South Carolina Transportation Infrastructure Bank

South Carolina House of Representatives Legislative Oversight Economic Development, Transportation, Natural Resources and Regulatory Subcommittee Meeting

August 25, 2016

Discussion Items

Implementation of LAC recommendations*
  Timeline of Twelve (12) recommendations SCTIB

Act 275 Progress between SCDOT and SCTIB

Complete Operating Guidelines online at
http://sctib.sc.gov/Application/Pages/default.aspx

Path Forward

*Code of Conduct Training for employees available to all state agencies at
http://www.admin.sc.gov/humanresources/code-of-conduct

LAC Recommendations	SCTIB Response	Implementation
#1 - The South Carolina Transportation Infrastructure Bank should report on its website a comprehensive list of grants, loans, total commitments, and disbursements for all of its projects since the agency's inception in 1997.	SC.GOV is currently working on new design for website	Implementation prior to 12/31/16
#5 - The South Carolina Transportation Infrastructure Bank should formally and publicly communicate the availability of funding.	From Operating Guidelines - 12. <u>Application Procedures and Evaluation</u> The Bank will invite submissions of applications from local governments for financial assistance once per calendar year (if sufficient financial assistance capacity is available) by a date set by the Board. The Bank will evaluate the applications and projects, which are determined to be eligible and qualified, based on the Bank's application criteria and render decisions on those applications by a date set by the Board. For the 2016, applications will be requested by June 30 with the Board's decisions issued by September 30, unless the schedule is altered by the Chairman. The Bank will include any active applications previously received by the Bank that have not been acted upon by the Bank in this initial round of the receipt and review of applications. Thereafter, the submission date will be approximately January 1 and the decision date will be approximately September 1. These schedules will not apply to applications or requests submitted by SCDOT.	Complete – Guidelines posted on Website

LAC Recommendations	SCTIB Response	Implementation
#6 - The South Carolina Transportation Infrastructure Bank should adopt an annual timeline for publicly communicating updated criteria regarding the application process.	See #5 above	Complete – Guidelines posted on Website
#7 - The South Carolina Transportation Infrastructure Bank should create an annual deadline, that is consistent from year to year, for accepting applications when funding is available and establish a structured timeline for the review and award processes.	See #5 above	Complete – Guidelines posted on Website
#8 - The South Carolina Transportation Infrastructure Bank should require a new application for funding requests which differ from the initial application.	From Operating Guidelines – 7. Intergovernmental Agreement-Execution The project sponsor or owner and any other necessary parties as determined by the Bank must sign and enter into an IGA with the Bank to receive financial assistance for a project from the Bank within forty-five (45) days of being presented the final version of the IGA by counsel for the Bank. Upon request by the project sponsor or owner or other proposed party to the IGA, the Bank Chairman, in his or her discretion, may grant an extension of time in which the project sponsor or owner or other party may sign and enter into the IGA, but the extension may not exceed thirty (30) days. In the event, the IGA is not signed and entered into by the project sponsor or owner or other party within the aforesaid period of time, the application for the project will be deemed withdrawn by the applicant and the project will not be eligible for any financial assistance unless the applicant files a new application with the Bank for consideration. Each IGA and amended IGA must be in a form and with contents and provisions acceptable to the Bank upon the advice of the Bank's counsel. An amended or new IGA is required for any additional financial assistance approved by the Bank for an existing project and is subject to the provisions of the this paragraph. Financial assistance or additional financial assistance for a project shall not be available until the IGA or amended or new IGA is signed by all parties. Bank believes if project differs materially the applicant should submit new application. If change is not material, an updated application and rescoring of project should be done.	Complete – Guidelines posted on Website

LAC Recommendations	SCTIB Response	Implementation
#10 - The South Carolina Transportation Infrastructure Bank should develop formal policies regarding its practice of awarding financial assistance.	See Operating Guidelines	Complete – Guidelines posted on Website
#11 - The South Carolina Transportation Infrastructure Bank should adopt a formal scoring sheet for evaluating project applications.	Being reviewed by Evaluation Committee – See Section 12 C of Operating Guidelines- 12. C. Local matches or loan payments on a project consisting of payments to the Bank that may be pledged to revenue bonds will be scored higher than other forms of matches or payments. Next in order of scoring will be local matches that consist of payments of project costs or loan payments that may not be pledged to revenue bonds. Local matches that are in kind or consist of the local government improving roads that are collateral to or not part of the project may not be considered. Evaluation Committee is working on implementation of this recommendation	Complete – Guidelines posted on Website Implementation prior to 12/01/16
#16 - The South Carolina Transportation Infrastructure Bank should consistently apply all its requirements to all applicants.	See Operating Guidelines	Complete – Guidelines posted on Website
#18 - The South Carolina Transportation Infrastructure Bank should require applicants to demonstrate whether the benefits of the project would exceed the costs.	Addressed in the Bank's application documents and process whereby the applicant is required to supply a cost/benefit analysis. Evaluation Committee is working on implementation of this recommendation	Implementation prior to 12/01/16

LAC Recommendations	SCTIB Response	Implementation
#19 - The South Carolina Transportation Infrastructure Bank should develop a minimum rating to use in the evaluation process to determine which projects qualify for funding.	Revised evaluation criteria and project scoring is under consideration.	Implementation prior to 12/31/16
#23 - The S.C. State Infrastructure Bank should institute a policy that requires the source of payment for all travel and related expenses be documented.	The Bank will develop a policy on travel reimbursement that is consistent with state regulations.	Implementation prior to 12/31/16
#26 - The South Carolina Transportation Infrastructure Bank should implement a standard process for the allocation of interest earnings on funds held by it for other entities.	The Bank will discuss development of a standard process with its Audit Firm and Financial Advisor.	Implementation prior to 12/31/16