HOSPITALS FROM OCT - DEC 1986 OF $2,229,384			4.458	1.217	(2) ANNUALIZED $2.229 MILLION OVERPAYMENT TO $4.458 MILLION AND REDUCED PROJECTED EXPENDITURES ACCORDINGLY.
TOTAL ITEMS AFFECTING PROJECTED EXPENDITURES	7.180	1.961	11.368	3.103	
B. ITEMS AFFECTING AVAILABLE FUNDS					
ADMINISTRATIVE ACTIONS					
OPERATING FUNDS TRANSFER	1.465	0.400	1.465	0.400	
EARMARKED (DMR CARRY-FORWARD)			2.184	0.596	(3) ADDITIONAL FUNDING IDENTIFIED IN EARMARKED SUBFUND.
LEGISLATIVE ACTIONS					
NURSING HOMES LAWSUIT FUNDS	2.861	0.781	0.000	0.000	(4) LEGAL RESTRICTIONS PRECLUDE USE.
ALTERNATIVE DELIVERY SYSTEM	0.549	0.150	0.549	0.150	
BUDGET & CONTROL BOARD ACTIONS					
RELIEF FROM CUTS	1.465	0.400	0.000	0.000	(5) NO RELIEF FROM PREVIOUS CUTS.
ADDITIONAL CUT			(2.628)	(0.717)	(6) ADDITIONAL 0.8% CUT IMPOSED BY THE B&CB IN FEBRUARY 1987.
MEDICAID FEDERAL REFUND	10.608	2.896	10.608	2.896	
TOTAL ITEMS AFFECTING AVAILABLE FUNDS	16.948	4.627	12.178	3.325	
TOTAL PLANNED/ACHIEVABLE STRATEGY (I & II)	24.128	6.588	23.546	6.428	
C. CALCULATION OF REVISED SHORTFALL					
JANUARY 1987 PROJECTED EXPENDITURES			333.520	91.051	
LESS: Total Items Affecting Projected Expenditures (A above)			11.368	3.103	
TOTAL REVISED PROJECTED EXPENDITURES			322.152	87.948	
JANUARY 1987 AVAILABLE FUNDS			309.423	84.472	
PLUS: Total Items Affecting Available Funding (B above)			12.178	3.325	
TOTAL REVISED AVAILABLE FUNDS			321.601	87.797	
REVISED SHORTFALL			0.551	0.151	

009838

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