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 SOLID WASTE MANAGEMENT AGENCY
 JOINT POWERS BOARD SPECIAL MEETING
 March 19, 2015

SFC CLERK RECORD 04/23/2015

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**SOLID WASTE MANAGEMENT AGENCY
JOINT POWERS BOARD MEETING
Legal Conference Room
Santa Fe County Courthouse
March 19, 2015**

SFC CLERK RECORD 04/23/2015

I. CALL TO ORDER

A meeting of the City and County of Santa Fe Solid Waste Management Agency Joint Powers Board (SWMA) was called to order by Commissioner Kathy Holian, Vice Chair, on Thursday, March 19, 2015, at approximately 5:00 p.m., in the Legal Conference Room Santa Fe County Courthouse, 102 Grant Avenue, Santa Fe, New Mexico.

II. ROLL CALL

MEMBERS PRESENT:

Commissioner Kathy Holian, Vice-Chair
Councilor Patti J. Bushee
Commissioner Miguel Chavez
Councilor Signe I. Lindell
Commissioner Henry Roybal

MEMBERS EXCUSED:

Councilor Joseph M. Maestas

STAFF PRESENT:

Randall Kippenbrock, Executive Director – SWMA
Angelica Salazar, SWMA
Adam Schlachter, Education & Outreach Coordinator, SWMA
Rosalie Cardenas, SWMA
Justin Miller, Legal Counsel for SWMA
Elizabeth Martin for Melessia Helberg, Stenographer

There was a quorum of the membership in attendance.

III. APPROVAL OF THE AGENDA

MOTION: Commissioner Chavez moved, seconded by Commissioner Roybal, to approve the Agenda as presented.

VOTE: The motion was approved unanimously on a voice vote.

IV. APPROVAL OF CONSENT CALENDAR

MOTION: Commissioner Chavez moved, seconded by Councilor Bushee, to approve the following Consent Agenda, as amended.

VOTE: The motion was approved unanimously on a voice vote.

CONSENT CALENDAR

- (A) REQUEST FOR APPROVAL TO MAKE THE TELEVISION RECYCLING PILOT PROGRAM TO A PERMANENT PROGRAM AT THE BUCKMAN ROAD RECYCLING AND TRANSFER STATION.**

A Memorandum dated March 13, 2015, to the SFSWMA Joint Powers Board, from Randall Kippenbrock, Executive Director, regarding this matter is incorporated herewith to these minutes as Exhibit "1."

- B. *[Removed by Councilor Bushee for discussion]***
- C. REQUEST FOR APPROVAL OF CHANGE ORDER NO. 2 TO BID NO. 14/43/B WITH ENVIROWORKS, LLC, OF EDGEWOOD, NM, TO EXTEND THE TERM AND INCREASE THE CELL 5B LINER CONSTRUCTION PROJECT AT THE CAJA DEL RIO LANDFILL IN THE AMOUNT OF \$9,259.49.**
 - (1) APPROVAL OF BUDGET INCREASE TO 52510.572970 (WIP – CELL 5B CONSTRUCTION) FROM 5507.100700 (CELL DEVELOPMENT RESERVE FUND CASH) IN THE AMOUNT OF \$9,259.49**

A Memorandum dated March 13, 2015, to the SFSWMA Joint Powers Board, from Randall Kippenbrock, Executive Director, regarding this matter is incorporated herewith to these minutes as Exhibit "2."

- D. *[Removed for discussion by Councilor Lindell]***
- E. *[Removed for discussion by Councilor Bushee]***
- F. *[Removed for discussion by Councilor Bushee]***

IV. APPROVAL OF THE MINUTES: REGULAR MEETING – FEBRUARY 19, 2015.

MOTION: Councilor Lindell moved, seconded by Commissioner Chavez , to approve the minutes of the regular meeting of February 19, 2015, as presented.

VOTE: The motion was approved unanimously on a voice vote.

VI. MATTERS FROM THE PUBLIC

There were no matters from the public

VII. CONSENT CALENDAR DISCUSSION**(B) REQUEST FOR APPROVAL TO DISCONTINUE THE BICYCLE REUSE PILOT PROGRAM WITH CHAINBREAKER COLLECTIVE OF SANTA FE, NM, AT THE BUCKMAN ROAD RECYCLING AND TRANSFER STATION.**

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated March 13, 2015, to the SFSWMA Joint Powers Board, which is incorporated herewith to these minutes as Exhibit "3" Please see Exhibit "3" for specifics of this presentation.

Councilor Bushee asked if Chainbreakers are compensated, or are they just picking up bicycle parts.

Mr. Kippenbrock said this is correct, they are not compensated and just picking up bicycle parts.

Councilor Bushee said, "They are only open on Sundays. They are a non-profit, but she wants to see bicycles and bicycle parts to be put out for kids that can't afford bicycles. She asked if there is any way that staff can deliver the bicycles and bicycle parts to Chainbreakers by arrangement.

Mr. Kippenbrock said, "Yes, I agree, because they end up going to the scrap metal. pile." He said he can work with Chainbreakers and try to deliver the parts to them.

Councilor Bushee said before it comes here, she would like for him to have that conversation, commenting she would hate to see this mission to go by the wayside.

Mr. Kippenbrock said that would be fine.

MOTION: Councilor Bushee moved, seconded by Councilor Lindell, to postpone this item to the next meeting, so Mr. Kippenbrock can have this conversation with Chainbreakers and let them know we can accommodate them.

VOTE: The motion was approved unanimously on a voice vote.

- (D) **REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 TO PURCHASE AGGREGATE FOR THE CELL 5B LINER CONSTRUCTION PROJECT UNDER THE CONSTRUCTION AGREEMENT WITH DEL HUR INDUSTRIES OF PORT ANGELES, WA, IN THE AMOUNT OF \$25,500.00 (RFP NO. 14/29/P).**
- (1) **APPROVAL OF BUDGET INCREASE TO 52510.572970 (WIP – CELL 5B CONSTRUCTION) FROM 5507.100700 (CELL DEVELOPMENT RESERVE FUND CASH) IN THE AMOUNT OF \$25,500.00)**

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated March 13, 2015, with attachments to the SFSWMA Joint Powers Board, which is incorporated herewith to these minutes as Exhibit "4" Please see Exhibit "4" for specifics of this presentation.

The Board commented and asked questions as follows:

- Councillor Lindell said if she is reading this correctly, they underestimated use by 30%.
Mr. Kippenbrock said yes, the engineer underestimated, but the contractor also overlaid a greater portion of the area with this drainage material. The contractor also perhaps may have done a higher compaction of the same material than we anticipated.
- Councilor Lindell asked if Del Hur is a company she read about in the paper recently, and if they are part of the lawsuit that has been filed.
Mr. Kippenbrock said the name is mentioned in the lawsuit, but they're not part of it.
- Councilor Lindell said she wants to have clarity that there are two separate things here and we're not moving on something we really shouldn't be moving on. She said she knows nothing about the lawsuit, and wants to make sure that we have "two very separate things going on here."
Mr. Kippenbrock said, "Correct. We do."
- Vice-Chair Holian said this is aggregate for drainage, and Mr. Kippenbrock said that is correct.
- Vice-Chair Holian asked if crushed glass can be used.
Mr. Kippenbrock said we used approximately 4,000 cu. yds. of crushed glass for beneficial use on the liner. We used every bit of it that we could.
Vice-Chair Holian said and we will have more.
- Councilor Bushee asked, given that the City is aiming to move to single stream operations and we will be stuck with the glass, is there a use for glass in drainage business.

Mr. Kippenbrock said that was the purpose of it.

- Councilor Bushee said, "You're buying aggregate now. Did we not accumulate enough glass."

Mr. Kippenbrock said, "Correct."

- Councilor Bushee said she is stuck with the problem of dealing with glass.

Mr. Kippenbrock said approximately 25,000 cu yds of materials was needed to lay on the floor. He said, "We used all the glass we had on site that was not sold to Earth Stone. We accumulated all of the excess glass that we had since 2006 when we took over the Transfer Station. All that material was transferred to the landfill for that project. So we have more than enough."

- Councilor Bushee asked if he is talking about future glass.
- Mr. Kippenbrock said, "Absolutely. It will not be an issue, if we cannot sell or have other beneficial use for the glass, the alternative would be to use it for liner material."
- Councilor Bushee said, "I'm still stuck on the answer that it's still costing too much or something. What I'm trying to do is to reduce the waste stream."

Mr. Kippenbrock said it costs \$100 per ton to crush the glass into various sizes, to a sand, which is like a 3/8 minus pea gravel size.

- Councilor Bushee asked if any of the machinery is on site.

Mr. Kippenbrock said, "Yes. We have the machine on site which we purchased from the City in 2006 that is worn out and needs to be replaced, but replacing with another machine that has similar cost per ton. As long the City, County and the Agency recognize the cost per ton of \$100, we can continue with the program. If it is cost prohibitive, one suggestion is to discontinue the glass program."

- Councilor Bushee said it's all relative, commenting we subsidize our recycling program, and it's not about making money. She is hesitant to buy aggregate. She asked if anybody has done a cost analysis currently. She said, "I guess I'm missing the point, because we haven't moved off the dime on reducing our waste stream for two decades. I guess I'm trying to figure out... I get the dollar and cents part of the equation, but the reality is.... it's like people are saying, well we subsidize that process and nobody buys it."

Mr. Kippenbrock said the Agency views glass as one of the materials being diverted from the Landfill, and not as a problem waste, as long as we recognize the cost of it.

- Councilor Bushee said maybe she's talking about long term, as to the short term vote you want me to take, but I'm determined that we do this just based on cost as a criteria.

- Vice-Chair Holian said we have used all the glass that we can and now we need more aggregate for the drainage.

Mr. Kippenbrock said, "Yes. The message I heard for years is what do you do with the glass. Approximately 3-4 years ago, we went to NMED and got approval for beneficial use of the drainage layer material for glass. In the meantime, our number one buyer is Earth Stone. They make products out of it and they take a lot of that material, and potentially that could grow and consume a lot of ours, but we don't know yet. What I'm trying to say is we do have an avenue for that material, as opposed to what do you do with the glass."

- Commissioner Chavez said the Buckman Direct Diversion also has sand as a by product of its operation, and maybe we could look at that a source for either liner or for drainage material, or for the top *[inaudible]*. He said hat's just an option, commenting he doesn't know how much sand it has already produced, and the volume, but he thinks it's going to be a constant.

Mr. Kippenbrock said he will keep that in mind.

- Vice-Chair Holian said then sand could be used as well.

Mr. Kippenbrock said yes, sand and D gravel were the original materials until they became cost prohibitive to import those materials.

- Councilor Lindell said, "Councilor Bushee, I appreciate what you're saying. But when I look at the cost difference on this, we buy that at \$5 per ton, and it is \$100 per ton to use our own glass... it's almost a \$5 million difference, it's huge."
 - Councilor Bushee said it didn't really cost \$5 million to use the glass that we've using for *[inaudible]*.
 - Councilor Lindell said, "No. I'm saying at \$100 a ton, I appreciate what you're saying, but I just think with the vast amounts we use, almost 52,000 tons, we would have a cost difference of almost \$5 million."
 - Councilor Bushee said, "What I don't understand is, in 2006 you used up all the glass we stored, you stopped crushing it."
- Mr. Kippenbrock said, "No. We took over the Transfer Station in 2006. All of the glass that has been produced since 2006 was sold to our number one buyer, Earth Stone at \$5 per ton. And the remaining material went to the landfill project or for public use."
- Councilor Bushee asked what happens to the glass currently being received.

Mr. Kippenbrock said, "We will continue to do the same thing, crushing the glass, selling it to Earth Stone, our number one buyer, giving it away to the public for free and any excess will be used for the next landfill project."

- Councilor Bushee said, "I understand that you don't want to go out and buy glass, but you are going to use the glass that comes in."

Mr. Kippenbrock said that is correct.

- Councilor Bushee said, "And that costs you \$100 a ton to crush it and using that money *[inaudible]*

Mr. Kippenbrock said it costs \$100 a ton to process the glass, not necessarily to put it back into the landfill, but that is one of our alternatives to use that material.

- Councilor Bushee asked Mr. Kippenbrock to put down those numbers on paper for her later, noting she would really like to understand where he gets the numbers.
- Commissioner Chavez said he isn't suggesting the sand would be free from the Buckman Direct Diversion project, because there is going to be some cost. It's the same cost that would be incurred to process glass into crushed glass. There is a cost incurred in that, and the Agency needs to recognize that.
- Vice-Chair Holian asked what the BDD is planning to do with the sand right now, and Commissioner Chavez said right now it's in the way, it's a by-product.
- Vice-Chair Holian asked if there are plans to haul it away.
- Commissioner Chavez said he doesn't think so. He said they are not able to put it back into the River stream. It would have to be separated and something else done with it. He understands there is a by-product which is sand, and he thinks they can find something to do with it, but he's not suggesting it will be free. He is just putting it out there as an option.

MOTION: Councilor Bushee moved, seconded by Councilor Lindell, to approve Item VII(D) Change Order No. 2 to purchase aggregate for the Cell 5B Line Construction Project, under the construction agreement with Del Hur Industries of Port Angeles, WA, in the amount of \$25,500 (RFP No. '14/29/P), as presented.

VOTE: The motion was approved unanimously on a voice vote.

MOTION: Councilor Bushee moved, seconded by Commissioner Chavez, to approve Item VII(D)(1), budget increase to 52510.572970 (WIP – Cell 5B construction), from 5507.100700 (Cell Development Reserve Fund Cash), in the amount of \$25,500, with direction to staff to investigate the possibility of using sand from the BDD."

VOTE: The motion was approved unanimously on a voice vote.

(E) REQUEST FOR APPROVAL OF FOOD WASTE AND MANURE DELIVERED TO THE COMPOSTING OPERATION AT THE CAJA DEL RIO LANDFILL AS SPECIAL CONSIDERATION UNDER ORDINANCE 2012-1, SECTION 5(B)(4)

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated March 13, 2015, with attachments to the SFSWMA Joint Powers Board, which is incorporated herewith to these minutes as Exhibit "5" Please see Exhibit "5" for specifics of this presentation.

The Board commented and asked questions as follows:

- Councilor Bushee said she didn't understand from the Memo that you were going to waive the \$20 manure fee. She is concerned that there will be people dropping off manure to the landfill at a tipping fee of \$3 per ton, and then we're going to transport that manure to Payne's Organic Soil.

Mr. Kippenbrock said no, currently manure will be accepted only at BuRRT.

- Councilor Bushee asked if we are charging people to drop it off and then we're going to transport it, and Mr. Kippenbrock said yes.

- Councilor Bushee asked why not direct them directly to Payne's Organic Soil.

Mr. Kippenbrock said if they go directly to the landfill there will be no charge.

- Councilor Bushee asked if it will ultimately end up at Payne's Organic Soil.

Mr. Kippenbrock said no. Payne's will do all of the composting operation at the landfill.

- Councilor Bushee said, "So the composting effort I got started out a Caja del Rio a million years ago is dormant because the City is doing that at the Wastewater Treatment Plant, correct."

Mr. Kippenbrock said that's two separate composting operations.

- Councilor Bushee asked how long it has been dormant at Caja del Rio.

Mr. Kippenbrock said since 2008.

- Councilor Bushee asked the reason.

Mr. Kippenbrock said, to be honest with you, it was a lack of effort. He said, "I'm not saying we don't have the expertise, but we don't have the marketing, the sales. It is very difficult to get the New Mexico DOT to sell it, etc. So with this RFP, we asked what they would offer to come up with other ideas of how they can sell the product, and not just to the DOT. DOT, ever since the great recession, has backed off of buying that material."

- Councilor Bushee when we first did this, people would come with pickup loads of it.

Mr. Kippenbrock said they still do that at the transfer station.

- Councilor Bushee said, "I understand. I'm fine with reactivating that. I guess what I'm asking now... I want to just have one trip somewhere in the waste stream. Is that what we're doing with this. "

Mr. Kippenbrock said we can do two things. He said they can take it two places: First, people with small pickups and small loads of manure can utilize BuRTT. I was proposing to keep that at \$20 per ton.

- Councilor Bushee asked if we can just divert them to where operation is going to happen.

Mr. Kippenbrock said we can get the word out that they can go to Caja at no cost.

- Councilor Bushee wants to stop people from driving the vehicles twice the distance.

Mr. Kippenbrock we can do that too, and we can get the word out, and over time they know they can take manure at no cost to Caja.

- Councilor Bushee said Caja is in the County and BuRRT is a longer trip in most cases.

- Vice-Chair Holian said we need to phase in to it. If people go to BuRRT and told they can't drop it off, even if they're willing to pay, that will make them angry.

- Councilor Bushee asked about Payne's, and about having them to educate customers up front.

- Vice-Chair Holian said that's a good idea but we still need to phase in this program.

- Councilor Bushee said she was hoping the policy would get more green. She said she is so ready to jump start our waste stream reduction "I can't wait much longer. And to be honest, I was sorry to learn that program was defunct, and glad to see it come back. I think it's fine out at Caja del Rio, and probably better of than at Payne's Organic, the food waste anyway, because that was causing some problems with people. So I would like to change this Memo to approve for you to receive the compost at no charge at the landfill."

- Vice-Chair Holian said, "I think that is what is requested in the Memo."

- Councilor Bushee said, "No, because you've suggested to go to BuRRT and you're going to charge for compost."

Mr. Kippenbrock said, "Let's do it this way. Let the public utilize BuRRT or Caja for the manure at no charge. Okay. That's the key."

- Councilor Bushee said that makes no sense.

MOTION: Councilor Bushee moved, seconded by Councilor Lindell, "to allow for compost, manure and food waste to be received for free at the Landfill and that whatever regulation the Ordinances have, to allow for that to happen."

DISCUSSION: Commissioner Chavez asked Councilor Bushee what she proposes to do about manure, because that needs to be part of the equation.

Councilor Bushee said that is part of her motion.

Councilor Chavez said the action requested is to waive the tipping fee for food waste by the City of Santa Fe Environmental Services Division, and to waive the tipping fee delivered to the landfill for the composting operation, and Councilor Bushee wants staff to do that.

Councilor Bushee said, "Just simply allow green waste, food waste and manure to be received at the landfill from the public, and have Payne's Organic Soil to promote to the public that that's where they should bring all their compost, manure and food waste with no tipping fee."

Vice-Chair Holian said, "Let me just point out that the only action requested does have to do with the tip fees at the landfill for food waste and manure. It has nothing to do with the tipping fees at BuRRT. So I think if we don't do this as noticed, I think we would have to bring that back as another item in the future. If we want to change the request, we should ask the lawyer."

Councilor Bushee said it's not about BuRRT, it's about the Landfill.

Vice-Chair Holian said, "Right. This is the only thing that is in this particular caption material. It's about the Landfill. It doesn't have anything to do with BuRRT. But part of your motion was to say it would no longer be affected at BuRRT, so that would have to be in another packet filing I would think in the future."

Elizabeth Martin said that wasn't in the motion.

Councilor Bushee said she didn't mention BuRRT this evening, about where you do or do not accept waste. She is trying not to have a landfill fee being charged..... I don't know, I forgot."

Councilor Bushee said, "You are saying you want to charge \$20 per ton."

Mr. Kippenbrock said that would be at BuRRT.

Councilor Bushee asked, "How do I get to this other place so we're not having people going in so many directions."

Vice-Chair Holian said if we want to accept manure at BuRRT, staff will need to bring that forward in the future.

Councilor Chavez said and that would have to be a phase-in.

Vice-Chair Holian said, "The motion is to waive the tipping fees for food waste and all manure to the Landfill. Is that correct. Is the second okay with that motion."

Councilor Lindell said yes.

Mr. Kippenbrock said the food waste for now delivered to the landfill will be by the City Environmental Services Division and by ReUnity Resources, as per his negotiated agreement with Payne's Nursery, and we did not include the public at this time, because we wanted to see how the pilot program is worked out first.

Vice-Chair Holian said but anybody can take manure, and Mr. Kippenbrock said this is correct.

Councilor Lindell asked when Payne's will be moving from its current location.

Mr. Kippenbrock said Payne's Nursery will continue to keep its facility at the Agua Fria location and it will be used as a retail outlet.

Councilor Lindell asked if this is the long term plan. She said we previously talked about the horrendous stench.

Mr. Kippenbrock said we negotiated with Payne's Nursery, and they recognized that, and that is the reason they are moving the food waste composting to the landfill.

Councilor Lindell asked if that is what was causing the tremendous odor in that area.

Mr. Kippenbrock said, "Partially, yes.

Councilor Lindell asked what was the other part.

Mr. Kippenbrock said, "It comes down to operations. It comes down to the proper ratios, the idea of recipe – food waste versus mulch – to break down the odor."

Councilor Lindell asked if that will be corrected by moving the facility.

Mr. Kippenbrock said he understands it's under control now.

Councilor Lindell said, "It's not under control now."

Mr. Kippenbrock said we have a contractual agreement with Payne's Nursery with regard to maintaining the facility.

Councilor Lindell said it is frustrating for that neighborhood, it's ongoing, and it's gone on a long time. She said she and Mr. Kippenbrock have discussed this. She it's all part of this ongoing operation. She said, "Well, we can just put it on the agenda as another topic at another time, if the Committee would like to do that, but I think we need to discuss this.

Vice-Chair Holian asked, "Does SWMA have anything to do with this other composting operation at Payne's facility.

Mr. Kippenbrock said, "No. That is a private operation."

Responding to Councilor Lindell, Mr. Kippenbrock said they are permitted through NMED.

Vice-Chair Holian said, "So it doesn't seem like it's relevant to SWMA."

Mr. Kippenbrock said that is correct.

Vice-Chair Holian said, "So we don't really have anything to do with that operation.

Mr. Kippenbrock said, "Correct. Not at their location on Agua Fria. The permit, when they submit it, we negotiated that we want to make that food waste composting is done at the Landfill and not at the facility on Agua Fria, and the rest of the other conditions in the Agreement."

Councilor Lindell said, "So they will be moving part of their operation out of Agua Fria to the Landfill."

Mr. Kippenbrock said, "It is my understanding they will be moving their composting operation to the landfill. The Agua Fria location will be a retail outfit, just like any other nursery."

Vice-Chair Holian said they don't have *[inaudible]*

Councilor Lindell said, "That's fine, I'll bring it up under Matters from the Commission.

Councilor Bushee said, "This is a very fragmented discussion, so I'm going to try to bring it together. It seems that an operation, such as a composting operation, was a policy decision. So it was disturbing to me in the Memo, as a member of this Board, that it was just allowed to go by the wayside. I approached this by saying, okay, we're going to jump start it. I'm happy about that. But you said, well that's not something for this Commission to have a discussion about. It would seem to me, you would have brought that to the Board to discuss. We're going to stop there, if we don't have the staff, the machinery broke again, what have you."

Councilor Bushee continued, "So, I'm grateful we're going to jump start it, but what I'm concerned about now.... so we want to encourage green waste to be diverted to the Landfill, in whatever form it might take. And so now, how are we going to retain the customers, because Payne's Organic Soil is a great product to customers. Right now, people get the stuff at the Wastewater Treatment Plant, \$13 a pickup load.... The previous operation and I'm sorry, I went up to see what they did in Los Alamos. One guy, one machine,

making compost and they've been doing that for years, and we're doing nothing here. We bought [inaudible] and they were just destroyed and we're not using it. But when we got it going again, people came out and they got the kind of bulky stuff and they're using it on the pathways. They got clean, green waste that was crushed up. So, if we're waiving tipping fees and, and we're going to jump start it, what is it going to cost the consumer to get a benefit."

Mr. Kippenbrock said whatever the retail price that Paynes charges, as part of this agreement, we'll get \$4 per ton royalty for all of this product that goes to the Landfill.

Councilor Bushee so we not doing this to benefit the consumer, we are doing this just to divert waste only.

Mr. Kippenbrock said to keep in mind that all green waste that is mulched at BuRRT will be first come, first served, but at the Wastewater Treatment Plant, the main balance of that will go to Payne's Nursery for the composting operation.

Councilor Bushee asked if there will be a separate operation at BuRRT.

Mr. Kippenbrock said they mulch the waste at the transfer station.

Vice-Chair Holian said, "I will summarize. We have a motion on the floor, and a second to waive tipping fees delivered to the landfill. "

VOTE: The motion was approved unanimously on a voice vote.

(F) REQUEST FOR APPROVAL OF SERVICES AGREEMENT WITH PAYNE'S NURSERY AND GREENHOUSES, INC., OF SANTA FE, NM, FOR COMPOSTING OPERATION, MARKETING AND SALES AT THE CAJA DEL RIO LANDFILL FOR THE SANTA FE SOLID WASTE MANAGEMENT AGENCY (RFP NO. 15/23/P)

A Memorandum dated March 13, 2015, with attachment, to the SFSWMA Joint Powers Board, from Randall Kippenbrock, Executive Director, regarding this matter is incorporated herewith to these minutes as Exhibit "6."

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated March 13, 2015, with attachments to the SFSWMA Joint Powers Board, which is incorporated herewith to these minutes as Exhibit "6" Please see Exhibit "6" for specifics of this presentation.

The Board commented and asked questions as follows:

- Commissioner Chavez said on the economic proposal, the Memo suggests that Payne's Nursery pay the Agency \$4 a ton for both mulch and finished compost. He would imagine the market price would be somewhat different.

Mr. Kippenbrock said he doesn't know what their retail prices will be. He included mulch and not just finished compost products because they make a recipe that's not necessarily compost products, but it will be similar to mulch in compost.

- Commissioner Chavez said he was trying to draw a distinction between the two materials.

Mr. Kippenbrock said there can be a difference.

- Commissioner Chavez said he thinks the prices are still somewhat reasonable, commenting free is always better, but it doesn't always work.
- Councilor Lindell asked if you have any idea how many tons we are talking about on annual basis.

Mr. Kippenbrock said that's good question. He said for example, green waste comes to BuRRT at 300 pounds per cu yd, and when it goes to the landfill for composting operations it gets further reduced by the compost and activities. He said typically the material goes out as 1,000 pounds per cu yd. He said he would guess that would be 7,000 and 10,000 tons per year. He said there are so many variables in this picture, and in the first 12 months there will be very little activity in terms of retail until it becomes a finished product.

- Councilor Lindell then you don't know how much they charge per ton on it.

Mr. Kippenbrock said no, they're going to make various products based on that.

- Councilor Lindell asked if she is correct, "that they pay us based on when the product leaves the site and it goes across the scale, so they pay us, and then it leaves the site. They are billed the \$4 per ton as it leaves the site, we we're not open to question as to how much it really.... in fact once it leaves the site, whatever they do with it, that's up to them. Where they sell it and where they use it themselves. We're going to get paid because it leaves the site, and asked if that is correct."

Mr. Kippenbrock said that is correct, and we also will be monitoring all incoming materials as well.

MOTION: Commissioner Chavez moved, seconded by Commissioner Roybal, to approve Item VII(F), to approve the Services Agreement with Payne's Nursery and Greenhouses, Inc., of Santa Fe, NM, for composting operation, marketing and sales at the Caja del Rio Landfill for the Santa Fe Solid Waste Management Agency (RFP No. '15/23/P), as presented by staff.

DISCUSSION: Councilor Bushee asked how they arrived at \$4 a ton for the sale of mulch as a compost products going back to SWMA.

Mr. Kippenbrock said that was negotiated between the Agency and Payne's Nursery.

Councilor Bushee said the City is going to deliver it, or it's going to be there from the public – you're going to transport some of the raw materials, correct.

Mr. Kippenbrock said yes.

Councilor Bushee asked what that would cost.

Mr. Kippenbrock said it is about \$100 a load or 64 cu yds in a load, that's to transport. He said that's all internalized from the Agency bringing it from BuRRT to the Landfill.

Councilor Bushee asked if this cost will cover that transport.

Mr. Kippenbrock said, "I don't know. And the reason for that is, we want to get this program off the ground and be successful. There are a lot of unknowns in terms of how to make this composting operation successful."

Councilor Bushee said he negotiated the number, but it indicated in the old Memo that Payne's Nursery was charging \$6-\$10 a ton or \$3-5 cubic yard for food waste, she assumes from the public.

Mr. Kippenbrock's said that's what Payne's was charging at its facility.

Councilor Bushee said she wants to know if we are covering the costs, noting it is important for us to be successful. She said it's a commodity and something desired to be used in the creating a product that is now going to be sold to the public, although she doesn't know if will be certified as organic. She assumes these people are here. She said, "Payne's is imminently qualified. They put out a good product. I buy it all the time, but I have questions as to if this is a good business decision for us, given that it's no longer about creating a free product or an inexpensive product. So are we covering our transportation costs to move the waste there with this negotiated fee, given how much is going to be charged per yard for the finished product."

Councilor Bushee continued, "I'm still unhappy we have the original proposal, but if we're creative not just on a whim, that little line will go defunct, so I'm trying to understand now that we're making smart decisions. Because I don't think we're making the best environmental decisions, but we're making decisions. So now, we're making business decisions."

Mr. Kippenbrock said he can't answer that question, "other than what I just told you what it costs the agency to transport it per load."

Councilor Bushee asked if he figured – how many loads, how many cu yds over all and \$100 – could you estimate that would be several hundred thousand dollars, half a million dollars."

Mr. Kippenbrock said he can't make that estimate, but he will get that number for her.

Councilor Lindell said, speaking to that, "Let's try to work a little bit backwards. If we did perhaps 7 to 10 times, so let's take the low end of that, the 7,000 tons at \$4, so that's, that would be \$28,000. So does the \$28,000 cover all the transportation costs in this."

Vice-Chair Holian said, "I will also add that, at this point, we don't know how much is going to come directly to the Landfill versus how much will be transported from BuRRT. This is still to be determined. Isn't that correct."

Mr. Kippenbrock said, "Yes. It's going to vary on how much needs to be transferred to BuRRT."

Vice-Chair Holian said, "When the City brings food waste, they will bring it directly to the Landfill, they won't bring it to BuRRT. Correct."

Mr. Kippenbrock said, "Correct."

Vice-Chair Holian said, "I would assume that ReUnity Resources would also bring things directly to the Landfill. Correct. So, maybe, most of the waste will be taken directly to the landfill now, and there will be less transported from BuRRT."

Mr. Kippenbrock said yes, with the exception of mulch.

Councilor Bushee asked if we are going to cover our costs.

Mr. Kippenbrock said, "If we assume 187 cubic yards will be delivered to the Landfill, and assume 187 loads per year, times \$100, that's \$18,750. If I use 7,000 tons times \$4, that is approximately \$28,000."

Councilor Bushee said then it's a wash, but you have to receive the waste at the Landfill, and there's staff to take care of anything other than composting.

Mr. Kippenbrock said, "First and most important if you establish a viable composting operation at the Landfill, make it successful, and as the program matures, we may be able to go back to the point where the Agency will be able to benefit more through royalty payments, etc."

Councilor Bushee asked the reason the project failed in the first place.

Mr. Kippenbrock said, "Sales and marketing."

Councilor Bushee said but they had no problem making the compost.

Mr. Kippenbrock said, "Our product was geared toward DOT specifications. There was not a need for that. We also ran into a high pH, in the effluent water they were using that caused the pH to be too high to be considered compost for the DOT. For the mulch there is no pH requirement, but there is for compost. The DOT only asked for compost, not mulch. They would not buy mulch, just compost. My understanding the last few years, in this District, they did not buy composting material."

Councilor Bushee asked if we promoted the material we made to the general public.

Mr. Kippenbrock said, "I did not promote any composting material, because I did not certify *[inaudible]* that is composting material."

Councilor Bushee said then you were having technical difficulties last year, and Mr. Kippenbrock said yes.

Councilor Bushee said she doesn't think anybody is getting rich from this material. She wants to know that we're being smart, but she still believes she will have to vote against this, simply because she would like to see the consumer vested in a better way. She said, "Maybe that's where you get down the road. I don't know."

Vice-Chair Holian said, "I want to point out that at the last meeting recommendations were made by consultants who analyzed our operations and we as a Board approved those recommendations, and this is part of implementing those recommendations which were approved at the last SWMA board meeting.

Councilor Bushee asked if the Board ever voted to allow the previous operation to go fallow.

Commissioner Chavez said, on the business side, it says, "The contractor will pay the Agency \$4 per ton for all mulch and finished compost products sold by the contractor located at the Landfill on a monthly basis.... the Contractor shall pay the Agency for its use of the reclaimed wastewater at fifty percent of the rate for potable water as set for in the City of Santa Fe Sanitary Sewer Rate Fee and Penalty Schedule.... contractor shall pay the Agency for the use of a trammel screening machine that is owned by the Agency at a rate of \$100 per year."

Councilor Chavez continued, "You mentioned earlier, Randall, that improvements are going to have to be made to some of the other equipment to continue, and that is their responsibility."

Mr. Kippenbrock said that is correct.

Vice-Chair Holian said, "Before I call for the vote, I would just like to make a comment on my own. First of all, I'm really happy to see the composting operation going forward and that no tipping fees will be charged for the food waste to the Landfill. It will be interesting to see how much food waste is now diverted from the landfill, and I hope someone keeps statistics as we go along. I think next year, we'll probably look at this again and see if adjustments should be made to this, but this is a really good first start."

Commissioner Chavez noted this approval is for only one year, not to exceed four years.

Councilor Bushee said she understands we are supposed to be keeping track of the food waste diversion.

Cindy Padilla, Director, Environmental Services Division, said they are doing that, and have monthly reports and she will compile a one-year report which can be reported to this Board.

Councilor Bushee said, "I'm just disappointed to see that the project is gone by the wayside, but I'm grateful to see it revised, and this company will do a good job of it, and I'm grateful that the food waste is being diverted. But I still think, in the end, that we should aim to provide whatever product we can of the highest quality at the lowest possible rate to the public.

VOTE: The motion was approved on a voice vote with Vice-Chair Holian, Commissioner Chavez, Commissioner Roybal and Councilor Lindell voting in favor of the motion, no one voting against, and Councilor Bushee abstaining.

VIII. MATTERS FROM THE EXECUTIVE DIRECTOR

There were no matters from the Executive Director.

IX. MATTERS FROM THE BOARD

There were no matters from the Board.

X. MATTERS FROM STAFF

There were no matters from staff.

XI. MATTERS FROM THE CITY

Cindy Padilla reintroduced herself, saying she has returned to the City as the Environmental Services Division Director. She said she is excited to be back with the City. She said one of the recommendations from the study is that we have a unified message, and that we work together as we go forward. She said they will be revamping the strategies, and will be bringing those to the Board. She said the numbers may not indicate the progress they would like to see, but they will work to do better. She reiterated she is happy to be back, and looks forward to working with everyone.

Vice-Chair Holian said she is happy to see her back.

Councilor Bushee said she and Councilor Lindell will be introducing a single stream recycling initiative on Wednesday.

XII. MATTERS FROM THE COUNTY

There were no matters from the County.

XXIII. NEXT MEETING DATE – THURSDAY, APRIL 16, 2015



XIV. ADJOURNMENT

MOTION: Councilor Chavez moved, seconded by Councilor Roybal, to adjourn the meeting.

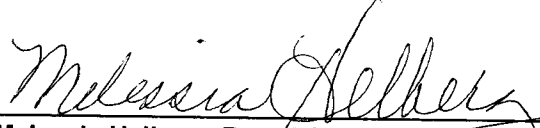
VOTE: The motion was approved unanimously on a voice vote, and the meeting was adjourned at approximately 6:20 p.m.

APPROVED BY:


Joseph M. Maestas, Chair


ATTEST TO:

Yolanda Y. Vigil, City Clerk
City of Santa Fe

SUBMITTED BY:

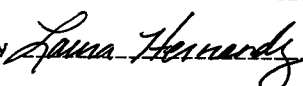

Melessia Helberg, Board Stenographer

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

SOLID WASTE MINUTES
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I Hereby Certify That This Instrument Was Filed for
Record On The 23RD Day Of April, 2015 at 04:15:44 PM
and Was Duly Recorded as Instrument # 1762633
of The Records Of Santa Fe County



Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy  County Clerk, Santa Fe, NM