

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
July 28, 2015**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, July 28, 2015, 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.

Michael Hughes, Highway 90 Liaison was present. Steve Gosnell, Director of Horry County Infrastructure and Regulation was absent. There were no members of the media in attendance.

The following individuals were also in attendance: Danny Knight, Executive Director; Mike Bessant, Assistant Executive Director; Esther Murphy, Director; Bill Hilling, Director; Jan Bitting, Director; Emma Ruth Brittain, Staff Attorney, and other staff members to include Chris Calhoun, Rodney Cannon, Wayne Martin, Nannette Powell, Richie Stetter, Jamie Suggs, Cecil Terry, Stephanie Todd and Susie Wofford.

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Ms. Creech 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; Mrs. Bitting asked that the New Business section of the agenda be amended to include the proposed transfer of MRF contingency funds.

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

APPROVAL OF MINUTES

Chairman Thompson asked for any questions on or amendments to the Minutes of the Regular and Annual Meeting held on June 30, 2015 and the Special Board Meeting held on July 21, 2015, as contained in the Agenda Packet.

Mr. Long moved to approve the Minutes of the Regular and Annual Meetings held on June 30, 2015 and the Minutes of the Special Board Meeting held on July 21, 2015. There was a second by Ms. Creech and the Motion was carried. Mr. Graves asked that the minutes reflect him being present at the Special Board Meeting only held on July 21, 2015.

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 23-32 in the Board Packet.

SC DHEC FY2016 Grants Update – Mrs. Murphy informed the Board of the FY2016 DHEC grants that had been awarded. She indicated staff had received notification that the SWA had been awarded the Waste Tire Grant in the amount of \$41,100, the Used Oil Grant in the amount of \$43,535. Mrs. Murphy stated the SCRecycleMore Grant and the Compost Bin Grant had been awarded to the SWA earlier in the year. She discussed applying for two additional grants which were the Compost and Food Recovery Grant in the amount of \$25,000 and Carpet Recycling Grant in the amount of \$10,000. Mrs. Murphy stated she would keep the Board informed when DHEC announced their decision.

Caught Green Handed Update – Mrs. Murphy informed the group the July “Caught Green Handed” winner was Mr. Michael Blanton. She indicated that Mr. Blanton used the Homewood Recycling Center. Mrs. Murphy indicated Mr. Blanton received a SWA prize pack and media recognition.

Annual Environmental Awards Banquet Update – Mrs. Murphy thanked the Board for attending the Environmental Awards Banquet expressing her gratitude for their coming to honor the teachers and school administrators. She commented Eagle Award Winner Jim Swaim was very appreciative of the honor.

Upcoming Events – Mrs. Murphy reminded the group of the following upcoming events:

August 5, 2015 – RecyclonomicsSC would host their quarterly meeting here at the SWA.

August 18, 2015 – August Board Meeting date changed due to several Board Members attending the SWANA Conference in Kississime, Florida during the week of August 24, 2015.

September 16, 2015 – Green Tie Luncheon hosted by the Conservation Voters of South Carolina in Columbia. Mrs. Murphy stated if any Board Member wanted to attend to please contact Mr. Bessant.

Operations and Planning Update

Mr. Hilling offered an update of the following which was included as pages 32-44 in the Board Packet.

Piggyback Expansion Update – Mr. Hilling indicated that Southeast Environmental had signed the Piggyback Expansion contracts. He stated the contractors had their equipment onsite and had started the stripping and sub-grading of the area. Chairman Thompson asked if Mr. Hilling had any unforeseen challenges thus far. Mr. Hilling indicated staff and the engineers have a lot of confidence in this group. Mr. Knight stated Mr. Moore would give monthly updates on the project. Mr. Campbell commented the landfill was looking very good.

C&D Recycling Update – Mr. Hilling informed the group that the Construction and Demolition Facility had processed 13,325 tons of material this fiscal year. He indicated the monthly average was 1,110 tons. Mr. Hilling stated the Construction and Demolition Facility had a 70% recycling rate last year. He indicated wood scraps were the main source of recyclable material. Mr. Hilling explained since the program started, 25,725.65 tons of material had been processed through the Construction and Demolition facility saving 130 days of airspace. He remarked combined with the shingle recycling program, the Construction and Demolition facility had processed over 50,167.65 tons of material with 206 days of saved airspace on the Class 2 cell.

Driver of the Month Update – Mr. Hilling stated June's driver of the month was Tim Daughenbaugh from MB Golf & Yacht. Mr. Hilling commented Mr. Daughenbaugh worked well with staff and was well deserving of the honor. He informed the group a letter was sent to MB Golf & Yacht and that Mr. Daughenbaugh's picture would be displayed at the scaleshouse this month.

Ms. Creech informed staff she would be attending the SWANA Conference in Florida. She asked Mr. Hilling if there was any information on recycling programs, or equipment she could bring back for staff. Mr. Hilling asked Ms. Creech if she would bring information back on an electric chipper. Mr. Gray asked Mr. Hilling what could be done for an illegally dumped shingle pile on Tidewater Road. He commented there were several dump sites along that specific highway. Mr. Hilling stated that DHEC coordinated tire pickup to get illegal dumped tires picked up. Mr. Knight indicated he received some complaints and spoke with Horry County Litter Control to get help with this problem. Mr. Campbell asked if contractors used the shingles in asphalt paving. Mr. Hilling replied yes.

Finance and Administration Update

Mrs. Bitting presented the Finance & Administration reports to the Board, which were included as Pages 45-62 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting reviewed the revenue percentages for year ending and explained revenue was at 92.93% of budget with expenditure being 89.35% of budget. Mrs. Bitting indicated MSW revenue was at 105.07% of budget. She stated C&D revenue was at 108.07% of budget and yard waste revenue was at 100.60% of budget. Mrs. Bitting indicated the sale of recyclable material was below budget at 80%. She stated the C&D Processing Facility had saved 49.36 days of landfill airspace and the MRF had saved 99.71 days of landfill airspace. Mrs. Bitting indicated revenue for the Construction and Demolition Processing Facility was \$311,886.13 and expenditures were \$398,726.10. She said regarding the Material Recycling Facility with the Collection and Hauling included, revenue was \$2,401,814.79 and expenditures were \$2,939,018.61. She indicated revenue over expenses for June was \$158,091.53 and year-to-date revenue over expenses was \$818,336.34. Mrs. Bitting informed the group all revenue had been recorded and expenses would be adjusted for auditing purposes. Chairman Thompson asked about The Store. Mrs. Bitting indicated The Store was at 118.85% of budget. She informed the group The Store was doing well and customers commented how much they enjoyed shopping there and the volume of customers had increased.

Chairman Thompson asked Mrs. Bitting about the increased tonnage. Mrs. Bitting stated the overall economy was better and construction and demolition had increased. She indicated staff

tracked budgeted tonnage for construction and demolition material versus actual tonnage. Mrs. Bitting indicated budgeted tonnage was 66,000 versus 76,000 actual tonnage. Mr. Gray asked about the actual tonnages versus the budgeted tonnages. Mrs. Bitting explained with the loss of flow staff budgeted a 27% decrease in tonnage; however, the actual tonnage only decreased 16%. She attributed this to a better overall economy.

Ms. Creech commented that staff was doing a great job and asked Mrs. Bitting to schedule a Finance and Administration Committee Meeting to conclude the discussion about vacation and sick benefits. She indicated she was available any day except for August 5, 2015. Mrs. Bitting stated she would contact Ms. Creech and schedule a meeting.

Special Projects & Governmental Affairs Update

Mr. Bessant presented the following update which was included as pages 63-65 of the Board Packet.

Recycling Incentive Programs Update – Concerning the recycling incentives, Mr. Bessant indicated the following incentives were given by the SWA for FY2015: MSW Recycling \$253,657.81, C&D Recycling Facility \$63,901.90, totaling \$317,559.71. He stated the total remaining incentive FY2015 for SWA customers was \$17,440.29. Mr. Bessant indicated the current month incentive was \$29,846.02. Mr. Gray asked Mr. Bessant what is done with funding left in this account. Mr. Bessant replied any funding not spent goes into contingency accounts and Board approval is needed to access these accounts.

Out-of-County Recyclables Update – Mr. Bessant informed the Board that he and Mrs. Brittain had met with Arrigo Carotti Horry County Attorney and Chairman Mark Lazarus about the out-of-county-recyclables contract. He stated Mrs. Brittain was working on the final draft but Charleston County asked for two terms and conditions to be included into the contract. Mr. Bessant indicated Charleston County had asked for a two (2) year agreement in order to negotiate lower transportation cost. He informed the group initial delivery of the Charleston County recyclables will begin with delivery of approximately 30 tons per day and ramp up to the total amount allowed under this agreement. Mr. Bessant stated the maximum load requirement would be 12 to 14 tons per load, provided, however, each load of recyclables must maintain a three-dimensional state for the processing of the recyclables. Mr. Gray asked if Charleston County would provide the transportation for the recyclables. Mr. Bessant replied that was correct Charleston County would provide the transportation for their material. Chairman Thompson asked if the 12-14 tons referred to the compaction rate for the material. Mr. Bessant replied correct. He stated if the material was flattened then it could not be processed. He stated the termination for convenience clause had been changed from 90 days to 60 days. Mr. Bessant indicated Mrs. Brittain included under the County's Transportation Costs/HCSWA Reimbursement/Expenses section "Charleston County section in the event of a shortfall of revenues from recyclables sold under this Agreement, County shall reimburse the HCSWA for all remaining unreimbursed and/or unpaid expenses at the time of the termination of this Agreement". He stated that Charleston County wanted to remove the revenue and cost sharing from the agreement; however, after discussing the matter further, it was left in the agreement. Mr. Bessant informed the group that a liability clause and hazardous/biohazardous waste clause were included in the agreement. Mrs. Brittain commented that Mr. Bessant gave a good summary of the agreement. She explained that language was added to give a clear understanding to the agreement that Charleston County was obligated for all cost incurred by the SWA regardless of revenue to be shared or not. Mr. Gray asked when the material would start arriving at the MRF. Mr.

Bessant stated the MRF was already starting to receive sample loads. He informed the Board that Charleston County Council Member, Colleen T. Condon; toured the MRF facilities. Mr. Bessant indicated to the Board that staff would be attending the Horry County Administration Committee Meeting on Thursday, July 30, 2015 at 2:00pm to present an overview of the agreement with Charleston County regarding processing their recyclables. He explained Chairman Lazarus made this request.

Chairman Thompson asked about the rejects or dregs and how would this material would be handled. Mr. Bessant replied that any option would be expensive but the cheapest disposal rate would be to bring it to the SWA landfill. He stated the cost for one-year for taking the material to a construction and demolition landfill would be \$155,000. Mr. Bessant informed the Board the cost to take the material to the Georgetown County Landfill would be \$260,000 and this funding would come from the SWA revenue. He commented the rejects could go back to Charleston County where the tipping fee rate is \$66.00 per ton. He said the SWA would pay for the hauling, but the MRF had no equipment in which to load the rejects back on to the trucks. Mr. Gray asked had a decision been made on where the material would go. Mr. Bessant indicated that would be a Board business decision. Mr. Jones asked Mr. Bessant had he asked Charleston County if they would take the rejected material back. Mr. Bessant stated he had asked and Charleston County was talking with the trucking company. He indicated the MRF did not have storage facilities to hold the reject material. Mr. Jones commented the desired solution would be for Charleston County to take their material back for disposal.

Employee Recognition – Mr. Bessant recognized Mrs. Nannette Powell for all of her hard work on the blood drives that she coordinates for the SWA. He informed the group Mrs. Powell received a certificate of appreciation from the American Red Cross Association. Mr. Bessant said since the SWA hosts the blood drives the SWA had received a Sponsor Spot Light from the Red Cross. Chairman Thompson thanked the organization for holding the blood drives and thanked all employees for giving.

Executive Director Update

Mr. Knight thanked the Board for their support and diligence while working through the issue of the Charleston County out-of-county-recyclables proposal. Chairman Thompson thanked staff for their efforts.

COMMITTEE REPORTS

Appeals Committee – Committee Chairman Dan Gray asked Mrs. Brittain to give a report of the meeting. Mrs. Brittain stated the Appeals Committee met on July 22, 2015. She explained the Committee met to hear an appeal from Allen's Scrap Metal on Bid #04-15-17. Mrs. Brittain indicated the awarding of the contract to Waccamaw Recycling had a technical compliance issue. She explained the issue was one of technical compliance with the bid document and proposed method of calculation using the fifth business day of the month. Mrs. Brittain stated the Committee asked Mr. Allen what he wanted done and Mr. Allen commented rather than rebid the contract, in the future, there should be a change in the specification for bidding of the contract to make it more advantageous to the SWA. Mrs. Brittain indicated the award was upheld by the purchasing agent who was Mr. Knight. She stated this was documented on the summary of the appeal. Chairman Thompson asked if there was any merit to Mr. Allen's appeal or the possible calculations or something to consider. Mrs. Brittain commented there were minor technicalities but not enough to warrant an appeal or affect the award that was upheld by the purchasing agent. She stated a

determination by the administrative level had been upheld. Mrs. Brittain indicated an Appeals Committee Meeting was scheduled for August 3, 2015, at 9:00am. Mr. Knight concluded that staff would review the matter to see if it has merit. Chairman Thompson indicated the next meeting for the Appeal Committee would be August 3, 2015 and the Committee would then make a recommendation to the full Board.

OLD BUSINESS

There was no old business to come before the Board.

NEW BUSINESS

- a. Proposed Transfer of MRF Contingency Funds** – Mrs. Bitting requested the Board transfer MRF contingency funds in the amount of \$74,392 for the initial expenses associated with the Charleston County contract. She indicated these funds would be used to cover any unbudgeted expenses due to the increased tonnage received from Charleston County. Mrs. Bitting stated these funds would be used for the MRF departmental operating budget.

Mr. Long moved to approve the transfer of \$74,392 from the MRF Contingency Fund to the MRF departmental operating budget, if needed, to cover additional anticipated expenses related to the Charleston County contract. There was a second by Mr. Campbell and the Motion was unanimously carried.

- b. Roundtable Discussion** – Chairman Thompson stated the current standard for the Appeals Committee was to rule without coming back before the full Board. He indicated that he thought that the Committee should operate as the rest of the Committees do and come back to the full Board for discussion purposes and the Board could vote on how to handle the appeal. Chairman Thompson commented the Board should have the final decision on any decision that is made. He stated this would be in line with the other Committees. Mrs. Murphy reminded the Board that this change would require a change in the purchasing policy. She indicated this could be addressed at the Finance and Administration Committee meeting.

Mr. Jones moved to change the Appeals Committee process and utilize the standard in concurrence with other standing Committees of the HCSWA. Mr. Campbell gave a second and the Motion was carried.

MOTION TO ADJOURN

There being no further business to come before the Board, **Ms. Creech moved, seconded by Mr. Jones to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 6:27P.M.

Minutes approved on August 18, 2015.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

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

ATTEST:

_____(L. S.)
J. Michael Campbell, Secretary

_____(L. S.)
Pam J. Creech

_____(L. S.)
Sanford C. Graves

_____(L. S.)
Dan P. Gray

_____(L. S.)
W. Norfleet Jones

_____(L. S.)
John R. Long, II