

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
May 24, 2016**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, May 25, 2016, 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: M. Lance Thompson, Chairman; Pam J. Creech, Vice Chairman; J. Michael Campbell, Secretary; W. Norfleet Jones, Treasurer and Board Members Sanford C. Graves, Dan P. Gray and John R. Long II.,

Steve Gosnell, Director of Horry County Infrastructure and Regulation and Michael Hughes, Highway 90 Liaison were present. Destiny DeJesus and Noah Hellaby represented the public. There were no members of the media in attendance.

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 Chris Calhoun, Kendra Hooks, Victoria Johnson, Wayne Martin, Richie Stetter, Jamie Suggs Cecil Terry, Stephanie Todd and Susie Wofford.

CALL TO ORDER

Chairman Thompson called the meeting to order and asked Mr. Graves to render the invocation.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

Chairman Thompson 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 Thompson asked for any questions on or amendments to the Minutes of the Regular Meeting held on April 26, 2016, as contained in the Agenda Packet.

Mr. Jones moved to approve the Minutes of the Regular Meeting held on April 26, 2016. There was a second by Mr. Campbell and the Motion was carried.

PUBLIC INPUT

There were no requests to present Public Input.

EXECUTIVE DIRECTOR REPORT

Recycling and Corporate Affairs Update

Mr. Jamie Suggs offered an update of various projects in the Recycling and Corporate Affairs Division that were included as pages 13-19 in the Board Packet.

Talkin' Trash Update – Mr. Suggs informed the Board that the Talkin' Trash program had concluded for this school year. He stated the fourth graders from South Conway Elementary School, Seaside Elementary School and Lakewood Elementary School were awarded a fun-

filled, all expenses paid, field trip to the Fun Warehouse. Mr. Suggs thanked Kendra Hooks, Victoria Johnson and Cecil Terry for their efforts in overseeing the field trips and ensuring everyone had a great time. He commented the Horry County fourth graders collected a total of 102.1 tons of newspaper, metals and plastic this school year, which was a 12.7 % increase as compared to the 2014-2015 campaign. Board Member Graves commented he and his wife Jennifer Graves chaperoned their son Glen who was a student at Seaside Elementary School and had a wonderful time. He thanked staff members Murphy, Hooks, Johnson, and Terry for their efforts in overseeing this event.

Recycling Student of the Year Update – Mr. Suggs informed the group that Noah Hellaby, a student at Myrtle Beach High School, was recognized as the 2016 Recycling Student of the Year. He indicated along with this honor the student received a prize pack from the Solid Waste Authority valued at \$250.00, which included an electronic reading device, a plaque and recycled content schools supplies. Mr. Suggs asked Mr. Hellaby if he would like to address the Board. Mr. Hellaby expressed his gratitude for the recognition by the SWA for the award.

2016 Environmental Scholarship Recipient Update – Mr. Suggs introduced Destiny DeJesus who was the Environmental Scholarship recipient from the Academy for Arts, Science & Technology. He explained scholarship recipients have to attend a Board Meeting as part of the requirements for the scholarship. Ms. DeJesus thanked the Board for the scholarship.

Recycling Center of the Quarter Update – Mr. Suggs informed the group that the Sarvis Recycling Center was awarded Recycling Center of the Quarter ending March 31, 2016. Mr. Suggs indicated Jack Treible was the full-time site attendant.

Caught Green Handed Update – Mr. Suggs informed the group the April “Caught Green Handed” winner was Ms. Cathy Hyatt and her brother Randy Powell. He indicated that Ms. Hyatt used the Aynor Recycling Center. Mr. Suggs stated Ms. Hyatt and Randy Powell received a SWA prize pack and media recognition.

Operations and Planning Update

Mr. Hilling offered an update of the following which were included as pages 21-32 in the Board Packet.

Highway 90 Appearance Update – Mr. Hilling informed the group that 197 bags or 2,955 pounds of litter had been collected along Highway 90 for the 9-month period ending March 31, 2016. He commented that litter patrol was also collecting garbage along the 8-mile stretch.

Driver of the Month Update – Mr. Hilling stated the March Driver of the Month was Donald Grissett from the City of North Myrtle Beach. Mr. Hilling commented Mr. Grissett worked well with staff and was well deserving of the honor. He informed the group a letter was sent to City of North Myrtle Beach.

Food Waste Composting Update – Mr. Hilling informed the group a sample of the food waste compost was submitted to the US Compositing Council as a part of the requirement for the Seal of Testing Assurance. He commented that USCC does not endorse or promote the compost. Mr. Hilling indicated the enhanced compost was available to the public for purchase.

Carpet Recycling Update – Mr. Hilling informed the Board the Overhang Shelter Project for carpet recycling was completed. He thanked Ms. Murphy for her grant writing efforts for this project. Mr. Hilling commented that Wellman Industries was pleased with the product they would be receiving now. He indicated the program began in May 2012 and 1,294.15 tons of

carpet had been recycled saving 15 days of C&D airspace. Mr. Thompson thanked Mr. Hilling and Mrs. Todd for a great presentation at the SC SWANA Pawley's Island Conference.

Financial Reports

Mrs. Bitting offered an update of the following which was included as page 33-57 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting stated for the period ending April 2016 the SWA should be at 83.33% of budget. She indicated MSW revenue was at 89.76% of budget year-to-date. Mrs. Bitting stated construction and demolition revenue was at 99.20% of budget and yard waste revenue was at 81.15% of budget year-to-date. She stated the sale of recyclables revenue was at 153.36% of budget. Mrs. Bitting indicated the Construction and Demolition Processing Facility revenue for April was \$257,333.49 and expenses were \$376,254.16 with airspace saved equating to 51 days. She commented the MRF saved 57.31 days of airspace. Mrs. Bitting stated the reject material transported out of the county saved 8 days of airspace. She indicated net income for April was \$287,828.23 and year-to-date was \$1,139,398.56.

Mrs. Bitting explained the MRF processed 3,790.31 tons for April. She informed the group that tonnage sold for April was 2,391.49 tons. She stated the current market value was \$146.17 for April. She indicated the rejects were 15.76% which was over the base amount of 14.5%. She commented rejects hauled to Charleston were 289.72 tons, rejects hauled to SWA landfill were 597.20 tons and rejects hauled to the Sandland facility were 215.38. Mrs. Bitting indicated the total MRF revenue for April was \$351,763.26 and expenses for the April were \$323,515.70; an increase in revenue over expenses by \$28,247.56. She commented year-to-date MRF revenues were \$3,556,778.59 and year-to-date MRF expenses \$3,475,352.85, which equates to a net increase in revenue over expenses in the amount of \$81,425.74.

Quarterly Restricted Funds Recommendations Update – Mrs. Bitting indicated staff performed a review of the unrestricted cash for the third quarter ending March 31, 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 March 31, 2016, were \$3,335,825. 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 quarter ending March 31, 2016, the amount available to transfer was \$245,060. She reminded the Board that the previous quarter a transfer from the designated account was needed because of a deficit for the quarter. Mrs. Bitting stated staff was recommending transferring the \$245,060 into the designated account for the construction and development.

Ms. Creech moved to accept staff's recommendation to transfer \$245,060 from the Unrestricted Cash and Cash Equivalents for the quarter ending March 31, 2016 to the Designated Account for Construction and Development. There was a second by Mr. Long and the Motion was carried.

Special Projects & Governmental Affairs Update

Mr. Bessant gave an overview for the following update which was included as pages 58-59 of the Board Packet.

MRF Update – Mr. Bessant informed the Board that MRF operations were back to normal. He commented that Charleston County material was being processed and ready to ship. Mr. Bessant indicated the glass crusher was down due to general maintenance. Mr. Thompson asked if MRF operations had any problems as of late. Mr. Bessant stated the equipment was experiencing electrical problems and he would explain in detail in the Committee section.

Executive Director Update

Mr. Knight offered an update of the following which was included as pages 60-62 in the Board Packet.

Board Appointments Update – Mr. Knight informed the group that Mr. Campbell had been re-appointed to SWA Board of Directors. He indicated that Horry County Council needed more discussion about who would fill Mr. Long's appointment.

SC SWANA-Pawleys Island – Mr. Knight thanked Mr. Hilling and Mrs. Todd for their presentation at the SC SWANA conference in Pawleys Island. He indicated he received a lot of positive feedback about the SWA programs. Mr. Knight commented that safety was stressed this year at the conference.

Shop Paving Project Update – Mr. Knight informed the group this item was not on the agenda. He informed the Board that the FY2016 budget included the paving of the equipment maintenance area. Mr. Hilling commented the area around the shop and the road leading toward the scaleshouse would be concreted and reinforced. Mr. Knight indicated King Construction received the bid and Garrett and Moore would oversee the project.

COMMITTEE REPORTS

Finance and Administration Committee – Committee Chairman Creech stated the Finance and Administration Committee met on May 17, 2016 at 3:00P.M. She gave a brief overview on the Charleston County update. She indicated MRF operations had been down for four-days. Ms. Creech commented that MRF operations staff sorted material by hand. She stated that commodity prices had increased in April increasing revenue by \$28,000. Ms. Creech indicated that year-to-date revenue was \$81,000.

Ms. Creech informed the group a technician with CP Manufacturing was flown to Horry County to assist and advise MRF staff. She commented the MRF system was 10-years old and the maintenance staff had difficulty finding parts for the equipment. Ms. Creech indicated an upgrade of the electrical and the computer systems was needed. She informed the group the contingency fund has \$186,990 and indicated staff said \$100,000 was needed for the upgrade. She stated Mr. Knight wanted to keep the Board informed on MRF operations. Mr. Thompson asked if this funding would be needed for MRF upgrades on the electrical and computer systems without the Charleston material. Ms. Creech replied yes because the system was out dated. Mr. Bessant indicated the upgrade would help improve productivity. He commented the upgrade would give MRF operations the ability to diagnose and adjust problems with the sort-line. Mr. Bessant stated the upgrade would enable staff to print reports and self-diagnose any problems with the computer system.

Ms. Creech moved to upgrade the electrical and computer system at the Material Recycling Facility with the funding from the contingency account and not to exceed \$100,000. There was a second by Mr. Long and the Motion carried.

Ms. Creech asked Mr. Knight about the product that reduced the odor of the landfill and if staff had any information. Mr. Knight commented that Mr. Hilling had spoken with a representative. Mr. Hilling indicated the product was expensive and also this product did not fit the SWA needs. He stated the product was twice the cost of daily cover and the deodorizer.

OLD BUSINESS

There was no Old Business to come before the Board.

NEW BUSINESS

- a. **Nomination Committee Appointment** – Mr. Thompson asked Mr. Campbell to Chair the Nominations Committee. He appointed Mr. Long and Mr. Graves to serve on the Nominations Committee. Mr. Thompson asked that the committee members schedule a meeting. He asked that his name be removed from serving as chairman for the next fiscal year.

- b. **Fiscal Year 2017 Budget Consideration** – Mrs. Bitting stated she needed Board approval for the FY2017 Budget. She indicated the only change was the request by Horry County Council to include the rate study in the budget. Mrs. Bitting informed the group that funding was transferred from the Future Landfill Construction account to the General Administration Division in the amount of \$150,000. She was asking Board approval on the FY2017 Operating Budget totaling \$23,929,666 and the FY2017 Capital Improvement Budget totaling \$3,011,750. Mr. Thompson asked Mrs. Bitting if the rate study would be awarded through the bid process. Mrs. Bitting stated that was correct and hoped the bid would be lower than anticipated.

Mr. Long moved to approve the FY2017 Operation Budget totaling \$23,929,666 and the FY2017 Capital Improvement Budget totaling \$3,011,750. There was a second by Mr. Campbell the Motion carried.

Mr. Graves pointed out there was a Public Hearing on May 23, 2017 for the purpose of public input on the FY2017 Budget process for the Horry County Solid Waste Authority. Mr. Thompson indicated that was correct and asked the Board if they had any comments. Ms. Creech commented she received an email which was read into the record.

- c. **Suspension of the Shingle Recycling Program** – Mr. Hilling informed the Board of the suspension of the shingle program. He indicated the company the SWA partnered with discontinued the program. Mr. Hilling stated staff was asking for the suspension of the program. He asked the Board beginning July 1, 2016 for an increase of the shingles tipping fee rate to \$26.50 per ton. Ms. Creech commented she researched the asphalt shingle recycling and understood this dilemma. She asked what would happen if the SWA decided not to take shingles or take them out of the county as rejects and take to the Charleston County landfill. Ms. Creech commented that the incentive for shingles should be discontinued. Mr. Hilling indicated the loads sent to Sandlands were loaded with shingles. He commented that not taking shingles would have a negative impact overall. Ms. Creech asked how much do other landfills charge for shingles. She commented she would like to send the shingles to Charleston County with the rejects. Mr. Thompson asked how many tons of shingles would DHEC allow the SWA to stage. Mr. Hilling commented the landfill received approximately 1,200 tons of shingles each year. Mr. Jones asked about shingle grinding. Mr. Hilling indicated the impact on the equipment was not cost effective. Mr. Thompson asked if it would be better to send the shingles to another landfill. Mr. Hilling commented he did not know. Mr. Knight stated that staff would have the information at the next Board meeting. Mr. Graves asked if this would have to be noticed to the public before July 1. Mr. Knight commented that staff would get this information to the haulers.

Mr. Thompson indicated the Board was concerned about the amount of shingles going into the landfill.

Mr. Jones moved to approve the suspension of the shingle recycling incentive and charge shingles as a C&D material at a tipping fee rate of \$26.50 per ton beginning July 1, 2016. There was a second by Ms. Creech and the Motion carried.

d. Roundtable Discussion – There was no roundtable discussion.

MOTION TO ADJOURN

There being no further business to come before the Board, **Mr. Jones moved, seconded by Ms. Creech to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 6:38 P.M.

Minutes approved on June 28, 2016.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: _____ (L. S.)
M. Lance Thompson, Chairman

ATTEST:

J. Michael Campbell, Secretary

Pam J. Creech

Sanford C. Graves

Dan P. Gray

W. Norfleet Jones

John R. Long, II