

**South Carolina  
Transportation Infrastructure Bank**

**Evaluation Committee Members:**

**John B. White, Jr., *Chairman***

**Ernest Duncan**

**H.B. "Chip" Limehouse, III**

**Joe E. Taylor, Jr.**

**Brian Keys, SCDOT Representative**



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**SOUTH CAROLINA  
TRANSPORTATION INFRASTRUCTURE BANK BOARD  
Evaluation Committee Meeting**

Governor's Office Conference Room,  
1200 Senate Street, Wade Hampton Building  
Columbia, S.C.

June 5, 2018  
1:00 p.m.

**AGENDA**

- |                                                     |                                                           |
|-----------------------------------------------------|-----------------------------------------------------------|
| I. Introductions                                    | Chairman John B. White, Jr.                               |
| II. Approval of September 14, 2017 Minutes          |                                                           |
| III. Jasper/Hardeeville Agreement Extension Request |                                                           |
| IV. Proposed Evaluation Process                     | Chairman John B. White, Jr.<br>Ron Patton, P.E., STV Inc. |
| V. Status of Pending Applications                   | Chairman John B. White, Jr.                               |
| VI. Adjourn                                         |                                                           |

## MINUTES

South Carolina Transportation Infrastructure Bank Board  
Project Evaluation Committee Meeting  
Governor's Conference Room  
First Floor  
Wade Hampton Office Building  
1200 Senate Street  
Columbia, SC 29201

June 5, 2018  
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 what 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: John B. White, Chairman Presiding  
Ernest Duncan, by telephone  
Brian Keys, SCDOT Representative  
H.B. "Chip" Limehouse  
Joe E. Taylor, Jr.

Others present: Tami Reed, Chief Financial Officer of Bank Operations; Mr. Ron Patton and representatives of the applicants; Bank Counsel Jim Holly; Assistant Counsel Rob Tyson; and representatives of SCDOT.

The meeting was called to order by Chairman White who at 1:03 p.m. Chairman White stated that Mr. Ernest Duncan was present via telephone and that Mr. Limehouse wasn't present yet but he was going to start the meeting.

Chairman White stated the first item on the agenda is approval of the minutes for the meeting on September 14, 2017. Mr. Keys made a motion to approve and Mr. Taylor seconded the motion. Chairman White asked for discussion; there was no discussion. All committee members noted in favor of the motion.

Chairman White stated the second item on the agenda is the Exit 3/195 Project. He stated that the project was approved in 2012 and the Intergovernmental Agreement (IGA) about a year later. Jasper County and the City of Hardeeville, the project sponsors, executed other project contracts in 2015. The issue at hand is the request that the Bank extend the provisions of the IGA beyond December 31, 2017, so that

would allow the funding to proceed. Chairman White stated that he understands that the request comes with community support and political support. He stated that no decisions would be made today and that a Bank Board meeting will be held on June 26, 2018 and action may be taken then.

Chairman White stated that the legislature has enacted Acts 275 and 40, repealed Act 98. With the cooperation of Secretary Hall, who is here, and what he considered to be kind of his right hand in regards to what we do and her Committee representative, Mr. Keys. He introduced the board, SCTIB employees and Bank counsel.

Mr. Harry Williams, Mayor of Hardeeville. Mr. Williams stated that he was there to simply ask for an extension of the \$3.9 million grant that was approved in 2012. He stated that there are people present to answer any questions from technical to economic and marketing. He stated that he did not have a presentation because of the amount of correspondence between Hardeeville and the Bank in the past twelve months.

Chairman White asked Mr. Williams who the consultant for the project was in 2015; Lamar Mercer from the Thomas & Hutton Engineering Company answered that the Michael Baker firm was the consultant. Chairman White asked if anyone from Michael Baker was present. Mr. Mercer stated no, sir. Chairman White then asked if Michael Baker was still the consultant; Mr. Mercer answered yes. The Chairman White then asked if Michael Baker was the consultant for the Corps of Engineers; Mr. Mercer answered yes.

Chairman White asked why Michael Baker did not have a representative present. Mr. Mercer stated that his firm has been involved with the project since it was brought forward in 2008 and was in partnership with the developer and he would try to answer any questions that the board might have.

Mr. Limehouse entered at 1:18 p.m.

Chairman White stated that he needed to ask Michael Baker to ask if the extension was granted for three to four more years if they would be successful in regards as to what they were trying to do. Mr. Mercer stated that he believes that they will be successful. Mr. White stated who could give assurances rather than a letter in regards to how to move forward; Mr. Mercer stated that he did not know what could actually be guaranteed. Mr. Mercer stated he is confident based on traffic analysis that the interchange will be justified.

Chairman White asked who is the representative from Michael Baker. An unidentified male stated that Gordon Murphy is the person that the City has dealt with and he is located in Columbia. Mr. White asked if he could come to the meeting. Mr. Mercer deferred to the City of Hardeeville and Jasper County.

Mr. David Tedder, Esquire for Jasper County stated that he could get information from Michael Baker in time for the next meeting. Chairman White stated his personal concern was there would be a conflict of interest because Michael Baker as the consultant for this project and also for the Corps of Engineers. Chairman White asked if that was the

reason why Michael Baker did not have a representative present. Mr. Tedder stated that Michael Baker was not present because the scope of the inquiry would be on the merits of why an extension was needed.

Chairman White stated he could not understand how Michael Baker could represent both sides. The County/City is asking for an extension because they are in a Catch 22 situation and without the funds they cannot get approval from Federal Highway Administration. The Bank is also in a Catch-22 because as a fiduciary on a state board to put another \$2 million more into something that may not come to fruition.

Chairman White stated that he would like a letter from Michael Baker that explains the direct lines of reporting and responsibility between the City and/or County and the Corps of Engineers. Chairman White stated that he would like a letter from Michael Baker stating that they think the project can be accomplished. Michael Czymbor the City Manager for Hardeeville stated they would gladly provide the information requested as well as have Mr. Gordon present for the next meeting. Chairman White stated that he did not need to be present at the next meeting but he will need the consultant available by phone.

A break was taken from 2:03 p.m. until 2:12 p.m.

Chairman White called the meeting back to order at 2:12 p.m. The next item on the agenda was revisions to the project evaluation process. Last year five applications were submitted that met an eligibility requirement. As a result of the lawsuits on Acts 275 and 40 and SCDOT's need to fund the completion of Act 98 projects pending applications were put on hold

Chairman White stated that he would like action taken to take the freeze off in regards to the evaluation process and move forward. To ensure that the SCTIB meets the legislative intent in terms of what they want the Bank to do on project evaluations and prioritizations a consulting contract was entered into with Mr. Ron Patton (with the SCDOT's consent). Mr. Patton is going to suggest a revised evaluation process that will be reviewed and recommended to the Board today if possible.

Mr. Taylor wanted to verify that Bank criteria was being discussed not state criteria. Chairman White stated that it was Bank criteria. Mr. Taylor stated projects funded prior to the recent acts were grandfathered. Mr. Holly stated that new additional criteria would not apply to any projects previously approved or approved for funding. He stated that anything new approved for funding would be subject to whatever the Bank Board determines.

Mr. Patton went through the definition and purpose of the SCTIB, financing agreements, government units, qualified borrowers, and a qualified project. Mr. Patton also stated that SCDOT can approve or reject a decision on a new project made by the Bank Board. Chairman White stated that after the SCDOT approves a project then it is presented to the Joint Bond Review Committee.

Mr. Taylor stated that that he would like to see the Bank apply the new revised criteria to all pending applications regardless of when they were received. Mr. Limehouse asked if they were discussing applications and not projects. Mr. Taylor replied yes.

Mr. Taylor stated that applications that came in before Act 275 was passed that were never put before the Evaluation Committee need to be addressed and state that they are subject to Act 275.

Mr. Patton continued his presentation. He stated that the Bank could not provide funding for a project under \$25 million. Mr. Taylor asked for clarification of a project. Mr. Holly stated that the Guidelines adopted say there has to be one project and projects could not be bundled to meet requirements.

Mr. Patton stated that Act 40 of 2017 basically repealed Act 98 of 2013 as it relates to certain money coming to the Bank. SCDOT is now handling Act 40 money. Secretary Christy Hall stated with the exception of the remaining \$50 million dollars from Act 98 transfers to the Bank is cash on hand. Chairman White asked Secretary Hall if she will sign the agreement that states the Bank does not have any further responsibility for the funding the Act 98 projects; Secretary Hall replied yes.

Mr. Patton continued with his presentation showing a slide of eight criteria that were adopted by the General Assembly in 2007 for SCDOT projects. He stated that it was not necessary to put a percentage value by each criteria but it had to be considered because it is part of the Act 275. Mr. Taylor asked if that was statutory and Mr. Patton replied yes. Mr. Patton continued on with his presentation describing the different criteria. When economic development was mentioned Chairman White stopped him. He stated that he would like to develop more structure because economic development has a lot of moving parts to it. Mr. Taylor replied it is over-defined; that it used to define everything. He stated that he believed transportation should be the number one factor. Mr. Limehouse stated that he did not feel like the Bank had the same relationship with the Department of Commerce as SCDOT does. He stated that the Bank needs that relationship so the agencies can work in concert together.

Secretary Hall stated that SCDOT has struggled on how to define economic development too. She stated that recently the SCDOT has received some information from the Department of Commerce to help them. A key piece is job announcements and where they are so the SCDOT can see the clusters across the state and where development is currently happening as well as future acreage for development.

Chairman White stated that he wanted to put something down in stone for the Bank. Mr. Taylor agreed that it was needed.

Mr. Keys stated that the SCDOT does not have a process for prioritization of primary routes, being SC routes and US routes; there is not a dedicated funding source for those. He stated the MPOs and COGs have supplied those. He discussed intersection widenings and Mr. Taylor stated that very few interchange projects are going to meet the \$25 million threshold.

Chairman White stated that Bank staff and consultants should be more available for guidance in regards to applications because a lot of applicants do not understand the data they need. Mr. Limehouse asked to whom they would be speaking with; Chairman White indicated Mr. Patton and Ms. Reed. He proposed that after speaking with Mr. Patton or Ms. Reed and an application is received that it is put into what he calls the Administrative Eligibility Process. The committee would be Mr. Keys, Ms. Reed, Mr. Patton and Chairman White. Mr. Limehouse stated that he would need time to think about this as Chairman White would be the only member of the board on the committee. Mr. Holly interjected that the current Bank Guidelines adopted state that if a project is found ineligible by the Committee, the applicant can take that decision up to the Board. Mr. Limehouse stated that if he is on the Board then he wants to make decisions for the Board. Chairman White stated that should that occur the Evaluation Committee and Board would be told it happened. Mr. Limehouse respectfully disagreed because he stated that the staff was not elected nor appointed.

Chairman White stated that he would show the Committee a list of every application that the SCTIB has received. Mr. Limehouse stated that the meeting has been very productive.

Mr. Patton stated that a process was needed so Board members could not come in with a personal agenda and change it. Mr. Taylor and Mr. Limehouse thanked Mr. Patton.

Mr. Keys introduced Brent Rewis, Director of Planning at SCDOT. Mr. Keys stated that he thought a lot of information should be vetted through Mr. Rewis's shop for consistency and asset management plan.

Mr. Taylor made a motion for the Evaluation Committee to recommend the evaluation revisions presented to the Committee by Mr. Patton to the full Board. Mr. Limehouse seconded the motion. Chairman White called for a vote. All were in favor.

Chairman White asked that they look in their packets for a list of all applications. He asked for a motion that the Committee recommend to the Board to end the freeze on pending applications. Mr. Limehouse made that motion, and Mr. Duncan seconded the motion. Mr. Taylor requested discussion before the vote. Mr. Taylor thought the bonding capacity should be posted when applications were invited so projects for more than the bonding capacity would not be submitted. Mr. Limehouse amended his motion to include the posting of the bond capacity; Mr. Duncan made the second motion. All voted in favor of the amended motion.

Chairman White asked for old or new business. Mr. Limehouse asked if there was a specific number for the match when projects were evaluated. Chairman White stated no.

Mr. Taylor stated that the Bank was not accepting in-kind matches anymore.

Chairman White thanked everyone for being there and Mr. Duncan via phone. Mr. Taylor thanked Chairman White and stated that this meeting was one of the most productive planning meetings that the SCTIB has ever had. Mr. Limehouse echoed that

comment. Mr. Taylor moved to adjourn, Mr. Limehouse seconded the motion. All were in favor. The meeting concluded at 3:45 p.m.