

**MINUTES OF REGULAR MEETING  
HORRY COUNTY SOLID WASTE AUTHORITY, INC.  
May 24, 2022**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, May 24, 2022 at 10:30 A.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: Bo Ives, Chairman; Amos C. Berry, Sr.; Vice Chairman; Carl H. Schwarzkopf, Treasurer; W. Norfleet Jones, Secretary; and Board Members Michael H. Hughes, and Samuel T. Johnson Jr. Board Member Robert J. Kemp attended the meeting via conference call.

County Administrator Steve Gosnell was in attendance. There were no members of the media present.

The following individuals were also in attendance: Danny Knight, Executive Director; Esther Murphy, Director; Jan Bitting, Director; Mike Bessant, Director; and staff members Stephanie Todd, Katherine Bell, and Monica Collier.

**CALL TO ORDER**

Chairman Ives called the meeting to order and asked Mr. Hughes to render the invocation.

**PLEDGE OF ALLEGIANCE**

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

**APPROVAL OF AGENDA**

Chairman Ives asked for a motion to approve the Agenda.

**Mr. Schwarzkopf moved to approve the Agenda as presented. There was a second by Mr. Berry and the Motion was carried.**

**APPROVAL OF MINUTES**

Chairman Ives asked for any questions on or amendments to the Minutes of the Regular Meeting for the Board on April 26, 2022; however, there were none.

**Mr. Schwarzkopf moved to approve the Minutes of the April 26, 2022; Board Meeting as presented. There was a second by Mr. Jones and the Motion was carried.**

Chairman Ives asked for any questions on or amendments to the Minutes of the Public Hearing Meeting held on May 3, 2022, as contained in the Agenda Packet; however, there were none.

**Mr. Schwarzkopf moved to approve the Minutes of the May 3, 2022 Public Hearing as presented. There was a second by Mr. Jones and the Motion was carried.**

## **PUBLIC INPUT**

Chairman Ives stated there was no Public Input.

## **EXECUTIVE DIRECTOR REPORT**

**Recycling and Corporate Affairs Update** – Esther Murphy, Director of Recycling and Corporate Affairs offered an update of various projects in the Recycling and Corporate Affairs Division that were included on pages 67-74.

**Lake Arrowhead Recycling Center** – Mrs. Murphy gave an update of the Lake Arrowhead Recycling Center. She informed the Board that in 2019, the County along with the SWA, closed the Lake Arrowhead Mini Recycling Center due to contamination at the unmanned site. She stated during the month of April 2022, the SWA received notification from the County regarding plans to reopen the Lake Arrowhead Recycling Center as a manned center. She stated the SWA and the County worked together on the reopening of the Lake Arrowhead Recycling Center and confirmed the center opened on Friday May, 13th. Mrs. Murphy indicated the Lake Arrowhead Recycling Center currently offers garbage and recyclable disposal and had a high day of twenty-five cars and a low day of three cars. She said the Lake Arrowhead Recycling Center should become a full fledged recycling center later in the year.

**Scholarship Recipients** – Mrs. Murphy informed the Board that nine (9) students had been awarded an Environmental Scholarship this year. She indicated each would receive a \$1,000 scholarship. The recipients are as follows:

Madelyn Grace Faircloth  
Scholars Academy

Connor Jacob Greve  
Carolina Forest High School

Courtney Brianna Hearl  
Conway High School

Sarena KimVi Luu  
Myrtle Beach School

Liam Jameson McCann  
Academy of Arts, Science and Technology

Reagan Catherine Powell,  
Loris High School

Madison Ann Ray  
Aynor High School

Brianna Elle Sebastian-Olazabal  
Socastee High School

Baily Kaye Strickland  
Green Sea Floyd High School

Mrs. Murphy stated, it was the 13<sup>th</sup> year the SWA awarded scholarships to students in Horry County, totaling \$165,000 in scholarships over the years.

**Caught Green Handed Update** – Mrs. Murphy informed the Board the April “Caught Green Handed” winner was Mr. Eugene Elliott. She stated Mr. Elliot was a regular recycler at Mount Olive Recycling Center.

**Public Education Department** – Mrs. Murphy offered a review of the Public Education Department’s monthly report. She stated in the past month, the Public Education Department was actively involved in the community. Mrs. Murphy presented a few photos of the Public Education Department in action. She said whether at a school, visiting, or giving presentations, the Education Department was actively involved. Mrs. Murphy remarked on an email from Bethany Bible Chapel, who toured the SWA on May 12<sup>th</sup>. She said the group wanted to let the SWA know how impressed they were with the staff and their tour guide, Mrs. Victoria Johnson. Mrs. Murphy advised the Board that presentations and tours are already lined up with various camps and libraries during the summer. Mrs. Murphy applauded the Public Education Department on the great job they have been doing.

**Finance and Administration Update** – Mrs. Bitting offered an update of the following which was included as pages 75-91 in the Board Packet.

**Monthly Finance Reports** – Mrs. Bitting reported that tipping fees were up by 11.5% as compared to last year. She stated MSW and mixed construction revenues are all well above the budget projection of 83.33%. She remarked that Yard Waste revenue was slightly below budget. Chairman Ives commented that mixed construction revenue was almost at 100%. Mrs. Bitting responded that mixed construction revenue was expected to go well over budget. Mrs. Bitting reported landfill airspace saved was 42 days for the C&D Processing Facility and the MRF and Collection & Hauling had saved 75.52 days. Chairman Ives responded all recyclables sales were at 182.39% of budget. Mrs. Bitting agreed and stated recyclables sales were going to go well above budget.

Mrs. Bitting reviewed the income statement and reported revenue was over expenses of \$515,744.06 which was great. Mrs. Bitting said the SWA’s year-to-date revenue over expenses equaled \$547,980.14. She said total revenue was at 94% of budget and expenses were at 75.49%. Mrs. Bitting replied with the additional cost of fuel and other things the SWA is doing a great job with maintaining the budget.

Mrs. Bitting then reviewed the landfill tonnage report and stated solid waste tonnage was up more than 3.4% and yard waste was up more than last year. She said Mixed Construction is up by 20% as compared to last year. Mrs. Bitting reviewed with the Board the chart on page 86. She stated that staff and the engineers worked together to update and revamp where the cost and designated funds are being used. She stated the chart shows how staff anticipates having the funds available when needed. Chairman Ives commented that staff is doing an excellent job with revenue and expenses

**Operations and Planning Update** – Mr. Mike Bessant, presented the following update which included page 92-105 in the Board Packet.

**Landfill Update** – Mr. Bessant advised the Board there was a landfill inspection on May 12th. He stated there were no areas that needed special attention. Mr. Bessant said mulch was selling pretty good this year and stated mulch sales were up 40% since February of last year. Mr. Bessant said year to date mulch is almost up by 30%. Mr. Bessant informed the Board that when mulch is purchased by the tractor trailer load, the SWA will deliver it at no additional cost. Mr. Bessant stated in the last month, the C&D Factory received over 2,000 tons of material of which 79% was recyclable.

**MRF Update** – Mr. Bessant advised that recycling tonnage was down by 3% but overall year to date tonnage remained up. He stated there was a downward turn in commodity sales from the products sold at the MRF. He indicated that cardboard was selling at an average of \$198 ton in April and cardboard was down to \$165.

Mr. Bessant advised the Board that office paper increased by \$150 per ton as compared to last month. He stated that mixed paper, such as newspapers and magazines continue to decrease and typically this time of year mix paper declines due to a downward trend in the market. Mr. Bessant believed the biggest problem the SWA was having was trucking. He stated at the beginning of the month he estimated there were 60 loads available to sell in the month of May and he believed the SWA will meet their goal. Mr. Bessant indicated there were 20 loads of cardboard left over from the prior month because the buyers could not find trucking containers at the port. Mr. Bessant stated that he believed not only are ports an issue but so are the containers. He stated the containers are not assigned to trucking companies to be picked up until after the ships are docked.

Mr. Bessant said he expects to continue to see an increase in UBC's. He stated this month aluminum cans will sell for an estimated \$2,800 per ton, and he believed everything else will either increase or decrease.

**Driver of the Month Update** – Mr. Bessant stated the May Driver of the Month was Mr. Pablo Torres who works for Torres Landscaping.

Chairman Ives thanked Mr. Bessant for an outstanding report.

**Executive Director Update** – Mr. Knight offered an update which was included as page 106-114 in the Board Packet.

**Electronic Waste Update** – Mr. Knight gave an update on the Electronic Waste Bill and said it was not finalized. He stated the bill was in Committee and he believed it would be approved in the next two weeks.

**Appreciation Gathering** - Mr. Knight then offered an update on the appreciation gathering to be held on May 26th. He said he thought there would be a big group from the delegation attending the event and said the list included elective officials, magistrates, County Council, mayors and SWA staff.

**Fin Committee Update** - Mr. Knight advised the Board that the FIN Process had been completed. He stated favorable comments were received from the I&R Committee and indicated the resolution was approved by County Council. Mr. Knight said Mr. Andrews did a great job on the project. Chairman Ives commented the results were outstanding. Mr. Knight agreed.

**Disaster Debris Training Update** - Mr. Knight gave an update on the Disaster Debris Training. He stated several vendors attended and he believed 99% of the cities were represented. Mr. Knight reminded the Board contracts were between the municipalities and vendors. He stated at one point the contract was between the vendor and the SWA and was developed with input from the municipalities. Mr. Knight said he believed the Disaster Debris Training went well.

**Youth Day with DNR and Horry County Parks & Rec** - Mr. Knight indicated the Department of Natural Resources (DNR) and the County Recreation Department wanted to utilize one of the lakes at the MRF for a youth fishing day. Mr. Knight commented that several years ago the Board asked that property only be utilized for its intended purpose. Chairman Ives stated the resolution was sternly worded and indicated it would be without exception. Mr. Knight stated with the Board's blessing staff would move forward with the event. He informed the Board that DNR would stock the pond before use. Chairman Ives mentioned that he asked DNR to make certain that everyone understood access was granted with the supervision of DNR, and it was not something that would be repeated unless DNR received an exception from the Board. Mr. Jones offered background on the resolution regarding SWA property only being utilized for the intended purpose. He stated that times have changed and if the SWA was working within the government community, especially for a youth day, it could be a good thing.

**Mr. Jones moved to authorize the Executive Director the ability to events on SWA property as an exception to the "No Hunting, Fishing, Trapping Resolution". There was a second by Mr. Berry.** Mr. Johnson asked if this would be related to governmental agencies. Chairman Ives stated it would be at the discretion of the Executive Director. Mr. Jones concurred, Mr. Knight stated with any request, staff would ensure proper insurances are in place. He said he would keep the Board informed. Mr. Berry believed it was a great idea. There being no further discussion, **the Motion was unanimously carried.**

**SC SWANA Conference** - Mr. Knight offered an update on the SC SWANA Conference held the previous week. He reviewed the agenda with the group, which included: fire safety, lithium batteries, infrastructure bill, gasification, mattresses, environmental justice, electronic waste, safety, etc. Mr. Knight commented that SWANA Executive Director David Biderman also spoke at the conference. Mr. Knight advised the Board that tires would be another matter staff would be addressing due to DHEC funding shortages. Mr. Johnson commented that he and Mr. Bessant discussed the possibility of the SWA grinding tires on site and using the tire chips for septic tank applications. General discussion regarding grinding tires and the use of tire chips. Mr. Knight stated it was a great conference overall.

With regard to the infrastructure bill, Mr. Hughes commented that \$75 Million in funding would be available for outreach and public education. He suggested the Recycling & Corporate Affairs Committee meet to discuss what funding might be available and how it could be used

to enhance the SWA's public education.

Mr. Kemp asked how long it would be before DHEC issued the Piggyback Expansion permit. Mr. Knight indicated staff was estimating two years.

### COMMITTEE REPORTS

**Nominations Committee Meeting** – Committee Chairman Hughes advised that the Nominations Committee met on May 3, 2022, to discuss the slate of officers for the next fiscal year. He stated the Committee had a great discussion and took into consideration experience and knowledge of the history of the SWA when considering the nominees. Mr. Hughes commented on the importance of knowing the history of the organization to maintain continuity of where the SWA has been and where it is going.

Mr. Hughes stated the Committee would have a recommendation at the Annual Meeting.

### OLD BUSINESS

- a. **Proposed Transfer of Designated Funds** – Mrs. Bitting advised the Board of challenges being faced with regard to bidders being able to hold pricing due to the economy. She stated she discussed the matter with the County and they are facing similar challenges. Mrs. Bitting commented staff had developed two ways to address the situation in the upcoming budget. She informed the Board that staff added a statement to the County's budget which basically indicated the SWA could make changes to capital budget items without the need of a budget amendment due to economic impacts. Secondly, Mrs. Bitting commented, staff is recommending the establishment of a Capital Contingency Designated Fund. She indicated these funds would be used to cover items in the capital budget that needs additional funding due to economic impacts. Mrs. Bitting stated staff is recommending transferring \$1 Million from the FY2022 excess revenue to establish the Capital Contingency Designated Fund. She advised the Board that staff would have to receive approval from the Board to utilize this funding, as is the case with all designated funds. Mrs. Bitting stated there would have to be substantiating circumstances pertaining to the economy in order for staff to request the Board's approval to utilize this specific funding.

Chairman Ives asked if there would be any issues regarding the delivery of equipment this year. Mrs. Bitting indicated staff anticipated there would be some instances where delivery of equipment would run into the next fiscal year.

**Mr. Jones moved to approve the transfer of \$1,000,000 to establish the Capital Contingency Designated account in compliance with SWA Unrestricted Fund Transfer Policy. There was a second by Mr. Schwartzkopf and the Motion was unanimously carried.**

- b. **FY2023 Budget Consideration** – Mrs. Bitting offered a summary of the budget process. She stated a Budget Workshop was held on March 8, 2022, at which time the operational and capital improvement budgets were presented. Mrs. Bitting indicated that on May 3, 2022, a Public Hearing was held for public review. She stated she was requesting Board approval for the FY2023 Operating Budget of \$35,656,848 and the FY2023 Capital Improvement Budget \$13,735,801.

Mrs. Bitting reminded the Board that at the Budget Workshop discussion was held pertaining to a 5% cost-of-living adjustment for all employees. She stated she was seeking direction from the Board because Horry County Government was now looking at approving a tiered cost-of-living adjustment for their employees, with an average of approximately 7.5%. In addition to the cost-of-

living adjustment, Mrs. Bitting commented that the County was also considering a \$2,500 bonus that would be paid out to employees throughout the year. She advised that the City of Myrtle Beach is also looking at an average cost-of-living of about 7.5% and the City of Conway was considering a 7% cost-of-living increase for their employees. Mrs. Bitting stated in order for the SWA to remain competitive with other local markets, staff is recommending a 7% cost of living increase for all SWA employees. She stated staff was not proposing the \$2,500 salary bonus the County is considering, just the 7% cost-of-living adjustment. Mrs. Bitting remarked if the Board approved the 7% cost-of-living increase, the additional costs could be absorbed within the FY2023 budget.

Chairman Ives asked if Mr. Johnson had any questions regarding the additional information Mrs. Bitting provided to the Board at his request. Mr. Johnson commented that he did have a question regarding estimated landfill liabilities included in the Board Packet on page 86. Mr. Johnson inquired as to why the ending date changed to 2051. Mrs. Bitting explained that was the estimated date for the Piggyback Expansion. Mr. Johnson commented that the SWA has estimated liabilities of \$171,845,619 through the year 2051 but was only showing \$35,851,702 in liabilities on the Statement of Net Assets. Mrs. Bitting explained that the Statement of Net Assets only reflected current liabilities, not future liabilities. Mr. Johnson reviewed the anticipated funding needed for the next 29 years, i.e., closure care costs, post closure care costs and future site costs and commented that he did not believe the SWA was allocating enough funding to cover these costs. Mrs. Bitting replied that she would need to review the figures Mr. Johnson was analyzing as compared to the figures determined by the engineers. She commented that based on the annual anticipated tonnage, inflation and the amount being set aside each year, the SWA should have ample funding allocated for future liabilities when it is needed. Mrs. Bitting suggested to Mr. Johnson the two of them meet to review the figures to ensure he was comfortable with the funding levels. Mr. Johnson agreed and indicated he had additional questions he would forward to Mrs. Bitting and needed additional information in order to further analyze the figures.

Mr. Knight asked how much funding, per ton, was being allocated to the accounts. Mrs. Bitting replied \$9.50 per ton was currently being allocated and stated the amount increased every five years. She indicated that the engineers informed staff that a flat rate of \$12.50 per ton could be allocated for these costs over the next 29 years. Mr. Johnson commented that he did not see where the future construction account was being funded. Mrs. Bitting explained that the SWA is required to set aside funding for closure and post closure care costs at the time the waste is deposited into the landfill. She stated future construction is an expense and not a liability; therefore, the SWA is not required to set aside funding for that cost. General discussion ensued regarding how funding for future projects and liabilities was being allocated. Mr. Johnson stated he believed the accounts were at a deficit. Mrs. Bitting and Mr. Johnson agreed to meet to further discuss this matter.

Mr. Hughes inquired about the Juneteenth holiday and the estimated \$25,000 cost to include it as a SWA holiday. He asked Mrs. Bitting if the Board approved to adopt the new holiday was the cost already built into the proposed budget. Mrs. Bitting replied that the cost was not already built into the budget; however, she believed it could be covered within the budget without having to adjust or amend the budget. She advised the Board that Horry County included the holiday as a part of the 2022 employee holiday schedule and the City of Myrtle Beach would begin observing Juneteenth as an employee holiday in 2023.

Mrs. Bitting informed the Board if the holiday was adopted, the landfill and recycling centers would operate on that day. She stated the \$25,000 cost was related to those employees who would have

to work on the holiday. Chairman Ives commented that it was a daily operation with daily demands. Mr. Hughes replied that everything was a daily operation and commented that the municipalities, County, state, and federal government are all adopting Juneteenth as a holiday. He indicated the consideration of the Juneteenth holiday sends a big picture to the public and minority community as to where the SWA's priorities are. Mr. Hughes remarked that the SWA has approved the installation of a \$35,000 flashing sign in front of the administrative building and said he has yet to see this type of signage at a landfill. He indicated he voted for the signage as a part of the FIN Committee concessions. Mr. Hughes commented that when millennials are seeking employment, they are looking at many factors, to include salary, vacation time and holidays. He advised that each item factored into the SWA recruiting minorities and other individuals. Mr. Hughes commented that 99% of the SWA workforce was non-minorities and stated the adoption of the Juneteenth holiday was not proposed just from a minority standpoint.

Chairman Ives commented that the SWA does not currently observe all holidays and stated some jurisdictions observe floating holidays. Mrs. Bitting stated the SWA has five personal days. Mr. Hughes suggested that Human Resources and Mr. Knight provide the Board with a plan of action regarding the possibility of closing all facilities on Juneteenth and how it would affect overall operations. Chairman Ives concurred with staff preparing a presentation on the matter. Mr. Hughes stated he did not want to adopt something that was detrimental to operations; however, if it was something that was manageable, he believed it was worth considering. Mr. Johnson inquired about which holidays the SWA observed.

**Mr. Hughes moved that staff prepare a comprehensive review of SWA polices and provide a recommendation to the Board. There was a second by Mr. Jones.** Mrs. Bitting asked if Mr. Johnson still wanted to know the current holidays the SWA observed. Chairman Ives stated that information would be included in the comprehensive review. **There being no further discussion, the Motion was carried.**

Chairman Ives asked that the review consider all impacts to the SWA and not just the monetary impacts. Mr. Hughes stated staff has already indicated funding was available to cover the monetary impacts and said he was more concerned with the overall impact to SWA operations. Mr. Knight stated he did not believe the additional holiday would have an impact on operations. He remarked that if the landfill is closed, the garbage does not go away, it just doubles up. Mr. Schwartzkopf commented it would come another day. Mr. Knight again stated that he did not foresee a major impact to operations if Juneteenth was adopted as an SWA holiday.

**Mr. Jones moved to accept staff's recommendation that the Board approve the FY2023 Operating Budget totaling \$35,656,848 and the FY2023 Capital Improvement Budget totaling \$13,735,801. There was a second by Mr. Jones. The Motion passed with Mr. Johnson voting in opposition.**

Chairman Ives thanked everyone for their work on the budget. As a matter of clarification, Mrs. Bitting asked if it was the Board's intention to move forward with, he 7% cost-of-living adjustment. Chairman Ives indicated that it was his understanding the budget approval included the 7%. He asked the Board if there were any questions about proceeding at 7% as proposed by staff; however, there were none. Chairman Ives remarked that the 7% cost-of-living adjustment was included in the Board's approval.

## NEW BUSINESS

- a. **Roundtable Discussion** – Mr. Johnson stated he liked what the County was proposing with regard to short-term bonuses to get employees through the next year. He commented many have indicated there will be stressors to the economy over the next year and stated the Board just approved another 7% long-term increase. Mr. Johnson inquired as to what the Board would do when things bottomed out and the SWA would still be paying higher salaries. Mr. Johnson commented that at his company they were trying to keep costs at a minimum and had given out intermediate funds to assist employees. Discussion followed regarding the future of the economy. Mr. Hughes stated there was no way that the Board could predict the future of the economy and said he did not think it was fair to prevent employees from something better. Chairman Ives reminded the group that the Board has the authority to amend the budget provided that County Council also approves it. He stated the Board does not have to assume this would be the one and only opportunity to react. Mr. Johnson said he was not against pay raises he only wanted to take into consideration the current economic situation. Mr. Hughes said no one could predict what the future would hold. He commented that SWA employees have hard jobs and stated they work hard. Mr. Hughes stated the SWA must stay competitive in order to continue to attract people and maintain current staff, otherwise employees will migrate to other companies. Mr. Hughes said the SWA has to remain competitive and believed the 7% was beneficial to employees.

Mr. Knight commented that the SWA would stay within budget and reminded the group the funding approved by the Board to establish the Capital Contingency Designated Fund was allocated from savings. He commented on the contingency accounts and stated they would only be utilized if necessary. Mr. Knight explained the funding for Juneteenth would cover the salary of those working on the holiday. He said staff began discussing the Juneteenth holiday several months ago and has no problem in adopting it.

Mr. Schwartzkopf advised the group of an upcoming conference pertaining to PFAS (polyfluoroalkyl substances) which would be held in Wilmington, NC in June. He suggested the possibility of a staff person attending. Chairman Ives concurred and asked Mrs. Todd if she had looked into the conference. Mrs. Todd indicated she would do so. General discussion ensued regarding PFAS and the recycling/processing of different commodities.

## MOTION TO ADJOURN

There being no further business to come before the Board, **Mr. Schwartzkopf moved, seconded by Mr. Jones to adjourn the meeting. The Motion was carried,** and the May Board Meeting was adjourned at 12:00 P.M.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: \_\_\_\_\_ (L. S.)  
Bo Ives, Chairman

ATTEST:

\_\_\_\_\_  
W. Norfleet Jones, Secretary

\_\_\_\_\_ (L. S.)  
Amos C. Berry, Sr.

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

\_\_\_\_\_ (L. S.)  
Samuel T. Johnson, Jr.

\_\_\_\_\_ (L. S.)  
Robert J. Kemp

\_\_\_\_\_ (L. S.)  
Carl H. Schwarzkopf