

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
March 26, 2013**

The Horry County Solid Waste Authority, Inc. held a Regular Meeting on Tuesday, March 26, 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: Danny J. Hardee, Chairman; M. Lance Thompson, Board Treasurer; Basem E. Hilal, Board Secretary; and Board Members J. Michael Campbell, John R. Long, II, and Dan P. Gray. Vice Chairman Rev. James H. Cokley was absent due to a prior commitment.

Ex Officio Members Steve Gosnell and Bill Graham were not in attendance. Highway 90 Liaison Michael Hughes and North Myrtle Beach Chamber of Commerce representatives Ed Horton, Marc Jordan and Rick Elliott represented the public attending the meeting. There were no members of the media in attendance.

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

CALL TO ORDER

Chairman Hardee called the meeting to order and asked Mr. Gray to render the invocation.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

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

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

APPROVAL OF MINUTES

Chairman Hardee asked for any question on or amendments to the Minutes of the Regular Meeting held on February 26, 2013, as contained in the Agenda Packet.

Mr. Long moved to approve of the Minutes of the February 26, 2013, Regular Board Meeting. There was a second by Mr. Gray and the Motion was carried.

Chairman Hardee asked for any question on or amendments to the Minutes of the Workshop held on March 12, 2013, as contained in the Agenda Packet.

Mr. Hilal moved to approve the Minutes of the Workshop held on March 12, 2013. There was a second by Mr. Campbell and was the Motion unanimously approved.

PUBLIC INPUT

There were no speakers to present Public Input.

Chairman Hardee indicated there were several representatives from the North Myrtle Beach Chamber of Commerce in attendance to make a presentation during the New Business portion of the meeting. Chairman Hardee asked the Board to allow them to make their presentation before the departmental reports and the Board agreed. He then asked Mr. Rick Elliott to begin the presentation.

NEW BUSINESS

a. NMB Chamber of Commerce Presentation – Mr. Elliott thanked the Board for the opportunity to speak regarding the North Myrtle Beach (NMB) Chamber of Commerce’s “*Building North Myrtle Beach*” initiative. Mr. Elliott informed the Board that a few years ago several local business people met to discuss what could be done to grow the economy in NMB. He advised the Board that the NMB Chamber needs businesses, such as the Solid Waste Authority, to work together to build NMB. He indicated the “*Building North Myrtle Beach*” initiative includes three (3) strategies which relate to the visitor/tourism economy, diversification of the economy and sustainable growth and development of the NMB Chamber. Mr. Elliott stated things have progressed well over the past several years and indicated the NMB Chamber was seeking assistance from the SWA and was hopeful that the SWA would participate in the initiative. Mr. Elliott then asked Mr. Ed Horton, Chairman of the Strategic Planning Committee for the “*Building North Myrtle Beach*” initiative to offer additional information to the Board.

Mr. Horton thanked the Board for their consideration and time and generally discussed the plan developed by the strategic planning committee on how to grow the NMB economy. He stated the committee developed a listing of the goals they wished to accomplish and determined funding would be necessary to accomplish these goals. Mr. Horton stated the strategic planning committee consisted of approximately 20 leaders from the community and various businesses who developed the three (3) strategies referenced by Mr. Elliott. Mr. Horton advised the Board that the NMB Chamber would be grateful for any assistance the SWA may be able to offer.

Mr. Marc Jordan then presented an overview of the strategies of the “*Building North Myrtle Beach*” initiative, and indicated the NMB Chamber must grow the economy by capitalizing on core strengths, diversifying and being proactive in strategic planning. He indicated the “*Building North Myrtle Beach*” initiative is a five year plan and generally reviewed the three (3) strategies as follows:

1. ***Grow our North Myrtle Beach visitor and destination market*** - Mr. Jordan reviewed with the group the listing of businesses which have joined in and are assisting with this strategy. He indicated this group is comprised of more than 50 individuals from across Horry County. Mr. Jordan stated the group estimated that approximately \$2.5 Million could be raised over five years to fund this strategy and commented that the 50

individuals listed were also contributors. He advised the Board that those tourism related businesses volunteered to contribute \$1 per room night to the Marketing Co-op fund for use to increase out-of-state advertising and special needs identified by the campaign. Mr. Jordan stated approximately \$2 Million of the \$2.5 Million budget has already been raised by this group. He reminded the Board that this funding is restricted and could only be used as designated above.

2. ***Diversify the North Myrtle Beach economy*** – Mr. Jordan indicated that a five year investment of \$500,000 had been formulated for this strategy. He stated this strategy would develop a shared long-range economic and community development vision for NMB to assure sustainable development built around the positive factors of a “Green Economy”. Mr. Jordan stated the Chamber is working in conjunction with the Myrtle Beach Regional Economic Development Corporation on this strategy. Mr. Jordan also advised the Board that the Chamber has employed Mr. Richard Davis and Mr. Wayne Beam as the group’s lobbyist.
3. ***Equip the Chamber to function as focal point for sustainable growth and development*** – Mr. Jordan stated this strategy pertained to the relocation and expansion of a headquarters and indicated this was last on the listing of strategies. This strategy has a proposed five (5) year investment of \$500,000, and he indicated a small down payment has been spent on a building.

Mr. Jordan commented on a recently completed conversion study which indicated the \$1 Million in advertising and marketing expended by the NMB Chamber has impacted the NMB community by \$66 Million in direct spending, which equated to approximately \$106 in spending to every \$1 expended in advertising. Mr. Jordan generally reviewed the impact advertising had with regard to visitors, spending, jobs, etc.

Mr. Jordan indicated the “*Building North Myrtle Beach*” campaign is positioned to do great things. He reviewed the current status of the funding and stated \$2.8 Million of the \$3.5 Million budget has already been funded. He again reminded the Board that of the \$2.8 Million, \$2.1 is restricted and can only be utilized for strategy #1. Mr. Jordan also discuss matching funding which are available through the state PRT once certain funding levels are reached.

Mr. Jordan stated “*Building North Myrtle Beach*” is the vision of the Chamber and he was hopeful the SWA would assist in this matter. He stated the NMB Chamber did request a contribution from the SWA of \$25,000 over the next five (5) years.

Mr. Thompson asked if North Myrtle Beach had a referendum on the 1¢ sales tax. Mr. Jordan indicated the NMB Chamber was in favor of this; however, the NMB City Council has indicated they would not vote for this.

Mr. Knight commented that the SWA has a Donation Policy that indicates the SWA cannot give funding to an organization that does not fit into the mode of the SWA. Mr. Knight indicated he informed Mr. Jordan there may be a way for the SWA to work with the NMB Chamber and suggested that the Board send this matter to Committee for further consideration of this matter. Mr. Knight indicated the NMB Chamber is very interested in doing what the City of Myrtle

Beach's Green Committee has discussed doing. Chairman Hardee concurred and indicated the matter would be forwarded to the Finance Committee to discuss and bring any recommendation back to the Board.

Mr. Gray concurred with the recommendation made by Mr. Knight and Chairman Hardee and was pleased that no decision was being sought tonight. Mr. Gray recommended the "*Building North Myrtle Beach*" group contact Mr. Worley about participating in the campaign also.

Messer's Elliott, Horton and Jordan thanked the Board for their time and consideration.

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 1-10 in the Board Packet.

Electronic Waste Shelter Update – Mrs. Murphy advised the Board that construction of the Electronic Waste Shelter at the MRF had been completed. She generally reviewed the construction schedule and informed the Board that staff began utilizing the shelter last week. Mrs. Murphy informed the Board that MRF staff will now begin to further separate the electronic waste by type in order to better manage costs incurred with recycling certain items.

Spring Greening HHW Event – Mrs. Murphy informed the Board that the Fifth Annual Spring Greening event was held on Saturday, March 16, 2013, in conjunction with Clemson's Carolina Clear program. She reminded the Board that purpose of the event is to assist and instruct residents of Horry County on proper disposal of household hazardous waste (HHW), such as paints, pesticides, cleaning chemicals, etc.

Mrs. Murphy stated SWA staff members Stephanie Todd, Jonathan Elliott, Chris Richardson and Joe Hyman, along with Ben Powell from Clemson Extension spoke to more than 104 residents who participated in the event. She indicated approximately 20 Gaylord boxes of HHW material was collected during the event and stated nine (9) of the boxes contained only paint.

Smart Gardener Workshop – Mrs. Murphy offered an update of the Smart Gardener Workshop held on March 20 & 21, 2013. She indicated the SWA began holding these annual workshops for the residents of Horry County in 2007 and stated they seem to improve each year. Mrs. Murphy commented that Mr. Gary Forrester from Clemson Extension Services and Board Member Basem Hilal acted as the presenters for the two day event. Approximately 45 residents attended the workshop with representatives from three (3) local garden clubs. Mrs. Murphy advised the group that following the March 21st class, approximately 20 attendees participated in a tour of the landfill facilities. She stated the two day event was very successful and many complimentary comments were received regarding the SWA and the programs and services offered.

2013 SC SWANA Spring Conference – Mrs. Murphy advised the Board that the 2013 SC SWANA Spring Conference would be held May 8-10, 2013, in Pawley's Island. She

informed the Board that the final agenda for the conference has not yet been finalized; however, topics would include electronic waste and composting regulations. Mrs. Murphy asked any Board Member interested in attending the conference to contact her.

SWA Earth Day/Open House Event – Mrs. Murphy informed the Board that the SWA will be hosting an Earth Day/Open House Event on Monday, April 22, 2013, in celebration of Earth Day.

Operations and Planning Update

Mr. Hilling reviewed his reports with the Board, which were included as Pages 11-16 in the Board Packet.

Environmental Management Inspection – Mr. Hilling advised the Board that the Title V Air Quality inspection was performed in February. He reported that on March 8, 2013, staff received notification from DHEC that all conditions were met and that the inspection was satisfactory. Mr. Hilling complimented Mrs. Todd for her work with regard to this inspection.

Landfill Inspection Update – Mr. Hilling advised the Board that for March, both the Class II and Class III landfills had received all 1's. He commented on the inclement weather during the month and thanked staff for their continued efforts in successfully maintaining the landfill, especially during the windy month of March.

Driver of the Month Update – Mr. Hilling stated James Barr from Holmes Farms was named Driver of the Month for February, and stated he was a very courteous driver and well deserving of the honor.

Mr. Gray thanked Mr. Hilling for making arrangements for Mr. Craig Fortner from Garrett & Moore to meet with them and thoroughly review the landfill site and future plans to include the Piggy Back Expansion.

Finance and Administration Update

Mrs. Crump presented the Finance & Administration reports to the Board, which was included as Pages 17-35 in the Board Packet.

Contingency Fund Transfer Request – Mrs. Crump advised the Board that staff was seeking Board approval to transfer \$150,000 from the Contingency Fund to three (3) contractual service accounts in the MRF department. She reminded the Board that at the September 25, 2012, Board Meeting staff reported on the need to employ additional contract labor in order to handle the amount of material being processed in relation to the Sonoco contract. At that time, staff advised the Board this additional labor would eventually require the transfer of funds to the MRF account to cover the additional costs. Mrs. Crump indicated the MRF department and the Recycling & Corporate Affairs Division had been handling the additional cost through interdepartmental transfers up to this point. She indicated the \$150,000 transfer being requested from the Contingency Fund should cover the cost through the remainder of the fiscal year. Mrs. Crump stated SWA procedures require Board approval to expend any funds in the Contingency account. In addition, Mrs. Crump stated,

these expenses were included and accounted for in the report she offered to the Board at the February 26, 2013, Board Meeting.

Mr. Gray moved to approve the transfer of \$150,000 from the Contingency Fund in the Administrative Department to three (3) Contractual Services accounts in the MRF Departmental budget, specifically, \$69,000 to the MRF Contract Workers account (521-2430), \$16,000 to MRF Contract Services-Temporary Labor account (521-2432) and \$65,000 to the MRF Contractual Services-Sonoco Material account (521-2437) to cover additional anticipated expenses related to the Sonoco contract. There was a second by Mr. Long. Mr. Gray asked for clarification regarding Mrs. Crump's report last month indicating the SWA had a net income of \$250,000 with regard to material being received as a part of the Sonoco contract and asked if all expenses had been accounted for. Mrs. Crump indicated that all expenses during that time frame were accounted for in that report, which covered January 2012 through December 2012. There being no further discussion, **the Motion was unanimously carried.**

Financial Reports – Mrs. Crump offered a review of Financial Reports as contained in the packet and informed the Board that the February net income showed a loss of (\$87,593); however, year-to-date net income was \$587,000. She stated year-to-date revenues continue to exceed expenses, with revenues exceeding expenses by about 3½%. She advised the Board that revenue was currently running about 7% below where it would normally be at this time of the year. Mr. Gray inquired as to why this was occurring. Mrs. Crump reviewed with the group the Revenue Report and indicated recyclable sale revenue was down primarily due to market pricing being down. Mrs. Crump indicated overall expenses are down; however, there were a few departments whose costs are up. She indicated these overages are mainly due to an increase in tonnage at the C&D Recycling Facility which relates to increased operational costs; purchases made in the beginning of the fiscal year in the C&H Department which were not spread out over the full year and MRF expenses related to the Sonoco contract, which will be rectified with the transfer of funds the Board approved.

Mrs. Crump reviewed the C&D Recycling Facility report and indicated they continue to have a good recycling rate, which was at 63% for February. She stated the amount of tonnage being directed to the C&D Recycling Facility continues to increase. Mrs. Crump reviewed the MRF Revenue Report and again commented that market pricing is down, which was also reflected on the OCC pricing chart on Page 33. She indicated that the industry is reporting the OCC pricing should be increasing in the near term.

Special Projects & Governmental Affairs Update

Mr. Bessant presented an update on various projects in which were included as Pages 36-40 of the Board Packet.

Haulers Meeting Update – Mr. Bessant offered a brief report on the Haulers Meeting held on March 21, 2013, and indicated of the 491 invited to the meeting, approximately 20 attended. He indicated staff presented information regarding the C&D Recycling Facility and the SWA's ability to assist with LEED certification documentation, disposal times on the landfill, etc.

C&D Recycling Incentive Program Update – Mr. Bessant stated, for February, the total tons of material received from the designated C&D recycling centers was 752.30 tons, of which, 780.94 tons was recycled, resulting in a 103.81% recycling rate. He explained that Lee Disposal had been stockpiling clean wood and recently had a contractor ground and remove the material, which caused their recycling rate to increase significantly. Mr. Bessant indicated the total incentive tons for February were 213.14 tons. He stated the reduction in tipping fees to the designated C&D haulers was \$1,065.70 for February. Mr. Bessant indicated the year-to-date tonnage for the program was 8,317.29. He commented that the total tons of concrete recycled year-to-date was 3,050.23 tons. Mr. Bessant stated the year-to-date recycling tonnage was about 5,606 tons or 67%. He indicated the year-to-date recycling tonnage without concrete was 2,556.13 or 48%. Mr. Bessant indicated the year-to-date recycling credits in tipping fees were \$12,115.45.

Legislative Update – Mr. Bessant informed the Board that the Senate Medical Affairs Committee met on March 20, 2013, and voted to send Senate Bill H3290 to the Senate floor. He indicated there was significant discussion on the bill; however, it was sent to the floor. Mr. Bessant distributed to the Board an alert notification sent out today by the Association of Counties regarding Senate Bill H3290. Mr. Bessant stated the bill should be on the senate contested calendar with a minority report attached to it, after which the bill is set for special order. Mr. Bessant commented that the Association of Counties has indicated that solid waste companies are attempting to use the Rules Committee as a means to bypass the special order. He stated that if this occurs the bill could be on the senate floor for a vote in the near future. Mr. Bessant stated the Association of Counties was contacting counties and asking them to contact their legislators and ask that the bill not be considered by the Rules Committee. He also reviewed with the Board some information prepared by the Association of Counties regarding myths vs. facts of Senate Bill H320.

Mr. Gray thanked Mr. Knight and Mr. Bessant for guiding him through the two (2) Medical Affairs Sub-Committee meetings he attended. He commented that one difference with the flow control issue this year is the involvement of the Association of Counties as well as the involvement of other counties such as Greenwood County and Beaufort County, who are not in favor of the bill. Mr. Gray stated a number of the senators voiced concern about the bill but voted to move it to the senate floor in order to debate it. Mr. Gray indicated he did not believe the vote of the sub-committee was indicative of what would occur on the senate floor. He stated he thought the SWA should be more encouraged with the situation, especially with the involvement of the Association of Counties. Mr. Bessant agreed that the Association of Counties has been the driving force in slowing down the progress of the bill.

Workshop Material – Mr. Bessant asked the Board to see Mrs. Murphy before leaving tonight in order to receive their packet for the Board Workshop scheduled for March 28th.

Executive Director Update

Mr. Knight briefly discussed the following items with the Board on page 41 in the Board Packet.

Horry County I&R Committee Meeting Update – Mr. Knight offered a brief update of the Horry County I&R Committee meeting held last week and indicated the committee

discussed the proposed purchase by the SWA of the 27-acre tract from Riverstone Properties, as discussed at the March 12, 2013 SWA Workshop. Mr. Knight indicated the I&R Committee approved the proposal and the matter has been forwarded to the full Council for their consideration and approval.

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

COMMITTEE REPORTS

There was no Committee Reports to come before the Board.

OLD BUSINESS

- a. **Purchase of 27-Acre Tract from Riverstone Properties** – Chairman Hardee indicated the purchase of the 27-acre tract from Riverstone Properties was thoroughly discussed at the March 12, 2013, Board Workshop. He asked for any additional discussion; however, there was none.

Mr. Long moved to authorize the Executive Director to purchase the 27-acre tract of land adjacent to the SWA's A-2 Buist property from Riverstone Properties at a cost of \$147,000 plus closing costs, with the purchase contingent upon a resolution from Horry County Council approving the purchase. The purchase will be funded from the SWA's Construction and Development Designated Account. There was a second by Mr. Hilal and the Motion was unanimously carried.

NEW BUSINESS

- a. **NMB Chamber of Commerce Presentation** – This item was discussed earlier in the meeting.
- b. **Horry County Equipment Purchase Recommendation** – Mr. Hilling informed the Board that the County has a 1982 Mack Tractor Model RB 688S and a 1989 Interstate Fifty-Ton Lowboy Trailer they are in the process of selling which would be very beneficial to landfill operations. Mr. Hilling stated this equipment would be beneficial in hauling equipment off-site, taking equipment in for repairs and moving tracked equipment long distances on the landfill which would save the tracks on the equipment.

Mr. Hilling stated staff has negotiated a purchase price of \$18,000 for the equipment and stated staff has previously priced similar equipment at \$20,000-\$50,000. He indicated it was staff's recommendation to purchase the 1982 Mack Tractor Model RB 688S and the 1989 Interstate Fifty-Ton Lowboy Trailer from Horry County at a cost of \$18,000. Mr. Campbell indicated he believed this would be a good purchase.

Mr. Campbell moved to approve the purchase the 1982 Mack Tractor Model RB 688S and the 1989 Interstate Fifty-Ton Lowboy Trailer from Horry County at a cost of \$18,000. There was a second by Mr. Long and the Motion was carried.

- c. **Sale of Surplus Equipment** – Mr. Hilling informed the Board that due to the purchase of two new Catepillar Wheel Loader units, the 2005 John Deere Wheel Loader (#344) and the 2006 John Deere Wheel Loader (#386) would no longer be used once the new loaders were delivered. He stated staff was requesting approval to surplus these two loaders on Govdeals.com once the two new loaders are delivered.

Mr. Long moved to accept and approve staff's recommendation to surplus the 2005 John Deere Wheel Loader (#344) and the 2006 John Deere Wheel Loader (#386) and sell them on Govdeals.com once the new loaders are delivered. There was a second by Mr. Hilal and the Motion was carried.

As a matter of information, Mr. Hilling advised the Board that staff recently listed a 1994 track hoe on Govdeals.com. He stated that the equipment was in very poor condition and staff anticipated receiving about \$7,000 to \$9,000 for the equipment, therefore the matter was not brought to the Board. He advised the Board that the track hoe sold on Govdeals for \$26,000. Mr. Hilling indicated the equipment was purchased by a local business and stated that Mr. Martin thoroughly reviewed with them all of the issues with the equipment.

- d. Roundtable Discussion** – Mr. Knight reminded the Board that they had previously given staff direction to investigate various long term planning options for the SWA. He indicated staff has examined the different options and will present these options for discussion at the Workshop scheduled for 3:00 P.M. on March 28, 2013. Mr. Knight stated staff was excited about presenting these options to the Board to obtain their direction and recommendation on how to proceed.

Chairman Hardee stated staff has done a great job in investigating the various options and will discuss them all during the Workshop. Mr. Gray inquired as to which option would be recommended to the Board for consideration. Mr. Knight indicated that information regarding all options would be reviewed and was included in the workshop packet; however, staff would be recommending an incentive based option.

MOTION TO ADJOURN

There being no further business to come before the Board, **Mr. Thompson moved, seconded by Mr. Long to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 6:45 P.M.

Minutes approved on April 23, 2013.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: _____(L. S.)
Danny J. Hardee, Chairman

ATTEST:

_____(L. S.)
Basem E. Hilal, Secretary

_____(L. S.)
J. Michael Campbell

_____(L. S.)
James H. Cokley

_____(L. S.)
Dan P. Gray

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

_____(L. S.)
M. Lance Thompson