



UPTOWN

a publication of the municipal association of south carolina

Panels stress collaboration

Collaboration was a theme that echoed among legislators and business leaders who spoke to local officials at Hometown Legislative Action Day in February. They touched on topics ranging from roads to education and open government to funding services.

Rock Hill Mayor Doug Echols moderated a panel of House members and Senators who told the assembled local officials it's important they have the tools they need to provide the services residents and businesses demand.

Representative Todd Rutherford (D-Richland) observed, "Services have to be paid for somehow. Money isn't just going to materialize."

The legislators had diverse opinions on tax policy and how to raise the money to fund maintenance for the state's crumbling infrastructure. Senator Greg Hembree (R-Horry) said he supports raising the gas tax and reducing the income tax, noting South Carolina has the third lowest gas tax in the country.

Senator Joel Lourie (D-Richland) said he didn't believe the income tax reduction was necessary. "Nobody comes up and talks to me about their tax bracket," said Lourie "They talk to me about their potholes. I can't support funding tax relief while we are not funding needs already there."

When asked by Echols about attention to secondary and rural roads in the roads bill, Hembree observed that part of the reason interstates and major roads have gotten more attention than secondary and rural roads is the fact that so much of the money the SC Department of Transportation receives is federal money.



Legislative panel: (L-R) Rep. Todd Rutherford, Sen. Joel Lourie, Sen. Greg Hembree and Rock Hill Mayor Doug Echols. Panelists not pictured: Rep. Jenny Horne and Rep. Laurie Funderburk.

"As state dollars have shrunk," he said, "DOT has turned to the federal government. That means major roads and interstates get most of the attention while the smaller projects get put aside."

Representative Jenny Horne (R-Charleston, Dorchester) added that she believed money for both roads and education must be in a trust fund to ensure they are used for their intended purpose.

All of the legislators echoed support for full funding of the Local Government Fund.

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Municipal Elected Officials Institute Graduates



Advanced Municipal Elected Officials Institute Graduates

Graduates honored

During February’s Hometown Legislative Action Day, the Municipal Association recognized municipal officials who completed training through two of the Association’s training institutes.

Twenty-eight mayors and councilmembers were part of the first graduating class of the SC Advanced Municipal Elected Officials Institute of Government. The SC Municipal Elected Officials Institute of Government added 38 new graduates.

The MEO Institute is specifically designed to give South Carolina municipal elected officials a knowledge base for establishing good public policy for their hometowns. It consists of both in-person and online courses. The next in-person

course on March 17 will focus on basic budgeting and municipal finance.

The Advanced Institute is available exclusively to MEO Institute graduates. The next opportunity to attend an advanced course (“Municipal Utility Policy and Administration” or “Advanced Advocacy and Intergovernmental Relations”) is October 19 in Columbia.

MEO Institute Graduates

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Advanced Institute Graduates

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For more information about the institutes, visit www.masc.sc (keyword: MEO) or (keyword: Advanced MEO).

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Representative Laurie Funderburk (R-Kershaw) said the big issue with LGF funding is ensuring predictability. “It’s hard for you to budget if you don’t know from year to year how much you will be getting.” She said it makes good sense for the formula for the LGF to correspond to state growth as outlined in H3374.

Following the legislative discussion, Cayce Mayor Elise Partin facilitated a panel consisting of executives from three associations the Municipal Association partners with frequently on legislative issues. All three executives are veterans of working with the legislature, and all echoed the theme of collaboration when working to get legislation passed.

When asked to talk about the partnership between the South Carolina Chamber of Commerce and Municipal Association in working on business licensing legislation, Ted Pitts, president and CEO of the Chamber, said, “It’s important to first look at what we can agree on—what will be good for business and good for local government. I’m very encouraged with where we are on this business licensing issue right now.”

Bill Rogers, executive director of the SC Press Association, pointed out several examples of how good laws are made through collaboration and compromise. That approach was the reason the legislature passed a bill last session to change how meeting agendas of public bodies can be amended, he said. “Our two associations don’t disagree on much,” he said, noting open government is the goal of both the Press Association and the Municipal Association.

Bill Ross, executive director of SC Alliance to Fix our Roads, said his organization is focused on one thing...funding for the state’s infrastructure. SCFOR’s approach is to bring together more than 90 organizations, including the Municipal Association, with an interest in infrastructure funding.

Ross noted, “With an issue like this, the approach to lobbying is very much grassroots.”

Social media, he pointed out, is becoming the true grassroots strategy for lobbying. “Social media gives us a way to keep the pressure on from the ground up every day.”



Presentation by Municipal Association Executive Director Miriam Hair generated lots of Twitter conversations.



Complete court reporting essential

In the 2015 budget, the General Assembly passed a proviso that barred public defenders from representing indigent defendants in municipal court. After the proviso passed, cities and towns were left with only a few options for providing indigent defense services in municipal courts.

A municipality can enter into an agreement with the circuit public defender's office, which manages the county's public defenders. If not, the municipality must hire a private attorney to provide indigent defense. While some municipalities have successfully worked out arrangements with their circuit public defenders or private attorneys, others have been unable to agree on appropriate terms.

Why did the change occur?

State law mandates that municipalities collect and send to the state Office of Indigent Defense a 10.56 percent assessment on every fine levied in municipal court. Statewide, municipal courts

remit more than \$2 million annually for indigent defense.

State law also mandates that counties provide funding for their circuit public defender. Municipal residents contribute to this funding through their county property taxes.

Despite these two funding sources, some of the proviso's proponents erroneously believe that cities and towns are not contributing to indigent defense expenses across the state. Therefore, the proviso was passed requiring municipalities to provide a third funding source. A funding source that many municipal courts simply do not have.

How do we change the perception?

"The vast majority of municipal courts are either barely breaking even or are actually operating at a deficit," explained Tiger Wells, the Municipal Association's government affairs liaison. "They can't afford another mandate to fund a service

municipal residents and their courts are already paying for through property taxes and state-required assessments."

Municipal officials must do a better job conveying the true costs of their court systems to legislators and the public. One way is through the annual report that municipal courts must submit to the SC Court Administration.

"Far too often, courts are submitting reports that do not capture the true cost of operating a municipal court," said Wells. Frequently unreported expenses include municipal judge and court staff salaries, expenses (including wages for municipal police and municipal attorneys who act as the court's prosecuting agents), and any related maintenance or debt service expenses.

The report to Court Administration is due each August. Municipal officials must ensure they report not only revenue accurately but also all appropriate expenditures.

Letting the sunshine in



All states, the District of Columbia and the federal government have public information laws, popularly referred to as “Sunshine Laws,” designed to shed light on government activities, processes and documents. During the week of March 15-21, South Carolina will observe Sunshine Week, a time devoted to increasing public awareness of the Freedom of Information Act, S.C. Code of Laws § 30-4-80.

All South Carolina cities and towns should celebrate Sunshine Week, said Mayor Bill Young of Walterboro and current Municipal Association president. “There is truth in the old adage: in the absence of information, people will assume the worst. The trust lost because of a lack of transparency can lead to strained relationships between city leaders and their constituents, making the job of governing very difficult.”

“We are encouraging elected officials and staff, even those who believe they fully understand the FOIA, to observe Sunshine Week by refreshing their FOIA knowledge,” explained Young.

Recent actions by the General Assembly and the SC Supreme Court have significantly changed meeting notice requirements, mandated agendas for all

meetings of public bodies, established new procedures for adding items to an agenda and clarified the required procedure to enter executive session.

Presiding officers and parliamentarians must understand these changes, particularly the process for amending an agenda once a meeting is called to order and the new multistep process to enter executive session. This process is illustrated in a simple flowchart created by the Municipal Association and the SC Press Association. The flowchart is available at www.masc.sc (keyword: FOIA).

“It is the presiding officers’ and parliamentarians’ responsibility to ensure compliance,” reminded Eric Budds, the Association’s deputy executive director. In addition, city officials should examine their rules of procedure and make any changes necessary to comply with the recent FOIA changes and the court’s clarification of executive session procedures.

Because of these changes, the Association recently updated its publications, *Conducting Effective Meetings* and *Handbook for Municipal Elected Officials*. Staff also updated the on-demand Freedom of Information course offered through the Municipal Elected Officials Institute of Government. While anyone can view the

course, only municipal elected officials will receive MEO Institute credit for taking the course.

The SC Press Association’s “Public Official’s Guide to Compliance with the Freedom of Information Act” is an excellent resource, said Budds. The publication provides easy-to-understand explanations of the FOIA and its requirements.

A common error, even for municipalities with excellent FOIA compliance reputations, is the failure to understand that FOIA requirements apply to all public bodies of the municipality, not just city council. At the municipal level, public bodies include public utility boards, planning commissions, boards of zoning appeals, architectural review boards and all other boards, commissions or committees appointed by council or reporting to council.

“It is essential for city staff members who work with these boards, committees or commissions to understand the FOIA requirements and ensure they are followed,” explained Budds. “This includes requirements related to open meetings, public meeting notices, agendas, minutes, executive sessions and the release of public documents.”

For more information, visit www.masc.sc (keyword: FOIA).



Annual budget preparation

The key to a good budget process is a well-structured, organized and executed budget plan implemented through a team effort. While this approach may be time consuming, it can greatly improve the effectiveness of the budget process and ensure the city complies with state mandates and uses best budgeting practices.

Budget process

- All municipalities, regardless of size, must adopt by ordinance a balanced annual budget. Revenues must equal expenditures.
- All budget meetings are public meetings, and the municipality must provide written notice of the meetings and an agenda. Written notice includes, but need not be limited to, posting a copy of the meeting agenda at least 24 hours before the meeting at the town/city hall or at the building in which the meeting is to be held and notifying the press and anyone who has requested individual notice. The meeting notice and agenda must also be posted on the municipal website, if the municipality has a website.

- General budget discussions do not qualify for executive session.
- Before adopting an annual budget, council must conduct a public hearing giving at least a 15-day public notice of the hearing in a newspaper of general circulation in the municipality. S.C. Code of Laws § 6-1-80 gives specific details of what the notice must include.
- State law requires a public hearing and ordinance, approved by a positive majority vote of the municipal council, to impose new service fees. S.C. Code of Laws § 6-1-330 gives specific details of what the notice must include. A positive majority is a majority of the total members of the council, not a majority of a quorum of council members present at a meeting.

Budget calculations

- State law caps the annual increase in municipal property tax millage. A municipality may increase millage for general operating purposes in one year by the prior calendar year's average Consumer Price Index increase and the percentage increase in the city's previous year

population as provided by the Revenue and Fiscal Affairs Office, plus the increase allowed in millage as similarly calculated for each of the three previous years but not imposed by council.

- Municipalities with the local option sales tax must reconcile prior year LOST collections with the revenue estimate used to calculate the tax credit factor. Any shortage in credit given in the current budget year must be rolled over into the calculation of the credit factor for the next year. The municipality should calculate a new local option sales tax credit factor every year as part of the budget process.
- In reassessment years, municipalities must adjust the millage rate to account for the change in the assessed value after reassessment, excluding the increase in value associated with new construction, the renovation of existing structures and the resale of a property. This is referred to as the rollback millage calculation.

Budgeting best practices

- The most important step to a successful budget is for the city council to agree up front on the process.

- A detailed budget calendar is the most important budget tool.
- The budget process should start a minimum of three months in advance of the budget due date. Many municipalities begin budget preparation six months before the start of the new fiscal year.
- In the council form of government, city council should designate the individual(s) responsible for preparing the budget. By state law, the mayor in the mayor-council form and the city manager in the council-manager form of government are charged with preparing the budget for council's consideration.
- A prioritized list of council goals can help in making decisions on how to allocate scarce resources.
- Staff can expedite budget forecasting by maintaining detailed historical records on revenue and expenditures in a format that can be easily compared and analyzed for a minimum period of three to five years.

- Council can avoid unexpected budget problems by carefully examining and adjusting prior year revenues and expenditures to account for unique situations. Examples on the revenue side include one-time dollars budgeted the prior year such as grants, collection of past due revenues, cash from insurance settlements, and opening or closing of businesses or industries. Health insurance premiums, state retirement contributions, utility rate increases and one-time payments are examples of items which should be double checked on the expenditure side.

Annual reporting

The council is responsible for ensuring the municipality is submitting required financial information and payments to the appropriate agencies. The start of the budget process is a good time to confirm that the municipality has completed the following tasks:

- Submit an annual audit to the state Treasurer's Office by the 13th month after the end of the city's fiscal year end, or state funds may be withheld.
- Submit the Local Government Finance Report to the Budget and Control Board by January 15 (S.C. Code of Laws § 6-1-50). The state can withhold funds for failing to submit this report on time. Some municipalities choose to include preparation of the LGFR in their annual audit contract's scope of services. This practice relieves municipal staff of this challenging task.
- Confirm the municipality is current on submitting state court fines and victim assistance assessments to the state Treasurer's Office.
- Submit the city's annual audit to creditors, grant agencies and local banking institution(s) with which the city conducts business.

Frequently asked questions

Procurement

Are municipalities in South Carolina required to adopt a procurement code?

Yes. According to S.C. Code of Laws § 11-35-50, "all political subdivisions of the state shall adopt ordinances or procedures embodying sound principles of appropriately competitive procurement no later than July 1, 1983." The content of the procurement ordinance or policy is left to the discretion of the municipal council. The law does not require municipalities to adopt state procedures.

Are there any model ordinances or procedures available?

Yes. In 1983, a state task force developed a model ordinance for political subdivisions; however, this ordinance is most suitable for larger municipalities with a full-time purchasing staff. View a copy at <http://1.usa.gov/Wg4MsA>. To assist smaller municipalities, the

Association developed a simplified model purchasing ordinance, available online at <http://1.masc.sc/WREPx3>. Municipalities should adapt the model ordinance to meet local needs and operating requirements.

Can municipalities establish preferences in its procurement code?

Yes. State law only requires that the adopted procurement code "embody sound principals of competitive procurement." Including preferences is a local policy decision. State and federal courts have upheld properly constructed and applied geographic or socioeconomic preferences. Examples include awarding bids to minority-owned businesses or to local businesses if its bid is within a defined percentage (i.e., 5 percent) of the next lowest bid. The percentage of preference generally is specified in a schedule that varies with the value of the purchase and is often capped on purchases over a

defined value. If considering preferences, consult your city attorney before adopting the policy.

What determines the method used to solicit and advertise for bids?

The local procurement code adopted by the council should specify the dollar threshold(s) which triggers implementation of bid procedures, what methods must be used in each procedure and whether advertising is required. The dollar values in the model ordinance are suggested amounts which can be altered to meet the specific needs of the municipality and its form of government.

The SC Municipal Clerks and Treasurers Institute will offer a session on purchasing and procurement during its spring session on March 9-11. For more information, visit www.masc.sc (keyword: MCTI).



The City of North Charleston expedited its permitting process, putting Boeing's construction six months ahead of schedule. Photo/ Boeing

Business *friendly* cities

When Columbia restaurateur Kristian Niemi was planning his new Main Street location, Bourbon, he had to install a grease trap to meet environmental regulations.

"He was looking at a customized system, like \$50,000," said Ryan Coleman, director of the City of Columbia's economic development office. "Our wastewater guy looked at his usage. We determined he didn't need as big a system as he thought, and he was looking at a system with a lot of extra bells and whistles that we didn't require."

City staff helped him come up with a solution that met the requirements and saved him more than \$30,000. "It took a little longer than he wanted, but in the end, the cost savings was worth it," said Coleman.

It is that kind of business-friendly attitude that cities all across South Carolina are making part of their daily routines to make sure businesses not only comply with regulations, but also are able to achieve their goals.

Bret Gillis, a highway engineer with North Charleston civil engineering and architecture firm Stantec, said his company has worked on many projects, such as intersection and road improvements that required quick action from the City of North Charleston's engineering department.

"We've always had good positive interactions with them," Gillis said. "They help us get things permitted and meet city requirements. Part of it is just the mindset of whomever you are working with, being responsive, having a mindset of working toward a solution—a bias toward action, we call it. That can go a long way."

That bias toward action comes from the top down, said Ryan Johnson, spokesman for the City of North Charleston.

"Mayor Summey says the city is not successful unless business is successful," Johnson said. "We focus on safety and quality of life issues, then we get out of their way."

Johnson cites Boeing's final assembly building as his city's best example of this way of working with companies. The project was completed six months earlier than expected.

"Our part was ensuring that we weren't the reason they were held up," Johnson said. "We had a building inspector on call 24 hours a day, seven days a week."

The city did the same thing for a Sam's Club that was moving and needed its new location to be ready before the lease ran out on its old one.

"We made sure people were on call as needed," Johnson said.

And, it's not just the big projects. The city promises to complete inspections in the same day for requests made in the morning and before lunch the following day for requests made after noon.

But more than being responsive, Johnson said, is the mindset of helping businesses reach their goals while still working within the rules and regulations.

“Every issue isn’t black and white,” he said. “You have to use a little bit of common sense in interpreting the codes. It’s the difference between being a public servant versus being a bureaucrat.”

A city doesn’t have to be large to have a business-friendly mindset at work.

The Town of Bennettsville used a SC Department of Commerce grant seven years ago to redo 98 building facades at no cost to the property owners. For those grants, the city partnered with the Bennettsville Downtown Development Association, said executive director Ken Harmon.

The façade program was funded by a \$2 million grant, but Harmon says the payoff has been much greater.

“Most of our downtown buildings are more than 100 years old,” said Harmon, who has been involved with the downtown development organization since it was created in 1986 and has been executive director since 1997. “When we did those 98 building facades, it turned our city around.”

Harmon said the Association and the city have worked together more and more over the years.

“The basic premise we operate under is the art of success is partnership and, very often, that means compromise,” Harmon said.

And, often, that also means an understanding person on the other side of the counter.

“In business licenses, we are often seen as being ‘on the opposite side’ from business,” said Fran Adcock, in the city’s business license division and formerly a grant writer in the city’s economic development office. “We work really hard to show businesses that we are on their side.”

Adcock and her husband, in fact, are new business owners, opening a Hwy 55 Burger Shakes and Fries franchise.

“It gives me a different perspective,” she said. “I have a lot of respect for small-business owners.”

Adcock said she knows personally almost everyone she deals with through the business license department. Plus she knows from her own experience what business owners need.



Before and after views of one of the several restored facades in downtown Bennettsville. Photos/Campbell Meek and Associates, Architects

“We try to steer them where they need to go, like the South Carolina Business One Stop to help set up tax papers,” she said. “Sometimes you just need someone who knows how to navigate the system.”

Cities themselves often need a little help in creating not only the atmosphere of cooperation, but also the rules and regulations that take into account what they want their city to look like as well as how to help businesses get started and be successful.

Bennettsville does that through the Main Street South Carolina program, which is a program of the Municipal Association of South Carolina.

The Main Street SC program offers consulting services, such as master plans or educational workshops for the business and property owners. It is targeted toward

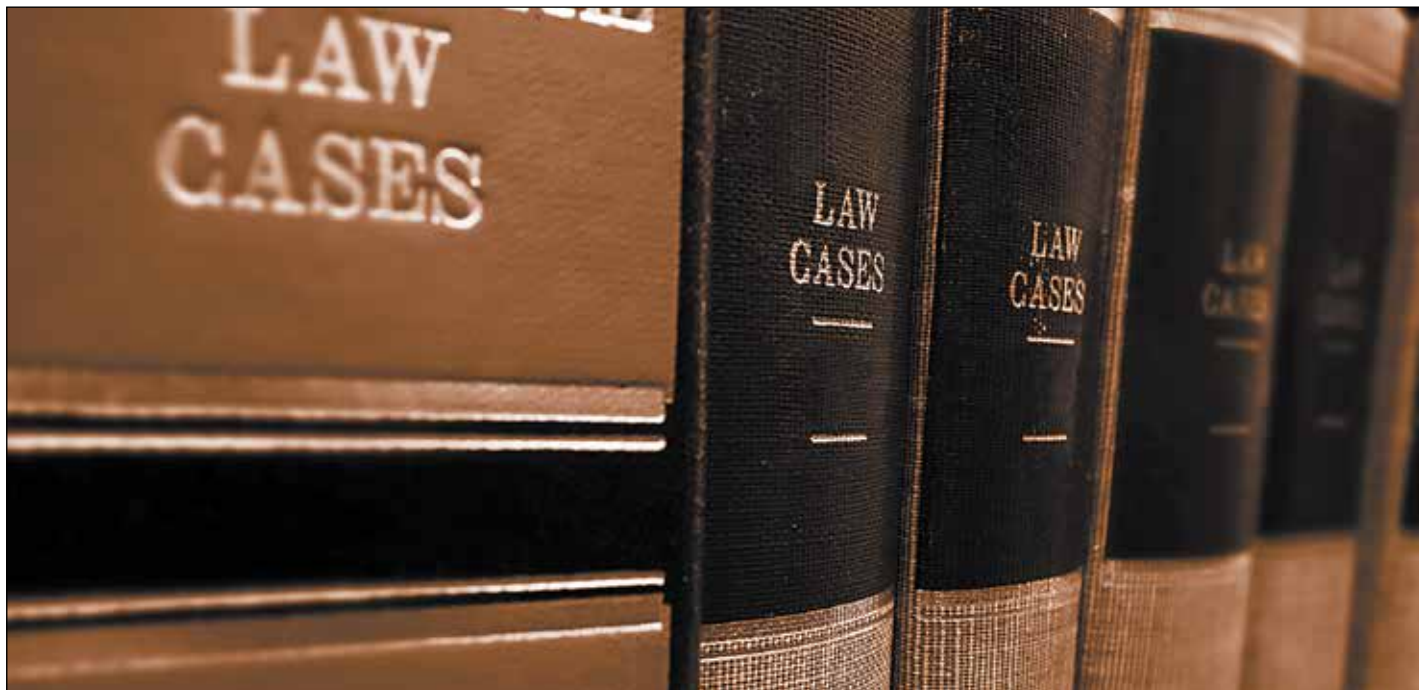
cities and towns of all sizes looking to re-energize their downtown districts.

Randy Wilson, an architect and consultant with the Main Street SC program, said cities that have the greatest success offer businesses some sort of reason to make changes.

When the City of Union created its façade master plan, Wilson said, officials got business owners to give the city an easement that allowed it to make the improvements to the buildings so they would meet the new codes.

“If you don’t have a carrot in addition to the stick, you end up creating an adversarial relationship,” Wilson said. “You give the business added impetus and satisfy local regulations.”

This article is reprinted from the Cities Mean Business magazine, Winter 2016 issue.



Court addresses fund transfers

Utilities

A September 2015 South Carolina Supreme Court ruling established clear rules for transferring revenue generated by user fees from one fund to another. This ruling may have significant implications for South Carolina cities and towns who make these types of transfers.

In the case of *Azar v. City of Columbia*, the Court's ruling favored the plaintiffs who challenged the validity of the City of Columbia's practice of transferring approximately \$4.5 million annually from the utility fund to the general fund.

The Court asserted that the City of Columbia "admitted" the revenues in question constitute user fees as defined in S.C. Code of Laws § 6-1-300, commonly referred to as the Local Government Fiscal Authority Act. Based on this admission, the Court found that the city must spend the revenue in question solely on water and sewer services, unless the revenue is surplus as defined in the

Revenue Bond Act, S.C. Code of Laws § 6-21-440.

The Revenue Bond Act requires utility revenue be used to pay for system operating, maintenance, bond principle and interest, depreciation and contingency set-asides before any money is considered surplus. If these requirements are met, the Court indicated the remaining revenue is surplus and could be used for unrelated purposes at the local government's discretion.

In examining the case, the justices identified two unresolved questions and sent the case back to the trial court to get the questions resolved. The questions centered on whether the revenue at issue was actually spent on costs related to water and sewer services and whether the money at issue is "surplus revenues."

"While *Azar v. City of Columbia* pertained to only the practice of transferring revenues generated from user fees, it

gives us the opportunity to highlight best practices for transferring revenue, regardless of its source, into the general fund," explained Eric Budds, the Municipal Association's deputy executive director.

"If a municipality transfers revenue to the general fund as reimbursement for support services provided for utility or other enterprise operations, local officials should prepare a detailed expense allocation each year to document these support services," said Budds.

"If a municipality transfers revenues to the general fund to pay for expenses related to and of benefit to the core services or functions of the fund from which the revenue is transferred, council should adopt a policy statement describing the benefit," concluded Budds.

Municipal officials should consult their city attorney or bond counsel for advice on how the Supreme Court's ruling impacts their current transfer policies.

Cayce (l) and West Columbia (r) provide access to their water supply to help stabilize Columbia's water system.



Good neighbors

As the Midlands dealt with breached dams and crumbling roads following the historic October flood, Columbia officials were faced with the monumental job of providing clean, safe water to their utility customers.

They found help from their neighbors.

In the aftermath of the flood, Columbia had to stabilize raw water intake and output in a system that was experiencing multiple line breaks. The cities of West Columbia and Cayce, just across the Congaree River from the capital city, answered Columbia's call for help and provided the city with additional water sources.

"Normally, Columbia is the one helping us," said Cayce City Manager Rebecca Vance. "We all know each other and work together."

Columbia took advantage of an existing emergency water connection it had with Cayce. The connection was established when Cayce needed help, said Joey Jaco, Columbia's director of utilities and engineering. West Columbia placed a temporary water line across the Gervais Street Bridge to serve as another water source. The SC Department of Transportation also was part of that process and was instrumental throughout the response efforts, Jaco said.

Having that extra supply of water from its neighbors helped assure that Columbia was able to meet the needs of its customers and stabilize its water supply, Jaco said.

"Because the Cayce connection was already established, it was as simple as

installing the pumps that helped supply our system," Jaco said. "West Columbia was a little more of a challenge as it also required installing a temporary pipe in addition to the pumps."

For both Cayce and West Columbia, separate contractors installed the pumps and made the connections. After securing permission from the other entities, Columbia staff managed the contractors working on the project, he said.

"We do our best to maintain a good working relationship with our neighboring governments and have a regional understanding and appreciation for what the other entities have available," Jaco said. "It was reassuring to know that our neighbors were willing to assist us in our time of need."

Jaco said the experience also reaffirmed the value of the existing water connection to Cayce.

Vance said Cayce has used that connection with Columbia two times in the five years she has been with the city—once when response to a recycling plant fire caused a strain on Cayce's water system and again when a main water line was damaged. She hopes the cities will look at the possibility of adding a bigger line (it is currently a 10-inch line) and putting pumps on both sides of the river (or using pumps that are easier to move).

"Redundancy and interconnections—you can't have enough of them," said Vance. "That's my takeaway."

Brian Carter, West Columbia deputy city administrator and public information

officer, said the strong working relationship among the cities and towns of the Midlands along with the Joint Municipal Water and Sewer Commission were evident in the days and weeks after the flood.

"Our crew at the water plant stayed focused," said Carter. "Job number one was to make sure we had clean water for West Columbia, make sure the pressure was right and make sure what we sent out was 100 percent right."

In terms of assisting Columbia, he said the utilities contacted the SC Department of Health and Environmental Control early in the process to be sure they had permission to increase capacity. "DHEC did a good job giving approval quickly."

"The cooperation among the municipalities went very smoothly," Carter explained. "To utility folks, it stressed the importance of connectivity. It takes an event like the flood to drive home there is more than municipality boundaries. We are interconnected."

Columbia also is a member of the South Carolina Water/Wastewater Agency Response Network. This allowed Columbia to request assistance from other state water and sewer utility providers. Those providers helped set up portable water filling stations and operate the reverse osmosis units that supplied the water to these stations, Jaco said. The utilities also supplied materials that helped Columbia repair portions of its wastewater system.

"Helping each other during a crisis is the nature of the business," Jaco said. "It's what you do as a good neighbor."

Fall floods compound

aging infrastructure problems

Utilities

South Carolina cities and towns, like others across the country, grapple with the constant challenge of maintaining and replacing an aging infrastructure.

Every four years, the American Society of Civil Engineers releases its “Report Card for America’s Infrastructure.” The report card depicts the condition and performance of the nation’s infrastructure across 16 categories, such as roads, drinking water, wastewater, dams and solid waste.

The 2013 report card gave the nation an overall grade of D+, noting the country has a significant backlog of overdue maintenance across infrastructure systems and a pressing need for modernization. It indicated the country needed to invest \$3.6 trillion in its infrastructure by 2020. ASCE also provides similar report cards for each state. At press time, ASCE had not published South Carolina’s report.

The October floods shined a bright light on the issue in South Carolina. Pipes burst,

dams collapsed and roads crumbled during the peak of the storm. When the floodwaters receded, South Carolinians were left with more than \$1 billion in damages.

Troubling still, experts predict additional damage caused by floodwaters still could arise.

Roads

The SC Department of Transportation estimates there were \$137 million in damage to roads and bridges across the state. Of that, the department has budgeted \$20 million to address those unseen or underdeveloped damages that may surface over the coming months, according to Chief Engineer for Operations Andy Leaphart.

SCDOT has increased the frequency of its bridge inspections and is closely monitoring roads, Leaphart said. It is watching areas of roads where shoulders were lost, and pavement was undermined or washed out. There is potential that sections of pipes that run under roads may have been

damaged or partially separated but have not yet been seen, he said.

With its aging road infrastructure system, the state has been focused on maintaining what is already in place. South Carolina has the fourth-largest state maintained highway system in the nation, but there has been no change in its funding system—the gas tax is the primary source—since 1987, Leaphart said.

The Municipal Association weighed in on the issue with its 2016 Advocacy Initiatives. “Repairing and maintaining existing roads and infrastructure is about more than fixing potholes. It’s about encouraging and supporting statewide economic development with infrastructure that can accommodate new industry and support existing industry.

The Association supports legislation that provides stable, immediate and long-range funding for the repair and maintenance of existing roads and that ensures these funds are used efficiently and effectively.”

Water/Wastewater

According to the U.S. Environmental Protection Agency, “The nation’s drinking water utilities need \$384.2 billion in infrastructure investments over the next 20 years for thousands of miles of pipe as well as thousands of treatment plants, storage tanks, and other key assets to ensure the public health, security, and economic well-being of our cities, towns, and communities.”

It is estimated that South Carolina has \$566 million in wastewater infrastructure needs for the next 20 years. In 2011 (the latest figures available), the SC Department of Health and Environmental Control’s Bureau of Water estimated drinking water needs of \$1.8 billion.

It is not uncommon for municipal water systems to have pipes and mains that are more than 100 years old. They are at, or rapidly reaching, the end of their life cycle and require significant investment. See chart on page 15 showing the life expectancy of distribution lines.

Inspections and maintenance are key.

The City of Aiken has some cast iron water pipes that are 105 years old, according to George Grinton, director of engineering and utilities. In the past, the city would address problem areas as it found them. Today, Aiken has new data management software to conduct infrastructure assessments.

“We’re trying to become more proactive and less reactive,” Grinton said.

The new system allows the city to do a risk analysis of the most critical sections of pipe and determine where the city needs to spend money, Grinton explained. It will allow the city to budget and plan for its water/sewer system over the next century. Aiken is in the beginning process of using the software and is working to make sure all of its GIS data is current and that it can be accessed remotely in the field.

“Every newspaper you read has stories on our nation’s aging infrastructure,” Grinton said. “Aiken is trying to deal with it.”

Soon after Ted Luckadoo became town manager in Batesburg-Leesville, he



Town Manager Ted Luckadoo and Batesburg-Leesville utility staff inspect the town’s new liquid lime chemical feed system.

realized the town’s utility systems needed significant attention, but the town lacked the internal expertise needed to address the issues. In March 2014, Luckadoo hired the town government’s first certified professional engineer to serve as director of utilities.

Since then, staff has studied the town’s water and sewer treatment plants to highlight deficiencies, prioritized critical needs and estimated costs. Staff also evaluated the efficiency and effectiveness of current operations and worked to make sure employees were properly trained to understand system improvements and repairs.

“It’s extremely important to keep up with preventive maintenance and make repairs as quickly as possible,” Luckadoo said. “These are very complex systems, meaning, one minor deficiency can lead to many other issues if not resolved quickly.”

Over the past two years, the Town of Batesburg-Leesville has spent \$14 million improving its water utility infrastructure. Town officials also spent an additional \$1.3 million on wastewater treatment improvement projects, according to Luckadoo.

“Quality water is an essential need in life and sewer systems are crucial to public health,” Luckadoo said. “It is imperative that we evaluate, inspect and repair our infrastructure on a

regular basis to ensure the community’s sustainability.”

The National Environmental Services Center offers local government leaders several strategies to consider for maintaining and sustaining critical water and wastewater services.

Learn about the condition of your water infrastructure. An important first step is discussing the system’s current condition with water and sewer plant operators/managers.

Implement an asset management plan. According to the EPA, asset management is a “planning process that ensures that you get the most value from each of your assets and have the financial resources to rehabilitate and replace them when necessary.” Assets to consider managing typically include any infrastructure component that has a useful life of more than one year. Asset management involves gathering information to determine what you have, where it is, what condition it’s in, and how long you can expect it to last.

Educate the public. When it is time to repair, rehabilitate or replace water infrastructure, it is important for the public to understand and support the project because taxpayers and ratepayers may be affected. Public education is a proactive way to inform the public about the value of the infrastructure, its condition and needs, and what is required to keep water services up and running.

Some towns left *high and dry*

The record-setting rainfall totals that fell on South Carolina the first week of October were catastrophic for many areas of the state. The historic flooding injured and killed residents, destroyed homes and businesses, and resulted in personal property losses.

It was in the height of the storm that CNN called Mount Pleasant Mayor Linda Page. Facing pounding rain, town officials eventually recorded about 27 inches of accumulation. In addition, they were dealing with an exponentially high tide—two feet above the predicted high tide.

Page was surveying damage around town when she did a pre-interview with a CNN reporter. How many water rescues had they done, the reporter asked. None, Page replied. How many homes were flooded, the reporter asked. None, Page replied again. The reporter asked Page to verify that they currently had received more than 20 inches of rain, and she said that was true.

“They wanted the gloom and doom story,” Page said. “I told them we had spent \$1 million on infrastructure improvements and had been working to improve the stormwater system in our community, and we were dealing with the storm runoff just fine.”

“They indicated there would be no need for an on-air interview,” she said. So why, with that historic amount of rainfall, did some areas suffer horrific flooding while others did not?

Part of the answer lies with geography, as areas near rivers and creeks took the brunt of those swollen waterways. But another part has to do

with investments in infrastructure that allowed stormwater systems to successfully take on unprecedented amounts of rain.

When the Town of Mount Pleasant launched its first strategic plan in 2010, one of the biggest elements was implementing the town’s first capital plan, according to Town Administrator Eric DeMoura.

The capital plan set town officials on the path of designing and constructing many stormwater improvement projects, including inspecting old and new infrastructure, repairing broken lines and building new ones.

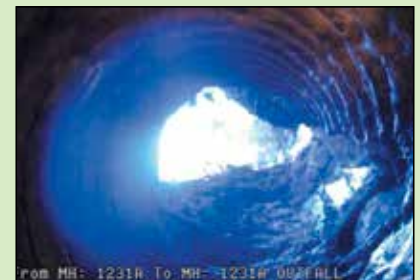
Town officials also did a comprehensive study of the entire stormwater system.

Years of robust growth and development led town officials to rely on private contractors to establish stormwater systems, said DeMoura. “Not only did we not know the condition of all the pipes, we didn’t even know where they all were located.” In some areas, they discovered poor workmanship or huge gaps between lines.

After assessing the system’s strengths and weakness, town officials designed a plan to repair the system. Because of the planning they did, town officials were able to demonstrate the critical need for improvements and the public value of the system, DeMoura said. Council and taxpayers agreed to invest in the system, allowing council to increase stormwater fees to pay for the projects.

Today, Mount Pleasant places a heavy emphasis on proper engineering and planning of stormwater systems, DeMoura said. Developers must have designs vetted and approved before anything goes into

An “in-pipe” view of a drainage pipe from clogged to cleared. The pipe was more than 25 percent full of roots.



the ground. Code inspectors check every section of pipe placed.

The town also requires developers to install concrete pipes, rather than those made of plastic or metal. Finally, contractors must provide staff with a video of the lines to ensure they installed the lines properly.

The Town of Surfside Beach also escaped major damage from the October flooding thanks in part to its investment in infrastructure improvements and its ongoing participation in the Federal Emergency Management Agency's Community Rating System, according to Public Works Director John Adair.

Beginning around 2000, the town began investing in large drainage projects, upgrading its infrastructure, improving drainage basins and widening its ditch and canal system, Adair said. Surfside Beach has spent some \$5 million on improvements during the past 10-12 years, he added.

FEMA's Community Rating System is a voluntary incentive program through the National Flood Insurance Program that recognizes and encourages community floodplain management activities that exceed the minimum NFIP requirements.

Surfside Beach staff has mapped the drainage system and adheres to a rigorous maintenance schedule, Adair said. Because the town participates in the Community Rating System, homeowners in the flood zones get a discount on



Continuous attention to clearing drains and pipes is part of Mount Pleasant's recipe for success.



Worker inspects a large root mat removed from a clogged drainage pipe in Mount Pleasant.



Water flows freely through storm drains following Mount Pleasant's extensive infrastructure improvements.

flood insurance if the town meets certain requirements.

"Through stricter standards we are creating a more resilient community," Adair said.



Life expectancy of water distribution lines

Cast iron pipes – Used during the late 19th and early 20th centuries.....	120 years
Iron pipes – Introduced in the 1920s and thinner than cast iron pipes.....	100 years
Ductile iron pipes - In use beginning in the 1950s.....	100 years
Polyvinyl Chloride (PVC) - Popular in the 1970s.....	70 years
High-density Polyethylene – Popular since 1990s.....	70 years

A water treatment plant has a life span between 25 and 50 years - U.S. Environmental Protection Agency

Sources: American Water Works Association, U.S. Environmental Protection Agency, American Water Works Service Company



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Calendar

For a complete listing of training opportunities, visit www.masc.sc to view the calendar.

MARCH

9-11 SC Municipal Clerks and Treasurers Institute – Year 1, Session A. Hyatt Place Columbia Downtown, Topics include forms of government, records management, procurement, meeting administration and the role of the municipal clerk.

17 SC Municipal Elected Officials Institute of Government. Council of Governments’ offices. Course offered: “Basic Budgeting and Municipal Finance.” The course is also offered on demand from the Association’s website at www.masc.sc (keyword: MEO).

17 SC Municipal Finance Officers, Clerks and Treasurers Association Spring Academy. Columbia Conference Center. Topics include election

management, requirements of boards and commissions, ordinances and resolutions, competitive purchasing procedures, financial policies, and workplace wellness.

24 Municipal Technology Association of SC Spring Meeting. Columbia Conference Center. Topics include disaster recovery and assessment, Microsoft Office 365 and Windows 10, and bridging the age gap among employees.

APRIL

5 Mental Health Awareness/Drug and Alcohol Testing Procedures. Columbia Conference Center. Open to SC Municipal Insurance Trust and SC Municipal Insurance and Risk Financing Fund members.

8 Municipal Court Administration of SC Spring Meeting. Columbia Conference Center. Topics include bond estreatments, and protecting and releasing criminal justice information.

20 SC Business Licensing Officials Association Spring Training Institute and Advanced Academy. Columbia Conference

Center. Topics include statewide business license portal for renewals, contractor licensing, and the duties and responsibilities of a business licensing official.

27 SC Association of Municipal Power Systems Linemen Training. Pine Island, Columbia. Repeated on April 28.

28 SC Municipal Human Resources Association Spring Meeting. Columbia Conference Center. Topics include unemployment insurance, generational diversity, workplace violence response plans, Family Medical Leave Act and Americans with Disabilities Act.

29 Managers/Administrators Spring Forum. Columbia Conference Center.

MAY

5 SC Municipal Elected Officials Institute of Government. Council of Governments’ offices. Courses offered: “Municipal Governance and Policy” and “Freedom of Information Act in SC.” The courses are also offered on demand from the Association’s website at www.masc.sc (keyword: MEO).