



## **MINUTES**

**APPALACHIAN COUNCIL OF GOVERNMENTS  
BOARD OF DIRECTORS MEETING  
FRIDAY, JANUARY 24, 2020 – 10:30 A.M.  
COUNCIL BOARD ROOM  
GREENVILLE, SOUTH CAROLINA**

**Members Present:**

Ernest Riley, Francis Crowder, Cindy Wilson, Dennis Claramunt, Ed Elliott, David Cauthen, Rep. Mike Burns, Willis Meadows, Butch Kirven, Joe Dill, Lillian Brock-Flemming, Don Godbey, Ennis Fant, Grady Butler, Rep. Mike Forrester, Jane Hall, Jack Mabry, Manning Lynch, Mildred Tillerson, Sen. Thomas Alexander, Dana Moore, John Elliott, Roy Costner III, Margaret Thompson, Ensley Feemster

**Guests Present:**

Ms. Christina Lewis and Mr. James Walden | SCDOT; Ms. Sherry Dull | SPAT; Mr. Jeff Cunningham | AECOM; Mr. Joel Dill; Mr. Daniel Gamble; Mr. Sam Davis

**Staff Present:**

Steve Pelissier, Chip Bentley, Brooke Ferguson, Tim Womack, Arlene Young, Lance Estep, Denise Ernul

Chairman, Joe Dill called the meeting to order. Invocation lead by board member, Roy Costner III. Steve Pelissier welcomed all guests and presenters. A motion to adopt December 6, 2019 meeting minutes was approved unanimously by the Board.

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## Summary of 2030: The Workplace Revolution Presentation from the SCARC Conference

Mr. Steve Pelissier, Director

At the SCARC Conference in November, Dr. Josh Davies, CEO from the Center for Work Ethic Development, provided an informative presentation on potential workforce changes over the next ten to twelve years. Mr. Pelissier provided a summary of the presentation.

### > Mission of Center for Work Ethic Development

They're passionate about helping people realize their full potential. Through curriculum, certification and consulting, the Center for Work Ethic Development equip organizations around the world to better prepare their local workforce for employment and lifelong success.

- The coming wave of job losses follow three previous major workplace shifts in the 1940s, 1970s and 2000s, triggered by factory automation, the dawn of the computer age and the arrival of the internet, so preparing the workforce for the next wave deemed to arrive by 2030 is essential.
- Job creation in lieu of automation: 80% of the all jobs in 2030 haven't been invented yet (Institute for the Future, 2017)
- Assisting with workforce retention and development for vulnerable jobs.

### > 2030: Two waves

The first wave will be automation, then artificial intelligence as the second to wave will contribute to the demise of the human workforce will affect changes to jobs, businesses, and post-secondary education.

- Automation will bring 1.7 million new industrial robots by 2020 as the cost of computing power declines, productivity increases.
  - > Humans start at \$8/hr and increases by 5% each year, as Automation starts at \$40/hr and increases efficiency by 10% more each year driving higher proficiency at less cost.
  - > Automation will be cheaper in 2020, but by 2022 it passes the 15% switch threshold.
- Probability of automation by occupation's median hourly wage is noted to be 83% if you make less than \$20/hr, 31% between \$21-\$40, and 4% if you make over \$40/hr.
- Decline in brick & mortar retail stores as online shopping increases; UBS estimates 76K retail stores will close by 2026.
- In SC, more than 450K direct retail workers will be affected; more than any other sector, including healthcare and manufacturing.
- The decline of 9-5 employees as trends reduce the number of full-time employees while increasing the number of part-time employees.
- 51% of companies will increase their usage of contingent workers over the next 3-5 years.

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- Business consolidations are on the rise as shown in 6 media giants (Comcast, Newscorp, Disney, Viacom, Time Warner, and CBS) and 3 retail giants (Walmart, Amazon, and Alibaba).
  - 53% of successful hiring outcomes comes from skills with only 10% from education level.
  - Diminishing return on higher education as the cost of higher education shift from state to student.
- > Preparing for the Revolution
- Employers must increase their focus on skills — especially so-called “people” and “soft” skills rather than academic degrees and science, technology, engineering and math (STEM) skills.
- Stop repeating repetitive reiterations
  - Develop high-touch skills
  - Evolve apprenticeship
  - Skills and Degrees

## **The Complex System of Transportation Planning and the Role of ACOG**

Mr. Chip Bentley, Deputy Director, Mr. Lance Estep, Principal Planner

A broad and complex system of federal and state programs makes transportation planning a challenge. Mr. Bentley and Mr. Estep provided an overview of the system, identified ACOG’s role, and discussed ACOG initiatives to enhance planning coordination across the region.

- > Regional Transportation Planning Overview
- Transportation Planning Challenges and Opportunities
    - > MPO Growth – Past and Anticipated
    - > Moving toward true Regional Transportation Planning
    - > ACOG’s efforts to help
      - Regional Freight Mobility Plan
      - Regional Travel Demand Model
      - Additional Regional Data Initiatives
      - Regional Freight Mobility Plan
- > Transportation Funding in SC
- 2020 Approved SCDOT Highway Budget: \$1.6 B
    - > GPATS: \$18.1 M (1.1%)
    - > SPATS: \$ 6.2 M (0.4%)
    - > ANATS: \$ 2.8 M (0.2%)
    - > ACOG: \$ 7.6 M (0.5%)

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- > Transportation Focused Entities
    - 6 Counties
    - 3 MPOs (ANATS, GPATS, SPATS)
    - 4 Mass Transit Agencies (CAT, ECT, Greenlink, Sparta)
    - SCDOT
    - Regional Groups (TATT, Upstate Transit Coalition, Upstate Mobility Alliance)
  - > Regional Challenges and Opportunities
    - Challenges
      - > 2020 Census Will Expand MPO Boundaries
      - > Integrating Planning Efforts Between Agencies
      - > Funding Levels and Leveraging All Sources
    - Opportunities
      - > Improving Organizational Efforts Moving Forward
      - > Coordination on Plans/Studies From Regional Partnerships
      - > Opportunities to Address Regional Initiatives
  - > ACOG Regional Transportation Initiatives

<b>Appalachian Regional Freight Mobility Plan</b>	<b>Appalachian Regional Travel Demand Model</b>	<b>Other Regional Possibilities</b>
ACOG study in cooperation with MPOs	ACOG to run and maintain in cooperation with MPOs	ACOG to run and maintain in cooperation with MPOs
All 6 ACOG counties plus Laurens County	Regional decision-making tool for transportation projects across jurisdictions	Regional decision-making tool for transportation projects across jurisdictions
First regional look at freight movements since Inland Port	Provides more opportunities for collaboration	
Kick-Off in March, 1-yr in duration		

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## Appalachian Region Long Range Transportation Plan and Transportation Improvement Program Update of Safety Targets

Ms. Hall, Chair, Regional Transportation Committee, Mr. Lance Estep, Principal Planner

The Federal Highway Administration (FHWA) has adopted a performance management model that places certain reporting and target setting requirements on State DOTs, MPOs and COGs. Each year, ACOG adopts updated safety targets for motorized and non-motorized fatalities and serious injuries into its Long-Range Transportation Plan and Transportation Improvement Program. The Regional Transportation Committee presented a recommendation to the Board for new safety targets in order to comply with FHWA requirements.

- > Transportation Performance Management
  - MAP-21 adopted in 2012, required a transition to performance-based planning and programming for State DOT's, MPO's and COG's
  - FAST Act adopted in 2015, moves forward with formal transition to performance-based planning
  - State DOT's required to establish performance measures and targets for national goal areas (Safety, Pavement Condition, Bridge Condition, System Performance, Freight Movement and Traffic Congestion)
  - MPO's and COG's must:
    - > Agree to plan and program projects so that they contribute toward the accomplishment of the State DOT target for a given performance measure (FHWA's recommendation) or
    - > Commit to a quantifiable target for a given performance measure for the metropolitan/rural planning area
- > PM1 Safety Performance Measures for 2020 Targets
  - 1011 Number of Fatalities
  - 1.819 Fatality Rate per 100M VMT
  - 2781 Number of Serious Injuries
  - 4.979 Rate of Serious Injuries per 100M VMT
  - 380 Number of Non-motorized Fatalities and Number of Non-motorized Serious Injuries Combined
- > Target Setting Schedule

Performance Measure	Frequency	Next Adoption Date
PM1 – Safety	Annually	February 27, 2021
PM2 – Infrastructure Condition	Initially 2 years, then every 4 years	November 16, 2020
PM3 – System Reliability and Freight	Initially 2 years, then every 4 years	November 16, 2020

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**Action Item:** Board voted unanimously to approve recommendation from the Transportation Committee adopt the new safety targets.

### **Election of ACOG Board Officers to Serve the April 2020 – March 2021 Term**

Mr. Dennis Claramunt, Chair, Board Officer Nominating Committee

The Board Officer Nominating Committee recommended a slate of officers to fill the roles of Chair, Vice Chair, and Secretary for the term of April 2020 through March 2021.

> Nominees

- Rep. Mike Forrester, Chairman
- Mayor Mack Durham, Vice Chairman
- Rep. Neal Collins, Secretary

**Action Item:** Board voted unanimously to approve recommendation by Board Officer Nominating Committee of new Board Officers for April 2020- March 2021 term.

### **Legislative Report –**

Ms. Brooke Ferguson, Economic Development Director

Ms. Ferguson provided information on significant items to be addressed by the South Carolina General Assembly during the 2020 legislative session. She identified legislative priorities of the South Carolina Association of Counties, Municipal Association of South Carolina, Upstate Chamber Coalition, and the South Carolina Economic Development Association.

> 2019-2020 LEGISLATIVE SESSION: Year TWO

- SCAC Policy Positions
  - > County Government and Intergovernmental Relations
    - Building code adoption cycle; giving counties more time to adopt change
    - Elections: No excuse early voting, processing absentee ballots the day before election, and move municipal elections to odd years
    - Increase VA office funding
    - Use unclaimed lottery funds to support senior and low-income resident programs

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> Land Use, Natural Resources, and Transportation

- Tax incentives for affordable housing
- Oppose legislation exempting the S.C. Department of Transportation from obtaining local permits for highway construction projects
- Oppose legislative efforts to preempt a county's ability to adopt an ordinance banning the use, sale, or taxation of auxiliary containers (plastic bag).
- Oppose legislative preemption of local zoning or other restrictions on local land use regulation.
- Support legislation requiring municipalities to maintain roads within the municipal limits and further define municipal limits to the half way point of the right of way
- Support legislation allowing for the selective use of tolls and capping motor carrier fees and shifting any revenue growth and out of state revenue from these fees to state roads.
- Oppose legislation that would require a mandatory transfer of roads from SCDOT to local governments
- Oppose legislative efforts to undermine counties' authority to address their responsibilities regarding the disposal of solid waste.
- Oppose any legislative efforts to shift all storm water pollution control from the Department of Health and Environmental Control to county governments without sufficient funding.

> Public Safety, Corrections, and Judicial

- Strongly encourage the legislature to assist local governments with funding for law enforcement body cameras.
- Support amending § 16-13-210 to provide mandatory minimum sentencing for public embezzlement and to provide that no part of the sentence may be suspended.
- Oppose any legislation that would require county shelters to report to a state agency or otherwise be regulated by a state agency.
- Support legislation that would aid in the elimination of cell phone use by inmates.
- Allow counties to regulate hotel, motels, boarding houses and restaurants.
- Lowering the age requirement for correctional officers to age 18.
- Abolishing common-law marriages.
- Increase fees to probate court.

> Revenue, Finance, and Economic Development

- While SCAC supports the use of alternative energy, SCAC opposes legislation to

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- create statewide property tax exemptions for alternative energy as it impacts a county's ability to offer local incentives to attract these projects.
- Oppose legislation to decrease the manufacturing assessment ratio from 9% to 6% as it limits the county's ability to provide local economic development incentives. Oppose legislation reducing the commercial property assessment ratio from 6% to 5% because of its drastic negative impacts on local property tax revenue.
  - Support legislation to standardize the imposition and collection of business license taxes and/or fees but oppose any provisions that inhibit a county's ability to impose business license taxes and/or fees. Any legislation amending business license taxes and/or fees must be revenue neutral.
  - Support legislation amending § 4-10-330 to allow a Capital Project Sales Tax be imposed for economic development purposes.
  - Support any legislation that provides county budget flexibility. Support legislation to allow a county to conduct a referendum for voters in the county to approve an exemption from the millage cap found in § 6-1-320 for any local government function.
  - Continued support for the Local Government Fund at current rate or better.
  - Allow overlay of local infrastructure penny taxes
  - Support legislation to allow a county to opt out of the millage cap limitation found in § 6-1-320.
  - Oppose reduction in rollback taxes.
  - Ensure changes to the State Retirement System don't affect current employees and allow the counties to be involved in the administration of the new system
  - Support legislation that would standardize the treatment of tiny homes for taxation, inspection, and code enforcement.
  - Support legislation requiring recycling facilities at new or significantly remodeled multi-family and high-rise buildings if accommodations are made for solid waste disposal.
- MASC Advocacy Initiatives
    - > Update the Local Government Fund formula to guarantee a reliable funding level that is fair to cities and towns of all sizes. (H3137)
    - > Expand flexibility for using accommodations and hospitality taxes to allow expenditures for infrastructure and law enforcement in tourist-related areas. (H3132, S217)
    - > Business Licensing Support legislation to standardize the imposition and collection of business license taxes and/or fees but oppose any provisions that inhibit a county's ability to impose business license taxes and/or fees. Any legislation amending business license taxes and/or fees must be revenue neutral.



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- > Reduce the wait time for local law enforcement hires to be admitted to the Criminal Justice Academy.
  - Upstate Chamber Coalition Policy Agenda
    - > Education and Workforce
      - Increase teacher pay to the National Average in the next three years; study the implementation of pay bands to reward teachers with special skills and give districts more flexibility in recruiting for critical-needs areas.
      - Allow districts to designate more deregulated schools and allow high-performing schools to increase the number of non-certified teachers.
      - Support the passage of legislation that allows new, market-based avenues so local builders and developers may build critical housing for our workforce.
      - Support efforts for DACA recipients residing in South Carolina to receive in-state tuition at public colleges and universities and immediately give the 2,800 young adults legally living in the Upstate under the DACA program the right to receive state licenses to work.
      - Require the Department of Labor, Licensing, and Regulation and the boards that oversee professional licenses to carefully examine requirements to ensure they are necessary for public safety and not merely barriers to competition.
      - Work on solutions to increase the accessibility of childcare and lower the cost to workers.
      - Support the Higher Education Opportunity Act to ensure a stream of new funding for our universities.
    - > Infrastructure
      - To increase state support for mass transit in our metro areas.
      - Dedicate a stream of funding to our commercial airports so they can expand passenger and cargo service and boost our economy.
      - To examine possible routes for high-speed rail through our state.
      - Ensure all corners of the Upstate have access to broadband, which will benefit education and economic development.
    - > Taxes and Regulation
      - To immediately reauthorize the successful Angel Investor Tax Credit program that encourages South Carolinians to fund our own high-impact start-up companies.
      - Regulation reform: Regulations above a certain economic impact should have public disclosure and a waiting period before being approved by the General Assembly.

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- Overturn “Plaintiff Chooses” and re-institute the “joint and several” protections in court cases involving multiple parties to ensure that businesses with a small impact on an injury do not shoulder 100% of the financial burden because they have deep pockets.
  - Support efforts to reform our state’s income tax structure to make it more competitive with other states in our region and streamlining and standardizing the business license fee process, as long as the legislation does not intentionally harm municipal revenue.
  - > Healthcare
    - Review market-based opportunities for the Medicaid program so it may take advantage of available federal dollars, increase insurance coverage, and improve population health outcomes.
  - > State Retirement System
    - Finish reforming the system by closing the state pension system to new employees and switching to a defined contribution plan.
    - Government subdivisions should be allowed to leave the system so they may pay more competitive salaries.
    - Any changes must preserve the promises made to those currently in the system.
  - > Energy
    - Supports the orderly sale of Santee Cooper – or consider other solutions – to protect wholesale, retail, and industrial ratepayers, as well as provide continuous economic development support across the state.
  - SCEDA Legislative and Public Policy Priorities
    - > Continuation of Angel Investor Tax Credit to promote investment in high impact small businesses.
    - > Increase competitiveness and utility of job development credit program in response to modern employment and investment strategies.
    - > Attraction of military veterans to join, and remain in, South Carolina’s workforce
    - > Extension of Abandoned Buildings Revitalization Act
    - > Increased emphasis on workforce training through consistent funding source for ManuFirst SC Program.
    - > Increased access to high-speed broadband internet access for rural South Carolina

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### Executive Director's Report

Mr. Steve Pelissier, Executive Director

- > Reiterated condolences and information regarding the passing of Mayor Henry Jolly's sister Janice Helms who lived in Cherryville, NC.
- > Senate approved, Ms. Connie Munn as the new Director of SC Department on Aging
  - Served as Area on Aging Director for Santee Lynches prior to promotion
  - With boots on the ground experience and stability, she will be an asset to the needs of the SCDOA
- > Excited about transportation initiatives with Regional Modeling and Freight Study through partnerships with the MPOs in the region.

**The next Board Meeting will be at 10:30 am on February 28, 2020. There being no further business, the meeting adjourned at 12:00 noon.**

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Mr. Joe Dill, Chairman

The South Carolina Appalachian Council of Governments has complied with the Freedom of Information Act in scheduling and conducting this meeting