

REPORT OF FINANCE & ADMINISTRATION COMMITTEE MEETING

September 17, 2015

A meeting of the Finance & Administration Committee was held on Thursday, September 17, 2015 at 11:00 A.M. at the Authority's Administrative Office in Conway, South Carolina. In accordance with the Freedom of Information Act, notices setting forth the date, time, and place of the meeting were mailed to the news media.

Present were Committee Chairman Pam Creech and Committee Members Sanford Graves and Lance Thompson. Also in attendance was Board Member Dan Gray, Executive Director Danny Knight, Assistant Executive Director Mike Bessant, Directors Jan Bitting, Esther Murphy and Bill Hilling, and staff members Nannette Powell and Susie Wofford. Vance Moore of Garrett and Moore was also in attendance. There were no members of the media in attendance.

Ms. Creech called the meeting to order and Mr. Thompson rendered the invocation. Mr. Graves led the group in the Pledge of Allegiance.

Ms. Creech then asked Mrs. Bitting to proceed with the Agenda.

Personnel Policy-Employee Benefits

Mrs. Bitting reviewed with the Committee changes to the SWA Personnel Policy that were discussed and agreed upon at the August 20, 2015 Finance & Administration Committee Meeting. General discussion followed regarding the proposed changes. Mr. Graves pointed out several minor scrivener's errors needing correction.

Discussion was held on the Section 70.11.1 and Section 70.11.2 Retiree Health Insurance. Mr. Graves stated he would like the disclaimer "*The Retiree Health Insurance guidelines do not create any express or implied contract of this benefit being provided in the future. No past practices or procedures, promises or assurances, whether written or oral, form any express or implied agreement to continue such practices or procedures*" to be in bold print.

Regarding Section 70.01 Vacation, Mr. Graves voiced concern regarding new employees not being able to accrue any time until their 6th-7th year of employment if they are required to take eighty (80) hours vacation.

Mr. Graves made a motion to change the Committee's recommendation from mandatory take eighty (80) hours vacation per year to mandatory take sixty-four (64) hours vacation per year. There was a second by Mr. Thompson and the Motion was carried.

Mr. Graves indicated Section 70.02 Vacation Buy Back #1 and #2 have some of the same language as Section 70.01 Vacation. He wanted to make staff aware that internal consistencies were important.

Mr. Graves made a motion to change the verbiage of Section 70.01 Vacation Subsection #7 to match the verbiage of Section 70.02 Vacation Buy Back Program Subsections #1 and #2. There was a second by Mr. Thompson and the Motion was carried.

Mr. Graves stated Section 70.02 Vacation Buy Back Program Subsection #8 indicates “*any deviation from the provisions must have written approval of the Executive Director*”. He indicated he believed any deviations from the Policy should be brought to the Board as well. He inquired if other Committee members would be interested. The Committee Members affirmed that they would like to know of any occurrences whereby there was a deviation and the generality of the cause.

Mr. Graves made a motion to add the following verbiage to the last sentence of Section 70.02 Vacation Buy Back Program Subsection #8: “and shall be reported to the Board at the next regular Board meeting”. There was a second by Mr. Thompson and the Motion was carried.

The committee then discussed Subsection 10 of Section 70.02 Vacation Buy Back Program. Mr. Graves indicated the Policy does not reflect what happens in the event the employee’s request to purchase vacation time was denied. He stated he believed an employee should be given written explanation of the denial and the opportunity to seek recourse if warranted.

Mr. Graves moved to add the following sentence to Section 70.02 Vacation Buy Back Program Subsection #10: “If the buyback does not meet the conditions of the policy or is not approved written notice of the denial with the appropriate justification shall be issued to the employee.” There was a second by Mr. Thompson and the Motion was carried.

Discussion was held regarding Sick Leave and the methods of discipline used for abusing the sick leave policy.

Mr. Thompson thanked everyone for their hard work. He inquired about the financial impact on making the change from mandatory eighty (80) hours to sixty four (64) hours and how would the change impact the additional personnel cost. Mrs. Bitting responded she would prepare an update on the financial impact of the change and would present it to the Board.

Mr. Graves also complimented staff on the work performed. Ms. Creech stated staff had done a good job with a difficult task.

Mr. Thompson moved to recommend to the full Board the changes to the SWA Personnel Policy. There was a second by Mr. Graves and the Motion was carried.

Procurement – Local Preference

Mrs. Bitting reviewed the Local Bidder Preference policy staff had prepared. She indicated she utilized Horry’s County local preference policy as a guide because the Committee mentioned they would like to streamline the SWA’s policy to be similar to what the County was doing. Mrs. Bitting stated the version in the Committee’s packet was the most current version that had already been reviewed by Emma Ruth Brittain and Vance Moore.

Mrs. Bitting informed the Committee the County uses four (4) different categories in their Procurement Department: Request for Qualifications, Request for Information, and Invitation to Bid and Request for Proposal.

Mrs. Bitting explained there is no negotiating in Invitation to Bid and stated should the lowest bidder meet the qualifications/specifications that bidder would be awarded the bid. She said with the request for Proposal there is some negotiating; for example if the next to lowest bid is a better fit for the SWA the Committee can ask the Board to approve the one that will benefit the SWA.

Ms. Bitting stated the SWA has always sent out Request for Proposals and indicated the Purchasing Policy does not have anything written in it to separate the Invitation to Bid and Request for Proposal. She commented that the Local Bidder Preference is mainly used in Invitation to Bid and said implementing this Local Bidder Preference at this time would be null and void due to the fact that SWA does not have Invitation to Bid in the SWA Purchasing Policy. Mrs. Bitting indicated that Request for Proposals would be used for contracts on construction projects and Invitation to Bid would be utilized to purchase a piece of equipment or vehicle.

Mrs. Bitting advised the Committee that updating the SWA's Purchasing Policy is something that should be done before the Committee moves forward with The Local Bidder Preference.

Discussion was held on the nature of SWA business and how it differs from most municipalities. The Committee indicated the SWA needs to be careful and feel comfortable with vendors based on experience, etc. Comments were made about keeping money in the County, doing background checks on companies that do bid, etc.

Mr. Moore commented on the Local Bidder Preference. He indicated that for any of the requirements to apply the bidder must be deemed responsive and responsible. Discussion followed on the definition of responsible, experience and qualified.

Mr. Graves asked Mr. Moore for his thoughts on implementing the Local Bidder Preference into the current Purchasing Policy. Mr. Moore responded that he felt the SWA Purchasing Policy had several gray areas that needed to be clarified before the policy was implemented.

Mrs. Bitting asked the Committee what direction they would like for staff to go at this point. She suggested revising the Purchasing Policy by researching other municipalities' policies. Ms. Creech asked Mrs. Bitting to also ask municipalities what kind of problems they may have had using the Local Bidder Preference.

Mr. Knight indicated that if the Committee decides not to do the Local Bidder Preference that the Purchasing Policy needs to be reviewed and/or updated because everything does not fall under a proposal.

Mrs. Bitting informed the Committee that she needed to set up a Committee meeting in October so that David DeKleva could present the findings of the recent audit. The Committee tentatively set the meeting up for October 15, 2015 at 11:00 am.

There being no further business to come before the Committee, the meeting was adjourned at 12:00 pm.