

BOARD OF DIRECTORS

John B. White, Jr., *Chairman*

Ernest Duncan

Senator Hugh K. Leatherman, Sr.

H.B. "Chip" Limehouse, III

Representative J. Gary Simrill

Joe E. Taylor, Jr.

Woodrow "Woody" W. Willard, Jr.

**South Carolina
Transportation Infrastructure Bank**



955 Park Street
Room 120 B
Columbia, SC 29201
P: (803) 737-2875
Fax: (803) 737-2014

SCTIB Board Meeting

Edgar Brown Building – Room 252

1205 Pendleton Street

Columbia, SC 29201

July 20, 2017

1:30 pm

- | | | |
|-------|---|-----------------------------|
| I. | Call to Order | Chairman John B. White, Jr. |
| II. | Consideration of Minutes of December 14, 2016 and July 11, 2017 | |
| III. | Opening Remarks | Chairman John B. White, Jr. |
| IV. | Committee and Working Group Reports | |
| | A. Strategic Plan Committee | Joe Taylor |
| | B. Project Evaluation Committee | Chairman John B. White, Jr. |
| V. | Administrative Items | |
| | A. Series 2017A Refunding Update | Bill Youngblood |
| | B. Act 275/Act 40 Brief Overview | Jim Holly |
| | C. Appointment of Officers | Chairman John B. White, Jr. |
| | 1. Vice Chairman (Ernest Duncan/Ratification) | |
| | 2. Secretary (Jim Holly/Confirmation) | |
| VI. | Executive Session (if necessary) | Chairman John B. White, Jr. |
| VII. | Mark Clark Extension Project Update | Jim Holly |
| VIII. | Old Business | Chairman John B. White, Jr. |
| IX. | Other Business | Chairman John B. White, Jr. |
| X. | Adjourn | |

MINUTES
South Carolina Transportation Infrastructure Bank
Board Meeting

Edgar Brown Building - Room 252
1205 Pendleton Street
Columbia, SC 29201
July 20, 2017 1:30 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 U. S. Mail, electronic mail, or facsimile.

Present: John B. White, Jr., Chairman, Presiding
Ernest Duncan
Senator Hugh K. Leatherman
H. B. "Chip" Limehouse, III
Representative J. Gary Simrill
Joe E. Taylor, Jr.
Woodrow "Woody" W. Willard, Jr.

Others present: Tami Reed, representing the Bank; Jim Holly, Board Secretary and Bank Counsel; Bill Youngblood of the McNair Firm, Bond Counsel; David Miller of Public Financial Management, the Bank's financial advisory firm; Christy Hall, Secretary of SCDOT; Wendy Nicholas, SCDOT Chief of Staff; other representatives of SCDOT; members of the public; representatives from several counties; members of the General Assembly; and media representatives.

The meeting was called to order by Chairman White.

Approve December 14, 2016 Minutes: Mr. Taylor made a motion, seconded by Mr. Limehouse to approve the minutes of the December 14, 2016, meeting as presented. The motion passed unanimously.

Approve July 11, 2017 Minutes: Mr. Taylor made a motion, seconded by Mr. Limehouse to approve the minutes of the July 11, 2017, meeting as presented. The motion passed unanimously.

Opening Remarks

Chairman White thanked Ms. Cortney Glover from Creel Reporting for attending and the staff from ETV for live-streaming the meeting.

After leading the group in prayer, Chairman White gave an overview of the Mission and accomplishments of the S.C. Transportation Infrastructure Bank over the twenty (20) years of its existence. A copy of the Chairman's Remarks is attached to and made part of these minutes.

Report on Strategic Plan Committee:

Mr. Taylor gave an overview of the progress of the Strategic Plan Committee noting that the changes to the Operating Guidelines suggested by the Committee had been approved by the Board at the December 14, 2016 meeting, and a copy is on file in the official records of the Bank.

Project Evaluation Committee:

Chairman White introduced the members of the Evaluation Committee, Mr. Duncan, Mr. Taylor, himself and until recently Mr. Ron Patton from the Department of Transportation (SCDOT). Chairman explained that the Committee was reviewing applications submitted earlier in the year and reviewing responses to letters sent to the applicants requesting additional information. He explained that the cooperation between the Bank and SCDOT was key to the process. Chairman White thanked Mr. Patton for his service and wished him well in his retirement. With that the Chairman introduced Brian Keys as the SCDOT representative, named by Secretary Hall, to become a member of the Committee. A copy of the letter of thanks to Ron Patton and the Secretary's letter appointing Mr. Keys are attached and made part of these minutes.

Series 2017A Refunding:

Mr. Bill Youngblood presented the results of the sale of Revenue Refunding Bonds Series 2017A. On July 11th, the Bank sold \$188,725,000 in revenue refunding bonds via competitive sale. The winning bidder was J.P. Morgan Securities, LLC. The sale resulted in \$23.99 million of net present value debt service savings, or 11.78% of the refunded bonds par amount. A copy of a presentation prepared by Public Financial Management, Inc. (PFM) on the results of the sale is on file in the official records of the Bank.

Act 275/Act 40 Overview:

Mr. Holly gave an overview of the discussions between the Bank, the SCDOT, the State Treasurer's Office, and various consultants to devise a plan to execute the provisions within the various transportation legislation passed in recent years.

Appointment of Officers:

Chairman White asked for approval from the Board on his nomination of Mr. Ernest Duncan as Vice Chairman of the Board and his re-appointment of Jim Holly as Secretary. Mr. Taylor made a motion, seconded by Mr. Willard to approve Chairman White's request as presented. The motion passed unanimously.

Executive Session:

An Executive Session was requested and moved by the Chairman to discuss attorney-client privileged legal advice on projects and project financing and matters concerning pending contracts as explained by Mr. Holly on behalf of the Chairman. The Board approved the request by unanimous acclamation. The Executive Session commenced at 2:10 pm.

Chairman White called the meeting back to order at 3:15 pm and stated that no action was taken during Executive Session.

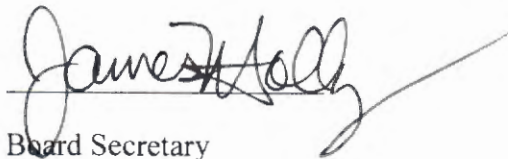
Update on Mark Clark Extension Project:

Mr. Holly read the section of the December 15, 2015 Resolution by the Board outlining the terms of the request for Charleston County to submit a proposal to provide the additional funds to complete the Mark Clark Extension Project and made other comments concerning communications with the County . He explained that the proposal submitted by the County had not been received in sufficient time for the Board to review prior to this meeting, as requested by the Board at the last meeting. Mr. Taylor made a motion to postpone any action on the project until the next meeting of the Board for which the project was listed on the meeting agenda, seconded by Mr. Limehouse. The motion passed unanimously.

Other Business:

Chairman White requested that the Presentation given by Secretary Hall earlier in the day at the SCDOT Commission meeting be provided to all Board Members. He complimented the Secretary on her leadership of the SCDOT.

No other business was discussed. There being no further business, the meeting was adjourned by acclamation at 3:25 pm.


Board Secretary

South Carolina Transportation Infrastructure Bank Board

“The mission of the South Carolina Transportation Infrastructure Bank is to utilize available funding sources to effectively provide financial assistance through authorized means to major qualified transportation projects while ensuring the financial integrity of the Bank.”

- The South Carolina Transportation Infrastructure Bank (Bank) Act was signed on June 26, 1997.
- Thank you to all those past and present who help make the Bank a catalyst for more than \$5.3 billion in highway and bridge construction since 1997. Only through the collaboration of the SCTIB Boards, previous Chairmen (Champ Covington, Don Leonard, and Vince Graham), Members of the General Assembly, SC Department of Transportation, State Treasurer’s Office, Public Financial Management, the McNair Law Firm, Jim Holly, County and Municipal Leaders and staff, and countless others has the Bank been able to accomplish such important things:

Ravenel Bridge

Palmetto Parkway

Conway Bypass

Carolina Bays Parkway

Lake Murray Back-up Dam

Widening of US 17, SC 170 in Beaufort County

Widening of I-77 and various other roads in York County

Etc...

- In total over 100 projects in 34 counties and municipalities have received financial assistance from the Bank by direct application for cities and counties, and the partnerships with the SCDOT, including the bridge replacement program and now the exciting new programs made possible through the passage of Act 98 of 2013, Act 275 of 2016, and last but certainly not least Act 40 of 2017.
- Issued over \$2 billion in revenue bonds and \$60 million in General Obligation (GO) bonds resulting in ability to build roads and bridges 15-20 years ahead of pay-as-you-go.
- Since its creation in 1997, the Bank has had a partnership with SCDOT that focused on in-depth collaboration to advance their common goals of improving the state’s transportation system and enhancing public safety, with the Bank’s focus being on larger projects which in SCDOT is unable to fund, thereby allowing SCDOT to focus on statewide projects and maintenance of the system. The Bank consults closely with SCDOT on each project as it is evaluated.
- The Bank provided \$30 million to SCDOT for statewide interstate median cable barriers, and the barriers have experienced over 31,000 hits to date, saving hundreds of lives and preventing many serious injuries.
- The Bank has built strong relationships with credit rating agencies and the investment industry. Just last week, July 11th, the Bank sold \$188 million in Revenue Refunding Bonds generating a Net Present Value savings of \$24 million. The Bank’s policy of active financial management has saved the citizens

of South Carolina over \$268 million in net present value (\$409 million over the life of the bonds) interest expense in the past 14 years, and these savings are being invested in important transportation projects statewide.

- The Bank Act requires that the Joint Bond Review Committee (JBRC) review and approve the project and the financial assistance. JBRC is also required to review and approve all bond issues by the Bank.
- Thanks to current Board of Directors of the Bank:

Ernest Duncan is US Army Reserves Retired Colonel from Aiken County. He currently as a Director of Logistics with a Department of Defense Contracting Entity. Mr. Duncan has served on the Board since 2003.

Senator Hugh Leatherman, Sr. is a businessman from Florence County. He is currently the President Pro Tempore of the Senate. Senator Leatherman has served on the Board since 2003.

Harry B. "Chip" Limehouse, III is an executive with Limehouse Properties, from Charleston County. Mr. Limehouse has served on the Board since 2007.

Representative Gary Simrill is member of the SC House of Representatives, from York County. Representative Simrill was appointed to the Board in 2016.

Joe Taylor, Jr. is a businessman from Richland County. He is a former Director of the Department of Commerce. Mr. Taylor was appointed to the Board in December of 2012.

Woodrow "Woody" Willard, Jr. is the President of Willard Incorporated, a real estate appraisal firm, from Spartanburg County. Mr. Willard, as the current Chairman of the SC Department of Transportation, serves on the Bank Board concurrently.

The SC Transportation Infrastructure Bank is considered a leader and example of excellence among State Infrastructure Banks throughout the Country. As recently as 2015, the state of Alabama modeled its newly enacted SIB Legislation on that of South Carolina.

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955 Park Street
Room 120 B
Columbia, SC 29201
P: (803) 737-2875
Fax: (803) 737-2014

June 27, 2017

Ron K. Patton,
Deputy Director for Intermodal Planning
955 Park Street
Columbia, SC 29201

Dear Mr. Patton,

On behalf of the S.C. Transportation Infrastructure Bank Board Members and staff, I would like to thank you for your service and wish you the best of luck in your retirement.

In the twenty years of the Bank, you have been an invaluable part of the process of bringing major transportation projects to the citizens of South Carolina. In every position you have held in your dealings with the Bank, from project manager to member of the Evaluation Committee, you have shown the upmost integrity and professionalism.

Best wishes in your future endeavors, and again thank you.

Sincerely,

A handwritten signature in cursive script that reads "John B. White, Jr.".

John B. White, Jr.
Chairman, SC Transportation Infrastructure Bank

Cc: SCTIB Board Members

July 19, 2017

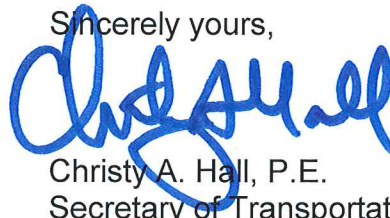
The Honorable John B. White, Jr.
Chairman, SC Transportation Infrastructure Bank
Post Office Box 3547
Spartanburg, South Carolina 29304

Dear Chairman White,

Please be advised, effective immediately I am appointing Mr. Brian Keys, Deputy Secretary for Finance and Administration to serve as South Carolina Department of Transportation's (SCDOT) representative to assist the South Carolina Transportation Infrastructure Bank's (SIB) evaluation committee. In accordance with the SIBs currently adopted operating procedures, it is our understanding that as part of its evaluation, the Committee will request and consider the recommendations or comments of SCDOT on the project, including the prioritization of each project on any lists maintained pursuant to SC Code Section 57-1-370 and regulations promulgated by SCDOT. Mr. Keys is a registered professional engineer and has a wealth of experience with SCDOT. Mr. Keys may be reached at (803) 737-1240 and his email address is: Keysbk@scdot.org.

Please let me know if you need any further information and I will be happy to furnish it to you.

Sincerely yours,



Christy A. Hall, P.E.
Secretary of Transportation

CAH:majy

cc: Brian Keys, Deputy Secretary for Finance and Administration