

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
August 27, 2013**

The Horry County Solid Waste Authority, Inc. held a Regular Meeting on Tuesday, August, 27, 2013, 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: Rev. James H. Cokley, Chairman; M. Lance Thompson, Vice Chairman; John R. Long, II, Board Treasurer; Dan P. Gray, Board Secretary; and Board Members J. Michael Campbell, Pam J. Creech, and W. Norfleet Jones.

Ex Officio Members Kevin Blayton and Steve Gosnell were in attendance. Highway 90 Liaison Michael Hughes and Horry County Treasurer Roddy Dickinson represented the members of the public that attended the meeting. Jason Rodriguez from the Sun News represented the media in attendance.

The following individuals were also in attendance: Executive Director; Danny Knight, Mike Bessant, Assistant Executive Director; Esther Murphy, Director; Bill Hilling, Director; Donna Crump, Director; Mrs. Emma Ruth Brittain, SWA Attorney and other staff to include Rodney Cannon, Jan Bitting, Wayne Martin, Cecil Terry, Chris Calhoun and Stephanie Todd.

CALL TO ORDER

Chairman Cokley called the meeting to order and Mr. Long rendered the invocation.

PLEDGE OF ALLEGIANCE

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

VIDEO TAPING BOARD MEETINGS

Chairman Cokley asked for affirmation to videotape the monthly Board meeting and place them on the SWA's website to be accessed by the public.

Mr. Thompson moved to approve videotaping the regular monthly meetings and to place them on the SWA's website. There was a second by Mr. Long and the Motion was unanimously approved.

APPROVAL OF AGENDA

Chairman Cokley asked for any revisions to the Agenda as contained in the Agenda Packet; however, there were none.

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

APPROVAL OF MINUTES

Chairman Cokley asked for any questions on or amendments to the Minutes of the Regular Meeting held on July 30, 2013, as contained in the Agenda Packet.

Mr. Thompson moved to approve the Minutes of the July 30, 2013, Regular Meeting. There was a second by Mr. Long and the Motion was unanimously approved.

PUBLIC INPUT

There were no requests to present Public Input.

INVESTMENTS OVERVIEW

Mr. Roddy Dickinson, Horry County Treasurer, gave a brief account of his credentials. He stated he has worked with the County for 29 years and indicated he has been County Treasurer since 2004. Mr. Dickinson commented on the progress the SWA has made over the last 20 years. Mr. Dickinson stated his office dealt mainly with the property taxes in Horry County. He indicated his office was also responsible for investing the excess funds of Horry County Government, HC School District, HC Department of Airports and the SWA. Mr. Dickinson stated the Treasurer's Office was responsible for \$659 Million in total investments for Horry County. Mr. Dickinson distributed a handout on the total Horry County Solid Waste Authority investments as of August 26, 2013. He stated this was the current investment list for the SWA. Mr. Dickinson indicated there were six (6) CD's totaling \$19 Million with interest varying from 0.25% to 0.39% monthly. He stated the SWA has \$4 Million in money market accounts and \$8 Million in the SC State Treasurer investment pool. Mr. Dickinson indicated the SWA had \$31 Million in investments. He stated the SWA has \$6 Million in their current bank account. He stated as County Treasurer it is his duty to ensure funds are secure and accounted, for that funds are available for use when needed and that any idle funds are invested pursuant to law. Mr. Dickinson indicated any investment by the County Treasurer must adhere to Section 12-45-220 and Section 6-5-10 of the South Carolina State Law. He stated the Treasurer's Office can invest excess monies in of obligations of the United States and its agencies. Mr. Dickinson indicated the Treasurer's Office had never had a financial loss due to investments. He stated a plan was needed to ensure the best possible investments for the SWA's long term goals. Ms. Creech commented on the low interest rates of the CD's. Mr. Dickinson stated interest rates were low and banks were not giving higher returns on interest rates at this time. He indicated that banks have to buy collateral or securities in order to collateralize the funds which reduces the return. Mr. Dickinson stated again for long-term and short-term goals for the SWA the Treasurer's Office needed direction from staff. Mr. Long asked Mr. Dickinson if Board approval was needed for this action. Mr. Dickinson stated direction from staff was sufficient. He informed the Board the Treasurer's Office had a professional investor consultant that helped the County invest their current excess funding. Mr. Dickinson thanked the Board for allowing him to present this information and he stated he would come back and review the investments at any time.

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 1-14 in the Board Packet.

Talkin' Trash 2013-2014 Campaign Update – Mrs. Murphy stated she and staff members Rodney Cannon, Kendra Hooks and Joe Hyman received proposals from several local TV stations for the 2013-2014 Talkin' Trash Campaign. Mrs. Lisa Bourcier, Horry County PIO also attended the presentations. Mrs. Murphy informed the Board that WMBF TV-10 was awarded the Talkin' Trash Campaign for the 2013-2014 school year. She indicated one of the new additions to the program is a community contest. Mrs. Murphy stated one (1) mini iPads would be given away each month of the contest. She indicated staff looked forward to another

successful year of Talkin' Trash.

UCS Recycling Center of the Quarter Update – Mrs. Murphy stated the Ketchuptown Recycling Center had been selected as the Recycling Center of the Quarter for the quarter ending June 2013. She indicated the center has routinely met or exceeded the selection criteria, and the site attendant, Mrs. Maebell Grant, consistently demonstrated a willingness to maintain a center which was viewed in a positive manner by both the SWA and the community. Mrs. Murphy commented that the Ketchuptown Recycling Center had been operational since 1992.

Quad State Recycling Conference Update – Mrs. Murphy indicated twelve (12) attendees of the Quad State SWANA Conference toured the MRF and landfill facilities. Mrs. Murphy commented that the attendees were from South Carolina, North Carolina, Tennessee and Virginia. She informed the Board that the agenda for the Quad State SWANA Conference was included in the Board packet. Mrs. Murphy stated Chairman Cokley would be introducing Mayor Hatley and County Council Chairman Lazarus, who would be giving the conference welcome.

Environmental Liaison Banquet Update – Mrs. Murphy expressed her gratitude to the Board for making a special effort to attend the Environmental Liaison Banquet on August 7, 2013. She stated this was the first time the full Board was in attendance. Mrs. Murphy reviewed pictures of several recipients who could not attend but were awarded recycling honors. She again thanked the Board for their support.

SWA Website Improvements – Mrs. Murphy informed the Board about improvements to the website. She stated over the past several years, the website has been updated to include commodity sales listing, check register listing, RFP/RFQ listing, hauler information and commercial hauler listing. Mrs. Murphy stated three (3) recent additions to the website were meeting agendas, minutes and videos. She indicated staff would continue to develop and upgrade the website to ensure it is utilized to its fullest potential and continued to offer all citizens and businesses pertinent information regarding the SWA. Mr. Thompson asked who managed the website. Mrs. Murphy stated she and several other staff members maintain the website.

Operations and Planning Update

Mr. Hilling reviewed his reports with the Board, which were included as Pages 15-26 in the Board Packet.

Construction Project Update – Mr. Hilling offered an update on the construction project on the saddle area and the new access road. He commented that the project was awarded to King Construction, that a purchase order was issued on August 13, 2013 and the notice to proceed was issued on August 26, 2013. Mr. Hilling stated King Construction would move equipment and trucks on-site. He indicated he would keep the Board apprised on the progress of this project.

Leachate Tank Cleaning Update – Mr. Hilling informed the Board that the two (2) leachate tanks were pumped by Gary's Pumping service. He stated this process was done periodically. Mr. Hilling indicated the cleaning was done in-house and Mrs. Todd issued a confined space permit for the work. He stated the work was performed in August and staff did a wonderful job.

Landfill Fencing Improvements Update – Mr. Hilling stated the removal of the old fencing between the SW-6 building and landfill gas skid was completed. He indicated that vegetation was cleared and soils smoothed out.

Quad State Tour Update – Mr. Hilling gave a brief update on the Quad State Tour of the landfill. He indicated thirteen people toured the facility, which included Mr. Vance Moore, of Garrett and Moore, as well as SWA Board Member. Dan Gray. He stated the group was impressed with the landfill operations. Mr. Hilling praised his staff for all of their hard work in getting ready for the Quad State Conference. He stated that during this summer season the landfill had over 40 inches of rain and still managed to do an outstanding job. Mr. Gray thanked Mrs. Murphy for allowing him to tour the landfill with the group. Mr. Gray commented the Quad State group was very impressed with the SWA landfill and MRF facilities. Mr. Gray also gave praise to Mr. Knight for his leadership. Ms. Creech commented that she met with some retired educators and that they also commented on the SWA Talkin' Trash programs and recycling efforts in the schools. Mr. Knight commended Mr. Hilling, Mr. Martin and Mr. Calhoun for a job well done. He stated the landfill staff took pride in their work and wanted to thank them personally.

Finance and Administration Update

Mrs. Crump presented the Finance & Administration reports to the Board, which was included as Pages 27-45 in the Board Packet.

Sonoco Contract Update – Mrs. Crump gave a brief update on the Sonoco contract. She stated in 2011, the SWA solicited requests for an alternative approach and strategies to increase tonnage at the MRF. Mrs. Crump indicated initially two (2) companies responded to the request Sonoco Recycling and Recovery, Inc. She stated Sonoco received the contract. Mrs. Crump indicated the contract was to process and market recyclable material. She indicated the contract was initiated on January 1, 2012, and stated the term of the contract was two years with three, one year automatic renewals. Mrs. Crump indicated in the contract Sonoco received exclusive rights to market all material generated through and by Sonoco. Mrs. Crump indicated Sonoco would provide up to 500 tons of commingle material per month as agreed upon by both parties. She stated the SWA could buy baling wire at Sonoco's cost. Mrs. Crump commented that Sonoco would provide the SWA with educational material. She stated the contract could be terminated in the event of a material breach of the terms within thirty days written notice. She indicated that the contract could also be terminated in the event of adverse market conditions or the contract not being financially beneficial or feasible to the parties. Mrs. Crump acknowledged the SWA would reimburse Sonoco for the freight and cost of the material that they were providing to the SWA. She commented that the SWA also agreed to pay a \$5.00 marketing fee for every ton sold through Sonoco. Mrs. Crump indicated for FY2013, 13,364.44 tons were sold to Sonoco. Mrs. Crump reviewed the volume of material processed and sold and stated the SWA paid \$89,794.20 to Sonoco for material cost. Mrs. Crump indicated the marketing fee was \$66,822.20 (5.00 X 13,364.44). She discussed the amount of revenue the SWA would receive with and without the Sonoco contract. Mrs. Crump indicated the estimated net profit with the Sonoco contract was \$758,196.23, and stated the estimated net profit without the Sonoco contract was \$619,655.31, which calculated to an estimated increase of \$138,540.92. Mrs. Crump stated in staff's opinion the contract was very beneficial to the MRF. Mr. Thompson asked for clarification on item #10 of the contract which states the contract can be terminated in the event of adverse market conditions that result in the Agreement not being financially

beneficial or feasible to the parties. Mr. Thompson asked if Sonoco did not fulfill their obligation would the contract be null and void. Mrs. Crump stated during contract negotiations discussion was held regarding the possibility of the contract being voided if either party could not fulfill their part of the contract. She stated the contract generally depended on commodity market prices. Ms. Creech asked about the contamination of the material. Mrs. Crump replied some loads contained contamination but this was addressed on a case by case basis. Mrs. Crump stated higher volumes of material usually result in the higher volumes of reject material. Ms. Creech asked where the material was coming from. Mrs. Crump indicated that material comes from Florence County and Hartsville. Mr. Jones asked in the future would Sonoco bring additional material. Mrs. Crump stated she had spoken with Mr. Grant from Sonoco regarding this matter.

Monthly Finance Reports – Mrs. Crump stated net income for July was \$488,596.53. She indicated The Store had \$2,100 in net income for the month of July. She stated operating expenses were at 6.6% of budget and the Unincorporated System is at 5% through the first month of the fiscal year. Mrs. Crump indicated tipping fees for July was \$50,000 over last year. She stated during the month of July MSW was at 12.5% of budget and mixed construction was at 8% of budget. Mrs. Crump indicated the MRF recyclables tonnage for July was down. She stated the C&D Recycling Facility, had not met their goal of 25% of the incoming C&D being processed through the facility, but still had a 62% recycling rate.

Special Projects & Governmental Affairs Update

Mr. Bessant presented an update on various projects in which were included as Pages 46-77 of the Board Packet.

C&D Recycling Designated Facilities Update – Mr. Bessant offered separate reports for Lee Disposal and EZ-Dump concerning the C&D Recycling Incentive Program, Mr. Bessant stated for July, the total tons of material received from Lee Disposal was 617.79 tons, of which, 445.99 tons was recycled. Mr. Bessant indicated the total incentive tons for July was 151.68 tons. He stated the reduction in tipping fees to the designated C&D hauler was \$758.40 for July. Mr. Bessant indicated Lee Disposal's year-to-date tonnage for the program was 617.79. He commented that the total tons of concrete recycled for July was 445.99 tons. Mr. Bessant stated the year-to-date recycling tonnage was 72.2%. He indicated the year-to-date recycling tonnage without concrete was 144.62 or 45.7%. Mr. Bessant stated the year-to-date recycling credit in tipping fees to Lee Disposal was \$758.40.

Mr. Bessant stated for FY2014, the total tonnage of material received from EZ-Dump was 750.41 tons. He commented that the total tons of concrete recycled for FY2014 was 102.27 tons. Mr. Bessant stated the FY2014 recycling tonnage was 248.87 or 33.2%. He indicated the FY2014 recycling tonnage without concrete was 146.60 or 22.6%. Mr. Bessant stated the FY2014 recycling credit in tipping fees to EZ-Dump was \$0. Mr. Campbell asked what tonnage figures Mr. Bessant had for the calendar year for Lee Disposal. Mr. Bessant stated January through August Lee Disposal processed 81% of the material at their facility and EZ-Dump processed 50% the material at their facility. Ms. Creech asked how many tons of the material EZ-Dump was processing. Mr. Bessant stated EZ-Dump was recycling 700 tons a month.

Recycling Incentive Programs Update – Concerning the recycling incentives, Mr. Bessant indicated the following incentives were given by the SWA: MSW Recycling \$26,989.66, C&D

Recycling Facility \$6,729.85, C&D Designated Facilities \$758.40 He stated the total incentive saving year-to-date for SWA customers was \$34,477.91.

Association of Counties Meeting Update – Mr. Bessant informed the group of the Association of Counties Annual Meeting in Hilton Head, SC on August 5-6, 2013. He and Mr. Knight attended several workshops on the anti-flow control legislation, bonds and the effects of home rule. Mr. Bessant indicated that the Association of Counties hired an independent law firm, Pope and Ziegler, to educate South Carolinians on the effects on flow control in home rule.

Flow Control Update – Mr. Bessant reviewed information in the Board Packets from the law firm of Pope and Ziegler. He stated Margaret Pope was a bonding attorney. Mr. Bessant indicated that the Association of Counties started a statewide campaign called “Don’t Dump on South Carolina”. He stated the Association of Counties had requested the SWA pass a resolution stating Horry County would continue its unwavering opposition to H.3290 and S.203. Mr. Bessant asked the Board to support this resolution. Mr. Campbell asked if the Association of Counties had retained this law firm as a consultant. Mr. Bessant stated that was correct. Mr. Long asked about taking C&D out of the resolution. Mr. Knight indicated at this time the Association of Counties wanted those who had a vested interest in flow control to refrain from making any decision for or against C&D until the issue was thoroughly studied.

Mr. Jones moved to accept staff recommendation to support the resolution opposing House Bill 3290 and Senate Bill 203 currently pending before the South Carolina General Assembly. There was a second by Mr. Campbell the Motion was carried unanimously.

Executive Director Update

Mr. Knight briefly discussed the following items with the Board on Page 78 in the Board Packet.

I&R Committee Meeting Update – Mr. Knight stated he, staff and members of the Board attended the I&R Committee meeting held on August 8, 2013, at which Mr. Gosnell gave a presentation on the incentive program. He indicated the I&R Committee had questions about the recycling incentive to include why Horry County needed to sign a five-year contract if the SWA was already a branch of the County. The I&R Committee also had questions about why the contract had a clause that allowed the SWA the ability to terminate if not in the best interest of the SWA. Mrs. Brittain explained this was a standard clause contract that governmental entities have to protect the public, a standard good faith contract.

Mr. Knight indicated the I&R Committee also discussed the need for the SWA, Economic Development Council and Coastal Rapid Transit Authority to videotape their meetings. He said the Committee suggested these agencies hold their monthly meetings at the County Administrative building. Mr. Knight commented that two County Council members indicated they did not have a problem with the SWA taping their meetings at the SWA Administrative Building.

Mr. Knight stated Chairman Cokley was at the I&R Committee meeting to address questions on the email he had written to SWA Board Members that was read by Mr. Jody Prince at the I&R Committee meeting. Mr. Knight indicated that Chairman Cokley addressed the I&R Committee and stated the email was not written with the intensity of which it was read. Chairman Cokley informed the I&R Committee the email was written expressly for SWA Board members only.

I&R Committee Chairman Jody Prince asked the County attorney to gather information on guidelines to change the SWA to a department or a County committee like the Airport Commission or the Planning and Zoning Board and to have this information at the next I&R Committee meeting.

Green Tie Event Update – Mr. Knight informed the Board of the Green Tie event to be held in Columbia, S.C. on September 18, 2013. He indicated the SWA participated in the event last year. He stated that staff had additional information if any Board Member wanted to attend.

Conservation Program Update – Mr. Knight informed the group that on September 12, 2013, at 5:30 P.M. an informal gathering of conservation groups and municipalities would be on hand to discuss what to do with the landfill after 2035. Mr. Knight stated the community could make suggestions as to what to do with the property after the landfill closed. He indicated the closed landfill would be a perfect place for the boy scouts, horse trails, walking and hiking trails. Mr. Thompson asked what restriction would be placed on the property. Mr. Knight stated there would be some restrictions, such as no trees could be planted or permanent structures erected on the property.

There were no other questions or comments on the remaining reports.

COMMITTEE REPORTS

There were no Committee Reports to come before the Board.

OLD BUSINESS

There was no Old Business to come before the Board.

NEW BUSINESS

- a. **Investments Overview** – This item was discussed earlier in the meeting following the Public Input.
- b. **Surplus Equipment Sale Recommendation** – Mr. Hilling stated staff was seeking Board approval to surplus the Cobey 355 Composter Windrow Turner. He indicated staff was requesting to surplus this item, and place it on Govdeals.com. Mr. Hilling recommended posting it for sale “as is” and needed Board approval since the item would be over \$10,000.

Mr. Thompson moved to accept staff recommendation to list the Cobey 355 Composter Windrow Turner on Govdeals.com. There was a second by Mr. Long the Motion was carried.

- c. **Roundtable** – Mr. Long asked when the Board Packet would be accessible on the iPads. Mr. Knight stated this was in progress and indicated there was a challenge with software compatibility. He stated staff was still working on this issue. Mr. Campbell asked about the funding for closure and post closure and wanted to know how to protect the funds. Mr. Knight stated he and the County Treasurer discussed the closure funding and was working toward a solution.

MOTION TO ADJOURN

There being no further business to come before the Board, **Mr. Long moved, seconded by Mr. Thompson to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 7:15 P.M.

Minutes approved on September 24, 2013.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

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

ATTEST:

_____(L. S.)
Dan P. Gray, Secretary

_____(L. S.)
J. Michael Campbell

_____(L. S.)
Pam J. Creech

_____(L. S.)
W. Norfleet Jones

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

_____(L. S.)
M. Lance Thompson