

**MINUTES OF WORKSHOP
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
November 20, 2014**

The Horry County Solid Waste Authority, Inc. held a Workshop on Thursday, November 20, 2014, at 10:00 A.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; J. Michael Campbell, Secretary; W. Norfleet Jones, Board Treasurer; and Board Members, Pam J. Creech, Dan P. Gray. John R. Long, II was absent.

Vance Moore, Craig Fortner and Paul Moore of Garrett and Moore, Steven Sellers of King Construction represented the public. Paul Gable of the Horry Independent represented the media in attendance.

The following individuals were also in attendance: Danny Knight, Executive Director; Mike Bessant, Assistant Executive Director; Esther Murphy, Director; Jan Bitting, Director; Bill Hilling, and Cecil Terry.

CALL TO ORDER

Chairman Cokley called the workshop to order and rendered the invocation. Following the invocation, Mr. Thompson led the group in the Pledge of Allegiance. Chairman Cokley then asked Mr. Knight to begin the presentation.

LANDFILL CLOSURE PROJECT CHANGE ORDER DISCUSSION

Mr. Knight asked Mr. Hilling to begin the presentation. Mr. Hilling reminded the Board that this project was approved in the FY2014 Budget and began in May 2014. He indicated the project was still under budget, even with the inclusion of this change order. Mr. Hilling commented that it has always been the intent of the SWA to complete projects in a manner that they met or exceeded specifications and are structural sound. In addition, he stated, once the project is completed, SC DHEC will complete a required inspection of the project to ensure it meets regulations. He stated there was some indication that there was the potential that the amount of structural material included in the bid specification would not be enough to meet the requirements. Mr. Moore stated he anticipated 10,000 yards of material for the project. Mr. Thompson asked when did staff receive the change order. Mr. Hilling indicated it was received on Friday afternoon. Mr. Hilling then asked Mr. Moore to present information pertaining to the proposed change order.

Mr. Moore began by explaining that the project was bid as a unit price project. He generally reviewed a summary of costs and indicated the change order was based on three specific areas:

- Structural Backfill Material Quantity
- Underdrained Trench Unclassified Excavation
- Underdrain Trench Aggregate Backfill Quantity

Mr. Moore offered a review of the three areas and what caused the additional costs. Regarding the structural backfill material, Mr. Moore commented that the estimate was based on historical information on how much material had been used on the previous closure project. However, he commented, it was believed that even though this would result in an overrun, there were other areas of the project where there would be underruns. Mr. Moore commented the amount of additional structural backfill material exceeded the initial projections. Mr. Moore discussed the structural backfill material used.

Ms. Creech indicated that on several occasions she had inquired as to whether there would be any overruns or change orders and no one ever mentioned the possibility of an overrun. Ms. Creech asked if the additional material had already been placed. Mr. Moore commented that he had instructed that the contractor utilize the material needed to complete the project. He indicated that it was his intent to provide an update once the actual, as-built quantities were quantified. Ms. Creech indicated that she would have much preferred to have known about any possibility of change orders at the time Mr. Moore was aware, and not after the fact. Mr. Gray asked would it have made a difference if the material covered had been MSW. Mr. Moore stated if MSW material had been used there would have been fewer breakouts because MSW material was covered daily per SC DHEC regulations giving a structurally sound base surface to work with. Mr. Gray asked if this would have happened with a more experienced contractor. Mr. Moore indicated and stated the contractor completed Phase 1 without any difficulties.

Mr. Jones asked if staff was aware of the anticipated problem after Phase 1. Mr. Moore indicated they were. Ms. Creech asked how many yards of material to date had been used. Mr. Fortner of Garrett and Moore stated 26,000 yards of material to date. Ms. Creech commented that was more than doubled the initial projections. Mr. Fortner commented that he reviewed the project for the last weeks of the Phase II and believed everything would be even. Mr. Thompson asked if the proposed underruns would cover the costs of the overruns. Mr. Gray asked if the SWA would receive another six-figure change order. Mr. Moore stated this was the worst case scenario. Mr. Moore stated he anticipated the amount would be less than \$6,739,365.67.

General discussion ensued regarding communication between Garrett and Moore and the SWA. Several Board Members voiced their concerns that they were not made aware of the possibly of a change order sooner. Mr. Moore apologized and accepted full responsibility for not advising the Board of the situation earlier.

Chairman Cokley acknowledged that errors were made but the SWA must move forward. He stated that any work done required compensation regardless of the situation. Chairman Cokley asked Mr. Moore to please communicate with the Board on any decisions requiring change orders.

Mr. Gray indicated the Board did not have the authority to approve a change order and stated only Mr. Knight has that authority unless it exceeds the amount of the budgeted amount of the contracted price. Chairman Cokley stated this is a vote of confidence for Mr. Knight's decision.

Mr. Jones moved to support the Executive Director’s decision to approve the change order on the East Hill Closure Project. Mr. Campbell seconded and the Motion was carried with Ms. Creech voting in opposition.

PIGGYBACK EXPANSION PERMIT UPDATE

Mr. Moore offered a review of phase one of the piggyback construction project. He generally reviewed several concepts to consider with regard to how to proceed with the project. Mr. Moore commented that he would be meeting with staff and discussing these concepts in detail with the intent of determining the best manner to proceed with the project and come in below or at the \$13 Million budget. He generally reviewed the timeline with the Board and indicated it was the intent to have the project advertised during the first quarter of next year, RFP review and recommendation to the Board in April/May, with construction tentatively scheduled to begin with the start of FY2016.

MOTION TO ADJOURN

There being no further business to come before the Board, **Mr. Long moved, seconded by Mr. Jones to adjourn the meeting. The Motion was carried** and the Workshop was adjourned at 11:40 A.M.

Minutes approved on November 25, 2014.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

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

ATTEST:

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

_____(L. S.)
Pam J. Creech

_____(L. S.)
Dan P. Gray

_____(L. S.)
W. Norfleet Jones

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

_____(L. S.)
M. Lance Thompson