

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
February 26, 2019**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, February 26, 2019, 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: Michael H. Hughes, Chairman; Bo Ives, Vice Chairman; J. Michael Campbell, Secretary; Pam J. Creech, Treasurer. Board Members, W. Norfleet Jones and Carl H. Schwartzkopf. Board Member Samuel T. Johnson, Jr. was absent due to a prior engagement.

Steve Gosnell, Director of Horry County Infrastructure and Regulation was present. Cynthia Dyer, Patricia Goodwin, Phil La-Borie, Vance Moore, Ray Pinson and Amelia Wood represented the public in attendance. Paul Gable of the Grand Strand Daily represented the media in attendance.

The following individuals were also in attendance: Danny Knight, Executive Director; Esther Murphy, Director; Jan Bitting, Director; Mike Bessant, Director; and other staff members to include Chris Calhoun, Wayne Martin, Cecil Terry, Stephanie Todd and Susie Wofford.

CALL TO ORDER

Chairman Hughes called the meeting to order and rendered the invocation.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

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

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

APPROVAL OF MINUTES

Chairman Hughes asked for any questions on or amendments to the Minutes of the January Board Meeting held on January 22, 2019, as contained in the Agenda Packet; however, there were none.

Mr. Schwartzkopf moved to approve the Minutes of the January 22, 2019 Board Meeting. There was a second by Mr. Jones. There being no further discussion, the Motion was carried.

PUBLIC INPUT

Patricia Goodwin, Executive Director of the Franklin G. Burroughs – Simeon B. Chapin Art Museum thanked the Board for allowing her to ask for a sponsorship from the SWA for the museum. She introduced Cynthia Dyer, Board Member, and Phil La-Borie, artist for the Franklin G. Burroughs – Simeon B. Chapin Art Museum in Myrtle Beach. Ms. Goodwin indicated that the "Can't You Sea? Ocean Plastic ARTifacts" series would start June 13 through September 8, 2019. She commented that the SWA sponsorship would support the creation of an environmental sculpture by Jim Swaim, which would be an octopus. Ms. Goodwin stated this sponsorship would include the SWA as a co-presenter with the Art Museum of the sculpture and the opportunity to participate in the unveiling of the

sculpture along with a community clean-up event. She explained the SWA's name/logo would appear in all of the Art Museum's marketing initiatives including the website, e-blasts, advertisements, social media and gallery signage. Ms. Creech asked about the sponsorship for the sculpture. Ms. Goodwin commented that the sculpture would be exclusive for the SWA exhibit.

Mr. Knight stated that the Recycling and Corporate Affairs Division had \$5,000.00 in their advertising budget for the sponsorship. He commented that the \$5,000.00 was within the SWA's Donation Policy guidelines.

Mr. Schwartzkopf moved to accept staff recommendation to donate \$5,000 to the Franklin G. Burroughs-Simeon B. Chapin Art Museum for the sponsorship of the "Can't You Sea? Ocean Plastic ARTifacts" exhibit. There was a second by Mr. Jones and the Motion was carried.

Ray Pinson, a representative from Santee Cooper, gave a PowerPoint presentation on the closing of the Grainger Steam plant and the draining of Lake Busbee. He asked if the SWA would consider taking the dirt from the Grainger Steam plant and using the material for daily cover. Mr. Pinson explained that the dirt had been tested by SC DHEC. He indicated that Santee Cooper would give the dirt to the SWA and transport the material to the facility free of charge. Ms. Creech commented that DHEC did not test for certain contaminants or toxins. Mr. Pinson commented that Santee Cooper would do any additional testing on the ash.

Chairman Hughes stated the Board would take the matter under consideration and discuss it at a later time. He thanked Mr. Pinson for the information and taking the time to come before the Board.

EXECUTIVE DIRECTOR REPORT

Recycling and Corporate Affairs Update – Mrs. Murphy offered an update of various projects in the Recycling and Corporate Affairs Division that were included as pages 12-19 in the Board Packet.

SWA Recycling Grant Update – Mrs. Murphy gave an update on the SWA Recycling Grant. She informed the Board that the Town of Surfside Beach and the City of Conway had completed the purchase of the recycling carts. Mrs. Murphy stated the other grant recipients had not used any funding to date. Mr. Ives asked what was the total grant funding. Mrs. Murphy replied that total grant funding budgeted for FY2019 was \$150,000.

Spotlight on Environmental Awareness – Mrs. Murphy commented that subsequent to Ms. Creech's suggestion at the January 22, 2019 Board Meeting she met with staff and discussed the development of a new program to recognize businesses that are supporting the environment. Mrs. Murphy indicated that the SWA has developed the Spotlight on Environmental Awareness program or SEA. She stated this program would recognize businesses for their efforts regarding environmental business practices. Mrs. Murphy commented the SWA would recognize businesses quarterly on the SWA's website and social media platforms. She indicated that the SWA would also prepare a press release. Mr. Schwartzkopf asked Mrs. Murphy if she would contact the area Chamber of Commerce and inform them about this program. Mrs. Murphy indicated that she and staff would inform them.

Recycling Center of the Quarter – Mrs. Murphy stated the Recycle Road Convenience Center was selected as the Recycling Center of the Quarter ending September 30, 2018. She indicated the Red Bluff Recycling Center was selected for as Recycling Center of the Quarter ending December 31, 2018.

Caught Green Handed Update – Mrs. Murphy informed the group the January “Caught Green Handed” winner was Mr. Jim Mansfield. She stated that WBTW came out to film Mr. Mansfield who used the Socastee Recycling Center. She indicated Mr. Mansfield received a SWA prize pack and media recognition.

Mrs. Murphy thanked the Board Members who came out to the Home Show. She commented that over 500 bags of compost were given away. Mrs. Murphy indicated that the landfill had experienced an increase in customers purchasing compost and mulch since the Home Show.

Financial Reports – Mrs. Bitting offered an update of the following which was included as page 20-40 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting stated for the period ending January 31, 2019 the SWA revenue should be at 58% of budget. She indicated MSW revenue was at 63.38% of budget. Mrs. Bitting stated Construction and Demolition revenue was at 60.61% of budget and Yard Waste revenue was at 61.83% of budget. She stated the sale of recyclables revenue was at 46.63% of budget. Mrs. Bitting stated the Construction and Demolition Processing Facility revenue for January was \$270,269.92 and expenses were \$350,140.34 with airspace saved equating to 36.51 days. Mrs. Bitting commented the MRF revenue year-to-date was \$2,753,305.05 and the expenses year-to-date were \$3,214,924.37 with a savings of 39.53 days of airspace. She indicated net income for January was \$116,907.57 and year-to-date was \$2,330,162.61.

Mrs. Bitting explained the MRF processed 5,159.96 tons of material for January. She stated the current market value for processed material was \$105.88 for January. Mrs. Bitting informed the group that tonnage sold for January was 2,334.07 tons. Mrs. Bitting indicated the total MRF revenue for material sold in January was \$335,374.06 and expenses were \$366,325.95 resulting in expenses over revenue of \$30,951. She stated year-to-date total MRF revenue was \$2,358,921.49 and total MRF expenses were \$2,288,422.02 with revenue over expenses of \$70,499. Mrs. Bitting indicated the total cost share from Charleston County was \$88,236.77

Mr. Ives asked Mrs. Bitting since the MRF would no longer take material from Charleston County how would that affect the budget. Mrs. Bitting stated that the labor cost was the major expense for the MRF and would no longer be a factor.

Proposed Transfer of Designated Funds Update – Mrs. Bitting indicated staff performed a review of the unrestricted cash for the second quarter ending December 31, 2018, 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 December 31, 2018, were \$4,010,283. She reminded the Board the quarterly unrestricted cash threshold for FY2018 was \$4,102,556 which equates to 15% of the estimated annual revenues. Mrs. Bitting indicated for the year end December 31, 2018, the amount needed to be transferred back from designated funds was \$92,273. Mrs. Bitting stated staff was recommending transferring the \$92,273 back to the Unrestricted Fund from the Construction/Development Designated account.

Mr. Schwartzkopf moved to accept staff’s recommendation to transfer \$92,273 back to the Unrestricted Fund from the Construction/Development Designated account in compliance

with our Unrestricted Fund Transfer Policy. There was a second by Mr. Campbell and the Motion was carried.

Mr. Ives asked Mrs. Bitting if the transferring of the funds back in the Construction/Development accounts was temporary. Mrs. Bitting replied that this was typical for the second quarter. She indicated this would be a temporary transfer and that revenue usually increased in the third and fourth quarters.

Operations Update – Mr. Bessant presented the following update which was included as pages 41-51 of the Board Packet.

Landfill Update – Mr. Bessant indicated the landfill video usually shown had technical difficulty.

MRF Update – Mr. Bessant distributed a hand-out on commodity pricing to the group. Mr. Ives asked Mr. Bessant about the decrease in the commodity prices. Mr. Bessant commented that most of January material had been stockpiled at the MRF. He indicated that scrap metal prices had increased. Mr. Bessant gave a summary of MRF commodity pricing and the national averages.

MRF pricing per ton		National Average pricing per ton	
Mixed Paper	17.50	Mixed Paper	2.50
Cardboard	85.00	Cardboard	59.00
Aluminum/UBC	.55	Aluminum/UBC	.56
PET	.16	PET	.015
HDPE-N	.40	HDPE-N	.35
HBPE-C	.21	HBPE-C	.14

Mr. Bessant commented that the cancellation of the Charleston County contract has had a drastic impact on the MRF revenue. He stated the decline of material and price will have a double impact on the MRF.

Mr. Bessant informed the Board that contract negotiations had started on the MRF retrofit. Mr. Campbell asked when would he receive a response from Machine X. Mr. Bessant indicated that Machine X had received the contract and representatives would tour the facility within the week.

Mr. Bessant explained that Machine X was doing a composition study of the MRF waste stream, which was a part of the agreement. He indicated as part of Machine X's contractual agreement, Machine X must be able to process so many tons of material per hour and meet the MRF's standard.

Mr. Ives asked Mr. Bessant about the amount of downtime he was projecting. Mr. Bessant commented the downtime would be at least one month but he was negotiating an extension to make sure that the retrofit met all of the required specifications.

Driver of the Month Update – Mr. Bessant stated the January Driver of the Month was Roy Cox from the City of Loris. Mr. Bessant commented Mr. Cox has been driving for three years. He informed the group that Mr. Cox worked well with staff.

Executive Director Update – Mr. Knight offered an update of the following which was included as pages 52-66 in the Board Packet.

Solid Waste Management Plan Draft Update – Mr. Knight informed the group that Horry County Council was holding a Special Workshop on the Solid Waste Management Plan on February 28, 2019 at 2:00pm. He stated there were two items on the agenda the SWMP and Future Landfill Expansion. Mr. Knight commented that HDR would be available to talk about the SWMP and Garrett & Moore would talk about future landfill expansion. He indicated there would be no votes taken until the April Meeting. Mr. Knight stated that six-months had passed since the SWA Board of Directors had signed the resolution. He commented that staff would prepare a packet of information for Horry County Council for the Special Workshop.

COMMITTEE REPORTS

There were no Committee Reports to come before the Board.

OLD BUSINESS

Scale Repair Update – Mr. Bessant stated the Board directed staff to take soil samples and explore an alternative for scale placement. He asked Vance Moore of Garrett and Moore to review and discuss the options. He reminded the Board that the scales were having foundation issues. Mr. Ives asked if the mobile scales had arrived. Mr. Bessant commented that the mobile scales had arrived and were in use.

Scale Upgrade Option

Mr. Moore gave an overview of the scale plaza upgrade. He stated the inbound scale was failing because the foundation was not level and did not give an accurate reading. Mr. Moore indicated that a new inbound express scale would be for the existing customers with stored tare weighs. He discussed the need to upgrade the existing outbound scale, which also had a failing foundation which caused the scale to give inaccurate weighs. Mr. Moore explained that both scales were pit scales which meant they were down in the ground and prone to having drainage issues. He indicated with the new scales drivers would drive up on a ramp to get on the scales.

Mr. Moore commented that SWA staff discussed the options to upgrade or relocate. He explained the relocation would include the scales and the building. He stated that one of the constraints was the budget allocation of \$1Million. Mr. Moore explained in order to stay in the current location a new temporary by-pass lane would be constructed using the existing mobile scale. He indicated a temporary toll booth for the scale-house attendant had to be constructed and the operation would continue weighing inbound and outbound.

Mr. Ives asked what were the foundation issues with the current scales. Mr. Moore explained the two foundations were never tied together. He stated the new foundation would be tied together and give a better load distribution. Mr. Moore indicated the new scale would have the existing by-pass coming in and the express scale would become the inbound scale and the inbound would be the outbound. He stated that the existing scale house would have to be elevated in order to work with the new configuration. Mr. Moore commented the advantage would be utilizing the existing infrastructure specially the road network and the project could be executed within the budgeted amount.

Scale Relocation Option

Mr. Moore indicated the relocation and new road construction option would be a major disadvantage. He explained that the existing road would not be used and the scale house, scales, power lines, sewer and everything would be relocated. Mr. Moore commented the current scale house was built on an

existing Construction and Demolition landfill which would open some existing acreage. He indicated that moving the existing fuel farm and building and some retention ponds would increase the cost of the relocation and the new road construction. Mr. Moore stated the advantage would be no disruption of the current operation.

Mr. Schwartzkopf asked about the soil condition at the relocation site and asked if it was better than the current location. Mr. Moore commented that both locations had disadvantages. Chairman Hughes asked how much acreage would the landfill gain if the relocation was done. Mr. Moore commented the potential gain was about 500,000 cubic yards or 300,000 tons for Construction and Demolition material. He indicated the trade would be the fuel farm relocation and the building of the storm water drainage ponds.

Chairman Hughes asked was it worth being over budget \$500,000 to move and complete the scales. He wanted to know how long would the upgrade take and the timeframe for the relocation. Mr. Moore commented that the relocation would take a little longer because of the work on the roadways. He pointed out that the \$500,000 was only to move the scales and scale house and would not include moving the fuel farm and the stormwater drainage improvements.

Resolution Opposing Senate Bill 394-Update – Mr. Knight stated that he and several Board Members would go to Columbia to voice opposition to Senate Bill 394 and indicated staff had prepared a resolution opposing the bill. He indicated this bill would eliminate the ability of local government, counties and municipalities to enact laws banning single use plastic bags. Mr. Knight commented that the resolution would be handed to the Senate Sub-Committee.

Mr. Jones moved to approve the resolution opposing Senate Bill 394. There was a second by Mr. Campbell and the Motion was carried

Mr. Knight commented that he and Ms. Creech participated in Keep Horry County Beautiful Litter Index. He indicated that most of the material collected on Highway 90, Highway 31 and Lee's Landing Circle was plastic and plastic film. Mr. Ives thanked Ms. Creech and Mr. Knight for participating in the Litter Index. He commented that Horry County needed to enforce the litter laws throughout the County.

NEW BUSINESS.

- a. **Heat Pump Purchase Recommendation** – Mrs. Bitting informed the group that due to recent issues with one of the heat pump systems in the Administrative Building, quotes were received to replace this unit. She explained that only \$10,000 was budgeted for the replacement of this unit; however, staff was requesting to use \$3,000 from the financial software upgrade.

Ms. Creech moved to accept staff recommendation to approval of the purchase of a new heat pump system with an extended warranty from Conway Air Conditioning utilizing \$10,000 from the new A/C unit in capital funds and \$3,000 from the financial software upgrade in capital funds. There was a second by Mr. Campbell and the Motion was carried.

- b. **Roundtable Discussion** – Chairman Hughes commented that Ms. Creech was interested in attending a conference in Virginia with the Diversion Committee. He indicated he had read the literature about the conference which mainly discussed aerobics and biogas/agriculture. Chairman Hughes commented he did not think it was practical for landfill usage.

Mr. Ives indicated that Berkley County has an aerobic digester and that he wanted to learn more about the process and why it is no longer in use. He commented the conference would discuss this process. Chairman Hughes commented this aerobic digester was used in the hog farms and manure was used for biofuels waste to energy. Mr. Ives commented he did not know if this was worth pursuing.

Chairman Hughes asked Mr. Bessant to come forward and discuss any alternative methods that he or staff wanted to research. He asked what kind of technology would be beneficial to the SWA in the next five to ten years. Mr. Bessant commented that he and staff had not reviewed or discussed any new technology that would be available in the next five to ten years. Ms. Creech commented that she and the Board visited the Montgomery, Alabama MRF which had actually been a dirty MRF but went out of business shortly after. She wanted the Board to keep educating themselves on the different technologies. Chairman Hughes commented that he had no problem researching new technology but he wanted technology that would be beneficial five to ten years from now. He challenged staff to find a conference that was looking toward the future for the SWA.

Chairman Hughes asked the Board if they wanted to discuss the Santee Cooper presentation. Ms. Creech commented in the past twenty years she has attended several DHEC meetings in various communities protesting the building of asphalt plants. She remarked that DHEC only tests for a limited amount of toxins whether in the air, land or water. Ms. Creech commented that the landfill is in an environmentally sensitive location so the Board must be mindful of that. Mr. Schwartzkopf commented that the SWA should be very cautious about what is being offered. Mr. Campbell remarked that the material would have to be cleaned because the SWA did not need any liability issues. Mr. Schwartzkopf commented that he did not want any contaminants in the landfill.

Mr. Knight commented this was politically motivated and he did not think it was a good idea. Chairman Hughes agreed with Mr. Knight and indicated he did not think this was in the SWA's best interest. Mr. Jones asked if staff had made a recommendation. Mr. Knight commented it was staff recommendation not to accept this material.

Mr. Jones moved to approve staff recommendation not to accept the material from Santee Cooper. There was a second by Mr. Campbell and the Motion was carried.

MOTION TO ADJOURN

There being no further business to come before the Board, **Mr. Ives moved, seconded by Mr. Campbell to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 7:15 P.M.

Minutes approved on March 26, 2019.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: _____ (L. S.)
Michael H. Hughes, Chairman

ATTEST:

J. Michael Campbell, Secretary

_____(L. S.)
Pam J. Creech

_____(L. S.)
Bo Ives

_____(L. S.)
Samuel T. Johnson, Jr.

_____(L. S.)
W. Norfleet Jones

_____(L. S.)
Carl H. Schwartzkopf