

**MINUTES OF REGULAR MEETING  
HORRY COUNTY SOLID WASTE AUTHORITY, INC.  
May 27, 2014**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, May 27, 2014, 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: Rev. James H. Cokley, Chairman; M. Lance Thompson, Vice Chairman; Dan P. Gray, Board Secretary; John R. Long, II, Board Treasurer; and Board Members J. Michael Campbell, Pam J. Creech and W. Norfleet Jones.

Ex Officio Members Kevin Blayton and Steve Gosnell were in attendance. There were no members of the public or media in attendance.

The following individuals were also in attendance: Executive Director, Danny Knight; Assistant Executive Director; Mike Bessant, Esther Murphy, Director; Bill Hilling, Director; Jan Bitting, Director; and other staff to include Rodney Cannon, Wayne Martin, Chris Calhoun, Cecil Terry, Stephanie Todd, and Susie Wofford. Mrs. Emma Ruth Brittain, SWA Attorney was absent.

**CALL TO ORDER**

Chairman Cokley called the meeting to order and Mr. Gray rendered the invocation.

**PLEDGE OF ALLEGIANCE**

Ms. Creech led the group in the Pledge of Allegiance.

**APPROVAL OF AGENDA**

Chairman Cokley asked for any revisions to the Agenda as contained in the Agenda Packet; however, there were none.

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

**APPROVAL OF MINUTES**

Chairman Cokley asked for any questions on or amendments to the Minutes of the Regular Meeting held on April 22, 2014, and the Public Hearing held on May 20, 2014 as contained in the Agenda Packet.

**Mr. Long moved to approve the Minutes of the April 22, 2014, Regular Meeting. There was a second by Mr. Campbell and the Motion was unanimously approved.**

**Mr. Long moved to approve the Minutes of the May 20, 2014, Public Hearing. There was a second by Mr. Campbell and the Motion was unanimously approved.**

**PUBLIC INPUT**

There were no requests to present Public Input.

**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 17-25 in the Board Packet.

**FY2013 Annual Progress Report Update** – Mrs. Murphy reminded the Board the SC Annual Progress Report had been completed and submitted to DHEC on September 13, 2013. Mrs. Murphy stated upon review of the report, staff determined that Horry County’s MSW recycling rate had increased significantly from 30.6% in FY2012 to 50.4% in FY2013. She said there was a substantial increase in commercial/institutional cardboard and a substantial increase in commercial/institutional ferrous metal. Mrs. Murphy advised the group staff then reviewed the total solid waste (TSW) recycling rate which compares the total amount of waste disposed to the total amount of material diverted from landfill disposal. She stated it was determined that Horry County’s TSW recycling rate also had a significant increase, going from 42% in FY2012 to 71.7% in FY2013. Ms. Creech asked why there were no responses from 45 businesses. Mrs. Murphy explained private and public recyclers were not required to report their recycling tonnages. She stated it was mandatory for governmental and state agencies to submit a report to SC DHEC. Mr. Gray commented that the business that recycled should be commended for their efforts. Mr. Knight informed the Board that Horry County had the highest percent recycling rate in the state and were 5<sup>th</sup> in the diversion rate. Mr. Gray asked for clarification on the percentages. Mr. Knight replied the diversion rate was 42% in FY2012 and 71.7% in FY2013.

**2013-2014 Talkin Trash Update** – Mrs. Murphy stated on May 13<sup>th</sup>, 14<sup>th</sup>, and 15<sup>th</sup> the Talkin Trash program concluded for the school year. She stated fourth graders from Conway Elementary, Daisy Elementary and Lakewood Elementary Schools were the Grand Finale Winners. Mrs. Murphy indicated about 325 students attended the Grand Finale field trips at Ripley’s Aquarium. She thanked Mr. Cannon, Mrs. Hooks, Mrs. Johnson and Ms. Terry for their efforts in overseeing this event.

**2014 Recycling Student of the Year Update** – Mrs. Murphy informed the Board that the 2014 Recycling Student of the Year is Alex Mario Del Castillo. She stated Alex was a sophomore at Early College High. Mrs. Murphy indicated he was selected because of his passion for recycling.

### **Operations and Planning Update**

Mr. Hilling offered an update of various projects in the Operation and Planning Division that were included as Pages 26-36 in the Board Packet.

**Driver of the Month Update** – Mr. Hilling stated Joekwon Linen from the Town of Surfside Beach was selected April’s driver of the month. He indicated Mr. Linen was courteous and professional to operational staff.

**Relocation of Grinding Area Update** – Mr. Hilling offered an update on the relocation of grinding area. He stated the project was now complete and final surveys were finished. Mr. Hilling commented Southern Construction did an excellent job.

**Closure of Saddle Area Update** – Mr. Hilling informed the Board the closure of saddle area was complete. He stated King Construction did an excellent job. Mr. Hilling informed the Board that King Construction had started relocating their equipment here on site. He indicated King Construction did a great job.

**East Hill Fill Closure Update** – Mr. Hilling informed the Board that King Construction was issued the notice to proceed on May 19, 2014, for the East Hill Fill Closure. He stated the project would be completed within 10 to 12 months good weather permitting. Mr. Hilling indicated the prep-work had begun. He reminded the Board of the optional valued engineering proposal for King Construction to store material. Mr. Hilling stated King Construction had

begun transporting soils in for the East Hill Closure then would install the liner. Ms. Creech asked if any of the projects had any over runs. Mr. Hilling stated on the grinding relocating area project, extra soil was obtained but the project was on budget.

### **Finance and Administration Update**

Mrs. Bitting presented the Finance & Administration reports to the Board, which were included as Pages 37-55 in the Board Packet.

**Monthly Finance Reports** – Mrs. Bitting offered a review of financial reports as contained in the packet and informed the Board on the balance sheet the SWA was at 83.3% of budget through ten months of the year. She stated on the summary sheet MSW was at 84.99% of budget; mixed construction was at 77.03% of budget; and yard waste was at 104.62% of budget. Mrs. Bitting commented that yard waste was at 104.62%. She stated recyclable sales were at 79% of budget a little less than anticipated. Mrs. Bitting indicated that landfill gas was at 84.43% of budget. She informed the Board for the month of April net income was \$285,143.51. Mrs. Bitting stated overall construction and demolition had a decrease of incoming material of 292 tons or a 0.40% decrease in revenue for April. She indicated the Construction and Demolition Facility processed 1253.25 of material for April. Mrs. Bitting estimated for February, March, April and a portion of May, the total decrease of \$166,266.31 was due to the loss of construction and demolition material as compared to last year. Mr. Gray asked Mrs. Bitting if she projected a \$200,000 decrease in revenue for the year. Mrs. Bitting stated that was correct by the end of the year the projection would be \$250,000 decrease in revenue.

**Restricted Funds Transfer Update** – Mrs. Bitting offered a review of the unrestricted cash as of the quarter ending March 31, 2014, to determine if transfers to the restricted accounts were possible, in accordance with the Unrestricted Fund Transfer Account Policy Statement. Mrs. Bitting indicated that the total unrestricted cash and cash equivalents as of March 31, 2014, were \$2,769,432. She reminded the Board that the quarterly unrestricted cash threshold for FY 2014 was \$2,995,770, which equates to 15% of the estimated annual revenues. Mrs. Bitting indicated that for quarter ending March 31, 2014, the unrestricted cash amount was \$186,339 short of the 15% threshold. She indicated staff reviewed the designated accounts and determined that the transfer to piggyback expansion should be transferred back to the operations account. Mrs. Bitting advised the Board that staff had discussed these recommendations with Mr. Knight and he concurred. Chairman Cokley asked what had been done the previous year. Mrs. Bitting stated at the end of March 2013, funds were also transferred back out of the piggyback into operations in the third quarter. She informed the Board at the end of the next quarter the money would be transferred back into the piggyback expansion account if funds are available.

**Mr. Long moved to accept staff's recommendation to transfer \$186,339 from the Piggyback Expansion Account into the Operations Account for the third quarter of FY 2014. There was a second by Mr. Campbell and the Motion was carried.**

### **Finance Department Policy/Procedures Update**

**Emailing of Statements**– Mrs. Bitting informed the Board of some changes in procedures in the Finance Department. She reviewed the emailing of billing statements to customers. Mrs. Bitting stated this process would make better use of management's time monthly. She indicated the customers could go online and review their monthly statement. Mrs. Bitting stated she was working with the software company to get more information before this could go into effect. Mr. Gray asked if the check register would be the same. Mrs. Bitting replied she did not know but would inform the Board when she had any new information.

**Purchasing Card** – Mrs. Bitting indicated the City of North Myrtle Beach, Conway and other municipalities were using purchasing cards which was like a credit card. She informed the Board this card would help streamline the purchasing of parts and equipment and she would have more information for the Board at the Finance and Administration Committee Meeting. Ms. Creech asked if Mrs. Bitting would bring the information about the fee charges to the Committee meeting. Mrs. Bitting stated she would have that information as well.

**Printing of Checks** – Mrs. Bitting informed the Board that the SWA emails its checks to Horry County for processing. She stated the County was in the process of changing to a new system to print and process their checks. She indicated the County would charge a fee for the processing of the SWA's checks. Mrs. Bitting stated staff was determining options for the processing of the SWA's checks. She requested a date for the Finance and Administration Committee Meeting from the Board since all members were present. Mrs. Bitting informed the Board she would invite staff members from Horry County to come and explain new system to the Board. The Board agreed the Finance and Administration Committee would meet on June 17, 2014 at 10:00 AM. Chairman Cokley would attend the meeting via Face Time.

### **Special Projects & Governmental Affairs Update**

Mr. Bessant presented an update on various projects which were included as Pages 56-58 of the Board Packet.

**Recycling Incentive Programs Update** – Concerning the recycling incentives, Mr. Bessant indicated the following incentives were given by the SWA in April: MSW Recycling \$191,602.97, C&D Recycling Facility \$53,413.05, C&D Designated Facilities \$10,251.35. He stated the total incentive saving year-to-date for SWA customers was \$255,267.37. Mr. Gray asked when the program started. Mr. Bessant indicated July 1, 2013.

**Legislative Update** – Mr. Bessant offered an update on Bill 3290, which was the flow control bill. He informed the Board the Bill could be introduced in special order session. Mr. Bessant indicated the session would end June 5, 2014, and stated the lobbyist for the SWA had been working hard. He stated Bill 3290 could be reintroduced next year. Ms. Creech asked Mr. Bessant about the information she had requested about the designated recycling facility. Mr. Bessant stated he submitted on FOIA request for the information on the designated haulers two (2) months ago to SC DHEC. Ms. Creech asked how long it took to get a response to a FOI request. Mr. Bessant stated SCDHEC should have replied with fourteen days. Mr. Knight indicated that staff would request for the information again.

### **Executive Director Update**

Mr. Knight briefly discussed the following items with the Board on Pages 59 in the Board Packet.

**SC SWANA Spring Conference Update** – Mr. Knight gave a brief overview of the SWANA Spring Conference in Pawleys Island, SC which was held on May 7-9, 2014. He stated the SC SWANA staff was impressed with the number of SWA staff and Board Members attending the conference. He commented that the presentation given by Mr. Vance Moore on closure and post closure was very good. Mr. Knight applauded Mr. Hilling on his presentation on carpet recycling.

Mr. Knight congratulated Mr. Lance Thompson on his reappointment to the SWA's Board of Directors. Mr. Knight informed the Board that Horry County Council had second reading on the SWA's budget and no questions were asked.

### COMMITTEE REPORTS

**Diversion Committee** – Mr. Jones reported the Diversion Committee met on May 12, 2014, with for the purpose of reviewing RFP's for resource recovery planning and implementation. Mr. Knight stated the SWA received four proposals from Kessler Consulting from Tampa, Florida; GBB from Fairfax, Virginia; Goldsmith Group from Atlanta, Georgia; and HDR from Charlotte, North Carolina. He indicated it was staff's recommendation to enter into a contract with HDR Engineering from Charlotte, North Carolina. Mr. Knight commented HDR would assist with the Solid Waste Management Plan. Mr. Knight inquired if the Board would consider keeping the Diversion Committee the same. Chairman Cokley stated the Board was not at liberty to make any appointments at this time. He indicated any decisions would have to be after the annual meeting.

**Mr. Jones moved to accept staff's recommendation to enter into a contract with HDR for the Consulting Service in support of resource recovery planning and implementation and updating the Solid Waste Management Plan at a cost of \$42,000 to \$45,000. There was a second by Mr. Gray, and the Motion was carried.**

### OLD BUSINESS

- a. **FY2014 Budget Consideration** – Mrs. Bitting offered a summary of the budget process. She stated a Budget Workshop was held on April 8, 2014, at which time the operational and capital improvement budgets were presented. She indicated this information was also presented at the Horry County Budget Retreat on April 11, 2014, to Horry County I&R Committee on May 12, 2014 and at the SWA Public Hearing on May 20, 2014. She indicated that during the Workshop the budget had been thoroughly reviewed and some changes made. Mrs. Bitting stated that a budget summary was given at the May 27, 2014 Board Meeting. Mrs. Bitting indicated she was requesting Board approval for the FY2015 Operating Budget of \$19,475,248 and the FY2015 Capital Improvement Budget \$3,940,950.

**Mr. Gray moved to accept staff's recommendation that the Board approve the FY2015 Operating Budget totaling \$19,475,248 and the FY2015 Capital Improvement Budget totaling \$3,940,950. There was a second by Ms. Creech and the Motion carried.**

### NEW BUSINESS

- a. **Nomination Committee Appointments Update** – Chairman Cokley appointed Mr. Jones, Mr. Long, and Mr. Campbell to the Nomination Committee. He stated Mr. Jones would serve as Chairman of the Committee. Mr. Long commented that he would be out of the country for the June Board Meeting. Mr. Jones asked the Committee Membersto meet after the Board Meeting.
- b. **June Board Meeting Date** – Chairman Cokley asked the Board to reschedule the June Board Meeting from June 24, 2014 to June 30, 2014 at 5:30PM and the Board concurred.

- c. **Roundtable Discussion** – Chairman Cokley recommended that the Board have a Board Workshop in the upcoming year. Mr. Gray asked if the Bylaws would be taken up again this upcoming year. Chairman Cokley commented he would discuss this with Mrs. Brittain and report back at the June meeting.

Ms. Creech asked if during the upcoming year, staff would review food waste composting, similar to Charleston County or would the Diversion Committee review this as a viable option. Mr. Gray commented that businesses in Myrtle Beach opposed this because of cost. Ms. Creech replied that Charleston County showed businesses how this would be cost effective to their business. Mr. Jones replied the glass recycling program in North Myrtle Beach also met resistance but the businesses were trained by SWA staff and learned the benefits of the glass recycling.

Mr. Gray said he received a thank you note from the League of Women Voters for attending the meeting. He said Mr. Knight and Mr. Campbell also attended the meeting.

Chairman Cokley informed the Board that a Certificate of Resolution to approve and accept the adopting of the budget was needed.

**Mr. Thompson move to accept a Certificate of Resolution for the approval and adoption of the FY2015 Budget. 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. Long moved, seconded by Mr. Thompson to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 6:50 P.M.

Minutes approved on June 30, 2014.

#### HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: \_\_\_\_\_ (L. S.)  
James H. Cokley, D. Min, Chairman

ATTEST:

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

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

\_\_\_\_\_(L. S.)  
Pam J. Creech

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

\_\_\_\_\_(L. S.)  
John R. Long, II

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