

MINUTES
SOUTH CAROLINA CONSERVATION BANK
Wednesday, April 11, 2018 – 10:00 am
Rembert C. Dennis Building – Room 335
Columbia, SC 29201

The South Carolina Conservation Bank (SCCB) Board held its regular meeting at 10:00 am, Wednesday, April 11, 2018 in room 335 of the Rembert C. Dennis Building in Columbia, SC. Notice of the date, time and place of the meeting was posted and mailed to the news media in accordance with the Freedom of Information Act. Chairman C. Douglass Harper presided at the meeting and members present included Michael G. McShane, Vice Chairman; Andrea Clark; Elliott Close; D. Clinch Heyward; Charles G. Lane; W. Thomas Lavender, Jr.; William L. Snow, Sr. and Ex-Officio member Norman F. Pulliam, Chairman SCDNR Board. Ex-officio members absent were Duane Parrish, Director for SCPRT and Dr. Walt McPhail, SC Forestry Commission Chairman.

I. WELCOME AND CALL TO ORDER

The Chairman called the meeting to order, welcomed everyone and thanked everyone for their work in getting the meeting organized. The Chairman asked Ms. Larck, SCCB Business Manager, to confirm that a public notice has been given for this meeting. Ms. Larck stated that this was correct. The Chairman recognized and thanked Mr. Parkin Hunter and Ms. Harley Kirkland from the SC Attorney General's office for serving as counsel for this meeting.

II. ROLL CALL

The Chairman asked Ms. Larck to call role of the Board Members. Ms. Larck called role and a quorum was established with eight Board Members and one Ex-Officio in attendance.

III. SPECIAL RECOGNITION

The Chairman presented Mr. Davant and Mr. Roquemore with an award to recognize them for their time spent as Executive Director and Board Chairman of the SCCB. The Chairman thanked Mr. Davant and Mr. Roquemore for their hard work and dedication to conservation. Mr. Davant and Mr. Roquemore thank the Board and everyone in attendance for the recognition and their help in leaving a legacy in South Carolina.

IV. PUBLIC COMMENTS

The Chairman opened the floor to anyone that would like to address to the Board. There being no public comments, the Chairman called for the next agenda item.

V. ADOPTION OF MINUTES

The Chairman stated the Board was sent a draft copy of the January 31, 2018 minutes prior to the meeting for their review and that a copy was within the Board Member handouts. The Chairman asked for any additions, deletions, or corrections. There being none, the Chairman called for a motion to adopt the minutes from the January 31, 2018 meeting. Mr. McShane made the motion to approve the January 2018 minutes. Mr. Lavender seconded and the motion unanimously passed.

VI. CHAIRMAN'S COMMENTS

The Chairman stated since the Board's last meeting House Bill 4727 has been revised and the most recent version had gone from the Senate back to the House. The Chairman thanked everyone in attendance for their support and contributions to this effort.

VII. OLD BUSINESS

A. FINANCIAL REPORT

The Chairman stated that within the Board's handouts was a brief financial report to summarize where the SCCB currently is in regards to operating expenses and funds available for grants through June 30, 2018. The Chairman stated that there is roughly \$2.7 million that the SCCB is authorized to spend on grants. The Chairman also noted that the SCCB's request for Other Funds authorization of \$2.5 million is still pending. Mr. Snow clarified by asking that these funds were only available through June 30th and that come July 1st, these funds would go into the carry forward fund. The Chairman agreed. Mr. McShane explained that the budget for the next FY is currently being debated but would be similar to this year, in which the Capital Reserve Fund dollars would come in the early fall and the General Fund dollars would come once all vetoes in the General Assembly are handled. Having no further questions, the Chairman called to move to the next agenda item.

B. REVIEW OF OUTSTANDING GRANTS

The Chairman stated that since the SCCB has roughly \$2.7 million to spend on grants during FY 17-18, the Board needed to review the list outstanding grants and approve some of the grants for funding.

1. **Johnsonville Tract** – The Chairman stated that this tract was a fee simple in Florence County of 43 acres in the amount of \$95,000 and asked Mr. Johnson from the Conservation Fund to give the Board an update. Mr. Johnson explained that once the Conservation Fund received the Phase I ESA there were issues in need of cleaning up and that they were waiting to hear back from DHEC. Mr. McShane asked Mr. Johnson if he believed the property would be ready to close by June 30, 2018 and Mr. Johnson stated this would probably not occur in that timeframe. With that in mind, the Board decided to not take any action on the Johnsonville Tract at this time.
2. **Silver Bluff Audubon Center and Sanctuary** – The Chairman stated that this tract was a conservation easement in Aiken County of 3,282 acres in the amount of \$820,500 and asked Ms. Demosthenes with the Lowcountry Land Trust to give the Board an update. Ms. Demosthenes stated that all due diligence has been submitted and that the property should be good to close by June 30, 2018. Mr. McShane asked for the record to reflect his disclosure of Chairing the Lowcountry Land Trust Board in the past. Mr. Close made a motion to release funds subject to the property closing by June 30, 2018, Mr. Lavender seconded and the motion unanimously passed.
3. **Harrell Farm Trust Tract** – The Chairman stated that this tract was a conservation easement in Fairfield County of 295 acres in the amount of \$88,500 and asked Ms. Crockett with the Congaree Land Trust to give the Board an update. Ms. Crockett stated that Congaree Land Trust has most of the due diligence in hand and is ready to proceed with closing prior to June 30, 2018. The Chairman called for a motion to authorize funds once all due diligence has been submitted by June 30, 2018 and the Congaree Land Trust is ready to close. Mr. Snow made the motion, Mr. Lavender seconded and the motion unanimously passed.
4. **Seven Oaks Tract** – The Chairman stated that this tract was a conservation easement in Charleston County of 106 acres in the amount of \$360,000 and asked Ms. Demosthenes with the Lowcountry Land Trust to give the Board an update. Ms. Demosthenes stated that the only due diligence item not submitted is the Phase I ESA which they are finalizing and that the property is set to close prior to June 30, 2018. Ms. Clark made a motion to authorize funds once all due diligence has been submitted by June 30, 2018 and the Lowcountry Land Trust is ready to close. Mr. Lavender seconded the motion and the motion unanimously passed.
5. **Harris Pillow Property** – The Chairman stated that this tract was a fee simple in Beaufort County of 6.08 acres in the amount of \$227,963 and asked Ms. Larck to give the Board an update as a representative from the SC Battleground Preservation Trust was not present. Ms. Larck stated that according to Mr. Bostick with the Battleground Preservation Trust, this property was ready to close by June 30, 2018 but was waiting

to acquire a middle parcel of land between the Harris Pillow property and the Kling property before submitting any due diligence. Mr. Lane asked if the funding of this property was contingent on the Battleground Preservation Trust being able to acquire this piece of land. Ms. Larck stated that the Battleground Preservation Trust was not planning on asking for the funds until this middle parcel was acquired. Mr. Lane made a motion to approve funding for the property provided all the due diligence is submitted, the middle parcel referenced earlier is acquired, and the Battleground Preservation Trust is ready to close by June 30, 2018. Mr. Snow seconded the motion and the motion unanimously passed.

6. **Kling Property** – The Chairman stated that this tract was a fee simple in Beaufort County of 3.73 acres in the amount of \$125,000 and asked Ms. Larck to give the Board an update as a representative from the SC Battleground Preservation Trust was not present. Ms. Larck stated that according to Mr. Bostick with the Battleground Preservation Trust, this property was ready to close by June 30, 2018 and had most of the due diligence ready to be submitted. Mr. McShane made the motion to authorize the funding contingent on all due diligence being submitted by June 30, 2018. Mr. Lavender seconded this motion and the motion unanimously passed.
7. **Gap Creek** – The Chairman stated that this tract was a fee simple in Greenville County of 943.98 acres in the amount of \$2,000,000. The Chairman stated the previous outstanding amount was \$1 million, however, the Nature Conservancy has been working hard to raise funds and has reduced this amount to \$700,000. The Chairman asked Mr. Robertson with the Nature Conservancy to give the Board an update. Mr. Robertson thanked the Board and stated that this property was closed in November of last year and had \$1 million outstanding but due to private fundraising is able to reduce the request to \$700,000. Mr. Lavender made the motion to release funding for this grant, Ms. Clark seconded and the motion unanimously passed.
8. **MillRho (Oak Grove II)** – The Chairman stated that this tract was a conservation easement in Allendale County of 1,164 acres in the amount of \$291,000 and asked Mr. Robertson to give the Board an update. Mr. Robertson stated that the Nature Conservancy has held off on asking the landowner to get the due diligence done with the SCCB's limited funding but that this property is still ready to go forward and believes that it will be able to close by June 30, 2018. Ms. Clark recused herself due to a relationship with the landowner. Mr. McShane made the motion to authorize funding for this grant upon the SCCB receiving all due diligence and the property being ready to close by June 30, 2018. Mr. Snow seconded the motion and the motion unanimously passed.
9. **Oakland Club** – The Chairman stated that this tract was a conservation easement in Berkeley County of 11,166.170 acres with the amount outstanding currently being \$675,970 and asked Mr. Lane to give the Board an update as a representative from the Lord Berkeley Conservation Trust was not present. Mr. Lane stated that based on a conversation he had with Mr. West with Lord Berkeley, he makes a motion to defer to the next Board Meeting. Mr. Lavender seconded and the motion unanimously passed.
10. **Tall Pines Tract** – The Chairman stated that this tract was a fee simple in Greenville County of 1,757 acres in the amount of \$1,500,000. Mr. McShane stated that this tract is critically important as it involves both the Conservation Fund and the Department of Natural Resources and is a large and highly visible tract. Mr. McShane stated that he had a legal and contractual question regarding this tract and requested the Board go into executive session following other agenda items to discuss this tract. The Chairman agreed and moved to the next agenda item.

C. DISCUSSION OF LEGISLATIVE CONTACTS

The Chairman thanked the Board for their willingness to contact Legislators in which they have relationships with considering the Legislature has requested that the Board be the face of the Bank. The Chairman stated he will keep the Board updated with key bullet points and issues that can be discussed.

VIII. NEW BUSINESS

A. PRESENTATION – CLEMSON UNVIERSITY “A CONSERVATION PRIORITY MAPPING SYSTEM FOR SOUTH CAROLINA”

The Chairman stated that the pending legislation has a requirement for the SCCB to create a statewide conservation map. The Chairman stated that he and Mr. McShane have visited Clemson University to discuss their assistance in this project in which a Memorandum of Understanding has been created. The Chairman stated that there will be no action taken on this MoU until final reauthorization is accomplished. The Board welcomed Dr. Robert Baldwin, a representative of the Clemson University, for a presentation entitled “A Conservation Priority Mapping System for South Carolina”. Dr. Baldwin thanked the Board for the opportunity to share and presented what Clemson University is currently doing for conservation through mapping and how they may be able to assist the SCCB in the efforts to develop a conservation map.

B. LEGISLATIVE UPDATE

The Chairman informed the Board that within their handouts is the latest version of the House Bill 4727 with the Senate Amendments as well as a comparison chart between the House and Senate Versions. The Chairman stated the House will not be taking up this Bill with amendments until at least April 17, 2018. Mr. McShane thanked several individuals for assisting the SCCB with legislative efforts.

IX. EXECUTIVE SESSION

Mr. McShane stated that the agenda item discussing the search for a new Executive Director deals with personnel matters. The Chairman stated that according to Section 30-4-70 of the SC Code of Laws the Board is allowed to go into executive session for several reasons including the “discussion of employment” as well as the “discussion of negotiations incident to proposed contractual arrangements and proposed sale or purchase of property”. Mr. McShane made a motion to go into executive session to discuss this personnel matter as well as the legal and contractual matters regarding the Tall Pines project. Mr. Lavender second and the motion unanimously passed.

X. RETURN TO REGULAR SESSION

The Chairman called for a motion to go back into regular session. Mr. McShane made a motion to go back into regular session. Ms. Clark seconded and the motion unanimously passed. The Chairman stated there were a few things to be discussed following the Executive Session discussion.

A. REVIEW OF OUTSTANDING GRANTS (CONTINUED)

1. **Tall Pines Tract** – The Chairman stated that no action will be taken on Tall Pines and asked for the representatives from the Conservation Fund and Department of Natural Resources meet with Mr. McShane for further discussion.

B. EXECUTIVE DIRECTOR SEARCH COMMITTEE

The Chairman stated for the record that he has appointed an Executive Director Search Committee in which the Chairman would be Mr. Lavender and members to include Ms. Clark, Mr. Lane, and Mr. Pulliam.

IX. BOARD MEMBER OPEN DISCUSSION

The Chairman opened the floor for Board member discussion. Mr. Johnson asked if he could ask the Board a question and the Chairman agreed. Mr. Johnson asked the Board when they would consider the applications that are pending Board approval. Mr. McShane stated that these applications will not be considered until reauthorization occurs. With no other questions, the Chairman moved to the next agenda item.

X. TIME AND PLACE OF NEXT BOARD MEETING

The Board tentatively scheduled the next Board Meeting for Tuesday, July 31, 2018 with time and location to be determined.

XI. ADJOURN

The Chairman called for a motion to adjourn. Mr. Snow made the motion to adjourn. Mr. Lavender seconded and the motion unanimously passed.