

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
September 22, 2015**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, September 22, 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.

Steve Gosnell, Director of Horry County Infrastructure and Regulation, Michael Hughes, Highway 90 Liaison and Rev. James H. Cokley represented the public in attendance. Charles Perry from Sun News represented the media in attendance.

The following individuals were also in attendance: Danny Knight, 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, John Doyle, Richie Stetter, Jamie Suggs, Cecil Terry, Stephanie Todd and Susie Wofford. Mike Bessant, Assistant Executive Director, was absent due to illness.

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

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

APPROVAL OF MINUTES

Chairman Thompson asked for any questions on or amendments to the Minutes of the Regular held on September 22, 2015, as contained in the Agenda Packet.

Mr. Jones moved to approve the Minutes of the Regular Meeting held on September 22, 2015. There was a second by Mr. Campbell and the Motion was carried.

SPECIAL RECOGNITION

Chairman Lance Thompson recognized and presented Reverend James H. Cokley with a plaque from the Horry County Solid Waste Authority for his years of service. The inscription on the plaque read: "For his many years of leadership and dedicated service as Chairman and Vice Chairman of the Horry County Solid Waste Authority". Rev. Cokley thanked the Board and wished them well.

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 13-21 in the Board Packet.

SC DHEC FY2016 Grants Update – Mrs. Murphy gave an update on the DHEC grants applied for by the SWA. She informed the Board the SWA had been awarded a Compost/Food Recovery Grant in the amount of \$25,000. Mrs. Murphy stated \$15,000 would be used to purchase the micro-organisms; \$5,000 for professional services; \$4,000 for public education; and \$1,000 for professional development. She indicated \$10,000 had been awarded for the Carpet Recycling Grant. Mrs. Murphy stated \$8,000 would be used for site preparation; \$1,500 for public education; and \$500 for professional development. She commented the total FY2016 SCDHEC grants awarded to the SWA was \$141,535.

FY 2015 SCDHEC Annual Progress Report Update – Mrs. Murphy stated the S.C. Solid Waste Policy and Management Act of 1991 (Act) requires each county to report the amount of municipal solid waste (MSW) recycled within its municipalities. She indicated staff annually completed several reports, including the Horry County Annual Progress Report, which determines the county's recycling rate for the previous fiscal year. Mrs. Murphy stated staff contacted businesses within Horry County that perform any type of recycling. She indicated that businesses were not required to report any recycling within the county but were encouraged to do so. She informed the Board on August 4, 2015 staff began mailing and delivering surveys to 140 businesses, industries and governmental agencies requesting information pertinent to their solid waste and recycling activities during Fiscal Year 2015. Mrs. Murphy stated the SWA completed and submitted the County's Annual Progress Report to SCDHEC on September 15, 2015. She informed the Board that in the spring, SCDHEC would complete their overall report and each county would be notified of their overall recycling rate for FY2015. The following list is a breakdown of responses from the 140 businesses and municipalities contacted:

Completed Surveys Returned to SWA	55
Completed Survey with DHEC Online	18
No Horry County Recycling for FY2013	5
No Response to SWA or DHEC to date	<u>62</u>
Total	140

Mrs. Murphy informed the Board that the Technical Advisory Council suggested recognizing the recycling efforts of those businesses that completed and returned the form by the deadline in a local publication. Mr. Campbell asked Mrs. Murphy if businesses were required to report their recycling efforts. Mrs. Murphy responded that governmental agencies were required to report their recycling efforts; however, businesses were not. Ms. Creech asked Mrs. Murphy for a copy of the businesses that were in the report. Mrs. Murphy indicated she would provide a list of names only and reminded the group the recycling tonnage information was confidential. She indicated that private businesses had until next month to complete the surveys through DHEC.

United Way Campaign Update – Mrs. Murphy informed the Board the Day of Caring was held on September 11, 2015. She commented that Team SWA participated by registering volunteers, writing approximately 400 thank you notes to all of the Day of Caring participants and by serving and distributing lunch to the volunteers. The team members consisted of Kendra Hooks, Cecil Terry and Esther Murphy. Mrs. Murphy stated total pledges collected for the 2016 campaign year was \$5,276. She thanked everyone for all the hard work that allowed the SWA to exceed its goal.

Upcoming Events Update – Mrs. Murphy informed the Board of the upcoming events:

- **October 17, 2015 – Land and Sea Festival/GOGO Festival (Get Offline Go Outside)**
The SWA will be distributing recycling information. Staff will have trucks and dance crew members at the festival. Everyone was invited to come out and participate in the event.
- **November 6, 2015 – SWA 23rd Annual Employee Dinner** – The SWA Annual Employees Dinner will be held at 7:00 PM on Friday, November 6, 2015, at Cherry Hill Missionary Baptist Church in Conway, SC.
- **November 7, 2015 – Horry County Community CleanUp Day** – Horry County and Keep Horry County Beautiful will be sponsoring this event. SWA will have an information booth. The old Courthouse will be the location of the end of event celebration. Everyone was invited to attend.
- **December 10, 2015 – SWA Board Meeting** – December Board Meeting will be held on Thursday, December 10, 2015. The Board agreed to hold the meeting at 3:00pm.

Operations and Planning Update

Mr. Hilling offered an update of the following which was included as pages 22-36 in the Board Packet.

Driver of the Month – Mr. Hilling indicated for the month of August, Scott Sanders was named Driver of the Month. He stated Mr. Sanders worked for Waste Industries. Mr. Hilling informed the group Mr. Sanders deserved the award. He informed the group a letter was sent to Waste Industries and that Mr. Sanders picture would be displayed at the scaleshouse this month. Chairman Thompson asked Mr. Hilling who selected the driver of the month. Mr. Hilling replied landfill and scaleshouse staff selected the driver of the month.

Air Utilization Factor Update – Mr. Hilling explained the air utilization factor determined how many pounds could be compacted in a cubic yard. He stated the Construction and Demolition cell increased from 1,193 pounds per cubic yard to 1,382 pounds per cubic yard. Mr. Hilling indicated the Solid Waste cell increased from 1,760 pounds per cubic yard to 1,879 pounds per cubic yard. He commented with a better compaction rate the construction and demolition cell saved 49 days of airspace and solid waste saved 20 days of airspace. Mr. Hilling indicated overall, there was a 7% increase in the compaction rate. Mr. Gray asked Mr. Hilling about the compaction rate on solid waste, the operational savings, landfill airspace and the monetary amount of the savings. Mr. Hilling replied the construction and demolition landfill had saved 300 days of airspace in four (4) years. He stated that Municipal Solid Waste landfill had saved 20 days of airspace which was equivalent to \$400,000 in revenue. Mr. Gray praised Mr.

Hilling for achieving better results than most private companies. Mr. Hilling stated better equipment and well trained employees helped to accomplish this.

Food Waste Composting Update – Mr. Hilling informed the group the Food Waste Composting Facility accepted its first load on Wednesday, August 19, 2015. He stated Smart Recycling transported 1.42 tons of food waste for the new food waste composting program. Mr. Hilling indicated the loads were delivered to the Food Waste Composting Facility on Mondays, Wednesdays and Fridays. He stated loads from CCU and Horry County Schools had been delivered by Smart Recycling. Mr. Hilling indicated the enhanced compost would be ready within 45 to 60 days. Mr. Campbell asked how many schools were participating in the program. Mr. Hilling stated he did not have the exact figure of how many schools were participating.

Forklift Training Update – Mr. Hilling stated the Landfill and MRF held a National Safety Council Forklift Training on Saturday, August 22, 2015. Mr. Hilling commented Chris Calhoun, Landfill Supervisor conducted the training with fourteen attendees. He indicated Mr. Calhoun administered a written and driving test to participants. Mr. Hilling expressed his appreciation to Mr. Calhoun for a job well done.

Financial Reports

Mrs. Bitting offered an update of the following which was included as pages 37-56 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting stated for August, the SWA revenue should be at 16.66% of budget. She indicated MSW revenue was at 22.69% of budget. Mrs. Bitting stated construction and demolition revenue was at 17.54% of budget and yard waste revenue was at 14.77% of budget. She stated the sale of recyclables revenue was at 21.91% of budget. Mrs. Bitting indicated landfill recyclable sales revenue for FY2016 had increased 95.36% and was due primarily to mulch sales to the municipalities. She stated the Construction and Demolition Processing Facility revenue for August was \$60,862.95 and expenses were \$46,104.38 with airspace saved equating to 11.61 days. Mrs. Bitting commented the MRF revenue year-to-date revenue was \$525,789.16 the expenses year-to-date was \$503,643.43 with a savings of 12.68 days of airspace. She indicated net income for August was \$213,290.16 and year-to-date \$621,188.15.

Mrs. Bitting informed the group that she added two (2) new reports to the packet and a MRF Summary sheet and MRF Analysis. She indicated the reports would be in the Board Packet monthly. Mrs. Bitting stated the reports had been sent to the Horry County I&R Committee for the upcoming meeting. She explained the reports showed the total incoming/outgoing tonnages at the MRF for July and August FY2016. Mrs. Bitting explained that the Charleston County's estimated expenses, labor, material/supplies, utilities, and equipment maintenance/repair was based on the percentage of incoming tonnage. She informed the Board that the MRF estimated expenses were fixed costs such as depreciation and property insurance and indicated these are costs the facility would incur without the extra material. Mrs. Bitting stated she would have a detailed report for August that would show the startup cost related to the Charleston County material. She indicated the cost to process per ton in July was \$89.06 per ton and in August was \$67.05 per ton. Mrs. Bitting stated the cost had decreased due to the MRF staff becoming more efficient. Mr. Graves asked about the discrepancies in the incoming tonnage versus outgoing tonnage sold and if the difference was the rejects. Mrs. Bitting informed the group the difference

included rejects as well as material that had not been sold and was still at the MRF. She explained the outgoing tonnage figure was lower due to Charleston's port being closed for three days. Mrs. Bitting explained on Labor Day the port was closed and Charleston's port flooded for two days. She stated an estimated loss of recyclables sales of \$40,000 for August. Mrs. Bitting informed the Board eleven (11) new vendors had been contacted as possible buyers for the material. Mr. Graves asked if the new vendors were doing business with Charleston County. Mrs. Bitting replied she did not know but staff was making every effort to contact new vendors. Mr. Gray asked what percentage of material was received from Charleston County and what was the revenue for the new material. Mrs. Bitting indicated when the MRF received material it was intermingled with material already on the MRF tipping floor. She stated the percentages were an estimation of materials received.

Mr. Graves asked about the decrease in Construction and Demolition for the month of September. Mrs. Bitting indicated she would research the information. Mrs. Bitting stated Mr. Gray had asked about flow control and the estimated budgeted loss of tonnage for the SWA. She indicated she created a construction and demolition analysis report in FY2013 to track flow control tonnages. Mrs. Bitting stated FY2014 flow control was enforced for 6-months and FY2015 was without the flow control ordinance. She informed the group the report contained tonnage, budgeted tonnage and actual tonnage.

Mrs. Bitting stated if any Board Members were interested in receiving flu shots to please contact Mrs. Powell. She stated flu shots would be given at the Administrative Building on September 29-30, 2015, from 8:00am to 10:00am.

Special Projects & Governmental Affairs Update

Mr. Knight presented the following update which was included as pages 57-58 of the Board Packet.

Recycling Incentive Programs Update – Concerning the recycling incentives, Mr. Knight indicated the following incentives were given by the SWA for FY2016: MSW Recycling \$39,626.04, C&D Recycling Facility \$13,399.85, totaling \$53,025.85. He stated the total remaining incentive FY2016 for SWA customers was \$204,474.15. Mr. Knight indicated the current month incentive was \$24,825.25.

Chairman Thompson thanked the staff for their efforts working through the Charleston County contract. He stated this was a good arrangement for the SWA and Charleston County. Chairman Thompson commented second reading had been passed by County Council. He indicated he and staff would address any questions and concerns at the I&R Committee Meeting.

Executive Director Update

Mr. Knight presented the following update which was included as pages 59-60 of the Board Packet.

Charleston County Timeline Update – Mr. Knight informed the group about the timeline for the Charleston County recyclable's beginning with May 28, 2015. He stated the SWA was contacted by Kessler Consulting to discuss the possibility of accepting recyclables from Charleston County. Mr. Knight stated that Kessler Consulting indicated Charleston County wished to engage into a formal dialog with SWA regarding the different scenarios of tonnage that could be accepted at the SWA MRF. He remarked he had the emails and other backup information regarding the discussions. Mr. Knight commented he and staff met with Chairman

Lazarus, Arrigo Carotiti, Chris Eldridge and Justin Powell to discuss the draft Inter-Governmental Agreement with Charleston County. He stated Horry County officials recommended the termination clause be reduced from 90 days to 60 days. Mr. Knight commented the Board had met four times and this was discussed. He stated MRF operations had been hectic at times with the volume of material and unskilled labor. Mr. Knight indicated this has worked out over time. Mr. Gray asked who was Joe Dawson. Mr. Knight replied that Joe Dawson was the County Attorney for Charleston County and managed the Solid Waste Division for Charleston County.

I&R Committee Meeting Update – Mr. Knight reminded the Board of the I&R Committee Meeting scheduled for Thursday, September 24, 2015 at 9:00am. He informed the Board staff would present information on Charleston County recyclables and answer any questions.

COMMITTEE REPORTS

Finance and Administration Committee – Committee Chairman Pam Creech stated the Finance and Administration Committee had two meetings August 20, 2015 and September 17, 2015 regarding employee benefits and the appeals process.

Employee Benefits – Ms. Creech stated staff was very involved in the process and the Committee wanted to ensure benefits were reasonable and fair to employees. She informed the Board the Committee discussed and recommended the following changes to the Personnel Policy:

- Section 70.01 Vacation – Mandatory take eighty (80) hours vacation per year to mandatory take sixty-four (64) hours vacation per year.
- Section 70.02 Vacation Buy Back Program – Maximum vacation buyback per year of 80 hours. The verbiage of Section 70.01 Vacation Subsection #7 to match the verbiage of Section 70.02 Vacation Buy Back Program Subsections #1 and #2. Section 70.02 Vacation Buy Back Program Subsection #8 indicates “any deviation from the provisions must have written approval of the Executive Director”.
- Section 70.04 Holidays – Holiday Pay from 1.50 times regular pay to 1.00 times regular pay: effects estimated cost saving \$7,300.
- Section 70.03A Incentives for Sick Leave Accruals – Reinstate Sick Time Incentive to pay back 50% unused sick time over the maximum accrual; effect estimated additional cost \$8,700.
- Health Insurance Cap – Increase health insurance cap from 5% to 7%; effect estimated cost saving: \$12,000
- Section 70.11.2 Retiree Health Insurance – Retiree health insurance at Medicare age going from a percentage of the premium being paid by SWA to \$75 to \$150 stipend paid; effect: estimated cost savings; \$17,000.

Ms. Creech moved that the Board of Directors approve the changes to the SWA Personnel Policy. There was a second by Mr. Graves and Motion carried.

Mr. Long stated he had worked for the Federal Government and was allowed to carryover 240 hours of annual leave to cash out at the end of his employment. He asked about long term employee's vacation time accrual and he inquired with the new changes, would employees lose the time they had earned. Mrs. Bitting stated the changes would only impact the new hires to the organization. She explained new employees currently earned 80 hours vacation a year the employee would be required to take 64 vacation hours leaving 16 vacation hours accrued. Chairman Thompson indicated this was a reasonable compromise for the substantiality of the organization and did not want it to become a liability for the organization.

Procurement Policy – Appeals Process – Ms. Creech stated discussion was held on the Appeals Committee which is the only committee that had the authority to make final decisions. She indicated all other committees must come back before the Board and present a recommendation. Ms. Creech stated the Appeals Committee should be in line with all other committees.

Ms. Creech moved that the Appeals Committee forward all Committee recommendations to the full Board for approval, which would be in line with all other SWA Committees. There was a second by Mr. Campbell and the Motion was carried.

Mr. Graves commented discussion was also was held on the Appeals Committee make up. He indicated the Committee agreed the Chairman of the Board of Directors did not have to be on the committee. Ms. Creech indicated the policy currently states the Chairman must be on the Appeals Committee.

Ms. Creech moved to revise the Procurement Policy to state the Chairman of the Board of the Directors is not required to be a member of the Appeals Committee. There was a second by Mr. Graves and the Motion carried.

Procurement Policy – Local Preference – Ms. Creech stated the Committee discussed and reviewed information pertaining to procurement local preference. She indicated the Committee determined with the specific type of projects at the landfill it was not feasible at this time to implement a local preference. She commented that staff would be researching this information. Ms. Creech stated no action was taken.

Recycling and Corporate Affairs Committee – Committee Chairman John Long stated the Recycling and Corporate Affairs Committee met on September 21, 2015 at 4:00pm. He indicated the Committee discussed equipment and the MRF operations and a recycling program.

MRF Front Loader – Mr. Long informed the Board of the MRF's need to purchase a new loader due to the increase of material coming from Charleston County. He indicated the MRF needed to replace the Volvo Loader and purchase CAT 914 from State Bid at a cost of \$137,723. Mr. Long stated this would be contingent upon County Council approving the contract with Charleston County and the reading and approval of the minutes.

Mr. Long moved to approve replacement of the Volvo Loader and purchase of the CAT 914 from State Bid at the cost of \$173,723 and that the purchase is contingent

upon County Council approving the contract with Charleston County. There was a second by Ms. Creech and the Motion was carried.

Caps of Love – Mr. Long informed the group the Committee discussed the Caps of Love recycling program. He stated no action was taken.

OLD BUSINESS

There was no old business to come before the Board.

NEW BUSINESS

Landfill Summer Hours Discussion – Chairman Thompson stated he and members of staff were contacted by the mayor and town manager of Surfside Beach regarding Saturday landfill summer hours. He indicated the Town was having difficulties disposing of their garbage with the limited Saturday summer hours. Chairman Thompson said he spoke with Mayor Samples about the turnaround with the summer rental properties and not being able to dispose of the garbage. He stated the Town of Surfside Beach could not get to the landfill within the allotted time. Chairman Thompson indicated staff had contacted the Town of Surfside Beach about extending the hours on Saturday. He reminded the group that Saturday was so short staffed the landfill used only dirt for cover and it was not practical to extend hours for only two trucks. Mr. Knight stated staff had spoken with other haulers who indicated their trucks would not be on the road with the higher volume of Saturday traffic. Chairman Thompson commented this would be reviewed again in the spring.

MOTION FOR EXECUTIVE SESSION

Ms. Creech made a Motion for an Executive Session for the purpose of discussing a contractual matter. Mr. Campbell gave a second, and the Motion was carried unanimously.

The Board went into Executive Session at 6:50 P.M.

MOTION TO COME OUT OF EXECUTIVE SESSION AND BACK INTO OPEN SESSION

At 7:13 P.M., Motion was made, seconded and carried that the Board come out of Executive Session and back into open session.

STATEMENT FOR THE RECORD ATTORNEY EMMA RUTH BRITAIN

Mrs. Brittain asked for the record to reflect that the Executive Session was held for the purpose of discussing a proposed contractual matter. She stated no votes or action was taken in the Executive Session.

Mrs. Brittain stated it was appropriate at this time, if it was the desire of the Board, to entertain a motion to proceed with a contractual matter along the lines discussed in Executive Session. Mrs. Brittain stated for the record this was the only matter discussed in Executive Session.

Mr. Graves moved that the Board of Directors authorize the Executive Director to enter into negotiations to reach an agreement with the a contractor to transport the equivalent of the Charleston County rejects in Construction and Demolition material to the most

advantageous proposer of terms with regards to disposal and transportation of those items. Mr. Jones gave a second, and the Motion was carried unanimously.

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 7:15P.M.

Minutes approved on October 27, 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