



**Commission Members:**

- J. Barnwell Fishburne, Chair
- David E. Branham, Sr., Vice Chair
- Pamela L. Christopher, Commissioner
- Tony K. Cox, Commissioner
- William B. Dukes, Commissioner
- James T. McLawhorn, Jr., Commissioner
- Robert D. Robbins, Commissioner
- Nancy P. Whitworth, Commissioner
- Woodrow W. Willard, Jr., Commissioner

**DRAFT**

**Commission Meeting**  
**Minutes and Actions**

**South Carolina Department of Transportation**  
Thursday, August 26, 2021 at 9:00 AM  
SCDOT Headquarters, Room 306

**Commissioners present at the meeting were:**

- |                                   |               |
|-----------------------------------|---------------|
| David E. "Gene" Branham, Sr.      | Vice Chairman |
| Pamela L. Christopher (via WebEx) | Commissioner  |
| Tony K. Cox                       | Commissioner  |
| William "Bill" B. Dukes           | Commissioner  |
| John Barnwell Fishburne           | Chairman      |
| James T. McLawhorn, Jr.           | Commissioner  |
| Robert D. "Robby" Robbins         | Commissioner  |
| Nancy P. Whitworth                | Commissioner  |
| Woodrow "Woody" W. Willard, Jr.   | Commissioner  |

**The Chairman declared that a quorum was present.**

**Also present at the meeting were:**

- Christy Hall, Secretary of Transportation
- Leland Colvin, Deputy Secretary for Engineering
- Brent Rewis, Deputy Secretary for Intermodal Planning
- Justin Powell, Deputy Secretary for Finance and Administration

**Action Taken:**

**1. Call to Order - Chairman Fishburne**

**2. Roll Call - Chairman Fishburne**

**3. Approval of Meeting Agenda (Action Required) - Chairman Fishburne [A 52/2021](#)**

Motion by: Commissioner Robbins  
Second by: Commissioner Willard

Approved

**4.   Population Trends - Director Frank Rainwater**

[P 20/2021](#)

Frank Rainwater, Executive Director of the SC Revenue and Fiscal Affairs Office, provided an overview of the 2020 Census Impacts as related to the long-term needs of the state. He noted that the population in SC is aging and the median age is 41. The senior aged population is the fastest growing population. Mr. Rainwater explained the state is growing but not uniformly. He stated that 65.33% of the population growth is in the top five counties, and twenty-four counties are decreasing in population.

Mr. Director Rainwater reported the state received over \$10 billion in revenue which was its highest revenue collection ever over the last fiscal year; however, the funding is not evenly growing. He provided a bar graph of the estimated change in local government fund change due to the population shift. It was noted that only eleven counties are receiving additional funding.

Deputy Secretary Rewis asked whether the number of people moving to urban areas could be attributable to members of the population leaving rural areas. Director Rainwater stated that his office had collected the information on where people were moving from and could provide it to Deputy Secretary Rewis.

## **5. Initial Policy Discussion on MPO/COG Guideshare Principles - Deputy Secretary Rewis** [P 22/2021](#)

Deputy Secretary Rewis stated the agency is designated as the agency responsible for transportation planning in South Carolina. The SCDOT is responsible for the Metropolitan Planning Organizations (MPO) designations, the coordination and approval of transportation improvement programs within the MPOs, and statewide coordination and approval of transportation improvement programs, including within the rural areas of the state. Mr. Rewis provided an overview of the Metropolitan Planning Organizations (MPOS), Transportation Management Areas, and Council of Governments (COGs). He also provided an overview of the Guideshare Program.

Guideshare is uniquely a SC Creation. The federal-aid program requires mandatory minimum distribution of funding to the TMAs and consideration to be given to MPO funding. He noted there is no federal requirement to fund the COGS; however, the Commission has taken the policy approach to utilize the MPO and COGs to develop transportation improvement programs for their regions with funding assigned to them by the Commission. This serves as SCDOT's mechanism to identify, prioritize, and fund non-interstate widening and capacity projects. Secretary Hall noted that the Commission delegates funding to the local level, and the agency relies exclusively on the regional planning partners (MPOs and COGS) to determine which improvements are made. The SCDOT does not designate operational type improvements other than safety and pavement improvements. Deputy Secretary Colvin noted that the SCDOT provides the MPO and COG funding, and Secretary Hall further noted that SCDOT also provides a match to the funding.

Deputy Secretary Rewis reported that \$138 million is being distributed through Guideshare. He stated \$93 million is being distributed to the MPOS which is then subdivided to the 11 MPOs. He reported \$45 million is being distributed to the COGs which is then subdivided to the 10 COGs. He provided a timeline of the Guideshare Program beginning in 1987. Secretary Hall stated that one of the greatest challenges the MPOs face is the funding has not increased since 2012. Because the funding hasn't increased, there are not many significant projects that can be done.

Commissioner Whitworth asked what the background was on why the MPOs and COGS funding formula was changed to be based on total population. Deputy Secretary Rewis explained there were concerns on whether the VMT was reflective of what they were seeing. Commissioner Willard noted that since 1994, the rural and urban areas has flip-flopped in population numbers.

Deputy Secretary Rewis went over the current MPO and COG Guideshare allocations. Secretary Hall stated that the allocations are based on the pro-rata share of the population. She explained the first policy decision the Commission makes is how much is in the overall MPO/COG program. Second, the Commission splits the funding into two buckets: 1) the urban MPOs and 2) the rural COGS. She explained if 70% of the population from the Census data is in the MPOs, then the MPOs will receive 70% of the funding. The funding allocation is based solely on the population.

Deputy Secretary Rewis discussed the 2020 US Census Status and Schedule. In August 2021, the county level population numbers were released for redistricting. The agency expects to receive information on expanded areas of urbanization (TMAs and MPOs) based on the census information. He explained this will likely launch a robust discussion with regard to where the final boundary lines should be drawn by the state. The new MPOs must be designated by the Governor or his designee (SCDOT) to represent all new urbanized areas by Spring 2023. The FHWA will then issue a final approval of boundaries by Summer 2024.

Deputy Secretary Rewis explained the policy challenges confronting the status quo are that urban areas are expected to continue to grow as they have over the past several decades. If the agency continues to utilize the same funding level and the same distribution formula, it is expected that many of the COGs will see a significant reduction of funding. The policy discussion includes: 1) Should the agency grow the pie with anticipated federal funding in order to address the challenges being confronted? 2) Should the agency consider other factors other than population in allocation of the pie, including traffic volumes and economic indicators? 3) Should the agency establish a minimum slice of pie for each MPO and COG to do a meaningful project every 3 to 5 years?

#### **6. 2022-2023 Budget Framework Including Budget Reform - Deputy Secretary Powell** [P 24/2021](#)

Deputy Secretary Powell gave his presentation on the 10-Year Plan and the agency's financial outlook. He reported the agency is making steady progress toward the 10-Year Plan goals. The state revenues are rebounded from the COVID-19 recession. There is pending federal reauthorization still working through Congress and is likely to significantly increase the agency's revenues. Policy decisions on applying new federal funds will be required of the Commission in the near-term.

Deputy Secretary Powell reported the agency is ahead of its target in its 10-Year Plan for pavements, bridges, safety and interstates. Deputy Secretary Powell stated that all four pavement categories were at or above the target for percentage good by FY 21 and nearly 1000 miles of work are being advanced by FY 22. He reported 207 of the 465 bridges targeted for replacement are completed or advanced to construction, an increase of 46 bridges from the previous year, and there are 583 of the 1000 miles of rural road safety improvements that are complete or advanced to construction, an increase of 118 miles from last year. Deputy Secretary Powell reported 52% of the planned interstate improvements are complete or underway. There have been awards made on the first two phases of Carolina Crossroads.

Deputy Secretary Powell reported state revenues are rebounding from COVID-19. He stated that the 16 cents gas and diesel tax has continued to increase since the sharp dip in March 2020, and the car sales tax collection has surprisingly increased and remains strong in the wake of the pandemic. Deputy Secretary Powell noted the agency was able to weather to pandemic so well was because of the General Assembly's foresight to diversify revenues. SCDOT is no longer over-reliant on federal funds and state funds are a good mixture of road user fees. The car sales tax and other fees helped the agency stabilize and recover from the pandemic.

Deputy Secretary Powell noted that the agency receives \$733 million in federal aid annually distributed formula and program. The current transportation authorization (FAST Act) expires on September 30, 2021. Both the House and Senate have passed their own versions of reauthorization. The Senate version has become the vehicle for the Biden Administration's infrastructure package. The House currently has the Senate version for consideration, and it is anticipated that final action will be reached this fall.

Deputy Secretary Powell reported that the Infrastructure Investment and Jobs Act (IIJA) authorizes approximately \$1 trillion in funding surface transportation, rail, transit, water and sewer services, and broadband, including \$550 billion in new funding. The Act reauthorizes surface transportation authority until 2026. It also creates new programs for climate change and resiliency. Deputy Secretary Powell added the Act adds new formula programs outside of reauthorization funded through the General Fund for bridges and electric vehicle charging, and numerous discretionary grant programs have also been established.

Commissioner Robbins asked what the agency planned to do to offset the increasing number of electric vehicles. Deputy Secretary Powell explained it is an issue that all state DOT's are reviewing. He explained that in terms of the percentage of electric cars in South Carolina now, ten percent of the cars are electric cars. Deputy Secretary Powell stated there are a lot of discussions going on with the Office of Regulatory Staff, the energy office and with the legislature. The agency is reviewing other alternatives for raising funds from electric vehicles.

Deputy Secretary Powell further explained it is anticipated that the IIJA will increase formula highway funds from \$733 million in FY 21 to \$1 billion in FY 26. Federal transit funds will increase by thirty

percent, and the Act codifies “One Federal Decision” being used on the I-526 project. The IIJA presents new funding to address some of SCDOT’s long-standing gaps in the program like Guideshare. It requires an additional \$70 to \$80 million in state funds to match new formula funds, and significant dollars will be allocated in discretionary grants where the SCDOT has historically fared poorly compared to other states.

Deputy Secretary noted the remaining gaps in the agency’s program are funding for regional projects selected by the MPO and COGs across the State has remained stagnant at \$138 million per year, and the MPO/COG program needs a \$100 million boost in order to keep pace and support a more multimodal system. Routine maintenance needs a \$60 million boost, and the state’s bridge program needs a \$40 million boost.

Deputy Secretary Powell added the new federal funds will not necessarily have the flexibility to do all that the SCDOT needs to do with regard to resiliency, electric vehicles, and climate change. He stated the staff recommends utilizing the new federal funding to emphasize 1) Guideshare, incrementally increase to \$238 million annually; 2) Bridges, increase in accordance with the new formula funds; 3) Rest Areas, identify opportunities to leverage recent state appropriation of \$40 million; 4) Drainage, identify opportunities to address long-standing drainage issues like arch culverts in Charleston; and, 5) Interstates, keep the aggressive urban and rural interstate improvement program moving forward.

Deputy Secretary Powell reported the issues still outstanding that will not be resolved by new federal funds include increasing routine maintenance and spot improvements to deal with growth, as well as identifying the match for the new federal funds. He stated the next steps for the agency are to monitor the ongoing passage of the IIJA on potential impacts, continue to evaluate legislation and identify opportunities to use funds to advance SCDOT’s existing priorities, and develop a proposed 10-year plan revision and budget for the General Assembly based on anticipated federal funding and SCDOT priorities. Deputy Secretary Powell added that the budget presentation and adoption may be delayed until October.

Secretary Hall stated she and her staff would appreciate feedback from the Commission on its priorities. She explained that once the Act is passed, there will be a quick turn-around time to have the allocated funding added to the agency’s budget proposal for the Commission’s approval.

Commissioner Robbins asked what the status of the Senate Subcommittee that is studying the interstates. Secretary Hall stated that the subcommittee is refocused on the American Rescue Plan (ARP) funding. The SCDOT has made a request through the accelerateSC Committee to fund some work on I-26 near Summerville and the agency continues that discussion with the subcommittees. She noted that the ARP funding cannot be used for roads unless it can be demonstrated that there was a revenue loss. Commissioner Robbins asked whether legislation introduced by Senator Hutto for toll roads on I-26 was still being considered, and Secretary Hall said that it was not currently being considered. Commissioner Robbins expressed his concern with the safety of I-26. Commissioner Cox noted that Horry County does not have an interstate, and Commissioner Robbins asked about the status. Secretary Hall stated that the last estimate for I-73 which would run in Horry County is \$1.5 billion and this is still under review.

Deputy Secretary Powell proposed a change to the relationship between the 10-Year Plan and the annual budget. The 10-Year Plan is a planning and programming tool to guide investment decisions, and the annual budget is a one-year snap-shot to set expenditure authority for a given year. It may incorporate multiple program years of the 10-Year Plan depending on the timing of the projects. Deputy Secretary Powell stated the staff would like to present the 10-Year plan as the budget. He explained that instead of presenting a “best guess” cash flow estimate of construction spending, the agency could set the appropriations budget to the planned level of projects SCDOT intends to initiate in a given year—the annual amount listed in the 10-Year Plan. Deputy Secretary Powell stated the agency would seek proviso authority to clarify carryover authority so that unspent cash and obligated federal project authority on previously authorized projects can move forward into the next fiscal year.

**8. Old Business - Chairman Fishburne**

There was no old business to discuss.

**9. Adjournment (Action Required) - Chairman Fishburne**

Motion by: Commissioner Cox

Second by: Commissioner Willard

[A 51/2021](#)

Approved

There was no further business to discuss. The Commission Workshop meeting adjourned at 11:18 a.m.