

UPTOWN

Will your court assessments add up?

Is your municipality reporting court assessments correctly? The state may not take the city hall or repossess your police cars if you aren't, but it will certainly take your distribution from the Local Government Fund!

Municipal courts have long been required to add state assessments and surcharges to municipal court fines. However, the assessment and surcharge amounts have changed almost yearly as the state legislature turns to municipal courts for revenue to run state agencies.

"It is a difficult task for judges and clerks of court to keep up with this ever-changing assessment and

surcharge schedule," says Howard Duvall, MASC executive director.

Assessment revenues have declined over the last year. Fewer troopers on the roads, reluctance to issue a ticket when the officer knows assessments will more than double the original fine and judges lowering total fines (including assessments) have all contributed to this decline.

The legislature, pushed by agencies hoping to make up for lost revenue, has encouraged more court audits at all levels. If an audit shows your court has not been remitting properly, the shortage can be taken from a municipality's Local Government Fund distribution.

Check your court system. Assessments must be collected on all fines levied by the municipal court; even fines for violating municipal ordinances are subject to assessments. All violations involving vehicles on public roads must be written on the uniform traffic ticket, not on a local ordinance summons.

Make sure your courts are correctly applying the assessments and surcharges. If not, your municipality might be faced with a big bill after the state auditor leaves.

For assistance in calculating the court fines and assessments correctly, call the SC Court Administration at 803.734.1800.

South Carolina Cities & Towns: Hubs of Progress & Hometowns for People

David Rusk, noted expert in urban studies, will provide the keynote address for MASC's 64th Annual Meeting in July. Rusk, who spoke at last year's Annual Meeting, has analyzed the demographic trends in and around SC urban areas.

"In his address, Rusk will discuss the important role cities and towns play in building a healthy South Carolina economy," says Howard Duvall, MASC executive director. The keynote address will launch a long-term effort of MASC to increase awareness of the importance of cities and towns to the state.

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The South Carolina Education Lottery: Providing building blocks for SC communities by creating 'cluster economies'

Since the 2002 launch of the SC Education Lottery, South Carolinians have become familiar with the instant and draw games. How the lottery dollars are distributed throughout the education system and how each program affects the community are important issues with which local officials need to become familiar.

"The lottery is able to provide funding for such critical projects as K-12 programs and college scholarships, purchasing and repairing school buses, providing financial aid to local libraries and supporting the Endowed Chairs Program for research universities," says Ernie Passailaigue, executive director of the lottery. While the education system is not a direct responsibility of municipal officials, the quality of education in a community affects the community's quality of life and ability to attract economic development.

The Endowed Chairs Program for the state's three research universities — Clemson University, Medical University of South Carolina and the University of South Carolina — is an innovative, public-private research program that directly affects municipalities in the Upstate. The program's goals are to help meet the state's economic development and research goals, giving South Carolina the opportunity to develop a thriving, knowledge-based economy that will create additional jobs and opportunities for citizens.

"As Clemson University works on its Endowed Chairs Program, which focuses around automotive engineering, more automotive technology-related firms should locate in the Upstate, creating a 'cluster economy'," says

S. Hunter Howard Jr., SC Chamber president and CEO.

Clemson is the first research institution to raise a significant portion of the funds required for it to break ground on its automotive research park in Greenville. By seeking partnerships with BMW and BMW suppliers, Clemson was able to raise the matching funds required by the program. The money Clemson received from the Endowed Chairs Program will be used to recruit engineers and scientists for the school's new graduate program, which focuses on automotive systems integration. The result should mean higher-paying automotive-related jobs for the Upstate. In August 2003, the Endowed Chairs Board awarded Clemson an additional \$5 million for its automotive research program. This project is already showing success in that it has brought technology giant IBM to South Carolina, proving that the state is evolving into a high technology economy. The Endowed Chairs Program will help fuel this evolution. An additional benefit of the automotive research park is the positive effect it should yield for surrounding communities, which reflects the approach of a "cluster economy."

The City of Mauldin borders the developing Clemson University/BMW research park. Community leaders hope that over the course of the next five years, through managed growth and development, various restaurants and retail shops and other businesses will locate in Mauldin. Mauldin currently has a population of 15,200. Town leaders anticipate that the Clemson/BMW research park will

bring thousands of new jobs and citizens to their area and change the face of their community. Town leaders also hope that technology and additional support industries for BMW will locate in their community. Mauldin is just one example of how communities are beginning to "cluster" economies around the Endowed Chair Programs.

Cities and towns should work together to recruit industry and encourage nearby research institutions to maximize the potential of the Endowed Chairs Program.

"We can turn South Carolina into a serious player in the high technology economy to improve the overall quality of life for our citizens," Howard says.

The South Carolina Education Lottery contributed information for this article.

Local governments' contributions to State Retirement rise

On March 18, the State Budget and Control Board increased local governments' contributions to the State Retirement System from 6.70 percent to 7.55 percent. Currently, local government contributions are 0.85 percent lower than the state. This increase, effective July 1, 2005, will eliminate the difference. Municipalities need to calculate the increase when preparing their 2005 budgets.

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Delegates will look beyond state and local issues during the delegates' luncheon and the special US Senate Candidates' Forum. Washington, D.C., Mayor Anthony Williams will discuss the National League of Cities' federal legislative agenda during the delegates' luncheon. Williams has won universal acclaim for his leadership as mayor of our nation's capital and serves as NLC's first vice president. MASC will invite both the Democratic and Republican candidates for the US Senate seat vacated by Senator Fritz Hollings to meet with Annual Meeting attendees. Municipal officials will have the opportunity to hear from nominees and ask questions.

"The Annual Meeting offers something for every municipal official, regardless of the size of the

municipality they are representing," says Nancy Walborn, MASC conference manager. "Join us as we celebrate South Carolina cities and towns as *hubs of progress and hometowns for people.*"

The Annual Meeting will be held July 15-18 at the Marriott Beach & Golf Resort (formerly the Hyatt) in Hilton Head Island. Meeting registration and housing information will be mailed Wednesday, May 5 and will be available in MASC's office and on the Web site (www.masc.sc) Thursday, May 6. Housing reservation deadline is June 1; pre-registration deadline is June 24.

For more information, call Denise Brown at 803.933.1208 or e-mail her at dbrown@masc.sc.

The 2004 Annual Meeting Offers:

- An educational event that addresses opportunities and challenges facing all SC municipal governments
- Realistic solutions and an opportunity to learn essential skills to address everyday problems in local government
- A unique opportunity for municipal officials to network with colleagues from across the state seeking solutions to the same challenges
- Platforms to shape legislation that will positively affect the future of SC municipal government
- Vital technology to increase the efficiency and effectiveness of your municipality

SCMIRF introduces Law Enforcement Technology Matching Grant Program

No question about it; law enforcement is dangerous. There is a high likelihood for officers to obtain physical injury, which in turn increases the chances for lawsuits against a city. Law enforcement-related claims involve the most severe claims and happen more frequently than any other type of claim incident, report the SC Municipal Insurance Trust (SCMIT) and the SC Municipal Insurance and Risk Financing Fund (SCMIRF), two of MASC's self-funded insurance programs.

The SCMIRF Board created the Law Enforcement Technology Matching Grant Program to help its members purchase police vehicle video cameras, tasers and other less-than-lethal weapons.

As with its Soft Body Armor Program, SCMIRF will provide a limited amount of funds (\$50,000 in 2004) to members who apply for the grants and meet the program's requirements.

"The first step is to send us a grant application indicating your desire to participate in the program," says Harvey Mathias, director of Risk Management Services. RMS must receive the application by July 1. Once the items are purchased, the applicant sends RMS proof the items were purchased during the grant period, January 1, 2004 to December 17, 2004. A copy of a dated invoice from the vendor is sufficient for meeting this requirement. Members who purchase tasers and other

less-than-lethal weapons must submit a copy of their department's policy regarding training, carrying, deployment and post-deployment procedures (the latter to include use-of-force incident reporting).

SCMIRF will pay for one-half of the eligible purchase cost, up to a maximum of \$1,500 per member per year. The grants are awarded on a first-come, first-served basis, which is determined by the order in which RMS receives proof of purchase.

SCMIRF's Law Enforcement Advisory Committee (LEAC), a task force of police chiefs that examines areas of risk management concern, initiated

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Thinking outside the big box

One of the elements that determines the quality of our cities and towns is the built environment — the buildings that we see and live with every day. Eighty percent of all buildings in this country have been built since World War II.

“Because of extensive post-WWII road building, the vast majority of buildings were built in the suburbs. We have become a suburban nation,” says Bill Steiner, director of Community Builders. Community Builders is a service of MASC.

Increasingly, we see national retailers abandoning large buildings for even larger ones farther out from the city center. These buildings have become known as big box developments. People are beginning to question the impact of these types of developments on the physical and business character of their communities. Ironically, the suburbs have become the faceless, impersonal, characterless places that we abandoned downtown to escape to. And it is downtown that now has the character and interest people seek.

In response to this transformation, many communities have begun adopting a variety of tools to protect the character of their physical and business

environment. Interestingly, one good reason to consider such tools is fiscal. A recent study in Massachusetts found the cost of providing city services to big box developments exceeds the tax revenues they generate — \$468 for every 1,000 square feet of retail space. Conversely, tax revenue exceeds the cost of services for downtown retail space — \$326 for every 1,000 square feet of retail space. The net result is almost an \$800 differential.

What are some of these tools?

- In other states, “neighborhood-serving zones” require businesses to obtain a majority of their sales from surrounding neighborhoods, thus strengthening businesses that serve the local community.
- Physical size caps on retail buildings help encourage smaller businesses and prevent the abandonment of large stores for even larger ones. They also provide more visually interesting and attractive buildings. Caps have been applied to entire towns or to parts of a town. Georgetown County enacted South Carolina’s first such ordinance.

Georgetown County has imposed a size cap on buildings through its Waccamaw Neck commercial overlay zone. The cap is set at 45,000 square feet. The size cap can be exceeded if a building is part of a planned unit development. The ordinance also contains specifications for materials, site layout, building form and more. The size cap and other requirements ensure that new construction complements what has been traditional to the area, thus helping maintain community character.

“By enacting this tool, Georgetown County plans to ensure a quality physical environment for its citizens with more green space and less asphalt parking lots,” Steiner says.

As people increasingly have choices about where they locate, they are making their decisions based on quality-of-life amenities. Understanding the community’s character and working to protect it can distinguish the community from the facelessness so prevalent to most communities today — a powerful economic development tool.

If you would like more information on protecting the character of your town, call Community Builders at 803.933.1227 or e-mail bsteiner@masc.sc.

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the Law Enforcement Technology Matching Grant Program.

“The Law Enforcement Advisory Committee discussed its concerns about the need for and use of less-than-lethal weapons and other new, but cost-prohibitive technology,” says Roy Whitehead, chief of the Summerville Police Department and SCMIRF Board member and Advisory Committee chairman.

“Funding this program will provide a valuable benefit to our membership and

will help reduce liability costs for the program as a whole,” says Mathias.

“Sometimes, we have to spend a little money to save a lot of money down the road. We see this as a small investment that will reap huge dividends in the future, all the while helping to ease some immediate financial burdens being placed on our members’ budgets. Because we are a self-funded pool instead of a commercial agency, we can provide these pro-active, value-added services.”

“This valuable tool will result in increased officer safety, the reduction of injury to suspects and to officers, and a significant reduction in liability exposure where this technology can be used appropriately and effectively,” Whitehead adds.

If you have any questions or would like to request a grant application, contact Phil Cromer via e-mail at pcromer@masc.sc or Jeff Thompson at jthompson@masc.sc at MASC’s Risk Management Services.

Drug and alcohol testing of public employees

by Rich Roberson, Gignilliat, Savitz & Bettis, P.A.

We recently hired a safety specialist from the private sector who has advised that his previous employer used random drug testing of all employees to help control loss history and was able to obtain a 5 percent reduction of their workers' compensation premium because of the random testing program. He has suggested that we implement a similar program for city employees. Is this a good idea?

In a word, no. Although SC Code Ann. § 38-73-500 requires commercial insurance companies to provide a 5 percent merit reduction of workers' compensation premiums for employers with a workplace drug or alcohol testing program that includes random testing of all employees, instituting across-the-board random testing of municipal employees exposes you to substantial liability for infringing employees' constitutional rights.

"Self-funded, non-regulated governmental entities are not required to provide the reduction. In light of the potential liability that random testing of all municipal employees poses, the SC Municipal Insurance Trust does not offer the 5 percent incentive," says Harvey Mathias, MASC Risk Management Services director.

In March 1989, the United States Supreme Court handed down two public employee drug testing decisions, *Skinner v. Railway Labor Executives Association* and *Treasury Employees v. Von Raab*. Since then, it has clearly been the law in this country that a drug or alcohol test of a public employee by his or her governmental employer is a search that implicates the Fourth Amendment, which guarantees the security of citizens against unreasonable searches and seizures and provides that "no warrants shall issue, but upon probable cause ... particularly describing the

place to be searched, and the persons or things to be seized." In the absence of reasonable, individualized suspicion that an employee has used drugs, a public employer must be able to cite some overriding public interest, not connected with criminal investigations, that outweighs the individual's expectation to be free from such searches.

Skinner and *Von Raab* articulated several instances in which the public interest outweighed the individual employee's privacy expectations. The *Von Raab* court determined government employees who were directly involved in drug interdiction have a diminished expectation of privacy with respect to drug testing by urinalysis. Similarly, both *Skinner* and *Von Raab* articulated a "safety-sensitive" exception to the particularized suspicion requirement for jobs in which employees "discharge duties fraught with such risks of injury to others that even a momentary lapse of attention can have disastrous consequences." *Von Raab* applied this exception to employees who carried firearms in their jobs. The *Skinner* court used the same rationale to uphold post-accident drug and alcohol testing of train crews and officials who routed, maintained and repaired trains.

The most common application of the safety-sensitive exception that affects governmental employers is the Department of Transportation regulation requiring employers to establish random, post-accident and reasonable suspicion drug and alcohol testing programs for employees who hold a commercial driver's license. Similar requirements exist for transit systems operators, gas pipeline employers and employers that transport passengers in certain vessels regulated by the Coast Guard. In addition to requirements

imposed by regulation, various federal courts have upheld random or post-accident testing of employees classified by governmental employers as safety sensitive, such as police officers and firefighters. Governmental interest in preventing serious accidents by conducting post-accident testing has also been held to outweigh individual privacy rights where the testing was limited to safety-sensitive positions or where the testing after serious accidents was triggered by an indication of fault on the part of the employee to be tested. Having a history of drug problems with the classification of employees to be tested weighs in favor of the constitutionality of the testing.

Implementing random or post-accident drug testing involves a detailed analysis of the nature of the positions to be tested and the governmental interests to be furthered by the testing. Members should consult their labor attorney for assistance in developing a policy for random or post-accident drug testing. These policies should be documented in your employee handbook.



Classifieds

■ The City of Camden is seeking applicants for public works director. Send resumé with salary history to Peggy Bowers at Camden City Hall, 1000 Lyttleton Street, Camden, SC 29020.

CDBG Program grants available

by Bonnie Ammons, Senior Program Manager, SC Department of Commerce

In April, the SC Department of Commerce's Community Development Block Grant (CDBG) Program began a new program year with its continuing mission to strengthen communities and support positive change.

The SC Department of Commerce (DOC) was re-organized in 2003 to better focus on its mission to improve the well-being of all South Carolinians in a manner that supports and enhances a high quality of life. In pursuit of this mission, the DOC's core functions are to enhance competitiveness of communities through targeted community development, improve the environment for existing businesses, and recruit and grow business in the state. The state CDBG Program has been adapted to support and reflect the agency's core functions.

The state's average wage of \$28,634 in 2001 was 80.5 percent of the national average; South Carolina clearly needs to re-position itself for increased prosperity and economic opportunities. The South Carolina Competitiveness Initiative, launched in December 2003, gives the state a direction for increasing economic development activity across the state. The CDBG Program is an important tool for implementing the Competitive-ness Initiative. The program targets community and economic development needs, contributing to a higher standard of living for the community, particularly low- and moderate-income people.

The state CDBG Program will receive \$27.8 million from the US Department of Housing and Urban Development (HUD) in 2004. State CDBG grants are awarded to eligible local governments, not including metropolitan cities and urban counties that receive funds directly from HUD.

Specific changes in 2004 include:

- The selection criteria have been adapted to focus on how a project can achieve its proposed outcome within the new state initiatives.
- Community development applications will be accepted at one deadline.
- Threshold requirements have been relaxed to encourage innovative and pilot projects.

In addition to its core activities, the CDBG Program will offer several pilot initiatives this year, such as workforce education and technology, commercial revitalization and small business development. These initiatives will address local needs related to improving local economies and preparing the workforce. Projects will be funded in four programs:

- 1. Planning:** Applications were due April 30, 2004. The selected communities will use the funds to comprehensively address critical community needs that are obstacles to economic or technological competitiveness.
- 2. Community Development:** Applications due July 23, 2004. Maximum grant is \$500,000. Projects will compete in four categories:
 - *Community Infrastructure* — \$8.2 million total funding is available for water, sewer, road

and drainage improvements that will create healthy and sustainable communities by alleviating documented threats to the public health or welfare.

- *Neighborhood Revitalization* — \$3.5 million total funding is available to support safe, decent and affordable housing and development of sustainable communities by preserving existing housing stock or promoting affordable rental or home ownership opportunities.
 - *Commercial Revitalization* — \$2 million total funding is available to increase economic competitiveness, stimulate the local economy and increase private investment by conserving or revitalizing commercial and downtown areas.
 - *Workforce Education and Technology* — \$2 million total funding is available to increase access to coordinated workforce education and technology training or resources.
- 3. Small Business Development:** Applications due October 1, 2004. Maximum grant is \$250,000; \$1.5 million total funding is available to support capacity development and opportunities for innovation and productivity by entrepreneurs or small businesses.
 - 4. Business Development:** Applications accepted at any time. Maximum grant is \$1 million (amount varies by county development status as defined

by the SC Department of Revenue); \$9 million total funding is available to assist businesses that create new jobs, retain existing jobs, stimulate private investment or facilitate expansion of the local economy.

The DOC will award grants to proposals showing a high degree of collaboration and leveraging existing resources for maximum impact on the community. Projects must achieve measurable goals and serve as a catalyst for further investment in the community. By using these programs, local governments can identify and implement strategies for increased competitiveness and improved quality of life, particularly for low- and moderate-income people.

CDBG staff will provide technical assistance to help communities develop projects for funding.

Since the 1980s, the CDBG Program has invested more than \$500 million in the state's rural and distressed communities. These investments have resulted in safer and more stable neighborhoods, more affordable and accessible public services and facilities, and stronger communities.

The 2004 CDBG Program description is available under the "Grants" section at www.SCCommerce.com or by calling 803.734.0429.

Focus on Technology Online Services

Myrrtle Beach utility customers can view and pay their bills online. In just a few weeks after its debut in February, more than 150 customers applied for the online service. Myrtle Beach also gives customers the ability to view their payment history and graph their water and sewer usage over a 12-month period.

Myrtle Beach has more than 14,000 utility accounts, many for second homes or rental properties. "We literally send utility bills across the nation," says Mark Kurea, Myrtle Beach public information officer. The online payment service is especially useful for customers who live elsewhere but have property in town. "From hundreds, even thousands of miles away, these customers can manage their utility accounts as if they were down the street."

To sign up for the service, customers must first complete a "utility e-service application" available online or in person at city hall. The e-service application requires basic account information and establishes a personal identification number (PIN) for security.

Because the online payment service provides all the information that appears on a printed utility bill, nearly 20 percent of the city's online subscribers have opted not to receive a paper bill at all. The city plans to offer an e-mail notification to customers when their current bill is ready for viewing online.

Myrtle Beach also allows the public to e-mail questions, comments and requests for service directly to the appropriate

department. Once the request is received, the staff member can use their service request module to track progress on the request and inform the customer when it is complete. Managers can also monitor the type and frequency of service requests. Myrtle Beach's public works department integrated the online citizens' request module with its back-end work-order system, eliminating duplicate data entry.

"The city began researching online payment services nearly four years ago following a presentation at a Municipal Association meeting," Kurea says. The City chose MASC's strategic alliance partner, VC3, as its provider. "VC3's strategic alliance with MASC was appealing because the association already had covered much of the groundwork. Myrtle Beach had investigated other online options, but found the prices too expensive."

Currently, Myrtle Beach only offers online utility payments and a tool for citizens to make service requests but plans to expand its online service offerings in the future. The City plans to offer online payments for parking meter fines beginning in May. Other services being considered are online registration and payment for the city's recreation programs, online payment for building permits and other fees, and online payment for hospitality fees and local accommodations taxes.

For more information on MASC's Technology Enhanced City Hall program, call Michelle James at 803.933.1228 (e-mail mjames@masc.sc) or Miriam Hair at 803.933.1204 (e-mail mhair@masc.sc).

News Briefs



■ **MASC welcomes Denise J. Brown to its staff as administrative assistant for education and training. Brown comes to us with more than 25 years' experience in the administrative support field. She is filling the position left by Vivian McDowell.**

■ **Councilmember Robert George of Charleston was awarded a Platinum Certificate from the National League of Cities' Leadership Training Institute for completing a minimum of 67 credits in four of the five core competency areas and for serving in a national leadership role outside his elected position.**

■ **Councilmember Mary Anne Cannady of Walterboro and Councilmember James S. Gallant of Charleston were awarded Bronze Certificates from the National League of Cities' Leadership Training Institute for completing a minimum of 16 credits and completing each of the five core competency areas at least once.**



Educational Opportunities

SC Business Licensing Officials Association

■ **May 5**, will hold its Spring Training and Advanced Academy at Seawell's in Columbia. Topics include "The Business Licensing Official: State Law Authorizing Duties and Responsibilities" and "Administration: Office Procedures, Applications/Forms and Computer Technology."

Hometown Network

■ **May 6**, will broadcast via satellite "You've Been Elected — Now What?" and "The Freedom of Information Act in South Carolina."

SC Municipal Clerks and Treasurers Institute

■ **May 12-14**, will hold its Spring Session at the Clarion Town House in Columbia. Topics include levels and forms of government, procurement and records management.

SC Community Development Association

■ **May 23-25**, will hold its Annual Meeting at the Myrtle Beach Marriott. Sessions include an opportunity to network with funding agencies about future projects and to hear about the City of Myrtle Beach's downtown re-development project.

Hometown Connection

■ **May 25**, municipal officials from Beaufort, Berkeley, Charleston, Colleton, Dorchester, Dillon, Florence, Georgetown, Hampton, Horry, Jasper, Marion and Williamsburg counties visit with their state legislators. Officials should meet at MASC's office at 1411 Gervais Street in Columbia at 10:30 a.m.

SC Local Government Assurance Group

■ **May 27**, will hold its Annual Meeting.

SC Association of Municipal Power Systems

■ **June 6-9**, will hold its Annual Meeting at the Kingston Plantation in Myrtle Beach. Topics include broadband Internet connection through power lines, FEMA reimbursements, meter tampering and personnel management.

SC Association of Stormwater Managers

■ **June 18**, will hold its Quarterly Meeting at the State Museum in Columbia.

For more information about these meetings or other MASC meetings not listed, please call 803.799.9574, or visit our Web site at www.masc.sc.



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