

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
November 15, 2018**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Thursday, November 15, 2018, at 1:00 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: Michael H. Hughes, Chairman; Bo Ives, Vice Chairman; J. Michael Campbell, Secretary; Pam J. Creech, Treasurer. Board Members W. Norfleet Jones and Carl H. Schwartzkopf. Board Member Samuel T. Johnson, Jr., was absent.

Steve Gosnell, Director of Horry County Infrastructure and Regulation and Amelia Wood 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 Chris Calhoun, Nannette Powell, Jamie Suggs, Cecil Terry, Stephanie Todd and Susie Wofford.

CALL TO ORDER

Chairman Hughes called the meeting to order and rendered the invocation.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

Chairman Hughes asked for any revisions to the Agenda as contained in the Agenda Packet.

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

APPROVAL OF MINUTES

Chairman Hughes asked for any questions on or amendments to the Minutes of the Special Meeting held on October 2, 2018, as contained in the Agenda Packet; however there were none.

Mr. Jones moved to approve the Minutes of the Special Meeting held on October 2, 2018. There was a second by Mr. Schwartzkopf. There being no further discussion, the Motion was carried.

Chairman Hughes asked for any questions on or amendments to the Minutes of the Regular Meeting held on October 9, 2018, as contained in the Agenda Packet; however, there were none.

Mr. Schwartzkopf moved to approve the Minutes of the Regular Meeting held on October 9, 2018. There was a second by Mr. Jones. There being no further discussion, the Motion was carried.

PUBLIC INPUT

Amelia Wood – Ms. Wood thanked the Board for an explanation on one of the agenda items. She commented that Mr. Bessant explained that she was confused about an agenda item and that some of the nomenclature used was a mistake and what was meant was a Demonstration of Need and Letter of Consistency which would be a DON or a LOC.

Ms. Wood asked the Board to please put any discussion items on the agenda. She wanted to discuss the maximum yearly capacity which was related to the agenda item that was voted on at the Public Input Meeting for the Solid Waste Management Plan. Ms. Wood said she mentioned some discrepancies in the Plan. She commented the Plan stated that the SWA's yearly capacity according to the SWA's permit was 450,000 tons per year. Ms. Wood thought the report published by DHEC every year stated the capacity rate was 300,000 tons per year. She commented she received a copy of the permit which stated that 750,000 tons per year was the yearly maximum capacity rate. Ms. Wood asked the Board to include this information in the Plan instead of the 450,000 tons per year. She commented she had checked the Plan online to see if any revisions had been made. Ms. Wood mentioned she had spoken with representatives at SC DHEC about the Annual Report and stated for the last 9 years the SWA reported the permitted capacity rate was 300,000 per ton per year. She encouraged the Board to get a copy of the permit for the Class 1, Class 2 and Class 3 landfills and review them. Ms. Wood commented that state law required the SWA to report the maximum yearly capacity accurately in the annual report each year.

Ms. Wood explained that people like herself review this information online. She commented that the Annual Report reflects each county's recycling and disposal rate of the landfills both public and private Class 1, Class 2, Class 3 and transfer stations. Ms. Wood indicated the disposal rate should be accurate and the SWA could revise their recycling rate.

Ms. Wood commented about the scales purchase that was voted on last month. She stated there was not a lot of information given at the meeting. Ms. Wood said in the February 23, 2013 Board Meeting Minutes stated that the inbound scales were replaced in 2008 and the outbound scales were replaced in 2013 and they had a 10-year warranty.

Ms. Wood wished the Board a Happy Recycles Day and was glad the SWA was giving away free compost bins. Chairman Hughes thanked Ms. Wood for her 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 17-23 in the Board Packet.

FY 2018 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 jurisdiction. 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 25, 2018 staff began mailing (via first class mail and email) and hand-delivering surveys to 143 businesses, industries and governmental agencies requesting information pertinent to their solid waste and recycling activities during Fiscal Year 2018. Ms. Murphy stated the SWA completed and submitted the County's Annual Progress Report to SCDHEC on August 25, 2018. 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 FY2018

Caught Green Handed Update – Mrs. Murphy informed the group the September "Caught Green Handed" winner was Mr. Wendell Nobles. She indicated that Mr. Nobles used the Kate's Bay Recycling Center. Mrs. Murphy stated Mr. Nobles received a SWA prize pack and media recognition.

Mrs. Murphy informed the group the October “Caught Green Handed” winner was Mr. Briggs Gasque. She indicated that Mr. Briggs Gasque used the Browntown Recycling Center. Mrs. Murphy stated Mr. Gasque received a SWA prize pack and media recognition.

SWA Recycling Grant Update – Mrs. Murphy indicated that the Grant Review Committee reviewed the application from the City of North Myrtle Beach. She stated the grant application was forwarded to the Finance and Administration Committee and would be discussed in the Committee Section of the meeting.

Mrs. Murphy stated the Town of Surfside Beach submitted a reimbursement requested to the SWA for the 65-gallon recycling roll carts purchased with the grant funding.

Annual Dinner – Mrs. Murphy wished the Board a Happy America’s Recycles Day. Mr. Ives thanked Mrs. Murphy for allowing the Keep Horry County Beautiful Committee to host the tarp giveaway at the recycling centers. He commented the Committee gave out 500 tarps last month at the recycling centers.

Mrs. Murphy thanked the Board for allowing the SWA to continue having the Annual Dinner. She commented that employees wanted to thank the Board and were very appreciative this year. Chairman Hughes thanked Mrs. Murphy for her hard work preparing for the Annual Dinner. Mrs. Murphy commented that this was a group effort and staff deserved the credit for their hard work. Mr. Schwartzkopf commented that Mrs. Murphy and staff did an excellent job for the Annual Dinner.

Financial Reports

Mrs. Bitting offered an update of the following which was included as page 24-42 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting stated for the period ending September 30, 2018 the SWA revenue should be at 25% of budget. She indicated MSW revenue was at 29.36% of budget. Mrs. Bitting stated Construction and Demolition revenue was at 24.22% of budget and Yard Waste revenue was at 25.97% of budget. She stated the sale of recyclables revenue was at 21.33% of budget. Mrs. Bitting stated the Construction and Demolition Processing Facility revenue for September was \$104,932.38 and expenses were \$141,131.65 with airspace saved equating to 12.44 days. Mrs. Bitting commented the MRF revenue year-to-date was \$1,267,385.71 and the expenses year-to-date were \$1,258,294, 41 with a savings of 17.10 days of airspace. She indicated net income for September was \$152,109.40 and year-to-date was \$1,268,795.04.

Mrs. Bitting explained the MRF processed 2,323.00 tons of material for September. She stated the current market value for processed material was \$130.24 for September. Mrs. Bitting informed the group that tonnage sold for September was 1601.93 tons. Mrs. Bitting indicated the total MRF revenue for material sold in September was \$220,755.08 and expenses were \$312,021.77 resulting in expenses over revenue of \$91,266.69. She stated year-to-date total MRF revenue was \$1,035,058.76 and total MRF expenses were \$907,887.08 with revenue over expenses of \$127,171.68. Mrs. Bitting indicated the SWA had a cost share due from Charleston County in the amount of \$12,112.95.

Operations Update

Mr. Bessant presented the following update which was included as pages 43-54 of the Board Packet.

MRF Update – Mr. Bessant comment that MRF processed 10,000 tons more in October than last year. He stated that cardboard prices had decreased for October from \$103 per ton to \$98.00 per

ton. Mr. Bessant indicated that newspaper prices increased from \$81.00 per ton to \$118.00 per ton. He informed the group that tonnage received from Charleston County decreased receiving only 800 tons last month and Horry County's tonnage was 1,480 tons. Mr. Bessant commented that staff had found a buyer for mixed paper which saved the MRF from paying landfill disposal fees.

Mr. Bessant indicated that he and staff agreed to stockpile aluminum until the prices increased. Mr. Ives asked Mr. Bessant if this was typical. Mr. Bessant commented that the fall was when prices typically declined. Mr. Ives asked about the increase in the Construction and Demolition material. Mr. Bessant commented that residents in the flooded areas were remodeling their damaged homes. Ms. Creech thanked Mr. Bessant and his staff for encouraging the landfill customers to recycle their construction material.

Driver of the Month Update – Mr. Bessant stated the October Driver of the Month was Chris Gaskins from Big D's. Mr. Bessant commented Mr. Gaskins has worked for Big D's for one year. He informed the group that Mr. Gaskins worked well with staff.

Executive Director Update

Mr. Knight offered an update of the following which was included as page 55 in the Board Packet.

Solid Waste Management Plan Draft Update – Mr. Knight informed the group that the Solid Waste Management Plan and the Piggyback 3 project were on the Horry County Budget Retreat agenda. He commented the retreat would be held on November 28, 2018 at 3:30pm. Mr. Knight indicated that Fund 06 would be on the agenda. Mr. Schwartzkopf asked where would the meeting be held. Mr. Knight commented at the Budget Retreat would be held at the Courthouse.

Piggyback 3 Plan Update – Mr. Knight indicated that his recommendation at the December Board Meeting would be to start the process for the Letter of Consistency and the Demonstration of Need.

League of Cities Update – Mr. Knight commented the municipalities were in attendance at the League of Cities meeting. He indicated the Solid Waste Management Plan was discussed. Mr. Knight explained at the meeting that if the SWA lost the construction and demolition material as a revenue stream then the municipal solid waste tipping fees would increase by \$6.50 per ton. He indicated that overall it was a good meeting.

Chairman Hughes commented that Mr. Knight and staff did an excellent job and any concerns or questions that the League of Cities may have had were answered at the meeting. Mr. Campbell suggested that the SWA should invite the League of Cities to visit and tour the SWA facilities. Mr. Schwartzkopf commented that the SWA should invite the League of Cities and host one of their meetings here at the SWA facilities.

Charleston County Update – Mr. Knight stated that staff had met with Charleston County to talk about the MRF. He commented that staff would have a new contract for Board approval at the December meeting. Mr. Knight indicated that a reduction in tonnage and the retrofit of the MRF facility would be discussed. Mr. Ives asked about the continued contamination of the Charleston County material and why was it so high. Mr. Knight commented that he did not know why the material was contaminated but the MRF staff was intermittently rejecting Charleston County material due to the high volume of contamination. He stated that the contaminated material was sent back to Charleston County and not disposed of in the SWA's landfill.

COMMITTEE REPORTS

Finance and Administration Committee – Committee member Pam Creech stated the Finance and Administration Committee met on October 15, 2018 at 1:00 P.M. Committee Members Pam Creech, Samuel T. Johnson, Jr, were present. Committee Member Carl Schwartzkopf was absent.

Presentation of Fiscal Year 2018 Audit - Committee Member Pam Creech indicated that the Auditor stated the Report on Compliance and Internal Controls was issued in accordance with the Government Audit Standards. She stated the audit disclosed no instances of noncompliance and no material weakness in the SWA's internal control structure. Ms. Creech indicated the auditor commented it was a pleasure to work with SWA staff during the performance of the audit especially having to deal with Hurricane Florence.

Ms. Creech moved to adopt the Fiscal Year 2018 Audit as prepared by Smith, Sapp, Bookhout, Crumpler and Calliham, P.A. There was a second by Mr. Ives and the Motion was carried.

Mr. Ives commented that the report included GASB which was revised in 2017 on the reporting of unfunded liabilities for pension. He said this provided transparency on the information reported that the liability was unfunded.

Recycling Grant – Ms. Creech indicated that the City of North Myrtle Beach had submitted a grant application. She informed the Board the City of North Myrtle Beach was interested in purchasing five (5) additional recycling igloos to place throughout the city.

Ms. Creech moved to approve the grant application submitted by the City of North Myrtle Beach to assist with the purchase of five (5) recycling igloos, with grant funding in an amount not to exceed \$10,000. There was a second by Mr. Campbell the Motion was carried.

OLD BUSINESS

There was no Old Business to come before the Board.

NEW BUSINESS.

Roundtable Discussion – Mr. Schwartzkopf stated this was the season for giving and the area Lions Club gives bicycles to local children. He commented that The Store had an abundance of bicycles and he would like to donate some of these bicycles to the Conway Lions Club. The Lions Club would refurbish the bicycles in time for Christmas. Mr. Ives asked Mr. Knight if he knew how many bicycles The Store would have in their inventory. Mr. Knight commented that staff would inquire about the bicycles.

Chairman Hughes asked Mr. Schwartzkopf when would he need the bicycles. Mr. Schwartzkopf commented that the Lions Club had a committee that refurbished bicycles nine months a year to get ready for Christmas. Mr. Jones commented that staff at The Store should determine which bicycles should be donated and refurbished. Chairman Hughes asked Mr. Knight if he could get that information for Mr. Schwartzkopf.

Mr. Knight indicated that staff would get in touch with Ms. Sue Blanton, The Store's manager and discuss the number of bicycles that could be donated to the Lions Club. Mr. Schwartzkopf commented that The Store has a substantial inventory of books and he would like to suggest giving gift certificates to the Literacy Council. He indicated the Literacy Council staff would pick up the donated books.

Mr. Schwartzkopf asked the Board to form a committee to discuss and review construction of a new facility for The Store. He commented the current buildings have served their useful purpose. Mr. Jones commented the buildings needed some type of reconstruction. Chairman Hughes stated that The Store needed storage to keep the merchandise out of the elements.

Chairman Hughes informed the Board Members if they needed to email him to please use Jazbelle1950@gmail.com. Mr. Campbell asked what was decided on The Store. Chairman Hughes commented that Mr. Schwartzkopf would chair the Committee for The Store and could select his committee members. He stated that Mr. Knight would contact Mr. Schwartzkopf to start this process then come back before the full Board with this information.

Mr. Ives commented in the Miscellaneous Section of the Board packet on page 128 there was an article that discussed the recycling concerns with China. He stated that Mr. Bessant was quoted several times in the article.

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 1:55 P.M.

Minutes approved on December 13, 2018.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

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

ATTEST:

J. Michael Campbell, Secretary

Pam J. Creech

Bo Ives

Samuel T. Johnson, Jr.

W. Norfleet Jones

Carl H. Schwartzkopf