

**MINUTES OF REGULAR MEETING
HORRY COUNTY SOLID WASTE AUTHORITY, INC.
December 12, 2013**

The Horry County Solid Waste Authority, Inc. held a Regular Meeting on Thursday, December 12, 2013, at 3:00 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: M. Lance Thompson, Vice Chairman; Dan P. Gray, Board Secretary; and Board Members J. Michael Campbell and Pam J. Creech. Board Members Rev. James H. Cokley, John R. Long, II and W. Norfleet Jones were unable to attend due to conflicting schedules.

Ex Officio Members Kevin Blayton and Steve Gosnell were in attendance. Michael Hughes, Highway 90 Liaison, represented the public in attendance. There were no members of the media in attendance.

The following individuals were also in attendance: Assistant Executive Director; Mike Bessant, Esther Murphy, Director; Bill Hilling, Director; Jan Bitting, Deputy Director; Mrs. Emma Ruth Brittain, SWA Attorney and other staff to include Rodney Cannon, Wayne Martin, Cecil Terry, Chris Calhoun, Kendra Hooks, Susie Wofford and Stephanie Todd. Executive Director Danny Knight was absent due to recent surgery.

CALL TO ORDER

Vice Chairman Thompson called the meeting to order and rendered the invocation.

PLEDGE OF ALLEGIANCE

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

APPROVAL OF AGENDA

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

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

APPROVAL OF MINUTES

Vice Chairman Thompson asked for any questions on or amendments to the Minutes of the Regular Meeting held on November 26, 2013, as contained in the Agenda Packet.

Mr. Campbell moved to approve the Minutes of the November 26, 2013, Regular Meeting. There was a second by Ms. Creech and the Motion was unanimously approved.

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 1-7 in the Board Packet.

Grinding of the Greens Update – Mrs. Murphy indicated SWA staff was in the process of preparing for the Grinding of the Greens program. She stated the SWA would be partnering once again with Santee Cooper and Burford's Tree Service for this annual event. Mrs. Murphy indicated that the public service announcements for the program would begin the first week in December. She explained to the group the newspaper advertisements would begin running the week of Christmas. Mrs. Murphy stated the collection of the trees was expected to run December 26, 2013, through January 23, 2014.

Holiday Schedule Update – Mrs. Murphy briefly discussed the holiday hours of operation for SWA facilities for the Christmas and New Year's holiday.

Tuesday, December 24, 2013 ~ Christmas Eve

- SWA Administrative Office will be open regular hours.
- Landfill Facility Hours - 6:00 A.M. – 1:30 P.M.
- MRF Facility Hours - 6:30 A.M. – 3:00 P.M.
- Recycling Centers - All Recycling Centers will be closing at 5:00 PM.

Wednesday, December 25, 2013 ~ Christmas Day

- All SWA facilities and Recycling Centers will be closed.

Thursday, December 26, 2013

- SWA Administrative Office will be closed.
- Landfill Facility Hours – Regular Operating Hours, 6:00AM - 4:30PM
- MRF Facility Hours – Regular Operating Hours, 6:30AM – 3:00PM
- Recycling Centers – All Recycling Centers will be open 7:00AM – 7:00PM

Friday, December 27, 2013

- SWA Administrative Office will be closed.
- Landfill Facility, MRF Facility and Recycling Centers will be operating under regular schedule.

Tuesday, December 31, 2013 ~ New Years Eve

- All SWA facilities and Recycling Centers – Regular Operating Hours

Wednesday, January 1, 2014 ~ New Years Day

- All SWA facilities and Recycling Centers will be closed.

Thursday, January 2, 2014

- All SWA facilities and Recycling Centers – Return to regular operating hours.

Schedule of Meetings for 2014 Update – Mrs. Murphy informed the Board Members in the Miscellaneous Section of the Board Packet a schedule of regular monthly meeting for 2014 was included. She stated this advertisement would be in the January 5, 2014, edition of the Sun News.

Operations and Planning Update

Mr. Hilling commented due to the short reporting period for December, the Operations & Planning Division would give their project updates in January 2014.

Finance and Administration Update

Mrs. Bitting presented the Finance & Administration reports to the Board, which was included as Pages 9-16 in the Board Packet.

Monthly Finance Reports – Mrs. Bitting stated there has been an increase in overall tonnage this year. She indicated municipal solid waste was at 46% of budget; yard waste was at 37% of budget, and construction & demolition was at 45% of budget. She indicated the C&D Facility processed over 1,000 tons of material which equated to 57% of budget. Ms. Creech asked about the construction & demolition, shingles, concrete, brick, asphalt and land clearing debris on the tonnage report and why some material had negative figures. Mrs. Bitting indicated she would review the tonnage charts and evaluate why the figures were in the negative. Mr. Bessant explained to Ms. Creech the SWA charged a fee for material disposed of in the landfill but some companies would take materials such as shingles, free of charge.

Special Projects & Governmental Affairs Update

Mr. Bessant presented an update on various projects in which were included as Pages 17-23 of the Board Packet.

C&D Recycling Designated Facilities Update – Mr. Bessant offered separate reports for Lee Disposal and EZ-Dump concerning the C&D Recycling Incentive Program. Mr. Bessant stated for November, the total tons of material received from Lee Disposal were 298.45 tons, of which, 233.83 tons were recycled. Mr. Bessant indicated the total incentive tons for November were 269.79 tons. He stated the reduction in tipping fees to the designated C&D hauler were \$1,348.95 for November. Mr. Bessant indicated Lee Disposal's year-to-date tonnage for the program was 4,119.48. He commented that the total tons of concrete recycled for November were 1,268.08 tons. Mr. Bessant stated the year-to-date recycling tonnages were 2,534.03 or 61.51%. He indicated the year-to-date recycling tonnages without concrete were 1,265.95 or 44.40%. Mr. Bessant stated the year-to-date recycling credit in tipping fees to Lee Disposal were \$5,627.45.

Mr. Bessant stated for November, the total tonnage of material received from EZ-Dump was 686.58 tons. He commented that the total tons of concrete recycled for November were 371.47 tons or 54.10%. Mr. Bessant stated the November recycling credit in tipping fees to EZ-Dump were \$0. Mr. Bessant stated for FY2014, the total tonnage of material received from EZ-Dump were 4,669.75 tons. He commented that the total tons of concrete recycled for FY2014 were 103.17 tons. Mr. Bessant stated the FY2014 recycling tonnages were 1,928.52 or 56.02%. He indicated the FY2014 recycling tonnage without concrete were 103.17 or 37.68%. Mr. Bessant

stated the FY2014 recycling credit in tipping fees to EZ-Dump were \$0.

Mr. Campbell asked if EZ-Dump had shown any interest in participating in the incentive program. Mr. Bessant stated EZ-Dump's processing of material had increased but did not meet the required amount. Ms. Creech asked why E-Z Dump didn't take advantage of the incentive since the company had increased tonnage figures. Ms. Creech commented she did not understand why a company would not participate in the incentive program to save on tipping fees. Mr. Bessant stated it was hard to speculate on a company's business practices. Mr. Gray asks if E-Z Dump would try to appeal their not receiving any incentive. Mr. Bessant indicated E-Z Dump had not met the state required goal of 75% and could not appeal but if E-Z Dump wanted the incentive then EZ-Dump would have to come before the Executive Director and ask to receive the incentive. Mr. Bessant stated if a company does not ask for the incentive then it would not come before the Appeals Committee. Mr. Gray stated the state requirement for a C&D recycling facility was at least 75% of material. Mr. Bessant indicated the Solid Waste Management Act stated a business recycling less than 75% of its material would be considered a transfer station. Mr. Bessant stated E-Z Dump was allowed to apply a two (2) year average to make up the 75% recycling rate. Mr. Gray asked if E-Z Dump does not increase their recycling rate then EZ-Dump would no longer be a designated facility. Mr. Gray asked what outcome would this have on E-Z Dump's business. Mr. Bessant replied E-Z Dump could no longer operate at their permitted facility. Ms. Creech suggested maybe this would be an incentive to recycle and process more material. Mr. Gray replied E-Z Dump may be processing material but not coming to the landfill. Mr. Gray commented in North Carolina concrete was not used to increase tonnage figures because it would not give an accurate tonnage of the material recycled. Mr. Gray said the C&D Facility did not take concrete. Mr. Bessant indicated the SWA was a permitted as a solid waste processing facility. Mr. Bessant stated SCDHEC sets the requirements for facilities meeting the goal of recycling at least 75% of the material in order to be a designated facility. Mr. Bessant indicated SCDHEC decides whether E-Z Dump has met its goals for a designated facility.

Recycling Incentive Programs Update – Concerning the recycling incentives, Mr. Bessant indicated the following incentives were given by the SWA: MSW Recycling \$105,196.20, C&D Recycling Facility \$28,221.40, C&D Designated Facilities \$5,627.45. He stated the total incentive saving year-to-date for SWA customers were \$139,045.05.

Legislative Update – Mr. Bessant presented an update on the various meetings with the municipalities.

- **I&R Committee Meeting Update** – Mr. Bessant stated the I & R Committee passed an ordinance to asked Horry County Council to remove C&D material from the flow control ordinance.
- **League of Cities Meeting Update** – Mr. Bessant indicated the League of Cities meeting was held at Atlantic Beach at the meeting he explained the impact on the loss of flow control to Horry County. Mr. Bessant stated Horry County Chairman Mark Lazarus explained his views on flow control. Mr. Bessant indicated the League of Cities Mayors were asking for an additional person be added to the SWA Board and that any change in governance of the SWA be approved by the Leagues of Cities. Mr. Thompson asked if this would be adding an additional Board Member. Mr. Bessant indicated an eighth Board Member would be added. Mr. Bessant indicated the League of Cities has

requested a mayor be added to the SWA Board. He stated the League of Cities would meet on December 20, 2013. Mr. Gray commented the municipalities being the SWA largest customers wanted a voice in the governance along with Horry County Council.

- **County Council Meeting Update** – Mr. Bessant informed the Board that Horry County Council would hold a Workshop and the SWA would give a PowerPoint presentation on the loss of C&D material in Horry County. He indicated the Workshop would be held January 6, 2014, at 3:00PM. Ms. Creech said a question was asked at the County Council Meeting regarding the 30,000 tons of C&D waste that would leave the county. Mr. Bessant replied that was correct. Ms. Creech asked if that much airspace would be saved and inquired if the SWA recycled C&D. Mr. Bessant replied the SWA recycles 60% of materials coming into the landfill. Ms. Creech inquired about the airspace that would be saved. She commented if 30,000 tons left Horry County then 60% would not fill the airspace in landfill. Mr. Bessant stated only six (6) months of airspace would be saved over the life of the landfill. Ms. Creech asked how much money the SWA would lose if this C&D material was not disposed of in the landfill. Mr. Bessant stated \$930,000 a year and \$40 million over the life of the landfill. Mr. Gray asked how many trucks a day would be diverted to the C&D facility. Mr. Bessant replied 10% of total trucks coming into the landfill. Ms. Creech asked staff to forward her any information that had been addressed by County Council or the Administration Committee. Mr. Bessant replied that Ms. Creech would receive the information.

COMMITTEE REPORTS

There were no Committee Reports to come before the Board.

OLD BUSINESS

- a. **IRS Classification Letter Update** – Mr. Bessant indicated the questions regarding the IRS classification had been answered. He stated the SWA received a letter from the IRS on November 19, 2013 on its classification. Mr. Bessant indicated since 1995 the SWA has had a 501(c)(3) filing status and are still exempt from completing a form 990. He stated the SWA was changed from a 509(a)(3) to 509(a)(2) because of a change in the law. Mrs. Brittain stated the SWA was classified as a public charity. She indicated the SWA met the requirements for classification as a Public Charity described in section 509(a)(2) of the code. Mrs. Brittain informed the Board the SWA's exempt status wasn't under consideration, and the Authority would continue to be classified as an organization exempt from federal income tax under section 501(c)(3) of the code.

NEW BUSINESS

- a. **Financial Assurance** – Mrs. Bitting informed the Board that State law required all permitted landfills provide financial assurance information to the state annually within 120 days of the close of their fiscal year. She reviewed with the Board a letter and independent auditor's report in regards to the requirement of the Local Government Financial Test for financial assurance. Mrs. Bitting stated the acceptance of this letter and report, along with the audited financial statements for the fiscal year ending June 30, 2013, into the operating record of the SWA was necessary in order to be in compliance with both federal and state laws. She indicated this information was included in the packet for the Board's review. Mrs. Bitting stated the Combined Annual Financial Report (CAFR) for Horry County has been completed and reported. Mr. Gray asked if this is for the full faith and credit of Horry County. Mrs. Bitting

stated that was correct.

Mr. Campbell moved to accept into the record the letter, independent auditor's report and other documentation prepared by staff as required under the Local Government Financial Test for Financial Assurance and authorize staff to submit the required documentation to SC DHEC. There was a second by Ms. Creech and the Motion was carried.

- b. Used Grinder Recommendation** – Mr. Hilling stated he was requesting Board approval to purchase a used grinder. He informed the Board that Horry County Council had approved the purchase. Mr. Hilling indicated eight (8) bids had been received and staff had reviewed each bid thoroughly. He stated the Peterson 5713 C3 had an airbag and a three (3) year warranty on parts and labor. Mr. Hilling informed the Board the grinder was a track unit with remote control.

Mr. Gray moved to approve the purchase of the Peterson 5713 C3 used grinder for a cost of \$460,900. There was a second by Ms. Creech and the Motion was carried.

- c. Surplus Equipment Recommendation** – Mr. Hilling stated he was requesting Board approval to sell surplus equipment #385 2006 John Deere 850 Bulldozer on Govdeals.com. He stated this Bulldozer was no longer needed and would be sold as is. He indicated that any equipment over \$10,000 required Board approval.

Mr. Gray moved approve the surplus sale on Govdeals.com of the 2006 John Deere 850 Bulldozer, used equipment #385 and taking the proceeds from the sale of unit #385 and put toward the purchase price of the new bulldozer. There was a second by Mr. Campbell and the Motion was carried.

- d. SCDOT Memorandum of Understanding Request** – Mr. Bessant stated the SWA has contracted with the cities and the County to process all eligible vegetative debris generated by a storm event and requested reimbursement from the Federal Management Division (FEMA) and/or South Carolina Emergency Management Division (SCEMD) with a Memorandum of Understanding (MOU). He indicated the South Carolina Department of Transportation (SCDOT) had requested to be a part of the SWA's recycling, processing and debris disposal program in the event of a disaster.

Mr. Campbell moved to authorize the Executive Director to execute a Memorandum of Understanding between the Solid Waste Authority and the South Carolina Department of Transportation to participate in the recycling, processing and debris disposal program in the event of a disaster. There was a second by Ms. Creech and the Motion was carried.

MOTION TO ADJOURN

There being no further business to come before the Board, **Ms. Creech moved, seconded by Mr. Campbell to adjourn the meeting. The Motion was carried** and the Regular Meeting was adjourned at 3:45 P.M.

Minutes approved on January 28, 2014.

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

BY: _____ (L. S.)
James H. Cokley, D. Min, Chairman

ATTEST:

_____ (L. S.)
Dan P. Gray, Secretary

_____ (L. S.)
J. Michael Campbell

_____ (L. S.)
Pam J. Creech

_____ (L. S.)
W. Norfleet Jones

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

_____ (L. S.)
M. Lance Thompson