

**REPORT OF BUDGET WORKSHOP  
HORRY COUNTY SOLID WASTE AUTHORITY, INC.  
March 13, 2018**

The Horry County Solid Waste Authority, Inc. held a Budget Workshop on Tuesday, March 13, 2018, at 10:30 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: Pam J. Creech, Chairman; J. Michael Campbell, Vice Chairman; Bo Ives, Treasurer; M. Lance Thompson, Secretary and Board Members Michael H. Hughes and Samuel T. Johnson, Jr. Board Member Dan Gray was absent due to illness.

Steve Gosnell, Director of Horry County Infrastructure and Regulation attended the workshop. 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; Bill Hilling, Director, Mike Bessant; Director and other staff to include Rodney Cannon, Peggy Crawford, Nannette Powell, Richie Stetter, Stephanie Todd and Susie Wofford.

**CALL TO ORDER**

Chairman Creech called the meeting to order and asked Mr. Hughes to render the invocation.

**PLEDGE OF ALLEGIANCE**

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

**APPROVAL OF AGENDA**

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

**Mr. Campbell moved to approve the Agenda. There was a second by Mr. Hughes and the Motion was carried.**

**FY2019-2020 BUDGET DISCUSSION**

**TIPPING FEES AND REVENUE PROJECTIONS - FISCAL YEARS 2019 & 2020**

Mrs. Bitting began with a brief overview of the Operating Budget and reminded the Board the SWA prepares a two (2) year operating budget and a five (5) year capital budget. She reviewed with the Board the Summary of Revenues and advised the Board of the following changes for FY2019:

- Tipping Fees – Mrs. Bitting remarked that a 13% increase in tipping fee revenue was being proposed.
- Recyclable Material Sales – Mrs. Bitting stated there as a 10% increase in recyclable material sales being projected based on an anticipated increase in market prices as well as the SWA still receiving tonnage from Charleston County through about April 2019.
- Interest Earnings – Mrs. Bitting indicated a 16% increase was budgeted for interest earnings due to the improved rate of return currently being seen on investments.
- Waste Tire Rebate – Mrs. Bitting stated this revenue was based on funding received from the State to assist with cost related to disposal of waste tires. She stated there was

- no increase or decrease being proposed.
- Miscellaneous Container Rental – Mrs. Bitting stated a 2% increase was being budgeted for container rental.
- Landfill Gas Revenues – Mrs. Bitting stated a 25% increase was budgeted for landfill gas revenue. She stated this was due to the recent landfill gas expansion and the anticipation of more gas being captured.
- C&D Recycling – Mrs. Bitting indicated a 53% increase was being budgeted for C&D Recycling. She commented that the facility is accepting more material and staff is anticipating this will increase with the proposed increase to the incentive to utilize the facility.
- E-Waste Processing Fee – Mrs. Bitting reminded the Board that this was a pass through account and it only covers the cost to process and recycle electronic waste. She indicated an 8% increase was budgeted due to tonnage increases.
- The Store – Mrs. Bitting stated there was no changes budgeted for The Store.

Mrs. Bitting offered additional information pertaining to the increase in tipping fee revenue. She stated MSW is trending as anticipated for FY2018; therefore, no tonnage increase is proposed for FY2019. She commented that the Solid Waste Incentive was being eliminated in FY2019 and this funding would be utilized for a new recycling grant as well as to enhance the C&D Recycling Incentive. Mrs. Bitting stated a 75% increase was being proposed for Mixed Construction (C&D) tonnage. She stated it was believed that a large percentage of the Mixed Construction tonnage would go away in FY2018; however, this has not occurred. Mrs. Bitting stated this increase in tonnage accounts for the largest revenue increase for FY2019. Mrs. Bitting indicated there was a significant decrease in Clean Wood tonnage because this material is now included as a part of the C&D Recycling tonnage and is used to make the colored mulch.

### **FY2018-2019 EXPENDITURE REVIEW**

Mrs. Bitting reviewed the summary of expenditures. Under the Non-Departmental items, Mrs. Bitting indicated staff was proposing a \$1,210,000 Transfer to Designated Funds in order to allocate funds to the General Construction Account. She also pointed out the new Recycling Grant item, which utilizes a portion of the Solid Waste Incentive for grants.

Mrs. Bitting began the review of the departmental budgets and indicated all divisions, with the exception of the Disposal Division, had increases attributed to personnel cost i.e., salaries (step plan), annual bonuses, 20% increase for health insurance, 20% increase for worker's compensation insurance, an increase in retirement for employers, the step plan and the proposed changes presented to the Board during the Board Workshop.

Mrs. Bitting informed the Board there were two changes regarding personnel. She indicated one (1) position was added during FY2018 to employ full-time person at the Household Hazardous Waste facility. She indicated the other change pertained to the Director of Operations & Planning position being unfunded for FY2019.

### **FINANCE AND ADMINISTRATION DIVISION**

Mrs. Bitting indicated there was a \$6,700 increase in Training & Certification as well as an approximate \$18,000 increase in Travel & Lodging for the Board of Directors Department, which was due to the increased cost for conferences and travel costs. She stated there was a \$50,000 increase in the Consulting & Miscellaneous for the performance of a Waste Study in

FY2019. Mrs. Bitting indicated there was \$30,000 increase in the Buildings Maintenance & Repair account Administrative Department to cover cost related to various repairs needed in the Administrative Building. She advised the Board of the \$3,000 increase to office supplies for the Finance Department due to increased costs of supplies. Mrs. Bitting indicated there was a decrease of \$5,000 in Merchant Fees due to lower usage of credit cards. Under the Non-Departmental Budget, Mrs. Bitting again pointed out the inclusion of the Transfer to Designated Accounts as well as the new Recycling Grant. She also stated there was an increase in the Horry County Community Waste Disposal Fee due to the estimated tonnage increases.

### **OPERATIONS AND PLANNING DIVISION**

Mr. Hilling began with a review of the Environmental Management Department and stated there was only one significant change that Mrs. Todd would address. Mrs. Todd advised the Board that there was a \$25,000 increase in Engineering costs due to the new source performance standards which requires compliance reporting and the expiration of the Title V in December 2018, which will require the incorporation of the new subpart triple X rules. Mr. Hughes commented the FY2020 reflected a decrease in Engineering and asked if these were one time costs. Mrs. Todd replied that Engineering costs were decreased for FY2020 because the Title V permit would have been attained and would not require renewal for another five years.

Mr. Hilling stated the Landfill Department had a \$25,000 increase in Regular Pay – Temporary to cover costs associated with part-time operators whenever staffing levels are down or for special projects. Mr. Ives stated the amount was doubling. Mr. Hilling stated that was correct and indicated this account was short this year primarily due to the concrete crushing this year. Mr. Hilling stated there was an increase in Water & Sewer of \$11,000 primarily due to the mulch coloring process which utilizes a great deal of water. Mr. Hilling stated there was a \$43,000 increase in Contractual Services – Waste Tires which is due to the continual increase in waste tire tonnage. He indicated there was a \$10,000 decrease in Contractual Services – Concrete Crushing due to better pricing. Mr. Hilling advised there was a \$31,000 increase for Contractual Services – Laborers which covers the cost of picking up litter on the landfill and Highway 90. He advised the Board that the Landfill hardly ever receives assistance through the County's Inmate Labor program. Mr. Hilling commented there was a slight increase in Sustainment Contracts due to the TM&R contract for the recently purchased compactor. He indicated there was also a \$10,000 increase to Tires to cover the cost of replacing off-road tires.

In the Yard Waste Department, Mr. Hilling stated the Equipment Maintenance account decreased by \$72,500, due to the sale of the old grinder and the purchase of a new grinder, which has a full one-year warranty and the purchase of an additional five (5) year extended warranty.

Mr. Hilling then reviewed changes to the Construction & Demolition Department and commented that Equipment Maintenance was increased \$7,500 due to cost incurred in maintaining several older pieces of equipment. Mrs. Bitting also noted both the Landfill Closure and Post-Closure Cost accounts reflected increases due to the increase in tonnage.

Mr. Hilling discussed changes in the C&D Recycling Department and stated there was a decrease of \$50,000. He stated that during FY2018, there was a need to make up for loss airspace resulting from rejects from Charleston County. He indicated this was completed by hauling material to Sandlands Landfill. Mr. Hilling advised the Board there was an increase of \$38,000 in Contractual Services – Laborers due to increasing the number of laborers working

on the sort line to handle the additional tonnage. He indicated there was an increase of \$12,000 in Equipment Maintenance due to cost associated with maintaining older equipment. Mr. Hilling commented there was a \$3,500 increase in Grounds Maintenance to ensure the area around the C&D Recycling Facility is maintained. Mr. Hilling stated the Small Equipment – Capitalized, should reflect a \$20,000 decrease, in that all containers were purchased in FY2018. Mrs. Bitting indicated she would make that correction.

Mr. Hilling then reviewed the Maintenance Shop Department budget and indicated there was a \$23,000 increase in Overtime. He indicated the Maintenance staff handles a significant amount of maintenance issues at the MRF due to the Charleston contract. He indicated most of this work is completed on Saturday's and Sunday's to avoid shutting down the line during the week. Mrs. Creech stated that once the Charleston contract has ended, this number should decrease. Mr. Hilling concurred. Mr. Ives suggested the FY2020 Overtime amount should be revised to reflect the decrease.

Mr. Hilling continued and indicated that there was an increase in Training & Certification of \$3,500, to ensure mechanics are trained routinely on equipment maintenance and the application of various software programs. He indicated Equipment Maintenance was increased by \$15,000 to reflect the addition of three (3) pieces of equipment being added to this department. Mr. Hilling commented that funding for Maintenance Contracts had been increased by \$5,700 to coincide with training and the use of two new computer software programs being used to diagnose equipment problems. Mr. Hilling advised the Board that Travel & Lodging was increased by \$4,500 due to the additional travel related to additional staff training. Mr. Hilling stated Fuel & Lubricants as well as Tires had been increased by \$6,100 and \$3,500, respectively, due to the addition of the three (3) pieces of equipment to the department.

There was a short break at 11:20A.M. The meeting resumed at 11:40A.M.

### **PUBLIC EDUCATION AND CORPORATE AFFAIRS DIVISION**

Mrs. Murphy stated with the exception of the personnel costs changes mentioned by Mrs. Bitting, the Public Education and Recycling and Corporate Affairs Departments had minimal changes to the budgets. She indicated where possible, staff attempted to offset any increases to the budget by making reductions in other areas. In the Public Education Department Mrs. Murphy indicated Small Equipment – Non Capitalized had a decrease of \$2,250, which is due to a decrease in the cost of non-capital equipment slated to be purchased in FY2019. She indicated there was a \$1,000 increase in Printing to cover the cost for the purchase of container labels. Mrs. Murphy stated there was a \$1,500 increase in Field Trips for students due to an increase in the number of school tours. She stated there was also a small increase in Fuel & Lubricants due to increased fuel costs.

Regarding the Corporate Affairs Department, Mrs. Murphy indicated there was an increase of \$500 in Equipment Rental which was directly related to the lease agreements for the copiers. She stated there was a slight increase in Small Equipment – Non-Capitalized due to proposed non-capital equipment purchases. Mrs. Murphy discussed the Promotions & Public Relations account and indicated no increase was being requested at this time. She commented that staff will continue to utilize all media/public relation avenues which have limited to no cost associated with advertising. Mrs. Creech applauded staff's efforts to maintain the current level of funding, but indicated it was imperative the recycling message continue to be taught and

remains visible. She advised staff to let the Board know if additional funding was needed in the future.

### **RECYCLING SERVICES AND SPECIAL PROJECTS**

Mr. Bessant began with a review of the Material Recycling Facility (MRF) budget. He stated there was an increase of \$18,000 for Overtime, which was primarily related to the upcoming rebuild of the processing system. Mr. Bessant pointed out that in FY2019, Overtime costs would decrease to \$3,000 due to the end of the Charleston contract. Mr. Bessant stated there was a \$85,000 decrease in Tipping Fees – Rejects due to the decrease in the amount of rejects. Mr. Bessant advised the Board that the \$7,000 increase in Contractual Services – Laborers was due to there still being challenges regarding maintaining contract laborers and indicated there may be a need to increase the hourly wage. Mr. Bessant indicated there was a \$10,000 increase in Materials & Supplies, which is primarily due to the cost of wire as well as the number of filters used to maintain the HVAC systems. He stated there was a \$75,000 increase in Building Maintenance and Repair, which would be utilized in the event one of the air conditioning units need to be replaced. Mr. Bessant estimated the cost to replace one unit was \$60,000. Mr. Bessant stated Fuel & Lubricants as well as Tires had been increased by \$10,000 and \$20,000, respectively, which was directly related to maintenance for the 914 loader.

Mr. Bessant then reviewed the Collections & Hauling Department budget. He indicated there was a \$5,000 increase in Equipment Maintenance and a \$22,000 increase Fuel & Lubricants, based on historical trends.

Mr. Hughes asked about the reduction in Salaries from FY2018 to FY2019 in the MRF department. Mrs. Bitting commented this was due to the elimination of the Manager position in that department. She stated funding for this position is being utilized for the Maintenance Supervisor position which has a lower salary.

Mrs. Bitting commented that staff has done an excellent job in the preparation of the proposed budget and stated overall the budget increased just 3.2%, which includes significant increases to health insurance, worker's compensation, etc.

### **FUND 06 - UNINCORPORATED COLLECTION SYSTEM DIVISION**

Mrs. Bitting reminded the Board that the Unincorporated Collection System, or Fund 6, is the fund by which the SWA manages the convenience centers for Horry County. She stated staff completed the budget for Fund 6, which was subsequently sent to Mr. Gosnell for review and input. Mrs. Bitting stated this budget would be presented to County Council at their budget retreat.

### **CAPITAL BUDGET/DESIGNATED FUNDS**

Mrs. Bitting offered an overview of the Capital Budget request and reviewed several significant purchases slated for FY2019. She indicated one of the largest expenditures would be the replacement of the SWA's main entrance, at a cost of \$1,000,000. She stated funding for this project would be allocated from the Construction & Development account. Mrs. Bitting reminded the group that the Construction & Development account does not receive routine allocations, therefore there is no way for this account to grow. Mrs. Bitting stated this was the reasoning that staff was budgeting a transfer into this fund. In addition to the main entrance road replacement, Mrs. Bitting commented work was also slated to be performed on Environmental Parkway during FY2019.

Mr. Ives asked about the Piggyback Phase III Permit Application. Mr. Hilling commented that the \$450,000 was solely related to engineering cost for the permit application. He stated these costs would be spread out over the timeframe it would take to obtain the permit for Piggyback Phase III. Mr. Campbell asked about the proposed timeline to obtain the permit. Mr. Hilling indicated the first Piggyback permit took ten years to obtain, but those involved were hopeful this permit could be obtained in five years. General discussion ensued regarding the permit process.

Mrs. Bitting then discussed the \$3,000,000 budgeted for the rebuild of the single stream sort system at the MRF. She explained this would be a rebuild of the system because the cost to replace the single stream sort system would have been \$6,000,000. Mr. Bessant further explained that the project would upgrade sections of the processing line to improve the overall quality of the recyclables being processed while reducing overall maintenance costs. He commented this would include the installation of new belts, bearings, pans, etc. Mr. Bessant indicated the goal would be to first upgrade the conveyor lines and then, depending upon how much funding remained, upgrade the processing equipment. He stated parts of the project would be performed by an outside vendor and other items would be completed by SWA staff. Discussion followed on possible equipment upgrades.

Mr. Knight asked Mrs. Bitting to review the different funding sources. Mrs. Bitting explained funding source "A" was the Equipment Replacement Fund which would cover cost associated with purchasing existing equipment. She stated source "B" was the Designated Closure Fund and pertained to anything related to the landfill closure. Mrs. Bitting stated funding source "C" was the General Construction and Development fund, which handles infrastructure items. She explained source "D", was the Landfill Construction, which covered construction projects, such as the Piggyback Expansion project. She said funding source "E" was Undesignated Cash Funds. Items with this funding source would be purchased only when funds are available.

Mr. Thompson commented on the tipping floor repair expenditure and asked if this was the same floor that was recently repaired. Mr. Bessant stated this was a different area of the tipping floor that had not yet been repaired.

General discussion ensued regarding the Equipment Replacement Fund. Mrs. Bitting explained that it is projected that by June 30, 2019, this fund would be \$143,332 in the negative. She commented this included the proposed transfer of \$510,000 into this account during the year. Mrs. Bitting commented the account is depleting because equipment is depreciated at the purchase cost; however, when it is replaced, it is at a higher amount than the purchase price. She stated staff routinely monitor equipment purchases to ensure the best price is obtained, as well as monitor when and if equipment is replaced. General discussion ensued.

Mrs. Bitting stated over the course of the next two years staff would be working to build up both the General Construction & Development Fund and the Equipment Replacement Fund through transfers to these accounts.

Mrs. Bitting advised the Board that the budget figures have been provided to the County and they would be discussed at the County's budget retreat. She indicated the next step in the process would be to hold a public hearing on the budget and subsequently send it to the Board for consideration and approval.

### Salary Step Plan

**Mr. Ives made a Motion to implement the Pay Scale Proposal presented at the March 12, 2018, Board Workshop, over the course of four years.**

Mr. Hughes expressed concern regarding the grades and steps and asked for clarification on whether the grades or steps were changed. Mrs. Bitting commented that neither the grades nor the steps were change at all. She stated positions were placed into new grades; however, the overall grades and steps were not changed. Mr. Hughes asked, since the job performance did not change, what mechanism was utilized to determine who was placed into which grade. Mrs. Bitting stated once the minimum salaries for each position was compared to those at the County and other agencies, the position was moved into the grade that best matched the new minimum. Mr. Hughes asked if that meant everyone would move up or down a grade. Mrs. Bitting indicated that was correct and stated that everyone moved up a grade. She stated that every minimum in every position moved up. Mr. Hughes clarified that there was no formula used and that the staff used the County's plan and compared the SWA position to the County position and arbitrarily decided what would fit that grade. Mrs. Bitting indicated that was correct. Mr. Hughes stated he just wanted to confirm that individuals were placed in the step closest to their current salary and were not bumped down a grade. Mrs. Bitting stated because the SWA's minimum salaries were so much lower, no one went down a grade. Mr. Hughes restated that employees were placed in the closest step that they were currently in without being arbitrarily placed in a different step.

Mr. Thompson asked Mrs. Bitting to take one position and walk the Board through the process. He commented that looking through the material there were big differences between several of them, whereby some were placed in lower steps, while others remained in the same step. Mr. Johnson asked for a copy of the step plan to be able to follow along. Mrs. Bitting reviewed with the group HEO III position and stated the current minimum for the HEO III position was \$29,620, as compared to Horry County's minimum which is \$32,956.

Mr. Johnson asked why would someone be willing to back up several steps when this represented their years of service. Mrs. Bitting replied this was done due to cost. She commented that several years ago when the step plan was originally started, employees were placed in the step that corresponded to their years of service. Mrs. Bitting explained in order to do that now and raise the minimum salary, the SWA could not afford it. Mr. Johnson stated he understood that; however, why would someone be willing to back up. Mrs. Bitting responded that the employee would receive more each year in their merit increase by raising the minimum salary, whereby instead of receiving 3% on \$29,000 they would be receiving 3% on the new minimum of \$32,000. She commented this would give them more each year in their annual increase. Mrs. Bitting indicated the initial goal was to raise everyone's minimum salary to where it needed to be, therefore, in the event the position was vacated the SWA would hopefully be able to fill the position with a qualified person, which is currently an issue.

Mr. Johnson commented that with the SWA's objective to maintain employees, why would employees be given 3% of the minimum instead of 3% of their current salary. Mr. Knight replied that when the step plan was implemented, the Board discussed this. He stated the Board preferred this option because it did not compound the increases. Ms. Creech remarked that the giving 3% on the current salary would not be sustainable.

Mr. Ives commented that 3% is used uniformly and suggested the possibility of giving

supervisors a range to use in determining who may receive a 1% increase or who would receive a 5% increase based on their performance. Mr. Knight stated that type system would be based on the supervisor's discretion. He stated supervisors currently have the ability to give an employee 3% or nothing, based on the employee's job performance.

Mr. Hughes indicated he was familiar with a performance-based merit program whereby an employee would receive an 1-3% increase dependent upon their performance but the increase would be calculated based on their current salary, not their minimum. Mr. Knight commented that if an employee were given a 1% increase, it would not coincide with the step plan. Mr. Hughes stated the type plan he was discussing would be in lieu of a step plan. Mr. Hughes indicated the type plan he was referring to would motivate people to strive to be at the top because they would receive a higher merit increase based on their performance. He stated anyone who received 1% one year would strive to perform better in order to receive a higher merit increase the next year. Mr. Hughes remarked that the current system is more like a satisfactory checklist and if you meet all the check-offs, you will receive a 3% increase, even though one employee may work harder than another. Mr. Hughes stated he understood this was the plan that was put in place several years ago. Mr. Hughes stated he was not trying to eliminate the step plan and that he was only discussing the matter. Mr. Knight stated if the step plan was not put into place several years ago, getting employees to the minimum today would be 3-4 times the cost. Mr. Johnson asked how did the SWA's 3% of the minimum compare to the County's merit program. Mr. Gosnell indicated that the County does not utilize a step plan and stated the County's merit increases are based on 3% of the current salary. Mr. Johnson stated his business bases increases on a percentage of current salary, similar to the County. He concurred with Mr. Hughes comments and stated the flat rate does not give employees the incentive to move their salary. Mr. Johnson calculated, based on the minimum salary for Grade 7 - \$20,184, 3% of the minimum equates to \$11.64. He commented once 25% is taken for taxes that would leave a raise of \$8.50. Mr. Johnson stated the SWA would not keep employees at \$8.50 and commented if the SWA was making these changes in order to retain employees this would not work. Mr. Knight stated it was not retention as much as it was raising the minimums to enable hiring and asked Mrs. Bitting to return to the review of the HEO III position and walk the Board through the process.

Mrs. Bitting again stated that the current salary for a SWA HEO III position was \$29,620, as compared to Horry County's minimum which is \$32,956. She stated staff then found a grade, closest to \$32,956 without going under, which was a Grade 17 with a minimum of \$33,666. Mrs. Bitting referenced HEO III #26 and explained this employee would be moved from the current Grade 14 to Grade 17. Mrs. Bitting then explained that HEO III #26 had to be placed on a step in Grade 17, which was closest to their current salary of \$42,952, without going under. This placed HEO III #26 on Step 10 in Grade 17, with the salary of \$43,765.80. Mrs. Bitting again stated there were no changes to the grades or steps and indicated employees were placed in a new grade/step based on the new minimum salaries.

Mr. Ives concurred with Mr. Thompson's statement from the Board Workshop, that some long-term employees may be unhappy that more recent hires will receive a larger increase than them. Mr. Ives commented that the proposed changes were not unreasonable, but at the same time could cause some turmoil. Mrs. Bitting agreed and said if staff had placed employees in the same step they were currently in as mentioned by Mr. Johnson, it would have maintained some distance between long time employees and new hires; however, cost wise was it something the SWA could not do. Ms. Creech offered comments regarding the differences between the public

and private sections. She stated she did not believe any system would be 100% fair in one's perception.

Mr. Ives returned to his Motion and stated morale issues may not be as big an issue if the proposed plan was implemented over four years as opposed to a one-time jump. Mr. Johnson stated you would then be dealing with morale issues four times instead of just one. Mr. Knight expressed the need to make the step plan work and commented that if the plan was implemented as proposed by Mr. Ives, it would take four years to get an employee's salary to where it should be now. Mr. Campbell suggested implementing it over two years instead of four and adjusting others to the new minimum based on circumstances. Mr. Knight indicated any change should happen to the entire base and not one or two people and stated staff had attempted to develop a plan that worked within the budget.

Mr. Thompson asked if all the positions were treated exactly the same and Mrs. Bitting indicated they were. Mr. Thompson asked if there were any modifications made to any positions. Mrs. Bitting indicated there were about four positions that were out of line and adjustments were made to them. Mr. Ives commented maybe those four positions should be handled over the course of four years. Mrs. Bitting stated those four positions had been out of line for several years and needed to be caught up to the other employees in the same position.

Mr. Johnson asked if the proposed salary step plan had been incorporated into the FY2019 budget, to include the \$22,000 savings. Mrs. Bitting said it has been.

Mr. Thompson commented that he was all in favor of the reorganization and believed it was a wonderful utilization of resources. Mr. Thompson indicated that Mr. Hughes' comments were in sync with his, in regard to the type compensation plan he was familiar with, whereby the grades are internal comparisons to which positions have more responsibility or authority and the range may shift over time, depending on cost of living/market conditions. Mr. Thompson stated the concern he has centers on the fact that the step plan was developed several years ago and to do anything different now would be a huge undertaking. He indicated he has a better understanding to the process and would support what was presented. Mr. Thompson stated it was not a perfect system, but he could support what was presented.

**Ms. Creech asked for a second to Mr. Ives Motion. The Motion failed for lack of a second.**

**Mr. Hughes moved to accept staff's recommendation on the Salary Step Plan and move forward with the plan as prepared. Mr. Campbell seconded the Motion and it was unanimously carried.**

Mr. Ives thanked staff for their hard work.

Mr. Ives informed the group of his conversation with Mr. Knight and Mr. Bessant regarding a demonstration project to get restaurants to recycle. He asked about the possibility of this being funded in the FY2019 budget. Mr. Knight indicated funding was included in the FY2019 for the recycling grant programs.

Mrs. Bitting indicated the next step in the budget process would be to hold public input in May, with final approval of the budget slated for the May Board meeting. Ms. Creech asked if it would go to Council. Mrs. Bitting stated County Council already has the SWA budget and

when they approve their budget they would also approve the SWA budget. Mrs. Bitting stated the SWA was not on the agenda for County Council's retreat agenda.

**MOTION TO ADJOURN**

There being no further business to come before the Board, **Mr. Hughes moved, seconded by Mr. Johnson to adjourn the meeting. The Motion was carried** and the Workshop was adjourned at 12:20P.M.

Minutes approved on March 27, 2018.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: \_\_\_\_\_(L. S.)  
Pam J. Creech, Chairman

ATTEST:

\_\_\_\_\_(L. S.)  
M. Lance Thompson, Secretary

\_\_\_\_\_(L. S.)  
Dan P. Gray

\_\_\_\_\_(L. S.)  
J. Michael Campbell

\_\_\_\_\_(L. S.)  
Bo Ives

\_\_\_\_\_(L. S.)  
Michael H. Hughes

\_\_\_\_\_(L. S.)  
Samuel T. Johnson, Jr.