

BOARD OF DIRECTORS

Vincent G. Graham
Chairman

Paul C. Aughtry, III

Ernest Duncan

Senator Hugh K. Leatherman, Sr.

Representative Chip Limehouse

Mike Wooten

Joe E. Taylor, Jr.

**South Carolina
Transportation Infrastructure Bank**



955 Park Street
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Columbia, SC 29201
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Board Meeting

955 Park Street
SCTIB Conference Room
Room 120 B
Columbia, SC 29201

Call-in Meeting
July 26, 2016
11:00 a.m.

Agenda

- I. Call to Order Chairman Graham

- II. Discussion of December 15, 2015 Resolution on Mark Clark Extension Project and Proposed Extension of Period in Section 4 Thereof

- III. Other Business

- IV. Adjourn

MINUTES

South Carolina Transportation Infrastructure Board Meeting

SCDOT Headquarters Building
Room 120B
955 Park Street
Columbia, SC 29201
Call-in Meeting

July 26, 2016
11:00 a.m.

NOTE: Notification of the time, date, place and agenda of this meeting has been posted and sent, in accordance with the provisions of the South Carolina Freedom of Information Act, to all persons or organizations, local news media, and other news media which requested notification of the time, date, place and agenda of this meeting. Efforts to notify the requesting person or entity include, but are not limited to, the transmissions of notice by U. S. Mail or facsimile.

Present by Phone: Vince Graham, Chairman, Presiding
Paul "Bo" Aughtry, III
Representative Chip Limehouse
Joe E. Taylor, Jr.
James "Mike" Wooten
Ernest Duncan

Excused: Senator Hugh Leatherman

Others attending: Tami Reed, representing the Bank; Jim Holly, Bank Counsel and Secretary; representatives of the South Carolina Department of Transportation; representatives of Charleston County, including Chairman Elliott Summey; and representatives of the media and members of the public.

The meeting was called to order by Chairman Graham.

Chairman Graham explained that the only item on the agenda was the consideration of whether to extend the sixty day time period in Section 4 of the Resolution adopted by the Board on December 15, 2015, concerning the Mark Clark Extension Project.

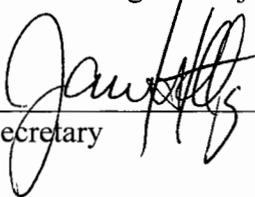
Prior to the discussion of the item on the agenda, there was discussion by Representative Limehouse on whether any member of the Board was interested in making a motion to reconsider the Resolution adopted by the Board on May 26, 2016, concerning the Mark

Clark Extension Project. In response to questions from Mr. Wooten, the Bank Counsel stated that, noting that he had not had any opportunity to review the matter, he thought it may be possible that a Board member who voted on the prevailing side of the adoption of the Resolution on May 26, 2016, might be able to move for reconsideration at the next regular meeting of the Board after the May 26 meeting. He also stated that it may be possible instead to amend the Resolution. Mr. Taylor requested that Bank Counsel research and review the issue of reconsideration prior to the next Board meeting in order to give the Board advice on the matter.

Mr. Taylor made the following motion which was seconded by Mr. Aughtry: Based on the request by the Chairman and Bank Counsel for additional time to complete the discussions among the Bank, Charleston County and SCDOT, I move that the period in of time in Section 4 of the Resolution adopted by the Board on December 15, 2015, concerning the Mark Clark Extension Project, be amended from a period of sixty days to a period ending September 12, 2016, and that this amendment be effective July 25, 2016. All members present voted in favor of the motion, except Representative Limehouse voted in opposition.

Upon the Chairman advising the Board that the next meeting of the Board was scheduled for September 13, 2016, Mr. Wooten moved to amend the date of the end of the time period in the motion just adopted to coincide with the next meeting date of the Board, which has been tentatively set for September 13, 2016. Representative Limehouse seconded the motion. The amending motion passed by the unanimous vote of the members present.

The meeting was adjourned by unanimous consent.


Secretary

SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK
BOARD OF DIRECTORS
RESOLUTION
ON
CHARLESTON COUNTY MARK CLARK EXTENSION PROJECT

WHEREAS, on June 30, 2006, the Board of Directors of the South Carolina Transportation Infrastructure Bank (the Bank) approved initial financial assistance for the Charleston County Mark Clark Expressway Extension/Interstate 526 Project which then had an estimated total project cost of \$420 million (the Project);

WHEREAS, on August 1, 2006 and March 5, 2008, the Joint Bond Review Committee of the General Assembly approved the aforementioned financial assistance from the Bank for the Project not to exceed a total of \$420 million; and

WHEREAS, Charleston County, the South Carolina Department of Transportation (SCDOT) and the Bank entered into an Intergovernmental Agreement (the IGA) on the Project dated as of June 8, 2007, with total project costs not to exceed \$420 and with Charleston County having an obligation to obtain or provide additional funding to complete the original scope of the Project if the available funding of \$420 million was insufficient for that purpose;

WHEREAS, the IGA and Charleston County's application for financial assistance defined the original scope of the Project as extending the Mark Clark Expressway/Interstate 526 from U.S. Highway 17 (Savannah Highway) across John's Island to SC Highway 171 (Folly Road) on James Island at a total cost not to exceed \$420 million;

WHEREAS, since 2007, the County and SCDOT have been engaged, among other things, in work on preliminary design, redesign and environmental studies and analysis for the Project and in conferring with the Federal Highway Administration on the Project, and the Bank has reimbursed or paid SCDOT approximately \$26 million for such activities and costs, including approximately \$16.5 million in right-of-way acquisition costs and \$9.25 million in engineering fees and costs;

WHEREAS, since 2007, Charleston County and/or SCDOT have determined or have proposed, among other things, that the Project should be changed from an interstate project to a parkway project, and SCDOT determined twice that the total estimated costs of the parkway project have increased substantially with the most recent estimate being approximately \$725 million to \$773 million;

WHEREAS, the IGA requires that all material changes to the Project are subject to the approval of the Bank Board, a number of material changes to the Project have occurred or been proposed, and the Bank Board has not approved those changes; and

WHEREAS, the completion of the original full scope of the Project and the implementation of all of the public benefits from the completion of the Project was the essential purpose of the Bank's decision to commit \$420 million in financial assistance to the Project, and without Charleston County obtaining or providing funds to cover the aforementioned shortfall of \$305 to \$353 million, it will be impossible to complete the original full scope of the Project and implement all of those public benefits.

NOW, THEREFORE, the Board of the Bank hereby resolves that:

Section 1. The Board will reserve the balance of the \$420 million in financial assistance for the Project subject to the following conditions being met by Charleston County: (a) on or before March 30, 2016, the Charleston County Council adopts a binding resolution in which it sets forth the County's plan to fund, or secure funding for, the aforementioned shortfall for the Project from specified, dedicated revenue sources (other than the Bank) which plan is subject to review and approval by the Bank Board; (b) on or before April 30, 2016, Charleston County approves by a binding resolution or ordinance a new or amended Intergovernmental Agreement among the County, SCDOT and the Bank and any other related instruments requested by the Bank, all in a form and with contents the Bank determines are needed to implement the foregoing actions and protect the interests of the Bank; (c) before December 16, 2016, the

Charleston County Council adopts and implements a legally enforceable ordinance acceptable to the Bank Board putting the aforementioned plan into effect and making those funds available for the Project on a schedule acceptable to the Bank Board.

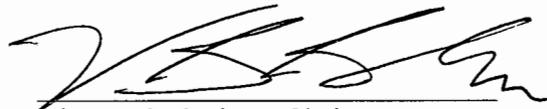
Section 2. All of the foregoing is subject to the Joint Bond Review Committee of the General Assembly (JBRC) granting the approvals required by the South Carolina Transportation Infrastructure Bank Act, if any, that are necessary to implement the foregoing actions.

Section 3. Until the Charleston County meets all of the foregoing conditions, the Bank in its discretion may delay or mitigate further expenditures of funds on the Project.

Section 4. If Charleston County fails to meet any of the foregoing conditions by the dates specified above and the Chairman of the Bank Board declares the same in writing, Charleston County, SCDOT and the Bank shall, within sixty (60) days of the date that the Chairman issues such declaration, develop, approve, and implement a plan to end the Project in a manner that allows the Bank the option to direct the sale of the rights-of-way or other property interests acquired for the Project and retain the proceeds of those sales, allows SCDOT and the Bank to apply any acquired environmental mitigation credits to other important transportation projects as determined by SCDOT and the Bank, and takes into account the funds spent by Charleston County on improving state highways. In the event such a plan is not approved and implemented by those three parties within that sixty (60) day period, the Bank shall implement the plan it determines is appropriate to end its participation in the Project. In either event, the aforementioned reserved financial assistance will be released to be used on other projects approved by the Bank and JBRC.

Section 5. The Chairman is hereby authorized, upon the advice of legal counsel for the Bank, to sign any documents and undertake any measures necessary to implement the foregoing actions.

Adopted December 15, 2015.



Vincent G. Graham, Chairman

ATTEST: 

James M. Holly, Secretary