

Operations & Planning Committee Meeting

June 20, 2017

A meeting of the Operations & Planning Committee was held on Tuesday, June 20, 2017 at 2:30 P.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 Mike Campbell and Committee Member Pam Creech. Other Board Members in attendance was Dan Gray. Danny Knight, Executive Director and Directors Esther Murphy, Jan Bitting, Bill Hilling and Mike Bessant were in attendance. Other staff members included Cecil Terry, Richie Stetter, Nannette Powell and Cindy Keith.

Mr. Campbell called the meeting to order and rendered the invocation. Ms. Creech led the group in the Pledge of Allegiance. Mr. Campbell asked for any revisions to the Agenda as contained in the Agenda Packet. Mr. Bessant stated that Mr. Hilling had a third piece of equipment to discuss. However, it would not require a change to the agenda.

Mr. Campbell moved to approve the Agenda as presented. There was a second by Ms. Creech and the Motion was carried.

MRF - Glass Crusher Proposals

Mr. Campbell then turned the meeting over to Mr. Bessant. Mr. Bessant stated that the glass crusher at the MRF is scheduled to be replaced in FY18. Mr. Bessant indicated that the budget was increased from \$250,000 to \$300,000 for this item. Mr. Bessant reported that the glass crusher was sent out for bid and the SWA received several bids, each higher than the amount budgeted. Mr. Bessant explained that each bid included a glass clean up system which would remove metal and office paper from the finished product. Ms. Creech asked if the clean up system would remove needles. Mr. Bessant indicated that the clean up system would remove metal as well as stainless steel. Mr. Campbell commented that there is a magnet on the existing glass crusher, but it does not remove stainless steel. Mr. Bessant indicated that the SWA has asked each bidder to quote a clean up system that would remove 95% of contaminants from the finished glass. Mr. Bessant explained that the SWA is requesting to utilize \$25,900 out of the \$50,000 budget for compactor concrete repair because the funds are no longer needed. Mr. Bessant indicated that it would cost too much to repair the existing glass crusher and that it does not produce quality glass aggregate. Ms. Creech asked what kind of screens would be included in the price of the glass crusher. Mr. Bessant explained that the screens were approximately \$500 a piece. Mr. Bessant indicated that the smaller screens would not be useful because there is no market for the sand produced by the glass crusher. Mr. Bessant explained that a special screen is required to produce sand for sandblasting called a gyratory screen. Mr. Campbell asked how much a gyratory screen would cost. Mr. Bessant indicated that it would cost between \$75,000 to \$125,000. Mr. Knight commented that storage of the sandblast quality sand was the main issue because it could not contain moisture. Mr. Campbell stated that a special facility would need to be built. Mr. Knight stated that there is no market for sand of any quality. Mr. Bessant commented that he had spoken with Chris Fisher of Fisher Recycling in Charleston who recycles glass. Mr. Bessant stated that Mr. Fisher had searched for a market for sand for several years and had been unable to find one. Ms. Creech asked how long

the SWA had the existing glass crusher. Mr. Bessant stated the glass crusher was purchased five years ago and that the proposed glass crusher would be expected to last five years as well. Ms. Creech commented that the SWA is spending approximately \$60,000 per year to produce crushed glass. Mr. Bessant stated the proposed glass crusher is larger than the existing glass crusher to reduce wear. Ms. Creech asked how much glass was diverted from the landfill per year. Mr. Bessant stated that approximately 3,000 tons of glass was kept out of the landfill each year. Ms. Creech stated that she heard that most MRF's are no longer recycling glass, but that it is necessary to keep the tonnage out of the landfill. Ms. Creech commented on the large variance of quoted prices for the glass crusher. Ms. Creech asked if each company was quoting the same glass crusher. Mr. Bessant explained that the SWA had asked the bidders to quote what they thought would function best, and not a specific glass crusher. Mr. Bessant commented that Andela Glass was owned by Ms. Andela who engineered and designed the glass crusher for her business, Ruby Lakes Glass. Mr. Bessant explained that Ms. Andela could not find a glass crusher that would function for her business, so she designed one and had it built, and began to sell them. Mr. Bessant stated that Ms. Andela was very knowledgeable. Ms. Creech asked if getting parts and service would be an issue. Mr. Bessant asked Mr. Stetter to comment on the maintenance issues regarding the glass crusher. Mr. Campbell asked if Mr. Stetter thought stocking parts for the glass crusher was necessary. Mr. Stetter explained that the SWA stocks some parts, such as hammers, brushes, screens, and wear plates. Mr. Stetter stated that it takes approximately a week to receive the parts that are not stocked. Mr. Campbell asked how long the warranty lasts on the glass crusher. Mr. Stetter stated that the warranty is for one year. Ms. Creech asked how much down time the existing glass crusher caused. Mr. Bessant explained that there has been a lot of down time in the last six to eight months, due to the aging of the machine. Mr. Bessant commented that the machine is running 20 hours per day and is worn out. Ms. Creech asked Mr. Stetter if he had any issues with the Andela Glass Crusher. Mr. Stetter commented that each issue had been addressed and corrected with the design of the new machine. Mr. Bessant indicated that because Ms. Andela used her own machine, she was able to know what the issues were and to resolve them.

Mr. Campbell moved to recommend to the Board moving \$25,900 from the Compactor Concrete Repair to purchase the Andela Glass Crusher. There was a second by Ms. Creech and the Motion was carried.

Forklift Purchase

Mr. Bessant stated that the MRF was using a 2002 forklift which needs a new transmission. Mr. Bessant explained that the cost of repair is approximately \$10,000 and would not be cost effective due to the age of the machine. Mr. Bessant stated that a skid steer is scheduled for replacement in the FY18 budget for \$58,000 and a new forklift is scheduled for replacement in the FY19 budget for \$52,000. Mr. Bessant explained that with the price of each item being comparable, staff would like to purchase the forklift in FY18 and the skid steer in FY19. Mr. Bessant stated that the other forklift was involved in an accident and may not be repairable. Mr. Bessant explained that once the insurance company pays to repair or replace that forklift, it will be used as a back-up. Mr. Bessant stated that delivery on a forklift would take approximately three to four months. Ms. Creech asked if the MRF had an operable forklift. Mr. Bessant stated that one forklift was operable and another was being rented for \$2,200 per month. Mr. Campbell asked if there was a way to expedite delivery on a new forklift. Mr. Bessant explained that it would have to be put up for bid through the usual process. Ms. Creech asked about the details of the forklift accident. Mr. Bessant

explained that the driver was in a hurry and had driven with the forks in the air, making the forklift top heavy, so it had overturned. Ms. Creech asked if the proposed forklift would be large enough to accommodate the Charleston tonnage or any foreseeable future projects. Mr. Bessant stated that once the Charleston contract is complete, the oldest forklift would be sold or transferred to the landfill. Ms. Creech asked what the estimated life of the proposed forklift would be. Mr. Bessant stated they lasted approximately 20,000 hours.

Ms. Creech moved to recommend to the Board the use the capital funds to purchase a new forklift in place of the skid steer in FY18. There was a second by Mr. Campbell and the Motion was carried.

Sale of Surplus Equipment

Mr. Hilling explained that there were three pieces of equipment that staff was requesting to sell on Govdeals. Mr. Hilling stated that when bid requests were received for the new horizontal grinder to be purchased in July 2017, the trade-in amount offered was too low. Mr. Campbell stated that selling equipment on Govdeals has been successful in the past.

Ms Creech moved to recommend to the Board the approval of the sale of #307, the 2008 Peterson Model 5710C Grinder on Govdeals. There was a second by Mr. Campbell and the Motion was carried.

Mr. Hilling stated that pending the purchase of a new Articulated Dump Truck, Staff wants the option to sell unit #377, a 2004 Volvo A25 Articulated Dump Truck, on Govdeals if the trade-in value offered is too low. Ms. Creech asked what articulated dump trucks were used for. Mr. Hilling explained that they haul ground cover. Ms. Creech commented that these trucks were very expensive. Mr. Hilling stated that the cost for the truck is approximately \$450,000 to \$475,000. Ms. Creech asked if the existing truck was purchased new. Mr. Hilling stated that the truck was purchased new, but now has been used for 17,000 hours. Mr. Hilling explained that repairs were getting costly.

Ms. Creech moved to recommend to the Board to approve the sale of used equipment #377 on Govdeals. There was a second by Mr. Campbell and the Motion was carried.

Mr. Hilling stated that Staff would like approval to sell unit #125, a 1989 Ford L-800 truck, that the SWA no longer uses. Mr. Hilling indicated that he would like to list it on govdeals for \$15,000.

Ms. Creech moved to recommend to the Board the approval of the sale of #125, a 1989 Ford L-800 truck, on Govdeals. There was a second by Mr. Campbell and the Motion was carried.

Diversion Equipment and Trips

Mr. Campbell asked to discuss diversion equipment and trips. Ms. Creech asked if she could discuss the MRF floor repair first. Ms. Creech indicated that she had seen an entry on the SWA check register for \$75,000 for the MRF floor repair. Mr. Bessant explained that the floor had been repaired, and that he had agreed to pay half of the contract price and to pay the balance when it is certain that the repair will last. Ms. Creech thanked Mr. Bessant for having the forethought to hold half of the payment. Mr. Campbell asked if a warranty was being supplied for the floor. Mr.

Bessant stated that the existing written warranty is for five years, however, payment will be withheld until it is certain that there will not be an issue. Mr. Bessant explained that the owner of the company that had repaired the floor has been very honest.

Ms. Creech asked if the piece of Caterpillar equipment that had been down was now working. Mr. Bessant asked if Mr. Stetter could address these questions regarding the Caterpillar #914. Mr. Stetter explained that since the #914 has returned from being repaired, there have been no issues with it. Mr. Campbell asked if the #914 was working 20 hours per day. Mr. Stetter stated that 20 hours per day was correct. Mr. Stetter stated that Blanchard inspects the #914 every two weeks. Mr. Stetter stated that the initial problems with #914 had been addressed and repaired. Ms. Creech asked how much actual down time was involved in the problems and repairs. Mr. Stetter explained that down time was limited because Staff was given a piece of equipment to use in the interim. Ms. Creech asked if #914 was still under warranty. Mr. Stetter stated that the warranty was for one year and it is no longer under warranty. Mr. Stetter explained that the repairs were done in good faith and that Blanchard absorbed more than half of the expense.

Mr. Campbell requested that Mr. Bessant, Mr. Knight and Mr. Stetter explore performing a certified re-build of the MRF sort line. Mr. Campbell stated that he would like to look at the cost and Staff doing as much of the work as possible. Mr. Campbell stated that he would like the MRF to be in good shape when the agreement with Charleston ends. Mr. Campbell explained that a certified re-build involves repairing equipment that has 50% of its life left and replacing the rest. Mr. Campbell stated that a warranty should be included. Mr. Knight stated that he did not know what a certified re-build was and that no one is sure in which direction to go. Mr. Knight explained that it would be clearer towards the end of the summer after staff and the Board toured the MRF facilities in Chicago. Mr. Knight commented that he wants to explore every aspect of the operation of the Chicago facilities, including education, marketing, and maintenance. Mr. Campbell stated that vendors perform certified re-builds. Mr. Campbell asked Mr. Bessant to explain the certified re-build process. Mr. Bessant replied that vendors would assess the MRF and replace belts, rollers, bearings, etc. Mr. Knight commented that it would be a mistake to rebuild equipment and then remove it a year and a half later. Mr. Bessant stated that the MRF would be fully depreciated in 2023. Mr. Knight commented that he was interested in the certified rebuild process for compactors. Ms. Creech asked if existing staff could perform part of the rebuild such as changing belts. Mr. Bessant explained that the SWA does not have enough manpower to perform the rebuild. Mr. Bessant commented that another option would be to shut down the MRF for approximately 15 weeks or to have staff work 24 hours a day for three days and rebuild a section at a time. Ms. Creech remarked that would not be a feasible option. Ms. Creech stated that the Board needs to know what direction the MRF is going and to plan for that and not to do things in a piecemeal manner. Mr. Campbell stated that whatever option is chosen, it would take place once the Charleston contract has ended. Mr. Bessant stated that he had explored the certified rebuild option with CP Manufacturing and they had explained that the MRF would need to be shut down for fifteen weeks. Ms. Creech commented that the Diversion Committee would be going to Chicago August 14 – 17 to tour and gather information. Ms. Creech explained that this trip would allow the Board and Staff to see many pieces of equipment at one time and should answer a lot of questions. Mr. Knight stated that another option would be to tour West Palm Beach where there is a burn center and attending the WasteCon conference in September would also be an opportunity to see many options. Mr. Knight explained that Chicago would provide the opportunity to explore

many options such as building a transfer station. Mr. Knight explained that perhaps the SWA needs to explore the possibility of building a transfer station. Mr. Knight stated that by the end of the summer, the SWA should know in which direction the MRF should go.

There being no further business the meeting was adjourned 3:20 p.m.