

MINUTES
SOUTH CAROLINA CONSERVATION BANK
SCDNR BOARD ROOM, 1000 ASSEMBLY STREET, ROOM 335
COLUMBIA, SOUTH CAROLINA
THURSDAY, JUNE 24, 2004, 2:00 P.M.

The third meeting of the Board of the South Carolina Conservation Bank was held at 2:00 P.M. on Thursday, June 24, 2004, at 1000 Assembly Street, Columbia, South Carolina. Notice of the date, time and place of the meeting was posted and mailed to the news media. Chairman Charles Lane presided at the meeting.

Staff members of SCDNR were present at the meeting as were various guests.

I. Call to Order

Chairman Lane called the meeting to order at 2:00 P.M. and welcomed everyone to the meeting. Freedom of Information Rules and Requirements have been met. Chairman Lane advised that we are in business due to the guests in the room and some that were not there and the team approach that was pursued. He thanked Marvin Davant for his efforts.

II. Adoption of Minutes

Chairman Lane stated that the minutes of the last meeting have been mailed to the members of the Board and asked if there were any comments on the minutes. Mr. Tom DeLoach made a motion that the minutes of the August 14, 2003, meeting be approved. Mr. Tommy Miller seconded the motion and the motion carried unanimously.

III. Burnie Maybank

Mr. Burnie Maybank, Director, SC Department of Revenue, was introduced. He discussed the tax ramifications, appraisals, tax incentives for conservation easements, charitable deductions and cooperation of his agency with the SCCB. He advised that certain documents would be available on their website in October 2004, that would be of interest to the SCCB. He advised that a desk audit has already been started on land trust compliance. He stated that his agency would be glad to be of help to the SCCB and will be happy to assist with the first few appraisals and related matters.

Mr. Davant asked Mr. Maybank about the status of the Land Trusts listed on the SC Land Trust Network. He stated that it would all depend on how they filed with the Department of Revenue. Each trust is to file a 501(C)3.

IV. Qualified Entities

Chairman Lane asked each guest to introduce himself or herself and make any comments that they would like to make.

Ronnie Feaster and Shawn Balstad from the Natural Resources Conservation Service. Ms. Balstad gave some background information on their federal agency and presented a Fact Sheet on their Farm and Ranch Lands Protection Program which provides matching funds to various entities to purchase conservation easements. Ms. Balstad stated that their agency would be happy to work with the SCCB.

Emily Cope, Habitat Protection Coordinator, SCDNR, gave an overview of SCDNR's land acquisition program which includes the Heritage Trust Program, Wildlife Management Area Program, Focus Area Program, boat ramps, office space, and different land acquisitions that were purchased with federal funds and various partners. SCDNR is committed to protect habitat in the state and is looking forward to working with the SCCB.

Joel Felder, SC Forestry Commission, represented that state agency and their agency owns forested lands across the state and is involved in the management of those lands.

Mark Robertson, The Nature Conservancy, South Carolina Chapter, stated that his group is a nonprofit conservation group that has facilitated the protection of more than 200,000 acres in South Carolina. Mr. Robertson gave the historical background of his group. He complimented the SCCB Board for the job it has done in getting established and funded. He is looking forward to working with the SCCB.

Will Haynie, Lowcountry Open Land Trust, stated that his Trust is donor and foundation supported. They promote the protection of land in the Lowcountry. He complimented the SCCB Board and is looking forward to working with the SCCB.

Norman Brunswig, National Audubon Society, gave the historical background of his group. They promote bird conservation and also land protection. He stated that his group will be glad to help the SCCB in any way needed and is looking forward to working with it.

Charles Harrison, SC Parks, Recreation & Tourism, represented this state agency. They manage the SC state parks and are interested in land conservation. He stated that his agency is looking forward to working with the SCCB.

Rodger Stroup, SC Department of Archives and History, represented this state agency. He is interested in the SCCB since 10% of the funding may go to historical, cultural and archaeological resources. He stated that his agency would be delighted to work with the SCCB and provide any assistance that they can give.

Ken Driggers, The Palmetto Conservation Foundation, represented his group. It is a statewide nonprofit group that promotes outdoor recreation, land and water conservation, preservation and military heritage and publishing valuable information on South Carolina.

George Fields, The Palmetto Conservation Foundation, works with Revolutionary War projects. He stated that they look forward to building a partnership with the SCCB.

Harry Lesesne, The Conservation Fund, was unable to attend due to an illness in his family. Mr. Davant read a statement from Mr. Lesesne. The Conservation Fund works to protect the nation's legacy of land and water resources in partnership with other organizations. Some of the projects that they have work to protect in South Carolina are Jocassee Gorges, Edisto River, Wee Tee, and the recent acquisition of Bonneau Ferry. The Conservation Fund is proud of its ongoing partnership with the SCCB.

V. Old Business (Policies and By-Laws)

Chairman Lane asked the Board members if they had any questions or comments on the policies that were approved last year. Mr. Davant asked that they take them and review them. Mr. Miller asked for clarification of the statement that 10% would go towards historical and archaeological sites. Mr. Davant stated that the statute indicates that the Board may authorize 10% for those items.

VI. New Business

- A. Resolution – Mr. Davant read the resolution thanking The Conservation Fund for providing operating funds for a year and a half for the SCCB. Chairman Lane asked if there were any comments.**

Mr. DeLoach made an amendment that each Board Member signs the resolution. Chairman Lane asked if the Resolution was approved subject to the amendment. Mr. DeLoach made the motion that it be approved. Mr. Adams seconded the motion and the motion carried unanimously.

Resolution – Mr. Davant read the resolution regarding the operation of the SCCB at no cost due to the offer of SCDNR. Chairman Lane asked for a vote of approval for the resolution. Mr. DeLoach made a motion to approve the resolution. Mr. Miller seconded the motion and the motion carried unanimously.

Chairman Lane thanked Rita Pardue for her work for the SCCB.

- B. Adoption of Application Deadlines – Mr. Davant suggested that due to the budget limitations and the Bank's funding process that the Board should wait until further into the process to determine the actual deadlines. An initial 90-day period has been recommended, which would be October 1, for an application deadline. That will give the staff 30 to 45 days to review the application, probably making the first grant check in mid November or December. After reviewing deadlines of various organizations, the NAWCA deadlines in March and July were recommended by Mr. Davant. After the first year, the SCCB will be on a standard plan with the same dates each year. Mr. DeLoach questioned how funds would be committed. Mr. Davant advised that the funds will come in monthly – approximately \$900,000.00 per month funds will be provided. Mr. Miller asked if monthly statements would be provided. Mr. Davant advised that they could be provided. He explained the process. The money will come into the State Treasury from the county. A monthly statement will be sent to the SCCB of the amount in the trust fund, as well as in the operational account, as well as interest income. When the Board makes a grant, assuming that all documentation is provided, it will be sent to the Comptroller General's office, then forwarded to the Treasurer's Office, and they will cut a check and send it back to the SCCB. The SCCB will then forward it to the proper recipient. The Board will have a 45-day window to review. Chairman Lane recommended we use**

NAWCA as a guideline and asked for a motion to accept the deadlines. This motion is being made for the first process. The October grant deadline is a one shot deal because it will be the very first one. After the first application, the deadlines of NAWCA will be used, which are March and July. Mr. DeLoach made the motion to accept the deadlines as presented by Mr. Davant. Mr. Miller seconded the motion and the motion carried unanimously.

- C. MOU with SCDNR – Chairman Lane advised that the agreement with SCDNR expires at the end of this month. SCDNR is willing to extend it for an additional year. Mr. Davant advised that The Memorandum of Understanding Between the SCCB and the SCDNR before you is a one-year extension of the MOU and it is in the same form as in the previous year, except that the SCCB will reimburse SCDNR its costs in providing said services. Mr. Davant advised that it is a cost savings to the agency to remain with SCDNR and reflects interagency cooperation that the Governor is asking for. Mr. Weathers made the motion to stay with SCDNR. Mr. DeLoach seconded the motion and the motion carried unanimously.**
- D. 2004-2005 Operating Budget – Mr. Davant presented the operating budget. This budget was based on last year's budget. Mr. McShane questioned whether \$3,000.00 was enough budgeted for legal services. Mr. Davant advised that this figure was used two years ago and he did not know if legal services would be needed. Mr. McShane asked if the SCCB was able to utilize an agency lawyer now. Mr. Davant advised that the Legal Section has given him advice with reference to certain items. This budget is subject to change. Mr. DeLoach wanted the SCCB to pursue legal services from the Attorney General's office.**

Mr. McShane asked that Mr. Davant monitor his expenses to use as a future reference. Mr. Davant thanked Mr. McShane for the help of SCDNR.

Mr. Davant advised the Board that mileage for the Board had been included in the budget. Mr. McShane commented that the SCDNR Board does not take a stipend or reimbursement for mileage. Chairman Lane made the motion that the Board does not

receive reimbursement. Mr. Adams seconded the motion and the motion carried unanimously.

Mr. Davant advised that the operating budget was given as information.

VII. Date, Time and Place of Next Meeting

Chairman Lane advised that the Board needs to meet in advance of the applications coming in. After discussion, the date of the next meeting will be Thursday, September 2, 2004, 2:00 P.M., in the SCDNR Board Room.

Mr. Weathers asked to look at some of the NAWCA projects that have been approved at the next meeting.

Mr. Davant reminded everyone of the event at Millaree starting at 6:00 P.M.

Chairman Lane thanked the supporters of the SCCB. Mr. McShane asked that a list of the supporters be added to the minutes. He wanted Governor Mark Sanford to be on this list.

Comments were made that Chip Campsen had resigned from the Board when he decided to run for office. Chairman Lane advised that there is a vacancy on the Board to be appointed by Senator Glenn McConnell. Mr. Davant advised that he needed to follow up to see if anything else needed to be done with reference to the vacancy on the Board.

VIII. Adjournment

There being no further business to be brought before the Board at this time, the meeting was adjourned.

AGENDA FOR S.C. CONSERVATION BANK
BOARD MEETING JUNE 24, 2004 2:P.M.
ROOM 325 DENNIS BUILDING

1. CALL MEETING TO ORDER---WELCOME
2. ADOPTION OF MINUTES
3. DISCUSSION OF TAX RAMIFICATIONS AND APPRAISALS—BURNIE
MAYBANK, DIRECTOR S.C. DEPARTMENT OF REVENUE.
4. QUALIFIED ENTITIES
5. OLD BUSINESS
 - A. REVIEW:
 1. POLICIES
 2. BY-LAWS
6. NEW BUSINESS
 - A. RESOLUTIONS
 - B. ADOPTION OF APPLICATION DEADLINES.
 - C. MOU WITH SCDNR
 - D. 2004-2005 OPERATING BUDGET
 - E. 2004-2005 TRUST FUND BUDGET
7. TIME, PLACE, AND DATE OF NEXT MEETING
8. ADJOURN

RESOLUTION

Whereas, The South Carolina Conservation Bank Act was passed in April 2002, and

Whereas, at the time of passage of this Act the General Assembly delayed the funding of Bank activities until July 2004, and

Whereas, The decision was made that the mission of the Conservation Bank was too important to delay activities of the Bank for that long a period of time, and

Whereas, the South Carolina Department of Natural Resources, a State agency dedicated to conservation and the protection of the natural resources of this state and a strong supporter of the Conservation Bank since the beginning agreed that immediate conservation operations of the Bank in South Carolina was critical to its success, and

Whereas, South Carolina Department of Natural Resources voluntarily entered into a Memorandum of Agreement with the South Carolina Conservation Bank to provide office space, telephone, computer service, postage and clerical assistance at no cost for the operations of the Bank until State funding became available, and

Whereas, The South Carolina Department of Natural Resources has provided said services to The Conservation Bank operations from January 2003 through June 2004 at no cost.

Therefore in recognition of outstanding commitment to land conservation in South Carolina; for their support and leadership in making The South Carolina Conservation Bank a reality; for their efforts to sustain and protect the resources of South Carolina; for their contributions to the quality of life in South Carolina.

Be it resolved, that the South Carolina Conservation Bank Board this 24th day of June 2004 conveys its sincerest thanks on its behalf and on behalf of the citizens of South Carolina in recognizing the leadership and generosity for its commitment to conservation to The South Carolina Department of Natural Resources.

Charles Lane, Chairman
S.C. Conservation Bank

Marvin N. Davant, Director
S.C. Conservation Bank

RESOLUTION

Whereas, The South Carolina Conservation Bank Act was passed in April 2002, and

Whereas, at the time of passage of this Act the General Assembly delayed the funding of Bank activities until July 2004, and

Whereas, The decision was made that the mission of the Conservation Bank was too important to delay activities of the Bank for that long a period of time, and

Whereas, the Conservation Fund, a conservation foundation in Arlington, Virginia committed to land conservation nationally agreed that immediate conservation operations of the Bank in South Carolina was critical to its success, and

Whereas, The Conservation Fund voluntarily entered into an Agreement with the South Carolina Conservation Bank to provide funding for the operations of the Bank until State funding became available, and

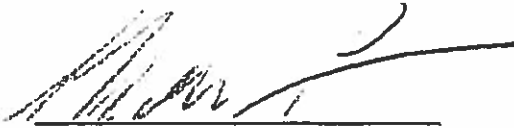
Whereas, The Conservation Fund has provided total funding for The Conservation Bank operations from January 2003 through June 2004 when state funding will become available, and

Therefore in recognition of outstanding commitment to land conservation in South Carolina and nationally; for their support and leadership in making The South Carolina Conservation Bank a reality; for their efforts to sustain and protect the resources of South Carolina; for their contributions to the quality of life in South Carolina.

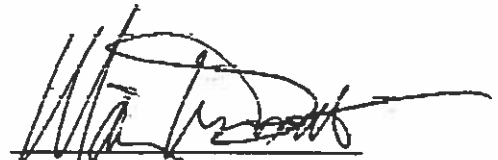
Be it resolved, that the South Carolina Conservation Bank Board this 24th day of June 2004 conveys its sincerest thanks on its behalf and on behalf of the citizens of South Carolina in recognizing the leadership and generosity for its commitment to conservation to The Conservation Fund.

Charles Lane, Chairman
S.C.Conservation Bank

Marvin N. Davant, Director
S.C.Conservation Bank



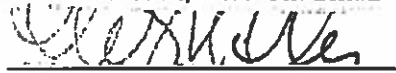
Charles Lane, Chairman



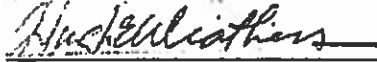
Marvin N. Davant, Director



Tom DeLoach, Vice Chairman



Tommy Miller, Treasurer



Hugh Weathers



Elliott Close



Henry Tisdale



Weston Adams, III



Ben Geer Keys



Mike McShane

Ken Hill



Chad Prosser

MEMORANDUM OF UNDERSTANDING BETWEEN THE SOUTH CAROLINA CONSERVATION BANK AND THE SOUTH CAROLINA DEPARTMENT OF NATURAL RESOURCES

WHEREAS, The South Carolina Conservation Bank (Bank) is an independent State Agency established by South Carolina State Law in 2002 to provide funding for habitat protection efforts, and

WHEREAS, the South Carolina Department of Natural Resources (Department) is a State Agency that is also committed to habitat protection as one of its major priorities, and

WHEREAS, the State Budget and Control Board, Budget Division staff have recommended that the Department act as Fiscal Agent for the Bank in the same manner as other state agencies provide such services for similar smaller entities in state government, and

WHEREAS, Section 48-59-50(C) of the Conservation Bank Act allows the Bank to enter cooperative agreements with other state agencies, the Bank has requested that the Department provide assistance with administrative operations and office space, and

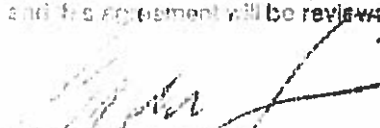
WHEREAS, the Department has available capacity to provide the Bank with office space and equipment, and other limited assistance as needed and available


THEREFORE, it is mutually agreed that the Department will provide to the Bank, up to two offices for its staff, phone sets but not phone service, copier service, fax, computer use and network service and use of other office equipment necessary in carrying out the functions of the Bank and that the Bank will reimburse the Department for its cost of providing these functions to the Bank.

Further it is agreed that the terms stated herein are the full extent of this agreement between these two agencies and this agreement obligates these agencies only as stated herein.

Further, it is specified that this MOU does not establish any preferred relationship between the Bank and the Department, nor does it in any way penalize the Department with regard to actions of the Bank.

Further, this agreement may be cancelled at any time by either party, with 30 days written notice, and this agreement will be reviewed by both parties no later than June 30, 2005.


Charles Lane
Vice Chairman
SC Conservation Bank Board


John E. Frampton
Director
SC Department of Natural Resources

02-29-04
Date

02-29-04
Date

11/10/2003
10:33:05

BUDGET BALANCE SHEET
2004-2005

PROG= ABD751NP
CNTL= 00001
LIB = BUDTEMP

AGENCY NO. = P40
(1) (2) (3) (4) PAGE = 005

AGENCY NAME = S. C. CONSERVATION BANK
(5) (6) (7)

(8) (9) (10) (11) (12)

LINE NO PROGRAM LEVEL T C BUDGET CODE DETAIL EXPENDITURE
2002-2003 ACTUAL TOTAL FD | 2003-2004 ESTIMATED TOTAL FD | 2004-2005 APPROP GEN FD | ESTIMATED TOTAL FD | 2004-2005 APPROP GEN FD | ESTIMATED EARMK FD | ESTIMATED RESTR FD

0100 01000000 1- ADMINISTRATION
0300 01010000 PERSONAL SERVICE
0500 01010000 10158 CLASSIFIED POSITIONS
0700 01010000 10170 OTHER PERSONAL SERVI

0900 01010000 21201 OTHER OPERATING EXPE
29999 TOTAL OTHER OPERATIN

1000 01010000 SPECIAL ITEMS:
1100 01030000 1 36100 CONSERV.BANK TRUST
39999 TOTAL SPECIAL ITEMS

01000000 99991 TOTAL ADMINISTRATI

LINE NO	PROGRAM LEVEL	T C BUDGET CODE	DETAIL EXPENDITURE	2002-2003 ACTUAL TOTAL FD	2003-2004 ESTIMATED TOTAL FD	2004-2005 APPROP GEN FD	ESTIMATED TOTAL FD	2004-2005 APPROP GEN FD	ESTIMATED EARMK FD	ESTIMATED RESTR FD
0100	01000000	1	ADMINISTRATION							
0300	01010000		PERSONAL SERVICE	4,167	50,000		50,000			50,000
0500	01010000		10158 CLASSIFIED POSITIONS	(1,00)	(1,00)		(1,00)			(1,00)
0700	01010000		10170 OTHER PERSONAL SERVI	16,934	15,000		15,000			15,000
			19999 TOTAL PERSONAL SERVI	21,101	65,000		65,000			65,000
				(1,00)	(1,00)		(1,00)			(1,00)
0900	01010000		21201 OTHER OPERATING EXPE	944	31,728		31,728			31,728
			29999 TOTAL OTHER OPERATIN	944	31,728		31,728			31,728
1000	01010000		SPECIAL ITEMS:							
1100	01030000	1	36100 CONSERV.BANK TRUST				8,138,094			8,138,094
			39999 TOTAL SPECIAL ITEMS				8,138,094			8,138,094
01000000			99991 TOTAL ADMINISTRATI	22,045	96,728		8,234,822			8,234,822
				(1,00)	(1,00)		(1,00)			(1,00)

ORGANIZATIONS SUPPORTING
THE SOUTH CAROLINA CONSERVATION BANK
THE NATURE CONSERVANCY
SC ASSOCIATION OF REALTORS
SC FARM BUREAU
STATEWIDE CONSERVATION DISTRICTS
DUCKS UNLIMITED
NATIONAL WILD TURKEY FEDERATION
PALMETTO AGRIBUSINESS COUNCIL
SC REALTORS LAND INSTITUTE
STATE CHAMBER OF COMMERCE
SC SMALL BUSINESS CHAMBER OF COMMERCE
SC MUNICIPAL ASSOCIATION
BEAUFORT COUNTY OPEN LAND TRUST
SC POULTRY ASSOCIATION
UPSTATE FOREVER
CHARLESTON TRIDENT CHAMBER OF COMMERCE
TROUT UNLIMITED
CONGAREE LAND TRUST
LAND TRUST ALLIANCE
NATIONAL AUDUBON SOCIETY
SC TOURISM COUNCIL
HISTORIC RICEFIELDS SOCIETY
PALMETTO CONSERVATION FOUNDATION
KATAWBA VALLEY LAND TRUST
LEAGUE OF WOMEN VOTERS
SC SPORTSMENS COALITION
SC COASTAL CONSERVATION LEAGUE
TRUST FOR PUBLIC LAND
SC FORESTRY ASSOCIATION
SIERRA CLUB
SC SPORTING PROTECTION LEAGUE
SC WILDLIFE FEDERATION
PEE DEE LAND TRUST
THE CONSERVATION FUND
QUAIL UNLIMITED
SCBIPEC
CONSERVATION VOTERS OF SOUTH CAROLINA
EDISTO ISLAND OPEN LAND TRUST
GOVERNOR MARK SANFORD