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2026 Spring Managers / Administrators Forum

March 26, 2026



Welcome and Introductions

Todd Glover, Executive Director

Protecting South Carolina's Environment in the Digital Age

Chris DeScherer & Robby Maynor
Southern Environmental Law Center



Protecting South Carolina's
Environment in the Digital
Age



Chris DeScherer & Robby Maynor

Our Mission

The mission of the Southern Environmental Law Center is to protect the basic right to clean air, clean water, and a livable climate; to preserve our region's natural treasures and rich biodiversity; and to provide a healthy environment for all.

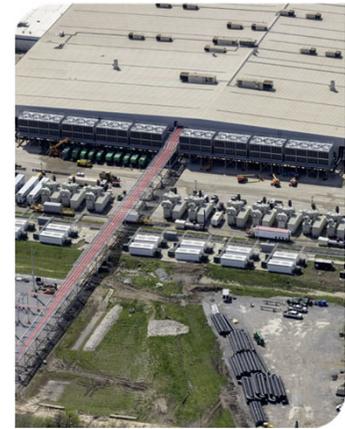


Stephanie Gross

What's the deal with data centers?

"The stakes are high. How the nation and the states choose to power data centers and electrify the economy has important implications for energy affordability, grid reliability, climate change, and public health."

-Union of Concerned Scientists

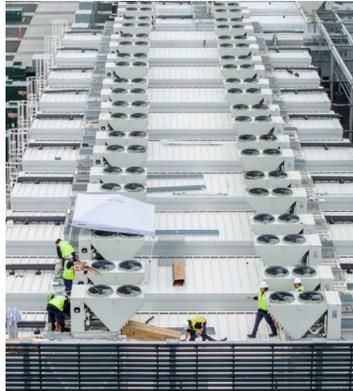


Steve Jones

Source: Data Center Power Play: How Clean Energy Can Meet Rising Electricity Demand While Delivering Climate and Health Benefits, January 21, 2026 (Union of Concerned Scientists)

What is a data center?

- A large warehouse filled with computer servers and network equipment.
- This equipment generates heat, like your laptop at home, requiring massive cooling systems.
- A “hyperscale” data center is a very large facility that can require as much land as a dozen football fields and use as much electricity as a small city.



Sanjay Suchak

Why am I hearing about them more now than I used to?



Hyperscale data centers primarily support AI and cryptomining.



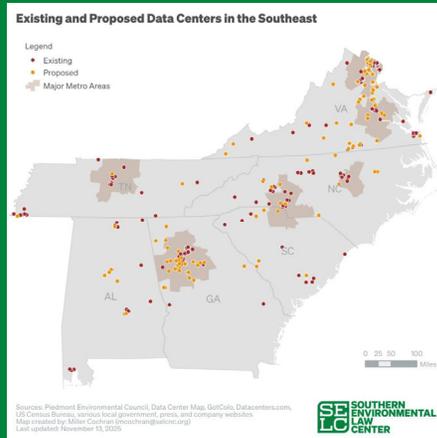
The rise of AI caused data center electricity use to double from 2018-2023.



Data center electricity use is projected to continue increasing substantially.

Source: Data Center Power Play: How Clean Energy Can Meet Rising Electricity Demand While Delivering Climate and Health Benefits, January 21, 2026 (Union of Concerned Scientists)

Where are data centers in SC?



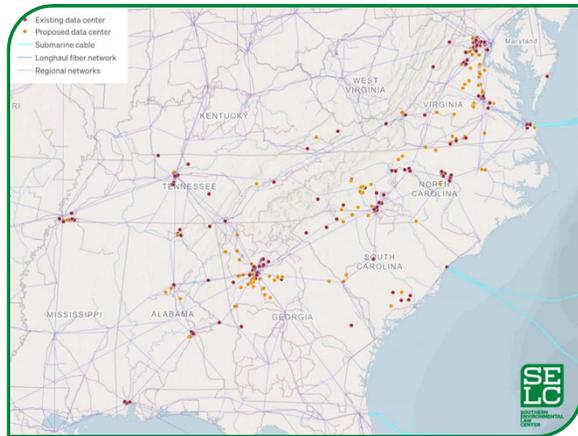
**South Carolina is becoming a data center hotspot.
But the state doesn't know how many are coming.**

BY TOM CORWIN AND MAX WHITE. TCORWIN@POSTANDCOURIER.COM MWWHITE@POSTANDCOURIER.COM
SEP 28, 2025

**Editorial: Since SC doesn't even know how many
data centers we have, how can we need more?**

BY THE EDITORIAL STAFF
OCT 2, 2025

Data Center Infrastructure



Hyperscale Proposals in the News



Colleton County BZA Meeting

- Colleton County
- Dorchester County
- Marion County
- Spartanburg County
- York County

Transparency Concerns

- Non-Disclosure Agreements
- Trade Secrets
- FILOT Process
- Speculative Developers
- Simultaneous Proposals



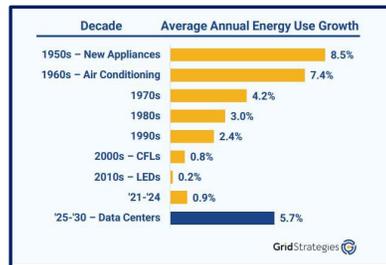
Sanjay Suchak

Water Impacts

- Data centers require large amounts of water to operate cooling systems.
- A 50MW data center utilizing “evaporative cooling” methods can use 530 million gallons of water per year.
- New “closed loop cooling” systems may require less water onsite, but require more electricity, and can pose wastewater concerns.
- Electricity generation also requires significant amounts of water and should be considered part of a data center’s overall water impact.

Energy

- One 100MW hyperscale data center can require as much electricity as 80,000 homes.
- Santee Cooper and Dominion SC have said 60-70% of the new electricity they need to generate is for data centers.



Graph Source: Power Demand Forecasts Revised Up for Third Year Running, Led by Data Centers, November 2025 (Grid Strategies)

Reliance on Gas



Data centers are driving a buildout of new gas plants across the Southeast.



Two new gas plants have been introduced in SC this year in Anderson and Colleton counties.



Data centers such as TygerDC in Spartanburg have proposed generating power with gas onsite.



Data centers typically also require backup generators onsite fueled by diesel or gas.

“Natural” Gas

“Natural” gas is actually methane, a dirty fossil fuel that causes climate change and risks people’s health.

Burning methane releases carbon dioxide, the primary driver of climate change.

Methane itself is a potent greenhouse gas that leaks into the atmosphere throughout the supply chain.

Full impacts of methane gas throughout the system—including leakage from pipelines — rival the greenhouse gas emissions of coal.

Source: “Natural gas can rival coal’s climate-warming potential when leaks are counted” by Jeff Brady, July 2023 (NPR)

Air Pollution

- Gas power plants produce many tons of fine particulate matter known as PM2.5
- PM2.5 exposure contributes to heart attacks, respiratory illness, and premature death.

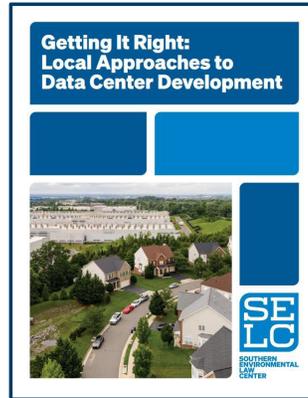


Eric Hilt

Source: Particle Pollution, American Lung Association: <https://www.lung.org/clean-air/outdoors/what-makes-air-unhealthy/particle-pollution/health-effects>

Local Approaches

“Local governments have a particularly important role to play because local zoning authority often provides communities with their best — and sometimes only — opportunity to exert any meaningful influence over data center development.”



Be Proactive



What does your zoning ordinance currently allow?



Are data centers defined?



Are data centers allowed by-right? Where? Is this ideal for your community?

Zoning Strategies



Consider amending zoning ordinance to eliminate all by-right allowances for data centers.



Consider allowing data centers only by special use permit, and only in zoning districts intended for large-scale industrial uses with major impacts.



Consider limiting the by-right allowance to data centers under a certain size threshold (e.g., 40,000 square feet) and/or to industrial zoning districts.

Development Standards



Requiring a letter from the public water utility indicating the system has sufficient capacity and infrastructure.



Requiring a letter from the electric utility indicating that the project is feasible.



Requiring onsite backup generators to meet or exceed EPA Tier 4 emission standards.



Prohibiting noise in excess of certain thresholds during the daytime and nighttime.

Questions?



SOUTHERN
ENVIRONMENTAL
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CENTER
selc.org



Legal Update

Eric Shytle, General Counsel
Sara Weathers, Associate General Counsel



Municipal Association
of South Carolina



Binding Future Councils

Eric Shytle, General Counsel



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The Rule

- “The general rule is that, if the contract involves the exercise of the municipal corporation's business or proprietary powers, the contract may extend beyond the term of the contracting body and is binding on successor bodies if, at the time the contract was entered into, it was fair and reasonable and necessary or advantageous to the municipality.
- However, if the contract involves the legislative functions or governmental powers of the municipal corporation, the contract is not binding on successor boards or councils.” *Piedmont Pub. Serv. Dist. v. Cowart*, 319 S.C. 124, 132, 459 S.E.2d 876, 880 (Ct. App. 1995).



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Application #1: Sewer Service

- North Charleston Sewer District acquired a small private sewer system.
- The acquisition agreement reserved to the seller the power to deny any project other than single-family dwellings and certain small commercial establishments from connecting to the system.
- Plaintiff requested connection for a 300-unit apartment complex. The seller exercised his right to deny connection.
- Ruling: “The situation in this case is intolerable. Here, the corporate political entity has given a private party the power to arbitrarily approve or disapprove potential users of a system belonging to the corporate political entity.”



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Application #2: Water Service

- Beaufort-Jasper Water and Sewer Authority entered into wholesale water contracts with Beaufort and Port Royal. The contracts provided that BJWSA could not thereafter provide retail service in Beaufort County unless the municipalities consented or refused to provide service themselves.
- Many years later, BJWSA tried to provide service without offering the municipalities the contractual right of first refusal. The municipalities sued under the contract.
- Result: "South Carolina's courts have repeatedly held that a municipality's provision of water service to residents and non-residents is a governmental function." Accordingly, the contracts were an invalid attempt to bind future councils.



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Application #3: Employment Contract

- The Piedmont Public Service District entered into a 20-year employment contract with its administrator. The contract's termination clause required the District to pay Cowart two years of salary as a severance payment. The District later amended the contract to increase the severance pay period to five years, regardless of the reason for termination.
- Result: "The District's discretion to employ the Administrator of the District and set the terms of his employment is discretionary power which public policy demands remain unimpaired. The twenty year employment contract requiring five years severance pay even if Cowart breaches the contract ... cannot be binding on successor boards."



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of South Carolina

New Case: Settlement Agreements

- Property owners sued Sullivan’s Island over its obligations to maintain a parcel of accreted land. The dispute led to a settlement agreement in which the Town agreed to limited maintenance requirements. A new town council took office and sued to invalidate the settlement agreement.
- Question: Does the binding future councils rule apply to court-approved settlement agreements?
- Answer: Yes. The settlement agreement is a contract. “As such, if the subject matter of the settlement agreement entered into by the prior town council involves the Town’s legislative functions or governmental powers, the agreement cannot bind the current and future town councils.”
- And it involved a governmental function, because “it is concerned with maintaining the land in furtherance of the public health and safety of the general public.”

Legislative Update

Casey Fields, Director of Advocacy



Field Services Update

Desirée Fragoso, Field Services Manager



RMS Update

Naomi Reed
Director of Risk Management Services

 Risk Management Services

SOUTH CAROLINA MANAGERS FORUM · SPRING 2026

Cybersecurity: Business Email Compromise



Naomi Reed, Director of Risk Management Services | March 2026
Source: FBI Internet Crime Complaint Center (IC3) | ic3.gov

 Municipal Association of South Carolina

 Risk Management Services

THE THREAT LANDSCAPE

2025 FBI Internet Crime Report: Record-Breaking Losses

\$16.6B Total Cybercrime Losses in 2025 <small>↑ 33% from 2024</small>	\$2.77B Lost to Business Email Compromise (BEC) <small>#2 costliest crime</small>
21,442 BEC Complaints Filed in 2024 <small>Just what's reported</small>	\$55B+ Cumulative BEC Losses Past Decade <small>FBI: 'staggering'</small>

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WHAT IS BEC?

Business Email Compromise: A Targeted Digital Con

BEC is a sophisticated scam where criminals impersonate a trusted person — your mayor, city attorney, a vendor, or a bank — to trick employees into wiring money or sharing sensitive data. No malware. No hacking. Just deception.

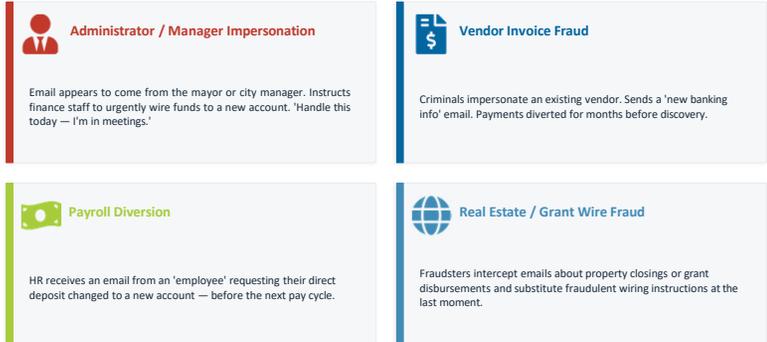


⚠️ 63% of organizations experienced a BEC attack in 2024 — government entities are prime targets

BEC reported in all 50 states and 186 countries | Over 140 countries receive fraudulent wire transfers | Source: FBI/IC3

ATTACK SCENARIOS

How BEC Targets Cities & Government Agencies



Real Case: In 2021, a New Hampshire town lost \$2.3M when BEC scammers diverted school construction funds | Source: FBI/IBM



CRIMINAL TACTICS

The Techniques Behind the Deception

Email Spoofing

Criminals forge the 'From' address. john.smith@cityofexample.gov becomes john.smith@cityofexample1e.gov — one character different.

Account Takeover

Attackers steal login credentials via phishing, then silently monitor real email for weeks, learning names, projects, and tone.

Urgency & Authority

"Wire this before close of business or we lose the contract." Pressure tactics bypass normal verification procedures.

AI-Generated Emails

40% of BEC emails are now AI-generated — near-perfect grammar, proper tone, no tell-tale signs of a foreign scammer.

Hidden Inbox Rules

Once inside your email, attackers create hidden rules to forward copies of all messages to themselves — silently, invisibly.

Domain Impersonation

Scammers register domains like city-of-example.com or examplectycsc.gov.com to appear official in replies.



RED FLAGS TO SPOT

Train Your Team to Recognize These Warning Signs



Urgent wire transfer request

Especially from 'leadership' who claims to be unavailable for a call



Change in payment / banking info

Any vendor, employee, or partner requesting new account details via email



Reply-to doesn't match sender

Check carefully — reply may go to a criminal-controlled address



Bypasses normal approval process

'Just handle this yourself, don't involve accounting'



Request for employee W-2s or HR data

Common precursor to payroll diversion or tax fraud



Slight domain misspelling

cityofcolumbia.gov vs cityofcolumbia.gov — one character off



Unusual urgency or secrecy

"This is confidential — don't discuss with others"



Pressure to act before verification

"We'll lose the deal if you don't wire by 3pm today"

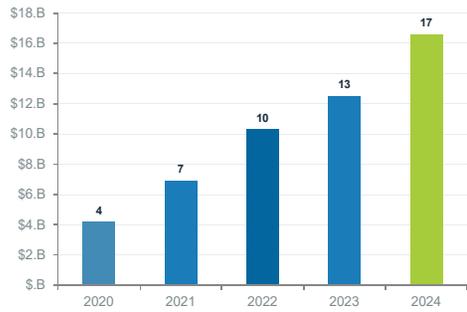
When in doubt — STOP and VERIFY by phone using a known number, NOT one provided in the email.





LOSS TRENDS

IC3 Total Cybercrime Losses: The Problem Grows Every Year



- 33%** Increase in losses 2023 → 2024
- 859K** Complaints filed in 2024
- \$19K** Avg loss per victim incident
- 66%** FBI success rate freezing BEC funds

NOTE: These figures represent only REPORTED crimes. Actual losses are estimated to be significantly higher.

Source: FBI IC3 Annual Reports 2020-2024 | ic3.gov/annualreport



YOUR ACTION PLAN

10 Steps to Protect Your City Starting Today

- 1** Verify all wire transfer requests by phone PRIORITY
- 2** Use a KNOWN number — never the one in the email PRIORITY
- 3** Implement multi-person approval for payments over \$ PRIORITY
- 4** Enable Multi-Factor Authentication (MFA) on all email accounts
- 5** Train staff to check full email address, not just display name
- 6** Deploy email authentication
- 7** Label ALL external emails with a visible [EXTERNAL] banner
- 8** Conduct tabletop exercises simulating a BEC attack
- 9** Report incidents immediately to IC3.gov AND your bank
- 10** Report incident to your cyber liability provider.





IF YOU ARE TARGETED

Immediate Response & Key Resources

IMMEDIATE RESPONSE — EVERY MINUTE COUNTS

- 1 **STOP** — do not make any additional transfers
- 2 CALL your bank/financial institution immediately
- 3 Request a WIRE RECALL — time is critical
- 4 Contact your LOCAL FBI field office
- 5 File a complaint at IC3.gov
- 6 Change ALL email passwords immediately
- 7 Preserve ALL evidence — do not delete emails

KEY RESOURCES

Report cybercrime:	ic3.gov
FBI BEC info:	fbi.gov/bec
SC FBI Field Office:	Columbia, SC (803) 551-4200
CISA Cybersecurity:	cisa.gov
MS-ISAC (free for gov):	msisac.cisecurity.org
Recovery Asset Team:	FBI RAT — 66% fund freeze rate



THE BOTTOM LINE

- BEC is the #2 most costly cybercrime — \$2.77B lost in 2024 alone
- Government entities are high-value targets
- The attacks use trust and urgency — NOT technology
- Your best defense is your people + simple procedures
- Always verify by phone before any wire transfer



Report to: IC3.gov | Questions: FBI Columbia Field Office (803) 551-4200

Questions?



SC Municipal Insurance and Risk Financing Fund

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Other Business / Discussion



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