

<b>AGENCY NAME:</b>	South Carolina Ports Authority		
<b>AGENCY CODE:</b>	Y140	<b>SECTION:</b>	88



## Fiscal Year 2020-21 Agency Budget Plan

### FORM A - BUDGET PLAN SUMMARY

<b>OPERATING REQUESTS (FORM B1)</b>	<b>For FY 2020-21, my agency is (mark "X"):</b> <input type="checkbox"/> Requesting General Fund Appropriations. <input type="checkbox"/> Requesting Federal/Other Authorization. <input checked="" type="checkbox"/> Not requesting any changes.
<b>NON-RECURRING REQUESTS (FORM B2)</b>	<b>For FY 2020-21, my agency is (mark "X"):</b> <input checked="" type="checkbox"/> Requesting Non-Recurring Appropriations. <input type="checkbox"/> Requesting Non-Recurring Federal/Other Authorization. <input type="checkbox"/> Not requesting any changes.
<b>CAPITAL REQUESTS (FORM C)</b>	<b>For FY 2020-21, my agency is (mark "X"):</b> <input type="checkbox"/> Requesting funding for Capital Projects. <input checked="" type="checkbox"/> Not requesting any changes.
<b>PROVISOS (FORM D)</b>	<b>For FY 2020-21, my agency is (mark "X"):</b> <input type="checkbox"/> Requesting a new proviso and/or substantive changes to existing provisos. <input checked="" type="checkbox"/> Only requesting technical proviso changes (such as date references). <input type="checkbox"/> Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
<b>PRIMARY CONTACT:</b>	Tate Zeigler	843-577-8670	tzeigler@scspa.com
<b>SECONDARY CONTACT:</b>	Phil Padgett	843-577-8139	PPadgett@scspa.com

I have reviewed and approved the enclosed FY 2020-21 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<i>Agency Director</i>	<i>Board or Commission Chair</i>
<b>SIGN/DATE:</b>	1/19/2017	1/17/2017
<b>TYPE/PRINT NAME:</b>	Jim Newsome, President & CEO	Bill Stern, Chairman

*This form must be signed by the agency head – not a delegate.*

Fiscal Year 2020-21 Budget Request Executive Summary

Agency Code: Y140  
 Agency Name: State Ports Authority  
 Section: 88

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B2 - Non-Recurring	Jasper Ocean Terminal Port Facility Infrastructure Fund	5,000,000				5,000,000					0.00
2							0					0.00
3							0					0.00
4							0					0.00
5							0					0.00
6							0					0.00
7							0					0.00
8							0					0.00
9							0					0.00
10							0					0.00
11							0					0.00
12							0					0.00
13							0					0.00
14							0					0.00
15							0					0.00
16							0					0.00
17							0					0.00
18							0					0.00
19							0					0.00
20							0					0.00
21							0					0.00
22							0					0.00
23							0					0.00
24							0					0.00
25							0					0.00
26							0					0.00
27							0					0.00
28							0					0.00
29							0					0.00
30							0					0.00
TOTAL BUDGET REQUESTS			5,000,000	0	0	0	5,000,000	0.00	0.00	0.00	0.00	0.00

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**FORM B2 – NON-RECURRING OPERATING REQUEST**

<b>AGENCY PRIORITY</b>	<b>1</b>
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*Provide the Agency Priority Ranking from the Executive Summary.*

<b>TITLE</b>	<b>Jasper Ocean Terminal Port Facility Infrastructure Fund</b>
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*Provide a brief, descriptive title for this request.*

<b>AMOUNT</b>	<b>\$5,000,000</b>
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*What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.*

<b>FACTORS ASSOCIATED WITH THE REQUEST</b>	<b>Mark "X" for all that apply:</b>	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input checked="" type="checkbox"/>	Request for Non-Recurring Appropriations
	<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

<b>STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES</b>	<b>Mark "X" for primary applicable Statewide Enterprise Strategic Objective:</b>	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
	<input type="checkbox"/>	Government and Citizens

<b>AGENCY NAME:</b>	<b>South Carolina Ports Authority</b>		
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<b>ACCOUNTABILITY OF FUNDS</b>	<p>A decade-long partnership between Georgia and South Carolina, the Jasper Ocean Terminal’s purpose is to provide a bi-state owned and operated port facility in Jasper County, South Carolina that can accommodate projected throughput growth for containerized cargo in support of economic development for the region. This budget request would fund the Jasper Ocean Terminal Port Facility Infrastructure Fund (Proviso 88.6), which was created in the FY19 – 20 General Appropriations bill. These funds would support the pre-permitting and development of supporting infrastructure for the Jasper Ocean Terminal.</p> <p>The Jasper Ocean Terminal Joint Venture (JOTJV) is governed by a Board of Directors from both South Carolina and Georgia.</p>
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*What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?*

<b>RECIPIENTS OF FUNDS</b>	<p>The Japer Ocean Terminal Joint Venture (JOTJV), which is established to oversee planning, permitting and construction of the Jasper Ocean Terminal and supporting channel infrastructure.</p>
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*What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?*

<b>JUSTIFICATION OF REQUEST</b>	<p>This non-recurring appropriation would fund the Jasper Ocean Terminal Port Facility Infrastructure Fund (Proviso 88.6) and be utilized by the SCPA and the Joint Project Office to continue the pre-permitting process for the development of the Jasper Ocean Terminal, as well as development and study of the necessary supporting infrastructure for the terminal.</p> <p>The Jasper Ocean Terminal is a joint venture with the state of Georgia and is governed by the Joint Project Office Board of Directors, with representation by Georgia and South Carolina officials.</p>
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*Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?*

<b>AGENCY NAME:</b>	South Carolina Ports Authority		
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**FORM D – PROVISIO REVISION REQUEST**

<b>NUMBER</b>	<b>88.1</b>
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*Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").*

<b>TITLE</b>	<b>SPA: Charleston Cooper River Bridge Project</b>
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*Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.*

<b>BUDGET PROGRAM</b>	<b>n/a</b>
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*Identify the associated budget program(s) by name and budget section.*

<b>RELATED BUDGET REQUEST</b>	<b>No</b>
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*Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.*

<b>REQUESTED ACTION</b>	<b>Amend</b>
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*Choose from: Add, Delete, Amend, or Codify.*

<b>OTHER AGENCIES AFFECTED</b>	State Transportation Infrastructure Bank
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*Which other agencies would be affected by the recommended action? How?*

<b>SUMMARY &amp; EXPLANATION</b>	<p>This proviso directs the State Ports Authority to pay the State Transportation Infrastructure Bank \$1,000,000 annually from other general fund or operating fund surplus and any funds appropriated to the authority in prior fiscal years that are unspent as of 7/1/19 to continue the Charleston Cooper River Bridge Project.</p> <p>The request is to amend the FY2019 – 2020 proviso to change the dates from 6/30/19 to 6/30/20 and 7/1/20 to 7/1/21. This proviso meets the obligations of the Ports Authority to the State Infrastructure Bank’s financial agreement with no impact on the general fund. The funds used to pay the Transportation Infrastructure Bank are operating funds of the Ports Authority, none of which are state appropriated funds. Per the Ports Authority, the commitment of the agency is to provide \$1,000,000 per year for 25 years, until 2027.</p>
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*Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.*

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<b>FISCAL IMPACT</b>	<p>The funds used to pay the Transportation Infrastructure Bank are operating funds of the State Ports Authority, none of which are state appropriated funds. There is no fiscal impact on the General Fund.</p>
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*Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.*

<b>PROPOSED PROVISIO TEXT</b>	<p>(SPA: Charleston Cooper River Bridge Project) The State Ports Authority shall, from other general fund or operating fund surplus available and any funds appropriated to the authority in prior fiscal years and left unexpended as of July 1, <del>2019</del> <b><u>2020</u></b>, pay to the State Transportation Infrastructure Bank one million dollars before June 30, <del>2020</del> <b><u>2021</u></b>, to continue the Charleston Cooper River Bridge Project.</p>
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*Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.*

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**FORM D – PROVISIO REVISION REQUEST**

<b>NUMBER</b>	<b>88.5</b>
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*Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").*

<b>TITLE</b>	<b>SPA: Jasper Ocean Terminal Permitting</b>
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*Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.*

<b>BUDGET PROGRAM</b>	<b>Jasper Ocean Terminal</b>
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*Identify the associated budget program(s) by name and budget section.*

<b>RELATED BUDGET REQUEST</b>	88.6 – Jasper Ocean Terminal Port Facility Infrastructure Fund
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*Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.*

<b>REQUESTED ACTION</b>	<b>Amend</b>
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*Choose from: Add, Delete, Amend, or Codify.*

<b>OTHER AGENCIES AFFECTED</b>	n/a
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*Which other agencies would be affected by the recommended action? How?*

<b>SUMMARY &amp; EXPLANATION</b>	<p>Proviso 88.5 directs that any funds appropriated to the State Ports Authority for the Jasper Ocean Terminal shall be utilized for activities approved and directed by the joint venture governing board and associated with advancing the project during the upcoming fiscal year. Language included in the proviso during the FY19 – 20, which directed the SPA to utilize not more than \$5,000,000 for the purchase of real property at the Sherwood Plantation was completed by the SPA and is no longer necessary to be included in the proviso.</p>
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*Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.*

<b>AGENCY NAME:</b>	South Carolina Ports Authority		
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<b>FISCAL IMPACT</b>	n/a
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*Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.*

<b>PROPOSED PROVISIO TEXT</b>	<p>88.5. (SPA: Jasper Ocean Terminal Permitting) <del>From funds specifically appropriated to the State Ports Authority (SPA) for the Jasper Ocean Terminal, not more than \$5,000,000 shall be spent on the purchase of real property as may be available for purchase through that certain Option Agreement by and between Sherwood Plantation, Inc., and Southern Carolina Regional Development Alliance (SCRDA) dated September 20, 2017, as may be amended, so long as SCRDA secures the right to and assigns said Option Agreement to the SPA no later than September 30, 2019. In no event and under no circumstance shall the cost, expense, purchase price, payments, fees, or any associated charges for the acquisition of such property cause the SPA to expend more than the \$5,000,000 appropriated for this purpose. It is understood that this limitation shall result in less than the full acreage currently under option being purchased by the SPA.</del></p> <p><del>— Should the Option Agreement be exercised by the SPA, then SPA shall take title and include in the deed language providing that such property purchased pursuant to the Option Agreement shall be transferred to Jasper County by operation of law in the event that upon the fifth anniversary of the closing on such property the property has not been sold, leased, or otherwise utilized for an economic development project that will utilize port facilities. The intent of such condition is to develop the property in a manner that highlights the necessity of the Jasper Ocean Terminal.</del></p> <p>Any funds appropriated to the (SPA) for the Jasper Ocean Terminal <del>remaining after the exercise of and purchase of real property pursuant to the Option Agreement or in the event the SCRDA does not assign the Option Agreement by September 30, 2019,</del> shall be utilized by the SPA to pay for activities approved and directed by the joint venture governing board and associated with advancing the Project during FY <del>2019-20</del> <u>2020-21</u>. In connection with activities that are approved and directed by the joint venture, SPA shall comply with the directive of Section 54-3-115 of the South Carolina Code in regard to taking "all action necessary to expeditiously develop a port in Jasper County." Activities undertaken during FY <del>2019-20</del> <u>2020-21</u> may include, but are not limited to, the following:</p> <ol style="list-style-type: none"> <li>1. working on a corporate governance model for the joint venture as an operating port;</li> <li>2. working on terminal simulation for design and operation;</li> <li>3. working on plans, studies, and modeling in conjunction with the respective South Carolina and Georgia Departments of Transportation and the metropolitan planning organization to identify and assess supporting road and rail infrastructure for the terminal footprint including, but not limited to, supporting infrastructure that may have independent utility;</li> <li>4. working on sedimentation modeling for impacts on construction and dredging;</li> <li>5. taking actions in furtherance of obtaining: (a) a Department of the Army permit pursuant to Section 10 of the Rivers and Harbors Act; (b) a permit pursuant to Section 404 of the Clean Water Act, to prepare a Channel Modification Feasibility Study; and (c) studies necessary in connection with developing an Environmental Impact Statement for the Project; and</li> </ol>
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	<p>6. discharging its obligations pursuant to its Joint Venture Agreement with the Georgia Ports Authority.</p> <p>The funds appropriated to SPA for the Jasper Ocean Terminal Permitting may not be used for reimbursement of SPA expenditures made in a prior fiscal year and must be used only for one or more of the purposes set forth above.</p> <p>SPA shall provide a detailed report in writing to the members of the South Carolina General Assembly on or before the first day of the <del>2020</del> <b><u>2021</u></b> legislative session and another such report on or before June 30, <del>2020</del> <b><u>2021</u></b>, describing the progress made as of the dates of those reports in regard to the Jasper Ocean Terminal, such to include a description of the ongoing and planned work.</p>
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*Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.*

<b>AGENCY NAME:</b>	South Carolina Ports Authority		
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**FORM D – PROVISO REVISION REQUEST**

**NUMBER** 117.121

*Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").*

**TITLE** Distribution Facility

*Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.*

**BUDGET PROGRAM** n/a

*Identify the associated budget program(s) by name and budget section.*

**RELATED BUDGET REQUEST** No

*Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.*

**REQUESTED ACTION** Delete

*Choose from: Add, Delete, Amend, or Codify.*

**OTHER AGENCIES AFFECTED** n/a

*Which other agencies would be affected by the recommended action? How?*

**SUMMARY & EXPLANATION**

Proviso 117.121 clarifies that the SPA shall be considered a distribution facility for the purposes of sales tax exemptions associated with the purchase of equipment and construction materials. The provision was signed into law through Act 37 on May 21, 2019, and therefore is no longer necessary. The language is listed below:

SECTION 3. Article 21, Chapter 36, Title 12 of the 1976 Code is amended by adding:

"Section [12-36-2140](#). For purposes of the exemptions set forth in this article, the term 'distribution facility' includes, but is not limited to, a port facility as defined in Section [12-6-3375](#)."

*Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.*

<b>AGENCY NAME:</b>	South Carolina Ports Authority		
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<b>FISCAL IMPACT</b>	n/a
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*Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.*

<b>PROPOSED PROVISIO TEXT</b>	<p><del><b>117.121.</b> (GP: Distribution Facility) The State Ports Authority shall be considered a distribution facility for the purpose of sales tax exemptions associated with the purchase of equipment and construction materials.</del></p>
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*Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.*