

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
June 26, 2018**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, June 26, 2018, 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; J. Michael Campbell, Vice Chairman; M. Lance Thompson, Secretary; Bo Ives, Treasurer. Board Members Michael H. Hughes, and Carl H. Schwartzkopf. Board Member Samuel T. Johnson, Jr. was absent.

Steve Gosnell, Director of Horry County Infrastructure and Regulation was present. Mr. W. Norfleet Jones and Ms. Carlyse Major represented the public in attendance there were no members of 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 Rodney Cannon, Wayne Martin, Nannette Powell, Cecil Terry and Stephanie Todd.

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

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

APPROVAL OF MINUTES

Chairman Creech asked for any questions on or amendments to the Minutes of the Regular Meeting held on May 22, 2018, as contained in the Agenda Packet; however there were none.

Mr. Campbell moved to approve the Minutes of the Regular Meeting held on May 22, 2018. There was a second by Mr. Ives. There being no further discussion, the Motion was carried.

Chairman Creech asked for any questions on or amendments to the Minutes of the Workshop held on June 20, 2018, as contained in the Agenda Packet; however there were none.

Mr. Ives moved to approve the Minutes of the Workshop held on June 20, 2018. There was a second by Mr. Hughes. 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 – 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.

Recycling Center Office Building Repairs – Mrs. Murphy informed the Board that over the past several months the office buildings at some of the recycling centers have received repairs and or renovations. She stated the work included replacing shingles, replacing underpinning, replacing rotting windows and painting. Mrs. Murphy commented that six centers had been completed at present.

Talkin' Trash 2017-2018 Update – Mrs. Murphy stated this year the Talkin' Trash program incorporated all aspects of the school's waste stream in efforts to teach, encourage and promote waste diversion at all schools. She stated the Grand Finale winners were South Conway Elementary, Waterway Elementary and Kingston Elementary. Mrs. Murphy commented the winners enjoyed a trip to the Fun Warehouse. She gave a special thanks to Kendra Hooks and Victoria Johnson for their efforts overseeing the field trips.

Recycling Center of the Quarter Update – Mrs. Murphy indicated the Recycling Center of the Quarter was the Longs Recycling Center. She stated the Longs Center was chosen for the quarter ending March 31, 2018. Mrs. Murphy commented this center had routinely met or exceeded the selection criteria and the site attendants consistently demonstrate a willingness to maintain a center which is viewed in a positive manner. She stated Mr. Andrew Lee was the full-time site attendant at this center and Mitch Mitchell was the part-time attendant. Mrs. Murphy commented that both individuals did an exceptional job at the center.

Caught Green Handed Update – Mrs. Murphy informed the group the May "Caught Green Handed" winner was Mr. David Stanley. She indicated that Mr. Stanley used the Brooksville Recycling Center. Mrs. Murphy stated Mr. Stanley received a SWA prize pack and media recognition.

Environment Scholarship Recipient – Mrs. Murphy introduced Ms. Carlyse Major recipient of the Environmental Scholarship from Green Sea High School. She asked Ms. Major if she wanted to address the Board. Ms. Major thanked the Board for awarding her the scholarship and informed them she would be attending Frances Marion University in the fall.

SWANA Nashville, TN. – Mrs. Murphy informed the Board Members at each place setting was information on the upcoming SWANA conference in Nashville, Tennessee. She commented the conference had several tours and if any member wanted to take one to please let her know.

Financial Reports

Mrs. Bitting offered an update of the following which was included as page 26-44 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting stated for the period ending May 31, 2018 the SWA revenue should be at 91.63% of budget. She indicated MSW revenue was at 91.61% of budget. Mrs. Bitting stated Construction and Demolition revenue was at 151.79% of budget and Yard Waste revenue was at 90.01% of budget. She stated the sale of recyclables revenue was at 95.86% of budget. Mrs. Bitting stated the Construction and Demolition Processing Facility revenue for May was \$378,559.45 and expenses were \$560,415.99 with a deficit of (\$181,856.54) with airspace saved equating to 67.87 days. Mrs. Bitting commented the MRF revenue year-to-date

was \$4,987,049.15 and the expenses year-to-date were \$5,285, 973.17 with a savings of 55.09 days of airspace. She commented that expenses over revenue was (\$298, 924.02). She indicated net income for May was (\$91,106.12) and year-to-date was \$2,600,552.58.

Mrs. Bitting explained the MRF processed 4,939.31 tons for May. She stated the current market value for processed material was \$123.12 for May. Mrs. Bitting informed the group that tonnage sold for May was 2,261.03 tons. Mrs. Bitting indicated the total MRF revenue for material sold in May was \$324,866.23 and expenses were \$411,029.46 resulting in expenses over revenue of (\$86,163.23). She stated year-to-date total MRF revenue was \$4,328,147.96 and total MRF expenses were \$3,875,645.73 with revenue over expenses of \$452,502.23. Mrs. Bitting indicated the cost share from Charleston County would be \$46,480.12.

Mr. Ives asked Mrs. Bitting why mulch was only 59.26% of budget but yard waste was 90.01% percent of budget. Mrs. Bitting explained some of the material was used for both compost/mulch the percentage was a combination of the materials. Chairman Creech asked Mrs. Bitting why the commodities prices dropped so drastically. Mrs. Bitting commented that Mr. Bessant would address the commodities sales in the operations section of the Board Packet. She informed the group that an MRF update would be given to the I&R Committee in August when year-end figures were complete.

Operations Update

Mr. Bessant presented the following update which was included as pages 45-59 of the Board Packet.

Collection & Hauling Update – Mr. Bessant indicated the Board approved the purchase of OCC containers from Waste Industries and Myrtle Beach Recycling. He stated that Collection & Hauling gathered an additional 500 tons of material per month. Mr. Bessant commented that 2,200 tons per month of commingle and fiber was being hauled to the MRF at this time from Horry County. He indicated revenue based on last year's prices the Collection & Hauling would generate approximately \$65,000 per year of additional revenue. Mr. Bessant stated this amount was based on last year's average revenue of per ton of \$100.00.

Mr. Bessant stated that 271 containers were purchased from Waste Industries and 75 containers were purchased from Myrtle Beach Recycling. He informed the group that container rental would generate a \$129,000 per year and save 6 days of airspace per year. Mr. Bessant commented that funding for the purchase and refurbishing of the containers was taken from the Waste Diversion fund at a cost not to exceed \$350,000 that was previously approved by the Board.

Mr. Ives asked if any additional personnel was hired. Mr. Bessant stated one temporary person had been hired for the transition of the new container purchases. Chairman Creech asked Mr. Bessant what was the cost to operate this program. Mr. Bessant commented he had not determined the cost with the additional labor but last year the cost was approximately \$800,000. He indicated the cost would not exceed last year's amount. Mr. Bessant commented the Collection and Hauling system had a total of 850 OCC containers before the purchase. He clarified the Collection/Hauling system now services approximately 1,200 OCC containers monthly. Mr. Bessant indicated that staff has streamlined the routes making the collection of cardboard more efficient in Horry County.

Driver of the Month Update – Mr. Bessant stated the May Driver of the Month was Levester McCray from the Waste Management. Mr. Bessant commented Mr. McCray has worked for Waste Management for 9 years. He informed the group that Mr. McCray worked well with staff.

Household Hazardous Waste Update – Mr. Bessant indicated on June 12, 2018 MXI was on site for the fourth disposal pickup for household hazardous waste for FY18. He stated that MXI removed one cubic yard of aerosols, one cubic yard of oil-based paint and 19 cubic yard boxes of latex paint. Mr. Bessant commented that the total weight for this pick-up was 13,125 pounds (6.65 tons). He stated for FY18 household hazardous waste grand total for disposal was 166,220 pounds or 83.11 tons.

MRF Update – Mr. Bessant informed the Board that the increase in expenses was due to late invoicing from the temporary labor agency which delayed the payment process. He commented that invoicing of the temporary labor was several months behind.

Mr. Bessant commented that China wanted every load of cardboard inspected. He stated in the past loads were inspected at least twice a month but at the present time every load needed inspection before it was shipped. Mr. Bessant indicated that China was still limiting shipment at this time. Mr. Campbell asked if the representative would spend the day at the facility. Mr. Bessant indicated if a vendor purchase 25 bales then all the material had to be inspected.

Chairman Creech asked Mr. Bessant where on SWA property did the vendor check the loads. Mr. Bessant stated the representative would be in a designated shipping area to inspect the loads. Mr. Knight asked would the MRF staff have to do anything different. Mr. Bessant said no. He informed the group that tonnage for May 2017 tonnage was 3,900 and this May tonnage was 4,700.

Solid Waste Management Plan Update – Mr. Bessant gave a scheduled update on the Solid Waste Management plan:

- Policy Advisory Council meeting (Mayors and County Council Chairman) tentative meeting date on July 18, 2018.
- Public Hearing – July 24, 2018 at 4:00 P.M.
- HCSWA Board of Directors Comments – July 24, 2018.
- Request Resolution from municipalities in support of plan – August 2018.
- Present to HCSWA Board of Directors for approval with comments from municipalities and take any additional public comments September 2018.
- SWMP presented to Horry County Council for Resolution of approval October 2018.
- Send SWMP to South Carolina Department of Health and Environmental Control October 2018.

Mr. Bessant informed the Board that a copy of the Solid Waste Management plan draft document would be available on the SWA's website. He asked the Board Members to please attend these events.

Executive Director Update

Mr. Knight offered an update of the following which was included as pages 60-64 in the Board Packet.

Charleston County Update – Mr. Knight informed the group that in the letter he sent Charleston County it read as follows:

“If we initiate the third Intergovernmental Agreement, after January 31, 2019, we will approach a reduction in the tonnage that we will process and the development of a down time schedule for major capital improvements. I wish you luck on your MRF project and I will look forward to discussing any future agreements.”

He indicated that Charleston County had not responded to the letter at the present time. Mr. Ives commented that the SWA had fulfilled their obligations in writing. Mr. Knight commented that the MRF would continue to schedule their major capital improvement for the facility.

Lobbyist Contract Update – Mr. Knight indicated it was time to renew the contract between SWA and Beam & Associates for lobbying on the SWA’s behalf. He stated the price of the agreement was \$30,000. Mr. Ives commented that the arrangement and price was fair and acknowledged that Beam & Associates were instrumental with information regarding the interests of Horry County Solid Waste Authority.

Mr. Ives made a Motion that the Board of Directors authorize the Executive Director to enter into agreement with Beam & Associates for a lobbying services contract in the amount of \$30,000. Mr. Campbell gave a second, and the Motion was carried unanimously.

Chairman Creech commented that she enjoyed working with Beam & Associates this past year. She stated they were very involved with the container bill not being passed. Chairman Creech indicated since China was taking a minimal amount of cardboard lots of companies were choosing to landfill the material. She pointed out that landfilling materials instead of selling the material takes up an enormous amount of landfill space. Chairman Creech commented that the SWA should be proactive with the State Senators and House Representatives introducing bills that manufactures would develop products that were compostable or recyclable. She stated finding ways to keep these containers out of the landfill created a longer life for the landfill.

COMMITTEE REPORTS

Nomination Committee Update – Committee Chairman Lance Thompson stated the Nomination Committee met on June 12, 2018 at 11:00 A. M. Mr. Thompson indicated Committee Members J. Michael Campbell and Samuel T. Johnson, Jr. were present.

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

Finance & Administration Committee Meeting Update – Chairman Lance Thompson stated the Finance and Administration Committee met on June 13, 2018 at 9:00 A.M. He and Committee Member Bo Ives were present. He stated the following item was discussed:

Grant Recycling – Mr. Thompson indicated the purpose of the Finance and Administration Committee meeting was to discuss the proposed recycling grant. He stated the MSW incentive was eliminated because it no longer increased the recyclables going to the MRF. Mr. Thompson indicated a portion of these funds were redirected to the Construction and Demolition Facility and the remainder would be used in a grant program to assist Horry County in meeting their recycling goals. He commented staff had created a grant application similar to the one submitted to DHEC. Mr. Thompson stated the Finance and Administration Committee voted to recommend proceeding with the Solid Waste Reduction/Recycling Grant proposal.

Mr. Thompson moved to accept staff’s recommendation to proceed with the Solid Waste Reduction/Recycling Grant proposal. There was a second by Mr. Campbell and the Motion was carried.

Mr. Ives asked Mrs. Bitting how many SWA customers get a paper billing statement. He suggested that staff put flyers of the new recycling grant in the customer billing statements. Mrs. Bitting informed the group that the SWA offered e-statements for customers to review their statement and landfill tickets online. She commented that the Finance Department has over 800 cardboard customers but most use a broker for to pay their bills so the actual company do not get that information. Mrs. Bitting indicated that staff would continue to promote this program.

OLD BUSINESS

There was no Old Business to come before the Board.

NEW BUSINESS

- a. Capital Improvement Projects-Piggyback Expansion Phase 3-4 Update** – Mr. Knight stated the presentation given by Vance Moore, SWA engineer, gave an overview of the possibilities of utilizing the SWA's other properties. He commented that it took several years for permitting of the Piggyback Phase 1 and Piggyback Phase 2 landfills. Mr. Knight indicated in the Solid Waste Management Plan direction was given to the permitting and expanding of landfill capabilities on this site. He commented that SWA has gas wells, drainage, weigh scales everything on this site the SWA needs to maximize its capacity.

Mr. Knight stated it was his recommendation to have the Board of Directors proceed on with the Piggyback 3 permitting process and staff determined that the SWA could have the application submitted by the end of the year if the Board was in agreement.

Chairman Creech commented that staff had done an excellent job working with the engineers and that the information presented to the Board was very detailed. Mr. Ives commented this plan was very reassuring that staff could operate within the funding anticipated and the SWA would be collecting revenue for the next 20-30 years. He said the SWA would not go into debt with the current funding even with the tipping fee increase this was reassuring. Mr. Ives stated this made perfect sense to extend the life of this facility.

Mr. Knight commented that the SWA could use the detailed information reviewed at the Board Workshop with the price estimates and per ton cost to distribute as a press release. He stated Mr. Moore did an excellent job with the information given at the Board Workshop. Mr. Knight thanked Mrs. Bitting and staff for the hard work.

Chairman Creech commented that the tipping fee increase would only be used if needed and had already been approved. She wanted to make sure that if the SWA needed to increase funding we would still have that option. Mr. Knight commented through the budget process an increase in tipping fees had been previously approved.

Mr. Thompson made a Motion to authorize staff to officially began the permitting process for the Piggyback Expansion Phase 3 and to begin planning the permit process for Phase 4. There was a second by Mr. Campbell and the Motion was carried.

Mr. Thompson commented this was his last board meeting and he wanted to tell the Board how honored he was to serve. He stated he had enjoyed his 8 years immensely. Mr. Thompson said he appreciated all the effort from staff over the years and was extremely impressed with their hard-work and professionalism. He wished the SWA well going forward. Chairman Creech commented she enjoyed serving with Mr. Thompson.

b. Roundtable Discussion – There was no Roundtable Discussion.

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 6:45P.M.

Minutes approved on July 24, 2018.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

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

ATTEST:

J. Michael Campbell, Secretary

Pam J. Creech (L. S.)

Bo Ives (L. S.)

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

W. Norfleet Jones (L. S.)

Carl H. Schwartzkopf (L. S.)