

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
May 22, 2018**

The Horry County Solid Waste Authority, Inc. held a Board Meeting on Tuesday, May 22, 2018, 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: Pam J. Creech, Chairman; J. Michael Campbell, Vice Chairman; M. Lance Thompson, Secretary; Bo Ives, Treasurer. Board Members Michael H. Hughes and Samuel T. Johnson, Jr were absent.

Steve Gosnell, Director of Horry County Infrastructure and Regulation was present. There were no members of the media or public in attendance.

The following individuals were also in attendance: Danny Knight, Executive Director; Esther Murphy, Director; Jan Bitting, Director; Mike Bessant, Director; and other staff members to include Chris Calhoun, Wayne Martin, Nannette Powell, Richie Stetter, Cecil Terry, Stephanie Todd and Susie Wofford.

CALL TO ORDER

Chairman Creech called the meeting to order and asked Mr. Thompson 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.

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

APPROVAL OF MINUTES

Chairman Creech asked for any questions on or amendments to the Minutes of the Public Hearing Meeting held on May 22, 2018, as contained in the Agenda Packet; however there were none.

Mr. Ives moved to approve the Minutes of the Public Hearing held on May 22, 2018. There was a second by Mr. Campbell. There being no further discussion, the Motion was carried.

Chairman Creech asked for any questions on or amendments to the Minutes of the Regular Meeting held on May 22, 2018, as contained in the Agenda Packet; however there were none.

Mr. Campbell moved to approve the Minutes of the Regular Meeting held on May 22, 2018. There was a second by Mr. Ives. There being no further discussion, the Motion was carried.

PUBLIC INPUT

There were no requests 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 16-21 in the Board Packet.

Smart Gardner Workshop Update – Mrs. Murphy informed the Board the SWA hosted the Smart Gardner/Grow Workshop on May 16-17, 2018. She commented the workshop was very well attended this year. Mrs. Murphy stated on Wednesday, May 16, 2018 the SWA hosted 35 attendees and Thursday, May 17, 2018 the SWA hosted 42 attendees. She expressed her gratitude to the students at Black Water Middle School for donating starter plants as giveaways. Mrs. Murphy thanked staff members Victoria Johnson, Kendra Hooks and Cecil Terry for their efforts in planning and overseeing all aspects of the workshop.

FY 2017 Annual Progress Report Update – Mrs. Murphy stated the S.C. Solid Waste Policy and Management Act of 1991 (Act) requires each county to report the amount of municipal solid waste (MSW) recycled within its municipalities. She indicated staff annually completed several reports, including the Horry County Annual Progress Report, which determined the County's recycling rate for the previous fiscal year.

Mrs. Murphy stated the State's MSW recycling rate had increased from 25.4% in FY2016 to 28.7% in FY2017. She indicated that Horry County's MSW recycling rate had increased from 30.28% in FY2016 to 35.56% in FY2017. Mrs. Murphy commented that commercial/institutional commodities increased. She mentioned the increase in yard waste which was related to Hurricane Matthew the previous year. Mrs. Murphy reminded the Board that businesses were not required to report any recycling within the County but were encouraged to do so.

Mr. Ives asked if Horry County was under reporting. Mrs. Murphy replied she felt the County was under reporting.

Caught Green Handed Update – Mrs. Murphy informed the group the April "Caught Green Handed" winner was Ms. Lois Johnson. She indicated that Ms. Johnson used the Mount Olive Recycling Center. Mrs. Murphy stated Ms. Johnson received a SWA prize pack and media recognition.

Financial Reports

Mrs. Bitting offered an update of the following which was included as page 22-40 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting stated for the period ending April 30, 2018 the SWA revenue should be at 83.33% of budget. She indicated MSW revenue was at 82.35% of budget. Mrs. Bitting stated Construction and Demolition revenue was at 136.42% of budget and Yard Waste revenue was at 80.85% of budget. She stated the sale of recyclables revenue was at 88.87% of budget. Mrs. Bitting stated the Construction and Demolition Processing Facility revenue for April was \$317,420.21 and expenses were \$498,095.57 with a deficit of (\$180,675.36) with airspace saved equating to 55.04 days. Mrs. Bitting commented the MRF revenue year-to-date were \$4,637,402.70 the expenses year-to-date were \$4,750,693.43 with a savings of 49.49 days of airspace with expenses over revenue of (\$113,290.73). She indicated net income for April was \$223,242.99 and year-to-date was \$2,691,658.70.

Mrs. Bitting explained the MRF processed 4,324.23 tons for April. She stated the current market value for processed material was \$141.05 for April. Mrs. Bitting informed the group that tonnage

sold for April was 2,129.35 tons. Mrs. Bitting indicated the total MRF revenue for material sold in April was \$315,480.57 and expenses were \$306,930.06 resulting in revenue over expenses of \$8,550.51. She stated year-to-date total MRF revenue was \$4,003,281.73 and total MRF expenses were \$3,464,616.27 with revenue over expenses of \$538,665.95. Mrs. Bitting indicated the cost share from Charleston County would be \$15,131.62.

Mr. Thompson commented that since the SWA had an excess of \$2 Million in revenue would this excess revenue transfer to the designated accounts for closure and post closure. Mrs. Bitting indicated that at the end of this fiscal year the SWA would transfer funding into the equipment placement account and future construction account.

Operations Update

Mr. Bessant presented the following update which was included as pages 41-70 of the Board Packet.

Leachate Building Update – Mr. Bessant informed the group that the leachate building was complete. He stated this project was started in August 2017 and completed in this May. Mr. Bessant indicated the building was decayed and crumbling. He stated the building had continuous flooding issues and a metal building was recommended. Mr. Bessant indicated all the testing for the discharge was done in the leachate building. Mr. Ives asked if the building had a proper ventilation system. Mr. Bessant explained that there were no exposed openings or vents for gas to escape from.

Household Hazardous Waste Update – Mr. Bessant indicated on May 8, 2018 MXI was on site for the third disposal pickup for household hazardous waste for FY18. He stated that 1,755-gallon drums of batteries were collected for this third disposal pickup. Mr. Bessant commented that the total weight for this pick-up was 55,390 pounds (27.695 tons). He stated for FY18 household hazardous waste grand total for disposal was 153,095 pounds or 76.5475 tons.

Landfill Gas Expansion – Mr. Bessant informed the group that the substantial completion date was May 23, 2018 and the landfill gas system was operational. He stated the landfill gas system was pumping 100,000 cubic feet of gas a day. Mr. Bessant commented the gas system was powering two full engines.

MRF Update – Mr. Bessant informed the Board that China has released permits for plastics. He commented that was good news, so material can be shipped again. Mr. Bessant stated he was confident that prices would begin to increase soon.

Mr. Bessant stated the MRF tonnage was the same as last year. He indicated that fiber prices had decreased for the month of March and cardboard prices decreased from \$119 to \$80 per ton from last month. He commented that newspaper prices per ton decreased from \$56.00 to \$72.00 per ton and plastic price per ton were stable and holding.

Mr. Ives asked if Mr. Bessant could predict the market. Mr. Bessant said he could not speculate on market. He commented that since markets were weak across the nation then the increases would be slow also.

Driver of the Month Update – Mr. Bessant stated the April Driver of the Month was Brian White from the Waste Management. Mr. Bessant commented Mr. White has worked for Waste Management for 3 years. He informed the group that Mr. White worked well with staff.

Executive Director Update

Mr. Knight offered an update of the following which was included as pages 71-93 in the Board Packet.

2018 Spring SWANA Conference Update – Mr. Knight commented he along with several Board Members and staff attended the 2018 Spring SWANAC at Pawleys Island, May 8-10, 2018. He stated the conference was well attended. Mr. Knight indicated he attended a session on how to increase landfill space. He commented staff was reviewing any option to push out the closing date of the landfill. Mr. Knight remarked on a presentation about leachate seeps and said that the SWA did not have this problem. He stated that David Biderman, CEO of SWANA was a guest speaker. Mr. Knight commented that safety was a concern on the national level.

House Bill 3529 Plastic Bag Bill Update – Mr. Knight indicated the plastic bag bill did not pass in the House this session. He remarked that this bill would be back next year.

Tidewater Community Meeting – Mr. Knight stated he attended the Tidewater Community HOA meeting. He commented that some members of Horry County, Horry County Police Department and the City of North Myrtle Beach were also in attendance. Mr. Knight indicated the SWA pledged its support and dumpsters for a community cleanup of the Tidewater Community.

Charleston County Update – Mr. Knight informed the group that Charleston County had stopped construction on its MRF facility. He had requested the information for the delay in writing. Mr. Knight stated that Charleston County had not responded at this point in time. He commented that Charleston County had requested a second and final extension. Mr. Knight remarked that if Charleston County asked for another agreement he would have to consider the wear and tear as well as the maintenance of the MRF equipment. He indicated the SWA had started the collection of two additional cardboard routes.

Mr. Campbell asked Mr. Knight if he had spoken with the Administrator for Charleston County. Mr. Knight replied that he had spoken with someone in the office. He commented that he had hoped to have a response from Charleston County by the Board Meeting but had not. Mr. Ives asked Mr. Knight if wanted Board approval to formally contact Charleston County. Mr. Knight commented that written notification was needed. Mr. Thompson asked if there were other terms and conditions the SWA would consider after the last extension. Mr. Knight commented that Charleston County had asked for its last extension at the April Board Meeting. Mr. Thompson asked if the terms and conditions would change substantially to secure an advantageous arrangement for the MRF facility. Mr. Knight indicated the agreement would be short term or a month to month agreement.

Mr. Campbell asked if the current contract was reasonable if Charleston County decided to ask for an additional extension. Mr. Knight explained if Charleston County needed an extra month for completion of their facility he felt sure the Board would help them. He commented since the project had stopped that put the SWA's facility in an awkward position. Mr. Knight informed the group that the SWA had to protect its MRF facility.

Mr. Campbell asked if the SWA would include a new contract stipulation for maintenance/repair including the updating of the MRF facilities equipment. He commented if Charleston County wanted an extension this should be included in the contract. Mr. Campbell asked Mr. Thompson if that was what he was referring to. Mr. Thompson replied he wanted to make sure the SWA was protecting its MRF facility. He asked if this relationship with Charleston County was what the SWA wanted to pursue and not harmful to the SWA. Mr. Knight commented that the SWA had been planning upgrades for the MRF facility the last couple of years.

Chairman Creech asked when the agreement expired. Mr. Knight stated January 31, 2019.

COMMITTEE REPORTS

Recycling and Corporate Affairs Committee Meeting Update – Ms. Creech gave the overview of the Recycling and Corporate Affairs Committee Meeting.

Ms. Creech stated the Recycling and Corporate Affairs Committee met on May 22, 2018 at 4:00 P.M. She indicated Michael Hughes and herself were present. Board Member Bo Ives also attended the meeting. She said discussion was held on the following items:

Carolina Recycling Conference – Ms. Creech stated that Michael Hughes attended the Carolina Recycling Association Conference on March 18-22, 2018 in Cherokee, North Carolina. She commented the conference theme was “Cherokee Way to Zero Waste”. Ms. Creech said Mr. Hughes informed the group that the Cherokee Indian Tribe handled the recycling for the residents in the area and Harrah’s Casino. She explained that Cherokee Recycling utilized a transfer station system to pull various commodities out of the waste stream. Ms. Creech listed the commodities collected such as food waste, used cooking oil, scrap metal, lotions and soaps, composting.

Ms. Creech said the Committee discussed a grant Cherokee Recycling received to perform a pilot program utilizing recycled tires. She explained the process extracted chemicals from tires such as kerosene, gas and diesel fuel prior to landfilling. Ms. Creech commented this procedure was experimental and faced several challenges which included no end market for the by-product, not having enough tires and tribal chief influence. She said Mr. Hughes commented other highlights of the conference were MRF technology and recycling plastic waste at hospitals.

General Discussion Items

The Store – Ms. Creech stated that Mr. Knight commented The Store currently had one vendor selling strawberries onsite, two days per week. She commented the goal was to have certified agricultural vendors on site.

Litter – Ms. Creech indicated the Committee discussed litter along Highway 90 and residents not tarping their loads. She commented that Mr. Knight would be meeting with Horry County Police on patrolling the recycling centers to remind residents to tarp their loads.

OLD BUSINESS

There was no Old Business to come before the Board.

NEW BUSINESS

- a. **FY2018 Budget Consideration** – Mrs. Bitting offered a summary of the budget process. She stated a Budget Workshop was held on March 13, 2018, at which time the operational and capital improvement budgets were presented. Mrs. Bitting indicated that on April 24, 2018 a Public Hearing was held for public review. She stated she was requesting Board approval for the FY2019 Operating Budget of \$27,364,542 and the FY2019 Capital Improvement Budget \$10,788,500.

Mr. Ives moved to accepted staff’s recommendation that the Board approve the FY2019 Operating totaling \$27,364,542 and the FY2019 Capital Improvement Budget totaling \$10,788,500. There was a second by Mr. Campbell and the Motion carried.

Mr. Thompson asked about the tiered tipping fee increase. Mrs. Bitting stated there was no budgeted increase for this fiscal year. She explained since the SWA has revenue over expenses it was not necessary to increase current tipping fees at this time.

- b. **Used Water Truck Purchase Consideration** – Mr. Bessant asked for Board approval to purchase a used water truck to replace a 1998 water truck purchased in 2011. He asked the Board to allow the use of \$75,000 of the funding saved on the grinder purchase and to use the \$225,000 to purchase the 2007 water truck.

Mr. Campbell moved to accept staff's recommendation to approve the purchase of the 2007 water truck for \$225,000 using \$75,000 of the money saved from the purchase of the grinder. There was a second by Mr. Thompson and the Motion carried.

- c. **Nomination Committee Appointments Update** – Chairman Creech appointed Mr. Thompson, Mr. Campbell and Mr. Johnson to the Nomination Committee. She stated that Mr. Thompson serve as Chairman of this Committee. Chairman Creech asked Mr. Thompson if he would have a slate of officer for the June Board Meeting. Mr. Thompson commented that the Nomination Committee would meet and have a slate of officers for the June Board Meeting.

- d. **Roundtable Discussion** – There was no Roundtable Discussion.

MOTION FOR EXECUTIVE SESSION

Mr. Thompson made a Motion for an Executive Session for the purpose of discussing a personnel matter Mr. Ives gave a second, and the Motion was carried unanimously.

The Board went into Executive Session at 6:25 P.M.

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

At 6:40 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

Chairman Creech asked for the record to reflect that the Executive Session was held for the purpose of discussing a personnel matter. She stated no votes or action was taken in the Executive Session.

Mr. Ives made a Motion to give the Executive Director a 3% merit increase. Mr. Campbell gave a second, and the Motion was carried unanimously.

MOTION TO ADJOURN

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

Minutes approved on June 26, 2018.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

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

ATTEST:

_____(L. S.)
M. Lance Thompson, Secretary

_____(L. S.)
J. Michael Campbell

_____(L. S.)
Michael H. Hughes

_____(L. S.)
Bo Ives

_____(L. S.)
Samuel T. Johnson, Jr.

_____(L. S.)
Vacant