

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
May 28, 2013**

The Horry County Solid Waste Authority, Inc. held a Regular Meeting on Tuesday, May, 28 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; Rev. James H. Cokley, Vice Chairman, M. Lance Thompson, Board Treasurer; Basem E. Hilal, Board Secretary; and Board Members J. Michael Campbell, Dan P. Gray and John R. Long, II.

Ex- Officio Members Steve Gosnell and Kevin Blayton were in attendance. Pam Creech and W. Norfleet Jones represented members of the public that attended the meeting. There were no members of media present.

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

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Mr. Hilal 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.

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

APPROVAL OF MINUTES

Chairman Hardee asked for any questions on or amendments to the Minutes as contained in the Agenda Packet.

Mr. Hilal moved to approve the Minutes of the April 23, 2013, Regular Meeting. Mr. Long gave a second and the Motion was unanimously approved.

Mr. Hilal moved to approve the Minutes of the May 16, 2013, Public Hearing. Mr. Long gave a second and the Motion was unanimously approved.

Mr. Gray asked about the Facetime application for meetings and if he could use a regular computer. Mrs. Murphy stated the Facetime application software was only compatible with Apple products; however, there were other applications that worked with regular computers.

PUBLIC INPUT

There were no speakers to present Public Input.

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 1-13 in the Board Packet.

FY2014 SC DHEC Grant Requests Update – Mrs. Murphy informed the Board of the following SC DHEC FY2014 grants which staff has applied for:

- **Waste Tire Grant - \$60,930** = \$57,180-Contractor Costs; \$3,000-Public Education; \$750-Professional Development
- **Used Oil Grant - \$15,434** = \$9,684-Equipment; \$5,000-Public Education; \$750-Professional Development
- **Solid Waste Grant #1 - \$33,368**-\$33,368-Contractor Costs (Electronic Waste Recycling Program)
- **Solid Waste Grant #2 - \$40,000** = \$30,000-Equipment; \$10,000 Public Education (Tourist/Visitor Recycling Program)

Mrs. Murphy indicated before the next Board meeting staff should have notification of grants awarded to the SWA. Mr. Thompson asked if the grants were awarded at one time. Mrs. Murphy stated that was correct. She stated she would keep the Board informed of this matter. Mr. Gray asked if a compactor would be placed in Myrtle Beach with regards to the Solid Waste Grant for tourist recycling. Mrs. Murphy stated staff was requesting a roll-off container be placed at 10th Avenue next to the Fire Department.

Recycling Coalition of SC Update – Mrs. Murphy stated in October 2012 recycling organizations and businesses around the state met and formed the Recycling Coalition of South Carolina (RCSC). She indicated the purpose of the RCSC was to develop an umbrella network of recycling related organizations focused on recycling issues in the state. Mrs. Murphy stated the group had met several times with positive outcomes such as the development of draft bylaws, adoption of a logo and the planning of a fall conference. Mrs. Murphy advised the Board that the following agencies have agreed to serve as founding members: South Carolina DHEC, South Carolina Commerce Department, South Carolina SWANA Chapter, the SC Palmetto Pride, and SC Recycling and Solid Waste Professionals. Mrs. Murphy indicated she would keep the Board informed on the progress of the RCSC.

Talkin' Trash Update – Mrs. Murphy offered a brief overview of the Talkin' Trash Grand Finale. She indicated the top three winning schools were Green Sea Floyds Elementary, Aynor Elementary School and Lakewood Elementary. The Grand Finale was held at Ripley Sea Aquarium on May14-16, 2013. Mrs. Murphy stated the children had a wonderful time and they were very polite, courteous and thankful. She informed the Board that the SWA provided these field trips at no cost to the schools. She thanked Mr. Cannon, Mr. Hyman, Mrs. Hooks, and Ms. Terry for overseeing the field trips.

Recycling Center of the Quarter Update – Mrs. Murphy informed the Board that the Mount Olive Recycling Center was chosen as the Recycling Center of the Quarter for the

quarter ending March 31, 2013. She stated that Site Attendants Sherry Bell and Gloria Livingston maintained the site. Mrs. Murphy indicated staff did an excellent job and the site was well maintained.

Recycling Student of the Year Update – Mrs. Murphy informed the Board that Dayton Anthony Carter was this year’s Recycling Student of the Year. She stated Dayton Carter was a fourth grader at Daisy Elementary School. Mrs. Murphy indicated Dayton’s job was to check the Talkin’ Trash cans for contamination. He was awarded a prize pack from Solid Waste Authority which included an electronic reading device, a plaque, and recycled content school supplies.

Operations and Planning Update

Mr. Hilling reviewed his reports with the Board, which were included as Pages 14-27 in the Board Packet.

Landfill Gas Expansion Upgrade– Mr. Hilling stated the landfill gas expansion project phase 2 had been completed. He stated all the new equipment was installed and the system was tested in all three (3) modes of operation to insure all functioned properly. Mr. Hilling indicated three engines were running at a reduced load simultaneously with the flare. He stated staff would continue to monitor and maintain the performance. Chairman Hardee asked how many generators were running at this time. Mr. Hilling stated about 2.5 with the flare and the new system was producing more gas.

Leachate Tank Pond Area Update – Mr. Hilling informed the Board of the landscaping which was performed at the pond behind the leachate tanks. He stated staff cleared out old vegetation and stumps from around the pond. Mr. Hilling indicated staff hauled soils in to fill in the washouts and pull back slopes. He stated the final stage was to seed the slopes to prevent future washouts.

Landfill Inspections Update – Mr. Hilling advised the Board that DHEC had inspected the landfill for May and received all 1’s. He stated the landfill had received over 5 inches of rain; however, staff made great effort to keep the landfill in compliance. Mr. Hilling thanked staff for their continued efforts in successfully maintaining the landfill.

Driver of the Month Update – Mr. Hilling informed the Board that the Driver of the Month for May was Mr. Adin Armenta from PCM. He stated he was a very courteous driver and well deserving of the honor.

Finance and Administration Update

Mrs. Crump presented the Finance & Administration reports to the Board, which was included as Pages 28-44 in the Board Packet

Financial Reports – Mrs. Crump offered a review of the Financial Reports contained in the packet and informed the Board that April net income was \$20,194.90. She stated year-to-date revenues were 82.67% of budget before UCS revenues are considered. Mr. Gray asked if the UCS totals were \$15,018,077.05. Mrs. Crump indicated that figure was for FY2012 total year-to-date revenue, not UCS revenue. She stated the UCS revenue was \$3,623,726.20. Regarding the tonnage reports, Mrs. Crump stated MSW tonnage had a 1.8% increase over last year, C&D and C&D Recycling a 6.8% increase overall. She indicated all

product tonnage has increased by 2.5% year-to-date. Mrs. Crump stated the C&D Processing Facility (the Factory) is processing 62% of all material coming into the facility. Mrs. Crump advised the group that recyclable sales were down this year. She stated sales at the MRF were 76.5% of budget and revenue is \$2.3 Million, which is a decrease from last year's \$2.5 Million. She stated commodity prices were down overall.

Special Projects & Governmental Affairs Update

Mr. Bessant presented an update on various projects in which were included as Pages 45-65 of the Board Packet.

C&D Recycling Incentive Program Update – Concerning the C&D Recycling Incentive Program, Mr. Bessant informed the group that the total tons were down this month due to having only Lee Disposal participating in the program. He stated the total tons of material received from the designated C&D recycling centers was 669.37 tons, of which 446.87 tons were recycled for April. Mr. Bessant indicated the total incentive tons for April were 308.51 tons. He stated the year-to-date recycling tonnage was about 9,647.13 tons or 67%. Mr. Bessant indicated the year-to-date tonnage without concrete was 2,744.26 or 46%. He indicated more than \$14,570.45 in tipping fee reductions have been given to the designated C&D haulers.

MSW Recycling Incentive Update – Mr. Bessant offered an overview on the MSW Recycling Incentive program. He stated that one (1) of the major haulers in Horry County had signed the agreement. Mr. Bessant indicated he would be meeting with Watts Sanitation, GG&G Sanitation and some of the larger municipalities. Mr. Gray asked if the hauler that had signed the agreement was Waste Industries. Mr. Bessant answered that was correct. He indicated that most of the cities found the agreement favorable and would use the additional funding for increased recycling programs within their respective areas.

Legislative Update – Mr. Bessant informed the Board that the Association of Counties was being contacted by other counties who were concerned about how flow control would affect them. Mr. Gray asked when this year's legislative session would be over. Mr. Bessant informed him in June. Mr. Bessant stated that an independent poll was taken by the University of South Carolina and it indicated citizens within the state did not want out-of-state waste coming into South Carolina. Mr. Bessant commented the poll indicated that citizens in SC wanted local governments to have control of waste within their jurisdictions.

Executive Director Update

Mr. Knight briefly discussed the following items with the Board on page 66 in the Board Packet.

SC SWANA Spring Conference Update – Mr. Knight gave a brief overview of the SWANA Spring Conference in Pawleys Island, SC. He stated the SC SWANA staff was impressed with the number of SWA staff and Board Members attending the conference. Mr. Knight stated Lee County landfill had been involved in a lawsuit regarding trespass of odor in which the landfill won the judgment with the help SC SWANA. He asked Mrs. Brittain to prepare an Amicus (friend of the court) brief in support of our flow control ordinance. Mrs. Brittain stated on the appeal to the Fourth Circuit Court an interested party would file a brief with the court stating environmental issues or promoting recycling and the importance of this public policy. Mrs. Brittain indicated for these reasons the Amicus brief should be

supported and accepted. Mrs. Brittain hoped for a favorable decision for the Authority and Horry County and has asked SC SWANA for its support with the brief.

General discussion followed. Mr. Gray stated SC SWANA's board of directors discussed changing some of its bylaws. Mr. Knight indicated that SC DHEC officials were also on SC SWANA board of directors and discussed the numerous violations by Lee County landfill. He stated they did not think the trespass of odor was an issue and the courts sided with the owners of the landfill. Mr. Gray indicated only a small number of individuals benefited from the lawsuit but most citizens of Lee County welcomed the landfill. Mr. Knight commented on SC SWANA's willingness to help Lee County landfill and stated the SWA would also ask for their support. Mr. Knight stated he spoke with a group from Berkley County that used a substance similar to Astroturf for daily cover. He indicated that staff was just looking at different options for cover when the work started on closing the old landfill.

NMB Chamber of Commerce Update – Mr. Knight stated at the Board's request the discussion about the NMB Chamber of Commerce had been tabled. He indicated staff met with the NMB Chamber Board of Directors and offered assistance in developing green programs or initiatives. He stated the NMB Chamber Board voted to move forward without funding. He indicated the SWA would inform the Chamber of the services that are currently offered such as office paper recycling, cardboard pickup, etc. Mr. Gray asked if the NMB Chamber of Commerce would receive the funding. Mr. Knight stated no funding would be given. He indicated these programs were already offered to the SWA's customers and would be made available for NMB businesses. Mr. Knight stated he was looking forward to having a great relationship with the NMB Chamber of Commerce.

MB Sustainability Committee – Mr. Knight informed the group that he and Mrs. Murphy were on the MB Sustainability Committee and would be presenting options to the Planning Commission on green building and sustainable living in Myrtle Beach.

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. FY2014 Budget Consideration

Mrs. Crump stated the Board had progressed through the Pre-budget Workshop on January 12, 2013, the Budget Workshop on March 12, 2013 and the Public Hearing on May 16, 2013. She indicated that during the Workshop the budget had been thoroughly reviewed and some changes made. Mrs. Crump stated that a budget summary was given at the May 2013 Board meeting. Mrs. Crump advised the Board that the following adjustments had been made to the draft budget since the Workshop:

- 1) Administrative Department – Sustainment Contracts line items decreased by \$2,000 and allocated to Meeting Expense line items;
- 2) Landfill Department – Salaries and fringe benefits decreased by \$40,000 and allocated to Household Hazardous Waste line item;
- 3) Landfill Division – Overall decrease of \$27,750 from overtime line items in order to

develop a Overtime Contingency Fund to be used as authorized by the Executive Director.

Mrs. Crump advised the Board that upon further review of the MSW Incentive Program, staff reduced the MSW incentive by \$25,000 and transferred the \$25,000 to the Undesignated Contingency account. Mrs. Crump reminded the Board the Undesignated Contingency funds could be utilized as approved by the Board.

Mrs. Crump stated the overall Operating Budget for Fiscal Year 2014 is \$19,705,131 and the Capital Budget is \$14,020,500 and indicated this was being presented for the Board's consideration and approval.

Mr. Knight stated the SWA had not increase tipping fees in 14 years for MSW. He stated fees had increased in public utilities but the SWA was offering an incentive for C&D and now for MSW programs. Mr. Knight indicated the SWA had returned approximately \$425,000 to the haulers. He stated he hoped the hauler through incentives would pass along the savings to the customers but he was doubtful and recommended approval of the FY2014 budget.

Mr. Thompson moved to accepted staff's recommendation that the Board approve the FY2014 Operating totaling \$19,705,131 and the FY2014 Capital Improvement Budget totaling \$14,020,500. There was a second by Mr. Long and the motion carried.

- a. **Review of SWA Bylaws** – Mrs. Brittain, advised the Board of her finding regarding reviews to the By-laws pursuant to the request of the Board of Directors at the last meeting. Mrs. Brittain stated she reviewed the current bylaws and the duties of the Board Chairman. Mrs. Brittain stated whether the company was public, private, or nonprofit the Board Chairman and the Board generally set the policy. Mrs. Brittain indicated the Board Chairman would oversee meetings, decorum, point of order and public input. Mrs. Brittain stated she had given Mrs. Murphy a handbook called Board Team Handbook: The Book Member's Guide to Visionary Leadership. Mrs. Brittain indicated the handbook addressed the role of non-profit Board's and stated the Board and the Executive Director usually works together as a team. Mrs. Brittain stated the book also addressed teamwork and communication with your management team. Mrs. Brittain stated the Board packet also included By-Laws from the Horry County Board of Appeals and Rules and Procedures of the Horry County Planning Commission for comparison purposes. Mrs. Brittain stated that Special Meeting of the Board may be called by the Chair, or by the Chair at the request of at least three (3) of the members of the Board, upon notice to the members sent by any usual means of communication not less than two (2) business days this would be done if legislation or court case. Mrs. Brittain stated a board member could call point of order or make a motion under Roberts Rules of Order. Mrs. Brittain stated at the present the Executive Director sets the agenda and he handles the day to day operations. Mrs. Brittain stated the Chairman shall serve as the Chairman of the Board of Directors, shall call the meetings of the Board of Directors, and shall preside at all such meetings. Mr. Gray inquired about the procedure to amend the by-laws. Mrs. Brittain informed Mr. Gray that these By-laws may be amended or restated from time to time in accordance with two-thirds majority of the members present at any meeting of the Board of Directors after giving written notice of such meeting to each member at least ten (10) days prior to the action on such amendment. She indicated that the amendment to the By-laws shall not be effective until approved by a Resolution of the Horry County Council. Mr. Gray asked where this was outlined in the bylaws. Mr. Long informed Mr. Gray Page 8

Section 2 of the bylaws reads:

(a) The Chair shall serve as Chairman of the Board of Directors, shall call meetings of the Board of Directors, and shall preside at all such meetings. The Chair shall, subject to the overall direction of the Board, administer, supervise and direct the Authority's affairs and operations and perform the duties normally associated with the office of the Board Chairman, as well as such other duties as may be assigned from time to time by the Board. The Chair shall execute all contracts and agreements authorized by the Board. The Chair shall be entitled to vote on any issue before the Board and shall be entitled to serve on any committee of the Board; however, the Chair shall not serve as Chair of any committee of the Board except the Corporate Planning Committee.

Mr. Gray stated this should be the responsibility of the Executive Director and not the Board Chairman. Mr. Gray commented that the duties of the Executive Director conflict with the duties of the Chairman of the Board. He stated the Board Chairman should set the agendas, and implement policy not oversee the daily operations of the Authority. Chairman Hardee stated a workshop would be needed on this information. He asked Mr. Knight and Mrs. Murphy to please set a date for the workshop so all members would be clear on the information presented.

NEW BUSINESS

a. Surplus Equipment Recommendation

Mrs. Crump stated the Collection & Hauling division had purchased two (2) pieces of equipment and replaced the SWA #411 2000 Mack Front Loader and SWA # 465 1997 Mack Front Loader in the last two fiscal years. She discussed according to SWA policy Board approval was necessary to declare this equipment surplus and sell the equipment. Mrs. Crump indicated that staff would like to place these two units on Govdeals.com for disposal. She stated staff anticipated that each unit would sell for over \$10,000.

Mr. Hilal moved to accept staff's recommendation to sell the two units of surplus equipment SWA #411 2000 Mack Front Loader and SWA # 465 1997 Mack Front Loader on Govdeals.com. There was a second by Mr. Campbell and the Motion carried.

b. Appointment of Nominations Committee

Chairman Hardee appointed Mr. Hilal, Mr. Long, and Mr. Campbell to the Nomination Committee. Mr. Long asked Mr. Hilal to chair the committee.

c. Roundtable Discussion

Mr. Gray stated he had expressed his displeasure on the funding of \$350,000 for expansion at The Store without further study. He indicated he had done limited research on the topic and spoke with Mrs. Crump and she explained the financing of the renovation. Mr. Gray thanked Mr. Knight and Mrs. Crump for explaining the investment of The Store, the loss and profit and funding going to the Meals on Wheels programs. Mr. Gray respectfully asked for a delay in the progression and construction of the expansion for The Store. He also asked staff to exhaust all options on working with the Salvation Army, Habitat for Humanity, and Goodwill. Mr. Gray stated he spoke with groups from the Salvation Army and Goodwill and indicated their locations were ideal as compared to The Store's Highway 90 location. Mr. Gray stated it was not his

intent to cut any funding from Meals on Wheels or the Council on Aging. He stated they could benefit from their association with the Salvation Army or Goodwill. Mr. Hardee asked if any more discussion was needed. Mr. Gray asked Mr. Knight was what his intention on The Store's expansion. Mr. Knight replied he would move in the direction of the full Board. Mr. Gray stated he did his best and thanked the Board.

MOTION FOR EXECUTIVE SESSION

Motion for an Executive Session for the purpose of discussing a personal matter was made by Mr. Hilal. Rev. Campbell gave a second, and the Motion was carried unanimously.

The Board went into Executive Session at 6:50 P.M.

**MOTION TO COME OUT OF EXECUTIVE SESSION
AND BACK INTO OPEN SESSION**

At 7:05 P.M., Motion was made, seconded and carried that the Board come out of Executive Session and back into open session.

**STATEMENT FOR THE RECORD
ATTORNEY EMMA RUTH BRITAIN**

Mrs. Brittain stated no votes or action was taken in the Executive Session. Mrs. Brittain stated it was appropriate at this time, if it was the desire of the Board, to entertain a motion to proceed with a personal matter along the lines discussed in Executive Session.

Mr. Long moved that the Board offer the Executive Director a three (3) year contract extension, with a 3% pay increase and health benefits as discussed. Mr. Hilal seconded the Motion and it was unanimously carried.

MOTION TO ADJOURN

There being no further business to come before the Board, **Mr. Long moved, seconded by Mr. Hilal to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 7:10 P.M.

Minutes approved on June 25, 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