

**REPORT OF BOARD WORKSHOP
HORRY COUNTY SOLID WASTE AUTHORITY, INC.**

March 12, 2018

The Horry County Solid Waste Authority, Inc. held a Board Workshop on Monday, March 12, 2018 at 10:00 A.M. at the Authority's Administrative Office in 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; and Board Members Michael Hughes and Samuel T. Johnson, Jr. Board Member Dan Gray was absent due to illness.

Steve Gosnell, Director of Horry County Infrastructure and Regulation attended the meeting. There were no members of the media in attendance.

The following individuals were also in attendance: Danny Knight, Executive Director; Jan Bitting, Director; Esther Murphy, Director; Bill Hilling, Director; Rodney Cannon, Deputy Director and other staff to include Victoria Johnson, Nannette Powell and Susie Wofford.

CALL TO ORDER

Chairman Creech called the meeting to order and asked Mr. Ives to render the invocation.

PLEDGE OF ALLEGIANCE

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

Salary Step Plan Review

Mr. Knight advised the group several months ago staff was having a difficult time finding qualified mechanics. He stated staff had gone to Florence Darlington Technical College to a job fair and spoke to them about what classes they offered. Mr. Knight indicated that staff had also spoken with Horry Georgetown Technical College about starting a mechanic's program. He informed Board Members it seemed that Horry Georgetown Tech was attempting to start a mechanic's program and the necessary paperwork had been sent to Senator Leatherman requesting state funding.

Mr. Knight stated the next problem staff had was finding CDL truck drivers. He informed the group anyone with a CDL license in Horry County can find a job. Mr. Knight expressed his concern with the problem of finding qualified employees to fill the necessary positions. He instructed Mrs. Bitting and Mrs. Powell to review the SWA's entire pay range to see how the SWA compares to other agencies and find out what it would take to be competitive. Mr. Knight commented when Mr. Hilling retired he took this opportunity to look at a reorganization plan therefore, utilizing the funds from this

position to fund the grade adjustments on the revised step plan. The funds from this position will cover the plan and save approximately \$22,000.

Mr. Knight indicated that Mrs. Bitting and Mrs. Powell had put a lot of work in this proposed plan gathering information and putting it together. He stated there were two ways that a study of this nature can be done; it can be done in-house by gathering and comparing as much information that is available or a third party can be hired to perform a study.

Mr. Knight advised the Board Members staff had initiated the proposed salary changes and included them in the projected budget. He stated it was easier to put the figures in up front than try to do it later. Mr. Knight expressed to the group that just because staff put the recommended changes in the proposed budget, it did not mean staff was taking a stand that it would be implemented. He indicated the only way it would be implemented was with the Board's recommendation. Mr. Knight commented that the budget had to be submitted to Horry County.

Mr. Knight stated to the Board Members that if the plan was approved he would like to put it in place prior to July 1, 2018 so that everything would be completed at the beginning of the new fiscal year. He then turned the meeting over to Mrs. Bitting.

Mrs. Bitting reviewed the SWA Organizational Chart. She stated it had been updated to show the changes with the reorganization.

Mrs. Bitting advised the group staff attempted to compare the SWA's positions to the City of Conway, Georgetown County and Horry County. She indicated that Mr. Knight had wanted staff to primarily mirror Horry County. Mrs. Bitting stated there were some positions that Horry County did not have a comparable position, one of which was the recycling truck drivers (CDL drivers). She stated the City of Conway had a comparable position and they are one of the SWA's biggest competitors for drivers. Mrs. Bitting pointed out on the salary comparison sheet, the SWA minimum salary for a recycling truck driver is \$26,925.00 and the minimum salary with the City of Conway is \$32,390.00. She stated staff's purpose in doing this study was to raise the employees' minimum salaries up to where they need to be so the SWA can be competitive. Mrs. Bitting advised the Board the City of Conway's benefit package is comparable to the SWA's. She reviewed the other positions that Horry County did not have and explained how staff received job descriptions from Georgetown County to verify that staff was comparing "apples to apples". Mrs. Bitting reiterated again staff mirrored Horry County as much as possible. She noted that the SWA minimum salaries are significantly below the comparisons.

Mrs. Bitting reminded the Board that the SWA's employees' annual merit increase is based on 3% of their minimum salary, not on their current salary. She noted this step plan change will help each employee by giving them a slightly higher increase annually due to their minimum salary being increased.

Mrs. Bitting stated the goal was to get the minimum salaries up so when the SWA is trying to hire someone the Authority can have a competitive starting pay.

Mr. Thompson asked if the positions were identified individually or if they were grouped together by grade for the ranges. Mrs. Bitting acknowledged that they were grouped together by grades. She stated the SWA has a step plan in place by grades and based on the number of years an employee has been working is a different step within their grade.

Mrs. Bitting advised the group staff did a clean-up while going through the process and grouped together all managers, supervisors, etc. in the same pay grade; however with different steps.

Ms. Creech inquired if the step plan had something to do with the state or the county. Mrs. Bitting replied that when the SWA implemented the step plan it was along the lines of what Horry County had in place at that time.

Mrs. Bitting reviewed how each employee was placed in a different grade. She tried to explain to the group that employees were placed in a higher grade, with a higher minimum, but a lower step comparable to what they are currently earning. Mrs. Bitting informed the Board Members the process was not to give anyone a big raise or increase, but to give each employee a higher minimum so that their annual 3% step increase would be more.

Mr. Ives asked what basis staff used to determine what grade and step they should be placed in. Mrs. Bitting responded by saying staff used the comparison sheet to decide the grade and the step which was based on what each employee was currently earning. Mr. Ives acknowledged he understood where staff was going in concept, but his objective would have been to give the employees a four year forecast. Mr. Ives discussed his idea and Mr. Knight responded by explaining the SWA's step plan and how each employee knows where they will fall in that plan each year. Mr. Ives expressed his concern over the increased amounts in some of the positions. Mrs. Bitting advised that the higher differences are the positions that staff is having difficulty finding qualified employees. Therefore, staff increased the minimum to be competitive.

General discussion was held on how employees regard wages compared to complete benefit packages. Mr. Knight and Ms. Creech commented that individuals cannot see the value of the benefit packages and said most only see the amount of money they are bringing home.

Mr. Johnson inquired if the SWA was an entity of the County. Mr. Knight affirmed that the SWA was. Mr. Johnson stated the SWA's wages should be in line with Horry County. Mrs. Bitting responded that was what staff was attempting to accomplish by mirroring Horry County's starting pay.

Mr. Thompson advised he would never be in favor of increasing minimums without bringing up existing employees to that level. He stated that would be a morale killer.

Mrs. Bitting reviewed with the Board Members the breakdown of percentage of the increase and said it shows the majority of the increase going to landfill workers, MRF workers and truck drivers.

Mrs. Powell commented that five years ago she would get twenty-five to fifty applications for whatever positions the SWA had open, now staff is handing out fliers, attending job fairs, and working with the unemployment office trying to find applicants.

Mr. Thompson voiced his concern about changes in ranges and someone dropping out. General discussion was held trying to explain and understand grades and steps in the current SWA step plan.

Mr. Hughes inquired if there were any employees on the top of their ranges and would they max out. Mrs. Bitting advised that putting an employee into a different grade and a lower step would increase the amount of time before they reach the maximum. She stated that staff did not change the step plan but explained employees were moved into a new grade and step.

Mrs. Powell informed Board Members that staff was directed not to change the minimum salaries on the step plan. Therefore, in order to bring employees up to the new minimums staff had to change the employees' grades.

Mr. Thompson stated that the proposed changes is a twofold objective; hiring people in critical jobs at a competitive rate and getting current employees up to that range.

Due to technical difficulties, the meeting was paused at 10:53 AM. The meeting resumed at 11:05 AM.

Mr. Thompson inquired about employees' evaluations. He wanted clarification that if an employee gets satisfactory on their evaluation they get 3% of the minimum and if they get unsatisfactory they did not receive an increase. Mr. Knight affirmed that statement.

General discussion was held on the types and amounts of increases and compression theory.

Mrs. Bitting pointed out that the tradesworkers/Recycling Attendants are listed with no increase. Mrs. Bitting stated Horry County had made cuts to the Unincorporated Collection System's budget and that the County has to hit fund balance in Fund 6. Mr. Gosnell requested staff keep the budget at a minimum. Therefore, Mrs. Bitting advised the site attendants would not be receiving an increase. She indicated that hopefully next year an increase can be budgeted for them. Mr. Campbell asked if the site attendants work for Horry County and the SWA just manages them. Mr. Knight responded that Horry County reimburses the SWA for the salary paid to all site attendants He stated site attendants were SWA employees but tipping fees do not pay their salaries.

Ms. Creech informed the Board Members that Mrs. Bitting works closely with Horry County and it was the County's recommendation concerning those employees.

Mrs. Bitting reviewed a summary of proposed changes in personnel costs. She stated personnel costs included salaries, FICA, worker's compensation, retirement and health insurance. Mrs. Bitting pointed out the largest increase is in Collection & Hauling which is where the recycling truck driver positions are located and the one staff is having difficulty in hiring.

Mrs. Creech asked if any Board Members had any questions or things they wanted for staff to present before the Budget Workshop; however, there were no questions.

Mrs. Creech expressed appreciation to Mr. Hilling for his hard work and advised him to enjoy retirement.

MOTION TO ADJOURN

There being no further business to come before the Board, Mr. Thompson moved, seconded by Mr. Campbell to adjourn the meeting. The Motion was carried and the Workshop was adjourned at 11:30 A.M.

Minutes approved on March 27, 2018

HORRY COUNTY SOLID WASTE AUTHORITY, INC.

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

ATTEST:

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

_____(L. S.)
Dan P. Gray

_____(L. S.)
J. Michael Campbell

_____(L. S.)
Michael H. Hughes

_____(L. S.)
Bo Ives

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