

REPORT OF FINANCE & ADMINISTRATION COMMITTEE MEETING

November 20, 2013

A meeting of the Finance & Administration Committee was held on Wednesday, November 20, 2013 at 10:00 A.M. at the Authority's Administrative Office in Conway, South Carolina. In accordance with SWA policy, notices setting forth the date, time and place of the meeting were mailed to the news media.

Present were Committee Chairman Lance Thompson and Committee Members Pam Creech and Rev. James Cokley via Facetime. Also in attendance were Board Members Dan Gray, Mike Campbell, Executive Director Danny Knight, Assistant Executive Director Mike Bessant, Directors Donna Crump, Bill Hilling, Esther Murphy, Deputy Director Jan Bitting, and Administrative Assistant Cecil Terry. There were no members of the media in attendance.

County Flow Control Ordinance Discussion

Mr. Thompson opened the meeting with a prayer and the Pledge of Allegiance. He then asked staff to proceed with the Agenda.

Mr. Bessant updated the committee on the Flow Control Ordinance. He stated that Horry County Council is considering an amendment to the Flow Control Ordinance that would eliminate C&D material from the ordinance. He stated that this amendment was going to be brought before the Horry County I&R Committee on Thursday, November 21 and would then go before the entire Council for three readings. He stated that the anticipated date this amendment would take effect would be February 1, 2014.

Mr. Bessant explained that since the SWA Board is meeting early in December and will not meet again until the end of January, the SWA needed to have a plan in place prior to February 1 as to what reductions will need to be made due to the loss of C&D material. He went on to explain that staff estimates losing 35,000 tons of C&D material based on the historical data of three major haulers that did not utilize the SWA prior to the Flow Control Ordinance. These three haulers are Lee Disposal, Express Disposal, and E-Z Dump.

Mr. Thompson asked how much C&D material does the SWA currently budget for and Mr. Bessant stated 90,000 tons, therefore this would be about a 40% reduction. Rev. Cokley asked if any of the other major haulers are expected to haul their material out of the County. Mr. Bessant stated that according to historical data that was not anticipated; however, there may be some other smaller companies that may.

Mr. Knight stated that he asked County Council not to implement this amendment in the middle of a budget year. He explained that we hope we will not have to make these reductions but that we have to have a plan in place.

Mrs. Bitting reviewed the cut sheet with the following recommendations:

• Waste Disposal Fee (\$2.25/ton)	\$78,750
• Closure Costs (\$3.63/ton)	\$127,050
• Post Closure Costs (\$1.73/ton)	\$62,300
• Future Landfill Construction (\$.89/ton)	\$31,150
• Waste Diversion (\$.25/ton)	\$70,000
• Recycling Incentive (\$5.00/ton)	\$50,000
• 5 Positions	\$279,500
• Consulting	\$133,000
• HHW	\$100,000

Mrs. Bitting explained that of the five positions to be cut four of them are currently vacant or will be by February 1. She stated that the HHW program will not be eliminated and stated staff was recommending implementing a tipping fee associated with this material.

Mr. Thompson stated that he felt staff had done a very good job of putting together a plan that the Committee would review.

Mr. Bessant reviewed with the Committee the information from the Operations & Planning Committee meeting regarding the purchase of a used grinder. He explained that staff has recommended purchasing a used grinder instead of a compactor that was budgeted. He stated that staff felt the compactor purchase could be pushed out another year; however, to keep up with the grinding needs, another grinder was needed. Mr. Bessant explained that any unbudgeted item over \$50,000 must be approved by Horry County Council.

Mrs. Bitting distributed a copy of the draft Audit RFP and asked the Committee to review the document and submit comments and/or revisions to staff. She anticipated the RFP would be advertised on or about December 12, 2013.

There being no further business to come before the Committee, the meeting was adjourned at 10:50 A.M.