

STATE OF NORTH CAROLINA OFFICE OF STATE BUDGET AND MANAGEMENT

BEVERLY EAVES PERDUE GOVERNOR

ANDY WILLIS
STATE BUDGET DIRECTOR

October 3, 2011

MEMORANDUM

TO: Senator Phil Berger, President Pro-Tempore of the Senate

Representative Thom Tillis, Speaker of the House of Representatives

FROM: Jennifer Hoffmann, Asst State Budget Officer for Infrastructure

SUBJECT: Allotments from the Contingency and Emergency Account

The Office of State Budget and Management (OSBM) must report to the Joint Legislative Commission on Governmental Operations on allotments from the Contingency and Emergency Account as required by G.S. 143C-4-4(c). The following allotments have been approved by the Council of State since the last meeting of the Joint Legislative Commission on Governmental Operations in October 2010.

1) Legal Services for Alabama, et al. v. North Carolina. - \$43,158

As provided under G.S. 147-17 and on the advice of the Department of Justice, the services of former Solicitor General Walter Dellinger of O'Melveny & Myers LLP were retained to represent the State in the case of <u>Alabama</u>, et al. v. North Carolina. These services supplemented extensive legal work provided by full time Department of Justice attorneys.

This lawsuit was filed as a result of North Carolina's decision to withdraw from membership in the Southeast Interstate Low-Level Radioactive Waste Management Compact. This litigation, initiated in 1999, was related to the development and permitting of a North Carolina low level radioactive waste site that would support nuclear waste disposals from eight southeastern states. The US Supreme Court appointed a Special Master in 2004 to review legal claims and proceedings by the southeastern states.

The Council of State had previously approved allotments from the C&E fund totaling \$536,327 for legal fees pertaining to this case. The Council of State approved an additional \$43,158 request at their December 7, 2010 meeting.

2) Legal Services for South Carolina, v. North Carolina - \$20,427

South Carolina filed suit against North Carolina in the United States Supreme Court claiming that North Carolina is taking more than its equitable share of the water from the Catawba River. South Carolina's allegations extend to all uses of water in the Catawba River by North Carolina. A final judgment against North Carolina could require the State to provide a minimum volume of water to South Carolina, thus limiting North Carolina's share for municipal supply, recreation, and economic development. As provided under the advice of the Department of Justice, the services of several firms providing engineering and other expert witness services, legal discovery, imaging, record transcription, document management, paralegal and court reporting, and other services were retained to assist the State in the case of South Carolina, v. North Carolina. This ongoing litigation was initiated in 2007.

The Council of State had previously approved allotments from the C&E fund totaling \$1,205,360 for legal fees pertaining to this case. The Council of State approved an additional \$20,427 request at their December 7, 2010 meeting.

3) Reward for Information Leading to the Arrest and Conviction of the Person or Persons Responsible for the murders of James David Scott Wiggins and Michael Heath Compton - \$5,000

On August 12, 2008, former Governor Michael F. Easley issued a reward proclamation of up to \$5,000 for information leading to the arrest and conviction of the person or persons responsible for the murders of James David Scott Wiggins and Michael Heath Compton. After an intensive investigation conducted by the Swain County Sheriff's Office, the North Carolina State Bureau of Investigation and the Georgia Bureau of Investigation, six people were charged with murder in this case. Jeffery Miles aka Jeffrey Miles and Jason Johnson pled guilty and were sentenced to life in prison. Jada McCutcheon committed suicide while incarcerated. Tiffany Marion, Dean Mangold and Mark Goolsby are all awaiting trial.

The State Bureau of Investigation, along with Swain County Sheriff Curtis A. Cochran and District Attorney Michael Bonfoey recommended that the State reward money be paid in the amount of \$5,000 to one or more confidential informants who provided information leading to the arrest and conviction of Jeffery Miles for the murders of James David Scott Wiggins and Michael Heath Compton.

This allotment was approved by the Council of State on February 22, 2011.

4) Legal Services for Alabama, et al. v. North Carolina. - \$5,452

As provided under G.S. 147-17 and on the advice of the Department of Justice, the services of former Solicitor General Walter Dellinger of O'Melveny & Myers LLP were retained to represent the State in the case of Alabama, et al. v. North Carolina. These

services supplemented extensive legal work provided by full time Department of Justice attorneys.

This lawsuit was filed as a result of North Carolina's decision to withdraw from membership in the Southeast Interstate Low-Level Radioactive Waste Management Compact. This litigation, initiated in 1999, was related to the development and permitting of a North Carolina low level radioactive waste site that would support nuclear waste disposals from eight southeastern states. The US Supreme Court appointed a Special Master in 2004 to review legal claims and proceedings by the southeastern states.

The Council of State had previously approved allotments from the C&E fund totaling \$579,485 for legal fees pertaining to this case. The Council of State approved an additional \$5,452 request at their April 5, 2011 meeting.

5) Legal Services for South Carolina, v. North Carolina - \$97,362

South Carolina filed suit against North Carolina in the United States Supreme Court claiming that North Carolina is taking more than its equitable share of the water from the Catawba River. South Carolina's allegations extend to all uses of water in the Catawba River by North Carolina. A final judgment against North Carolina could require the State to provide a minimum volume of water to South Carolina, thus limiting North Carolina's share for municipal supply, recreation, and economic development. As provided under the advice of the Department of Justice, the services of several firms providing engineering and other expert witness services, legal discovery, imaging, record transcription, document management, paralegal and court reporting, and other services were retained to assist the State in the case of South Carolina, v. North Carolina. This is ongoing litigation initiated in 2007.

The Council of State had previously approved allotments from the C&E fund totaling \$1,225,787 for legal fees pertaining to this case. The Council of State approved an additional \$97,362 request at their April 5, 2011 meeting.

6) Reward for Information Leading to the Arrest and Conviction of the Person or Persons Responsible for the murder of Harriet Brown Roberson Highsmith - \$5,000

On August 2, 2002, former Governor Michael F. Easley issued a reward proclamation of up to \$5,000 for information leading to the arrest and conviction of the person or persons responsible for the murder of Harriet Brown Roberson Highsmith. After an intensive investigation conducted by the Robersonville Police Department and the North Carolina State Bureau of Investigation, Mickey Rollins was convicted of first degree murder, attempted robbery with a dangerous weapon, and breaking and entering.

The State Bureau of Investigation, along with District Attorney Seth H. Edwards and Robersonville Police Chief Darrell Knox, recommended that the State reward money be paid in the amount of \$5,000 to one or more confidential informants who provided information leading to the arrest and conviction of Mickey Rollins for the murder of Harriet Brown Roberson Highsmith.

This allotment was approved by the Council of State on July 12, 2011.

7) Reward for Information Leading to the Arrest and Conviction of the Person or Persons Responsible for the murders of Dennis Ivery Inman, Regina Dossie Inman, and Anthony Martin - \$5,000

On December 14, 2005, former Governor Michael F. Easley issued a reward proclamation of up to \$5,000 for information leading to the arrest and conviction of the person or persons responsible for the murders of Dennis Ivery Inman, Regina Dossie Inman and Anthony Martin. After an intensive investigation conducted by the Columbus County Sheriff's Department and the North Carolina State Bureau of Investigation, Danny Lamont Thomas was convicted of four counts of capital murder and underlying charges. Thomas received four life sentences plus sentences for the underlying charges.

The State Bureau of Investigation, along with District Attorney Jon David and Columbus County Sheriff Chris Batten, recommended that the State reward money be paid in the amount of \$5,000 to one or more confidential informants who provided information leading to the arrest and conviction of Danny Lamont Thomas for the murders of Dennis Ivery Inman, Regina Dossie Inman and Anthony Martin.

This allotment was approved by the Council of State on August 2, 2011.

cc: Andy Willis
David Brown
Chloe Gossage
Mark Bondo