

**MINUTES OF REGULAR MEETING  
HORRY COUNTY SOLID WASTE AUTHORITY, INC.  
January 24, 2017**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, January 24, 2017, at 5:30 P.M., at the Authority's Administrative Office, 1886 Highway 90, 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 the following Board Members: Pam J. Creech, Chairman; W. Norfleet Jones, Vice Chairman; J. Michael Campbell; and Board Members, Dan P. Gray, Michael H. Hughes and M. Lance Thompson.

Craig Roberts, Conway resident represented the public in attendance. Audrey Hudson reporter from the Sun News was in attendance. Steve Gosnell, Director of Horry County Infrastructure and Regulation was absent.

The following individuals were also in attendance: Danny Knight, Executive Director; Esther Murphy, Director; Bill Hilling, Director; Jan Bitting, Director; Mike Bessant, Director; Emma Ruth Brittain, Staff Attorney, and other staff members to include Wayne Martin, Jeff Mishoe, Nannette Powell, Richie Stetter, Jamie Suggs, Cecil Terry, Stephanie Todd and Susie Wofford.

**CALL TO ORDER**

Chairman Creech called the meeting to order and asked Mr. Gray to render the invocation.

**PLEDGE OF ALLEGIANCE**

Mr. Jones led the group in the Pledge of Allegiance.

**APPROVAL OF AGENDA**

Chairman Creech asked for any revisions to the Agenda as contained in the Agenda Packet.

**Mr. Jones moved to approve the Agenda. There was a second by Mr. Thompson and the Motion was carried.**

**APPROVAL OF MINUTES**

Chairman Creech asked for any questions on or amendments to minutes of the Regular Meeting held on December 08, 2016 as contained in the Agenda Packet.

**Mr. Campbell moved to approve the Minutes of the Regular Board Meeting held on December 8, 2016. There was a second by Mr. Jones. There being no further discussion, the Motion was carried.**

**PUBLIC INPUT**

There were no requests to present Public Input.

## EXECUTIVE DIRECTOR REPORT

### Recycling and Corporate Affairs Update

Ms. Esther Murphy offered an update of various projects in the Recycling and Corporate Affairs Division that were included as pages 11-20 in the Board Packet.

**Statement of Economic Interest Update** – Mrs. Murphy reminded the Board of the Statement of Economic Interest which was due by March 30, 2017. She stated that this year all filers must disclose (1) the source and (2) the type but not the amount of any private income received in the previous year by the filer or a member of the filer’s immediate family under the Income and Benefits section of the 2017 Statement of Economic Interest. Mrs. Murphy stated if any member needed help to please contact Ms. Powell. Chairman Creech asked Mrs. Murphy if she had informed Mr. Graves about the Statement of Economic Interest for 2016 and 2017. Mrs. Murphy commented she and Mr. Graves discussed this information. She informed the group she had spoken with Mr. Long also.

**Caught Green Handed Update** – Mrs. Murphy informed the group the December 2016 “Caught Green Handed” winner was Mr. George Clegg. She indicated that Mr. Clegg used the Duford Recycling Center. Mrs. Murphy stated Mr. Clegg received a SWA prize pack and media recognition. She commented the Caught Green Handed program had visited every center in Horry County these past 24 months.

**Upcoming Events** – Mrs. Murphy informed the group that the SWA would participate in the Myrtle Beach Home Show on February 10-12, 2017. She commented this year’s CRA conference would take place in Myrtle Beach at Kingston Plantation on March 27-30, 2017. Mrs. Murphy asked any Board Member wanting to attend any of the conferences to please let her know.

### Operations and Planning Update

Mr. Hilling offered an update of the following which were included as pages 21-52 in the Board Packet.

**Driver of the Month Update** – Mr. Hilling stated the December Driver of the Month was Santos Garcia from Garcia’s Concrete. Mr. Hilling commented Mr. Garcia worked well with staff and was well deserving of the honor. He informed the group a letter was sent to Garcia’s Concrete Works.

**Piggyback Expansion Update** – Mr. Hilling informed the group the Piggyback Expansion was complete. He indicated there were three areas of concern during the Electronic Leak Detection test. Mr. Hilling commented the National Lining Systems and Paul Moore, Garrett & Moore Project Manager oversaw the uncovering of the three areas and found no penetration or damage to the liner. Mr. Hilling remarked the project had an approximate under-run of \$300,000 He commented that he and Mr. Knight discussed Southeastern Environmental offering to repair the road to the Piggyback Expansion and gave a quote of \$15,000 for the project. Mr. Hilling mentioned the contractor would continue to work on the road repair and perform cleanup activities over the next several weeks. Mr. Hughes asked Mr. Hilling how often were the leak detection test done. Mr. Hilling replied only one time.

Mr. Gray asked Mr. Hilling did he project the landfill closing in 2043. Mr. Hilling commented that Piggyback Phase I would last until 2024-2025. He encouraged the Board to come and tour the landfill facilities.

### **Financial Reports**

Mrs. Bitting offered an update of the following which was included as page 53-77 in the Board Packet.

**Monthly Finance Reports** – Mrs. Bitting stated for the period ending December 2016 the SWA should be at 50% of budget. She indicated tipping fees overall had increased 18.11% over last fiscal year. Mrs. Bitting stated MSW year-to-date revenue was at 55.87% of budget. She indicated construction and demolition revenue was at 82.94% of budget and yard waste revenue was at 98.75% of budget year-to-date. Mrs. Bitting stated the Construction and Demolition Processing Facility saved 33.84 days of airspace. She commented recyclable sales were at 58.36% of budget. Mrs. Bitting indicated the Construction and Demolition Processing Facility revenue was \$179,843.14 and expenses were \$271,011.58, which equated to a deficit of \$ 91,168.44. She stated net income for December was \$155,319.67 and year-to-date was \$2,110,990.35. Mr. Gray asked Mrs. Bitting about the landfill having a decrease in material of -66.32%. Mrs. Bitting attributed this to the Construction and Demolition Processing Facility receiving credit for the clean wood and boiler fuel processed by the facility. She commented the landfill received credit for compost, woodchips and glass sold.

Mrs. Bitting explained the MRF processed 4,554.74 tons for December. She stated the current market value for processed material was \$168.10 for December. Mrs. Bitting informed the group that tonnage sold for December was 2,768.85 tons. She indicated the total MRF revenue for material sold in December was \$465,440.32, but overall revenue was \$462,424.00; overall expenses were \$379,318.17 resulting in revenue over expense of \$83,107.17. Mrs. Bitting stated year-to-date total MRF revenue was \$2,458,095.73 and total MRF expenses were \$2,096,465.33 with revenue over expenses with a surplus of \$361,629.76. She commented the MRF saved 34.37 days of airspace.

**Quarterly Restricted Funds Recommendations Update** – Mrs. Bitting indicated staff performed a review of the unrestricted cash for the ending quarter ending June 30, 2016, to determine if transfers to the restricted accounts were possible, in accordance with the Unrestricted Fund Transfer Account Policy Statement.

Mrs. Bitting indicated the total unrestricted cash and cash equivalents as June 30, 2016, were \$3,823,411. She reminded the Board the quarterly unrestricted cash threshold for FY2016 was \$3,090,765, which equates to 15% of the estimated annual revenues. Mrs. Bitting indicated for the year end June 30, 2016, the amount available to transfer was \$732,646. She informed the Board this adjustment was to adjust the cash to the FY2016 audited financial statements. Mrs. Bitting stated staff was recommending transferring the \$732,646 into the designated account for the piggyback construction.

**Mr. Jones moved to accept staff's recommendation to transfer \$732,646 from the Unrestricted Cash and Cash Equivalents for the year ending of FY2016 to the**

**Designated Account for Construction/Development to adjust to the audited financial statements. There was a second by Mr. Campbell and the Motion was carried.**

Mrs. Bitting reminded the Board that the Finance and Administration Committee would meet on February 21, 2017 but the time had not been discussed. Mrs. Bitting stated the SWA's Budget Workshop would be at 10:00am on March 7, 2017.

### **Recycling Services & Special Projects Update**

Mr. Bessant gave an overview for the following update which was included as pages 78-80 of the Board Packet.

**MRF Update** – Mr. Bessant informed the Board that fiber prices had increased for December and that cardboard increased from \$153.00 to \$173.00. He commented that newspaper increased in price per ton. Mr. Jones asked Mr. Bessant who was purchasing the fiber. Mr. Bessant replied that Carolina Recycling was purchasing most of the fiber. He commented the overseas market was purchasing most of the fiber. Mr. Bessant indicated that December had 639 tons of reject material and Horry County collected 1,470 of material to process. He stated the MRF was processing 11 loads of material per day from Charleston County. Mr. Thompson asked for an update on the Charleston County facility. Mr. Bessant replied that the equipment had been purchased for the Charleston County facility but final approval was needed from Council. Mr. Gray asked Mr. Bessant who was the manufacture of the equipment for Charleston County. Mr. Bessant answered MachineX. Mr. Bessant informed the group the MRF floor needed repair and would cost \$200,000. Mr. Jones asked if the repair was the same place as last time. Mr. Bessant replied this was another section on the main floor.

### **Executive Director Update**

Mr. Knight gave an overview for the following update which was included as pages 81-83 of the Board Packet.

**Tarping Program** – Mr. Knight indicated the tarping program was created in hopes of keeping litter off of Highway 90 and the surrounding neighborhoods. He commented discussion about giving out tarps in order to combat this problem had been suggested. Mr. Knight stated Mrs. Brittain would give a briefing about the tarp requirements and litter throughout Horry County.

Mrs. Brittain stated she discussed with the County Attorney that Horry County and the SWA were unified in their efforts to control litter on the county highways. She explained there were both state statutory and county ordinance provisions addressing the escape of refuse and debris from trucks hauling material to the SWA as a result of the failure of drivers to have tarps or load beds covered when leaving the SWA's premises. She remarked any persons not tarping or covering their load to prevent any of it from dropping, sifting, leaking, blowing, or otherwise escaping from the vehicle could be subject to a misdemeanor and upon conviction, be fined \$100.00.

Mrs. Brittain stated that Horry County has enacted, in its Code of Ordinances, Chapter 10 pertaining to “Garbage Trash and Refuse”. Article II – Solid Waste Handling and Disposal – Sec. 10-17(b) of this ordinance provides for “Fees at landfill for transportation of loose solid waste materials.” Ordinance Sec. 10-17(b) provides:

“Any person who transports loose solid waste material to any permitted landfill located in Horry County without said material being covered or securely loosed in such a manner as to prevent litter on public or private property shall, upon second or more offense be charged a penalty fee of \$100.00 for each occurrence with solid waste materials that are not properly secured.”

Mrs. Brittain stated Horry County Ordinance, Section 10.5-28 provides for enforcement penalties related to “Solid Waste,” in Subpart (c)(2)(a), Civil Penalties, and provide that:

“Any person or hauler who violates, disobeys or disregards the term of any lawful notice, order or regulation of the County or the SWA shall be subject to the imposition of a civil penalty by the Horry County Code Enforcement Department, upon issuance of an ordinance summons and conviction, of \$100.00 for each single violation of failure or omission to act and such other relief and/or cost as may be allowed by law.”

Mrs. Brittain stated Subpart (c)(2)(c) allows the County or SWA to seek a court injunction upon 3 or more persistent violations, and Subparts (c)(2)(d) and (e) of the Ordinance allow the SWA to suspend or revoke any licensee from collecting, transporting or disposing of solid waste and/or construction and demolition debris/waste within the County, and if a hauler received four civil penalties, the hauler’s license may be revoked for one year.

Mrs. Brittain commented that Horry County was in favor of enforcing the litter laws and this was the best option for addressing this problem. Mr. Jones agreed and commented that the Board could enforce the sanctions for litter or a vehicle that was not properly covered on the SWA’s property. Mr. Jones asked Mr. Knight if he had spoken with the Public Safety Committee about the litter patrol. Mr. Knight informed the group he would meet with the Public Safety Committee and ask for assistance with litter control.

**Coastal Carolina University Update** – Mr. Knight commented on the article in Coastal Carolina newspaper on the botanical bank. He indicated the students were collecting pitcher plants and sundews. Mr. Knight informed the Board he would keep them updated on the progress.

### **COMMITTEE REPORTS**

**Recycling & Corporate Affairs Committee Meeting** – Committee Chairman Lance Thompson stated the Recycling and Corporate Affairs Committee Meeting was held on January 16, 2017 at 10:00 am. He indicated Committee Members Pam Creech, Michael Hughes were present. Mr. Thompson informed the group that staff was in the process of conducting a recycling survey with various property management companies. He indicated the cutoff date to respond to the survey was February 4, 2017 and staff was still in the process of compiling and evaluating the

information. Mr. Thompson commented that staff had not received a great deal of response but 102 emails had been sent out. He indicated staff had received 6 responses back from the Survey Monkey and only three by phone. Mr. Thompson suggested that staff make contact by phone with the property management companies to make them aware of the survey in hopes of the company responding to the information. He commented the Committee discussed other ways to educate and inform the public on the benefits of recycling.

Mr. Thompson stated that Ms. Creech commented the Diversion Committee would need to meet and discuss equipment such as the optical sorter and other ways to reduce labor cost making the operation more efficient. Mr. Thompson indicated Mr. Knight had commented about locating a facility that utilized optical sorters and other recycling equipment staff could tour the facility in the spring or summer. He indicated no action items or votes were taken by the Committee the meeting adjourned at 10:50am.

Ms. Creech remarked that the Recycling & Corporate Affairs Committee should reach out to the HOA's in the area. She indicated once Charleston County opened their facility the SWA would need to pursue other areas for potential recycling opportunities. Ms. Creech mentioned that the mayors in the surrounding municipalities wanted more recycling in their respective areas and the SWA needed to encourage these types of relationships. Mr. Thompson encouraged staff to keep a dialog open with the HOA's and ask the residents if they would like the opportunity to recycle. He felt like there were still options.

#### **OLD BUSINESS**

**Cost of Services and Fee Study** – Mr. Knight gave an overview of the cost of services and rate study. He informed the group this information was composed by Horry County and certain points were discussed at the League of Cities meeting. Mr. Knight commented that Horry County had certain concerns with the information. Chairman Creech distributed a handout to the Board. She mentioned that the SWA had been meeting with municipalities since November 21, 2016. Chairman Creech stated that she and staff had met with every city including Horry County Council and the League of Cities explaining, discussing and presenting the cost of services and rate study. She remarked the information was received very favorably. Chairman Creech explained that neither Horry County Council nor municipalities would finalize their budget until the SWA made a recommendation on the cost of services and rate study. She indicated that Mrs. Bitting was available to answer any questions.

Mrs. Bitting explained Scenario 3 was the stepped tipping fee adjustment with a 30% loss of construction and demolition tonnage. She indicated the SWA would have the MSW rate adjustment for the first two years from \$29.00 to \$36.00 and increase \$1.00 in 2019. Mrs. Bitting clarified that the MSW fee would increase by \$7.00 in FY2017 with a step up \$1.00 in FY2019 and MSW would remain constant at \$37.00 per ton for the remainder of the planning period through FY2024. She reminded the Board that the SWA budget was reviewed annually to ensure the rate increase sufficiently covered all necessary equipment and/or capital expenses and said adjustments would be made as needed. She stated the adjustments would meet the revenue requirements through the end of the planning period of FY2024.

**Mr. Jones moved to accept Scenario 3 and send the information to Horry County Council. There was a second by Mr. Campbell.**

Mr. Gray asked Mr. Jones if the City of North Myrtle Beach would approve the \$7.00 increase. Mr. Jones commented the City of North Myrtle Beach was in favor of the increase and felt staff did a great job. There being no further discussion, **the Motion was carried.**

**NEW BUSINESS**

**March Board Meeting Date** – Chairman Creech informed the group that the meeting date for the March Board Meeting would be discussed at a later time. She commented that Horry County Council budget retreat started on March 20, 2017.

**MOTION TO ADJOURN**

There being no further business to come before the Board, **Mr. Thompson moved, seconded by Mr. Jones to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 6:50 P.M.

Minutes approved on February 28, 2017.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: \_\_\_\_\_(L. S.)  
Pam J. Creech, Chairman

ATTEST:

\_\_\_\_\_(L. S.)  
Vacant

\_\_\_\_\_(L. S.)  
J. Michael Campbell

\_\_\_\_\_(L. S.)  
Dan P. Gray

\_\_\_\_\_(L. S.)  
Michael H. Hughes

\_\_\_\_\_(L. S.)  
W. Norfleet Jones

\_\_\_\_\_(L. S.)  
M. Lance Thompson