

MINUTES
**South Carolina Transportation Infrastructure
Bank Board Audio Special Meeting**
955 Park Street - Room 120B
Columbia, SC 29201
April 2, 2020
1:00 p.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 that 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 the U.S. Mail, electronic mail, or facsimile.

Present

By Phone: John B. White, Jr., Chairman, Presiding
Ernest L. Duncan, Vice Chairman
Senator Hugh K. Leatherman, Sr.
H.B. "Chip Limehouse, III
Representative J. Gary Simrill
David B. Shehan
Tony Cox

Others present: Tami Reed, for the Bank; Rob Tyson, Board Secretary and Bank Counsel; Jim Holly, Bank Counsel; Hope Scarpinato, Financial Advisor; Bill Youngblood and Rion Foley, Bank Bond Counsel; Kevin Kibler and Robert McDonald, State Treasurer's Office; and representatives of SCDOT.

The meeting was called to order by Chairman White at 1:04 p.m.

Opening Remarks:

Chairman White welcomed everyone to the audio meeting. He asked for a moment of silence for the sick and bereaved. The Chairman welcomed Tony Cox new board member and Chairman of the SCDOT Commission. Mr. Tyson declared a quorum was present.

Consideration of Minutes:

Minutes for August 20, 2019. Chairman White asked for a motion to approve; Senator Leatherman made the motion and Mr. Shehan seconded the motion. A voice vote was requested. The motion passed unanimously.

Administrative Items:

Fiscal Sufficiency Resolution and Action. Mr. Youngblood provided background for the resolution. He stated that the Bank can meet its financial obligations. Mr. Shehan made a motion to move to approve. Senator Leatherman seconded the motion. The motion passed unanimously.

Debt Service Budget Resolution and Action. Mr. Youngblood provided background on the resolution. Senator Leatherman asked what the ratio is. Mr. Youngblood replied the ratio is 1.35 x Revenues to meet debt service. Senator Leatherman asked if 1.35 is adequate and a good rating. Ms. Hope Scarpinato from PFM replied that 1.35 is required and is a good ratio. PFM is going through some economic analyses and would provide the Board with an executive summary upon completion of its analysis. Senator Leatherman asked when Ms. Scarpinato would have the revised analysis. Chairman White stated that he would take that up in new business. Mr. Shehan made a motion to approve the Fiscal Sufficiency Resolution; Senator Leatherman seconded the motion. The motion passed unanimously.

SCTIB 2004A GO (General Obligation) Bond Refunding Resolution from the State Treasurer's Office.

Mr. Youngblood stated the resolution was requested by the State Treasurer's Office. These bonds were issued by the State of South Carolina. He gave background stating these were state bonds issued in 2001 that dated back to the Cooper River Bridge project in which the Bank entered into several Intergovernmental Agreements. In 2004 the Bank requested the Budget and Control Board (predecessor to the State Fiscal Accountability Authority) to issue \$60,000,000 in General Obligations Bonds. By 2012 the interest rate environment was different and in order to achieve interest cost savings the Bank issued \$28,000,000 in refunding bonds to defease part of the 2004 bonds. The current interest rate is lower and in the best interest of the State the Bank has asked to refund \$11,000,000, which would pay a part of the remaining of the 2004 bonds. Chairman White called for a motion to approve. Mr. Shehan made a motion to approve the SCTIB 2004A GO Bond Refunding Resolution; Senator Leatherman seconded the motion. The motion passed unanimously.

New Business:

Chairman White stated new business and old business would be combined. He thanked the staff for working diligently to get ready for the Evaluation Committee Meeting that had been postponed. The Evaluation Committee will have a meeting followed by a Board Meeting as soon as practical given the constraints of the COVID-19 pandemic.

Chairman White stated he spoke with David Miller of PFM in early March concerning the economic day to day business. State revenues are down because of the decrease in gas tax, truck fees and registration fees. Chairman White stated that he wanted to protect the bond rating and he is looking for ways to save money without jeopardizing the solvency of the Bank.

The Chairman will meet with David Miller of PFM and report back to the Board. Senator Leatherman applauded Chairman White for taking action.

Mr. Limehouse asked Ms. Scarpinato if she could give a snapshot of what may happen. Ms. Scarpinato replied she was not in a position to make such a prediction. Mr. Limehouse then asked the State Treasurer's Office if they had an idea of the impact COVID-19 would have on the state of South Carolina. Mr. Kevin Kibler of the State Treasurer's Office stated that he could not give ranges or forecasts.

Senator Leatherman stated a state budget couldn't be passed before August because numbers have to be crunched for the income tax to determine the actual revenues of the state. Senator Leatherman estimated it will be September before he will have a definitive number on state revenues.

Senator Leatherman stated capacity needs to be added to the interstates and asked could the Bank be involved and how much. Chairman White stated that he is looking at interstate funding. He stated he has a good relationship with the Secretary of Transportation and would schedule a meeting with Ms. Hall and David Miller.

Motion to Adjourn:

Chairman White called for a motion to adjourn. Mr. Duncan made the motion and Senator Leatherman seconded. The motion carried unanimously. The meeting adjourned at 1:55 p.m.



Board Secretary