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 SOLID WASTE MANAGEMENT AGENCY
 JOINT POWERS BOARD SPECIAL MEETING
 April 16, 2015

SFC CLERK RECORDED 07/06/2015

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SFC CLERK RECORDED 07/06/2015

**SOLID WASTE MANAGEMENT AGENCY
JOINT POWERS BOARD MEETING
Legal Conference Room
Santa Fe County Courthouse
April 16, 2015**

SFC CLERK RECORDED 07/06/2015

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 Councilor Joseph M. Maestas, Chair, on Thursday, April 16, 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:

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

STAFF PRESENT:

Randall Kippenbrock, Executive Director – SWMA
Angelica Salazar, SWMA
Rosalie Cardenas, SWMA
Adam Schlachter, SWMA
Danita Boettner, SWMA
Justin Miller, Legal Counsel
Melessia Helberg, Stenographer

There was a quorum of the membership in attendance.

III. APPROVAL OF THE AGENDA

MOTION: Councilor Lindell moved, seconded by Councilor Bushee, to approve the Agenda as presented.

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

VI. APPROVAL OF CONSENT CALENDAR

MOTION: Commissioner Holian moved, seconded by Commissioner Chavez, to approve the Consent Calendar, as amended.

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

V. APPROVAL OF THE MINUTES FOR REGULAR MEETING – MARCH 19, 2015

MOTION: Commissioner Holian moved, seconded by Commissioner Chavez, to approve the minutes of the regular meeting of March 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

- (A) **REQUEST FOR APPROVAL OF AMENDMENT NO. 5 TO THE PROFESSIONAL SERVICES AGREEMENT WITH CDM SMITH, INC., OF ALBUQUERQUE, NM, IN RESPONSE TO NMED'S REQUEST FOR ADDITIONAL INFORMATION NO. 3, AND TO PROVIDE SUPPORT FOR THE PUBLIC HEARING FOR THE CAJA DEL RIO LANDFILL PERMIT RENEWAL AND MODIFICATION APPLICATION IN THE AMOUNT OF \$55,654. (RFP NO. '12/06/P),**
 - (1) **APPROVAL OF BUDGET INCREASE TO 52521.572950 (WIP – START UP PROJECT COSTS) FROM 5521.100700 (LANDFILL PERMITTING RESERVE FUND CASH) IN THE AMOUNT OF \$55,654.**

- (B) **REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH LONG, KOMER & ASSOCIATES, P.A., OF SANTA FE, NM, FOR LEGAL SERVICES FOR THE SANTA FE SOLID WASTE MANAGEMENT AGENCY IN THE AMOUNT OF \$35,000. (rfp NO. '15/28P)**

- (C) **REQUEST FOR APPROVAL TO AWARD BID NO. 15/16/B – ON CALL TRUCK SCALE CALIBRATION, MAINTENANCE AND REPAIR SERVICES FOR THE SANTA FE SOLID WASTE MANAGEMENT AGENCY TO RUSTY'S WEIGH SCALES AND SERVICES, INC., OF LUBBOCK, TEXAS AND FAIRBANKS SCALES OF GLENDALE, ARIZONA.**

- (D) **REQUEST FOR APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SANTA FE AND THE SANTA FE SOLID WASTE MANAGEMENT AGENCY FOR RADIO COMMUNICATION SUPPORT.**
 - (1) **APPROVAL OF BUDGET INCREASE TO 52501.572400 AND 52504.572400 (INVENTORY EXEMPT) AND 52501.563100 (SERVICES OF CITY DEPARTMENTS) FROM 5500.100700 (OPERATING FUND CASH BALANCE) IN THE AMOUNT OF \$70,000.**

- (E) *[Removed for discussion by Councilor Bushee]*

- (F) **REQUEST FOR APPROVAL OF SOLE SOURCE VENDORS:**
 - (1) **ANDELA PRODUCTS, LTD., RICHFIELD SPRINGS, NY.**
 - (2) **CP MANUFACTURING, INC., SAN DIEGO, CA.**
 - (3) **SMORACY, LLC (BANDIT INDUSTRIES), REMUS, MI.**
 - (4) **VAN DYK BALER CORP. (VAN DYK RECYCLING SOLUTIONS), STANFORD, CT.**

- (G) *[Removed for discussion by Commissioner Holian]*

CONSENT CALENDAR DISCUSSION

- E. **REQUEST FOR APPROVAL TO ENTER INTO COOPERATIVE PURCHASING AGREEMENTS FOR THE PROCUREMENT OF ANY SERVICES, CONSTRUCTION OR ITEMS OF TANGIBLE PERSONAL PROPERTY BETWEEN THE SANTA FE SOLID WASTE MANAGEMENT AGENCY AND THREE GOVERNMENTAL COOPERATIVES PURSUANT TO THE STATE OF NEW MEXICO PROCUREMENT CODE, SECTION 13-1-135.**
 - (1) **HOUSTON-GALVESTON AREA COUNCIL (HGACBUY).**
 - (2) **BUYBOARD NATIONAL PURCHASING COOPERATIVE (BUY BOARD).**
 - (3) **COOPERATIVE EDUCATIONAL SERVICES (CES)**

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated April 10, 2015, to the SFSWMA Joint Powers Board, which is incorporated herewith to these minutes as Exhibit "1" Please see Exhibit "1" for specifics of this presentation.

Councilor Bushee said she is going to continue to point out how much business we send out of State. She said, "I'm asking specifically why we have to have a Houston cooperative."

Mr. Kippenbrock said, "Usually they're for solid waste equipment that is not available in the Santa Fe or Albuquerque area."

Councilor Bushee asked, "Is there even no other place in New Mexico, at least, that we could pursue whatever it is you're going to pursue in this instance. I've been part of a Governing Body that's run a landfill for a long time, I know this is a little different, but we've never sent too much business out of state."

Mr. Kippenbrock said, "The next real purchase I'll be looking at is two *[inaudible]* trailers that are about \$80,000 apiece. The manufacturer we're looking at is out of state. Once we looked into it, we found out it was available through the BuyBoard through CVS service out of Albuquerque, with MTT, that is part of that cooperative there."

Councilor Bushee said, "Okay, so why would we have to have to have the Houston Council."

Mr. Kippenbrock said, "These are the three cooperative agreements that we're requesting to be a member, if in the future we need to procure particular piece of equipment or truck."

Councilor Bushee said, "I understand how it works, but why would you have one for the Houston/Galveston area. That machine you just mentioned is being purchased out of Albuquerque."

Mr. Kippenbrock said, "Yes."

Councilor Bushee asked, "What particular item will be needed in the future that would come out of the Houston-Galveston Area Council."

Mr. Kippenbrock said, "I don't have that specific machine. It's just allows us to utilize it when we do procure, we will come back to the Board each time and recognize the cooperative that we're buying it from. We first look at the State of New Mexico State Pricing Agreement, if it's not available from there, then we try to look at the Western State Alliance that the State of Mexico is part of it, if it's not available there, then we try to utilize one of these 3. If that's not in our advantage, then we go out for a formal bidding process."

Councilor Bushee said, "Okay, I guess I'm kinda still going to keep making my point about this issue, but I was just curious what particular item you had ever bought or would buy out of Houston-Galveston."

Mr. Kippenbrock said, "Landfill equipment, sweepers, just solid waste equipment utilized by the Landfill and the transfer station."

MOTION: Commissioner Chavez moved, seconded by Commissioner Holian, to Approve Item VII(E) request for approval to enter into Cooperative Purchasing Agreements for the procurement of any services, construction or items of tangible personal property between the Santa Fe Solid Waste Management Agency and three governmental cooperatives pursuant to the State of New Mexico Procurement Code, Section 13-1-135: Houston-Galveston Area Council (HGACBuy); BuyBoard National Purchasing Cooperative (BuyBoard); and Cooperative Educational Services (CES)

DISCUSSION: Councilor Chavez said, "I think when we have a local preference, the local preference can and should apply, and when it doesn't it doesn't, in this case, we're following the Procurement Code. I think, by approving this, it would be in the best interest of the Agency, because it's more cost effective in this cooperative in purchasing as far as the price and the availability of whatever we might need to continue to operated the landfill, right Randall."

Mr. Kippenbrock said, "Yes sir."

Councilor Bushee asked Mr. Miller what kind of local preference does this Agency apply to contractors, what percentage.

Justin Miller, SWMA Counsel, said, "Off the top of my head, the Agency applies a local preference of at least 5% on RFP's because that is what was approved by the County, under the County Ordinance."

Councilor Bushee said, "The City applies 10%, could we up it here."

Mr. Miller said, "We've talked about that before, and the reason we went with the 5% is because that was the common denominator between the City and the County's policy. So, the JPA Agency exercises powers common to the City and the County, and so we set the local preference at the common ground here."

Chair Maestas said, "I have a question, at least on the City Council, we generally don't pre-approve any of these cooperative agreements. It's always done in conjunction with a specific procurement action, so why couldn't we do that. Instead of pre-approving some of these cooperative agreements, that we simply take action in conjunction with a specific procurement action. Is that part of the policy of the agency. This is not in conjunction with any kind of specific procurement."

Mr. Kippenbrock said, "Correct, it's just the application itself."

Chair Maestas asked if this is part of the policy, "because we don't normally do that at the City."

Mr. Kippenbrock said this is a one-time application for a request for approval to become a member. And then, from there on, we'll identify which cooperative we're using, if we're using one of those."

VOTE: The motion was approved on a voice vote, with Commissioner Holian, Commissioner Roybal, Commissioner Chavez and Councilor Lindell voting in favor of the motion and Councilor Bushee voting against.

G. UPDATE ON IMPLEMENTATION OF KEY RECOMMENDATIONS FROM THE DECEMBER 2014 SOLID WASTE ASSESSMENT AND MANAGEMENT STUDY

Responding to the Chair, Commissioner Holian said she wanted a summary of what is happening with our recommendations, particularly about the composting operation and also developing the messaging that would be used by the City, County and SWMA.

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated April 10, 2015, to the SFSWMA Joint Powers Board, which is incorporated herewith to these minutes as Exhibit "2" Please see Exhibit "2" for specifics of this presentation.

Mr. Kippenbrock said on Friday, members of SWAC will meet with the City at Frenchy's Barn, 9:00 a.m. to 1:00 p.m., to talk about glass recycling.

The Board commented and asked questions as follows:

- Commissioner Chavez said then the scrapers are obsolete.

Mr. Kippenbrock said it is the cost to maintain and replace, but most importantly they create a lot of dust.

- Commissioner Holian asked the status of the proposals for off-site transportation and processing of recyclables.

Mr. Kippenbrock said they have received 2 proposals. He said the evaluation committee met yesterday, and this morning he made a decision after conferring with the committee members, to negotiate with the highest qualified company and go from there. He said it comes down to the financial incentive if it makes sense for all parties. He said they have the capability to process the materials. He said we are in a difficult period with the market for recyclable materials, and prices are more depressed than in 2007 when we first got started, and we don't know how long it's going to last. He said a good indication is if the prices of oil and gas are low, then the recycling prices generally will be lower. He hopes to have a definite answer at the next Board meeting.

- Councilor Bushee asked, regarding Section 2, how long ago was the Fleet Management software updated.

Mr. Kippenbrock said it was purchased 6-8 months ago for \$5,000, but it may not be the most appropriate software for the Agency. He said it needs to be user friendly and produce the data we need to be able to generate to compare the cost when it comes times to replace the unit.

- Councilor Bushee asked if he did that when it was purchased.

Mr. Kippenbrock said yes. However, it isn't at the level he would like to see and they are struggling with it. He said we need to look at software which would be more compatible and capable for our Agency.

Responding to Councilor Bushee, Mr. Kippenbrock this software would not be useful otherwise in our operation.

- Councilor Bushee noted it indicates the Agency is working with Del Hur Industries in the basalt area and asked if this is basalt we're moving to make more cells, what markets he is trying to expand.

Mr. Kippenbrock said we have an 8 year contract with Del Hur, noting May will be the end of the first year, and they are the contractor that crushes and sells the rock. He said Del Hur identifies the market and finds buyers.

- Councilor Bushee asked if this is related to a lawsuit.

Mr. Kippenbrock said not this contract.

- Councilor Bushee asked Mr. Miller if this item is related to a lawsuit.

Justin Miller, SWMA Counsel, said peripherally, but it is not related to this item.

- Councilor Bushee said then we can vote on this today.

- Chair Maestas said this is not an action item.

- Councilor Bushee asked, regarding Item 3, replace or outsource certain key equipment including the glass pulverizer, if that is to find someone to do those services instead of using our machinery.

- Mr. Kippenbrock said the first is the horizontal grinder called the Beast, which is at the end of its life. The Assessment recommends that we don't purchase a new one, and to contract with an outside firm. The current pulverizer is an old one, and we are waiting for the City to decide how we're going to handle glass. We also are exploring a pilot program. He said the glass is loaded in gaylord boxes and there is a glass plant in Phoenix that can accept the material and they process it and make fiberglass out of it. He said if that is cost effective, they prefer to go that route, as opposed to continue to crush the gas.

- Councilor Bushee asked if we were able to execute an agreement for greenwaste grinding services to offset the purchase for a new grinder.

Mr. Kippenbrock said that is correct.

Responding to Councilor Bushee, Mr. Kippenbrock said it is just for the beast grinder.

- Councilor Bushee said then an agreement has been executed, and we are no longer going to use the beast horizontal grinder.

Mr. Kippenbrock said it will be used occasionally as needed, depending on our operation.

- Councilor Bushee noted the two requests for sole source procurement, one is for Andela Products from New York which manufactures the glass crusher, its parts and technical assistance, and the second is from Michigan for the beast wood grinder. She asked if she can presume we no longer need to have a sole source contract.

Mr. Kippenbrock said, the second one, the glass crusher, Andela of New York, has parts that are proprietary that you have to buy from them, and you get technical services. He said to keep in mind that the sole sources allow us to procure if we need to. It's not like we're going to.

- Councilor Bushee said some of these things "we do were so stockpiled and ahead of the game," and we don't know what is going to happen with the glass and if SWMA is going to be doing glass." She said the idea is to contract with a third party for the glass. She said she is pointing out what she sees is perhaps a disconnect, and why we're so far ahead of ourselves on sole source. She said, "I take sole source approval as needing..... and the glass is past tense."

Chair Maestas said the perception is that we're in a transition where we're starting to contract some of these operations where we did have sole source equipment for services from manufacturers which had proprietary equipment. He said, "Your rationale Randall is: let's see how this goes, and keep the equipment on a contingency, and if things go well we can phase them out and surplus the equipment.... that's what we discussed during the tour."

Mr. Kippenbrock said, "I think your explanation is perfect.... we have the equipment on an interim basis and a sole source contract where we can buy parts if we need to do so."

- Councilor Bushee asked, "Do you have existing contracts before we approve this one right?"

Mr. Kippenbrock said up to \$60,000 we use small purchase deals.

- Councilor Bushee said, "I understand the transition, I just... we're already contracted with folks and you have amounts left on them that you can utilize."

Mr. Kippenbrock said, "No. I don't think so. We may have small amounts to keep an open field for small parts. I don't know the exact amount, whether it's \$2,000."

- Councilor Bushee said, "It seems that words, like 'the Agency executed an agreement for green waste grinding services,' when did we execute that agreement?"

Mr. Kippenbrock said two Board meetings ago.

- Councilor Bushee said, "That's why I was again trying to.... it sounds like we're abandoning this grinder, I don't about glass, where that's going."

Mr. Kippenbrock said that is correct.

- Councilor Bushee said then why we are approving a sole source agreement with the company that manufacturers that obsolete grinder.

Mr. Kippenbrock reiterated, "I want to be able to keep the current grinder on site in working condition in case we need to do miscellaneous grinding on site, just there as a secondary source, and not necessarily adding parts after parts after parts."

- Councilor Bushee asked if it will go elsewhere when we decide to abandon it.

Mr. Kippenbrock said 8-9 years ago, we had another grinder which was purchased by Las Vegas or San Miguel County.

- Chair Maestas said the budget assumes there is a post-contract implementation scenario with personnel changes, and asked Mr. Kippenbrock to talk about how we should deal with those changes in the budget – will personnel actions be put on hold until we award the contract, or if Mr. Kippenbrock sure that eventually we will award the contract after negotiations.

- Mr. Kippenbrock said, "I feel that it's going to be.... what I'm proposing, is perhaps somewhere in the middle. What I'm saying the company is over here, the Agency is right here, and there may be a compromise somewhere in the middle. If that's the case, let's say we do award it with the contract, then the personnel will change accordingly. What probably will change more than anything else is the amount of revenue that we can expect to receive from the MRF contract."

- Chair Maestas said, "Okay, so you could come back conceivably, with some more refined changes to the contract after we award the contract."

Mr. Kippenbrock said, "As opposed to all 9 positions being eliminated, 8 of the employees of the Agency will be reassigned either to an existing position, part time or new positions. If for some reasons the contract negotiations fail, then we're looking at 6 employees remaining where we just run *[inaudible]* lane, hoping we can send containers."

- Chair Maestas said this conceivably could affect 9 FTEs and he wants to ensure we don't make any changes until we award and implement the contracts.
- Commissioner Chavez said, "I think you're referring to Section 4, which provides, "Staffing needs are being evaluated. It is anticipated that the 3P contract for the processing and marketing of recyclables will have an impact on staffing and the Agency will update staffing changes accordingly."

- Chair Maestas said this is correct.
- Commissioner Chavez said then the Agency will have to update staff changes accordingly, and asked if he sees that happening at the next mid-year.

Chair Maestas said it's already in process, and the reason he is mentioning this.

- Commissioner Chavez said then the numbers are plugged in, but we don't know how the FTEs will shake out, and Mr. Kippenbrock said yes.
- Commissioner Chavez said then that will have to be brought back for approval, and he thinks we also have to approve the budget for the FTEs.
- Chair Maestas asked if that would be through the approval of the budget itself.
- Commissioner Chavez said, it said the positions will be approved.
- Chair Maestas asked if there will be a separate Board action for the personnel changes.

Mr. Kippenbrock said, "Not necessarily, not on those. I don't know how to say this, but the timeframe we have, ideally would we would know more about the MRF contract, if it's going to happen or not. But we also are faced with the timeframe with submitting a budget to the City, which the City in turn has to submit to DFA. That's what we're facing. It is a good project. I think it's a budget that allows you to consider the MRF contract, with the assumption of certain revenue from the MRF contract. And if that doesn't happen, it would modify the budget somewhat. The personnel will stay pretty much the same. 6 of those positions are pretty much lateral from a [job] title. A couple of the employees will be moving to vacant positions. The savings in that is approximately \$280,000."

Mr. Kippenbrock continued, "If we're able to award the MRF contract, the savings will be on personnel from the use of the MRF, decrease in electricity, decrease in supply that is related to the recycling plant, etc. If it doesn't work out, we propose to do a continuous sorting for paper and cardboard only, not so labor intensive, utilize 6 employees and move the 3 people and eliminate those positions. However, we have the creation of the greenwaste product as well as the glass crusher. Those all are coming into the picture."

- Councilor Bushee said then there are two \$60,000 contracts, and Mr. Kippenbrock will come to us before you have to have to spend money on those.

Mr. Kippenbrock said, "Absolutely. Yes."

VIII. MATTERS FROM THE EXECUTIVE DIRECTOR

(A) REQUEST FOR APPROVAL OF THE FISCAL YEAR 2015-2016 PROPOSED BUDGET

Chair Maestas said Councilor Lindell will be leaving at 6:00 p.m., and she has questions on the budget, "Can you dive right in."

- Councilor Lindell's said we're looking at two different things, two different business units, and both have the exact same \$4,200 in incentive pay. She asked, "Why is it the same when it is from two different units which have two different budgets."

Angelica Salazar, SWMA, said, "That is based on the union contract which offers a sick leave incentive – if they didn't use sick leave for 6 months they are entitled to \$250. It can vary by period depending on which employees use the incentive. It is a flat amount that may not be used, but they are eligible for the \$250 if they don't use sick leave within a 6 month period." She said it is the same amount between the two business units.

- Chair Maestas said Mr. Kippenbrock prepared an extensive summary of the changes and asked the pleasure of the Board in terms of presentation or if there are questions.

Councilor Lindell departed the meeting

MOTION: Commissioner Holian moved, seconded by Commissioner Chavez, to approve Item VIII(A) request for approval of the Fiscal Year 2015-2016 Proposed Budget, as presented.

STATEMENT BY SECOND FOR THE RECORD: Commissioner Chavez said, "I went through it. It is pretty extensive. I'm pretty confident. I didn't see anything that jumped out at me, and Randall could you just touch on some of the high points in the budget and whatever variables may be between this year and last."

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum of April 10, 2015, with attachments, 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.

DISCUSSION ON THE MOTION: Commissioner Chavez noted the revenue from basalt has increased a bit, when most things are decreasing.

Mr. Kippenbrock said we had one good year of royalty collected from the company.

Commissioner Chavez said that is without marketing.

Mr. Kippenbrock said we don't do marketing. He said, "However, if I hear of a major project coming up from NMDOT, I will relay the information to them and they take over. They have their own marketing person."

Ms. Salazar noted the offset to the increase, is that as sales go up for basalt our payments increase as well.

Commissioner Chavez asked if the revenue from mulch and compost is fixed, or if the price will go up as we get better at production.

Mr. Kippenbrock said he included a reasonable amount of \$20,000. He said they will come in around July, or sooner, but the material may not be ready for sale until next spring, so we're not certain. He said he didn't want to be over-confident in our project, noting that may take two years.

Councilor Bushee asked Mr. Kippenbrock if he anticipates a savings in the Green Waste Program because we're going to contract those services, and if we are expecting an increase in revenue. She asked if he replaced the grinder every year.

Mr. Kippenbrock said, no, that he's had the same grinder since he came here in 2004, noting it was purchased in 2004..

Councilor Bushee quoted from paragraph 1, page 6, "...By contracting out the grinding service portion of the green waste program, the Agency will save approximately \$77,000 in annual replacement cost for a new horizontal grinder or \$385,000 every five years."

Mr. Kippenbrock said that was taken from the Assessment. He took \$385,000 divided by 5 years and came up with \$77,000, which are the cost savings from utilizing the third party contract to do the grinding. The grinding program is similar in cost, but the real savings is not buying a machine.

Councilor Bushee said then you think it's a wash with savings on the machinery, and Mr. Kippenbrock said yes.

Councilor Bushee asked which FTEs would be impacted with the change.

Mr. Kippenbrock said the positions he is considering are on page 8. If there is a change, these are the 10 positions which will be impacted 9 of which are relating to sorting, and there is one vacancy, and that person already is working as an HHW handler.

Councilor Bushee asked how many of the employees have the CDL permit.

Mr. Kippenbrock said, none of them do, but 3 of them are taking the initiative to become certified. He said in the event the contract is awarded next month and we make the change July 2, 2015, if those employees do not have the CDL by then, "we may move those employees and positions with the assumption that they get their CDL in X months, noting that will be a contractual condition when they move over."

Councilor Bushee asked how new are the 3 positions.

Mr. Kippenbrock said they are all new, noting they have a MRF tech that spends quite a bit of time with the glass crusher.

Councilor Bushee said then you planned to transition those 3 positions because you were phasing out that operation, or not – Green Waste Spotter, Glass Crusher Technician and someone who assists the Glass Crusher Technician.

Mr. Kippenbrock said that's the best title he could come up with.

Responding to Councilor Bushee, Mr. Kippenbrock said we only have to find homes for 6 people, because you haven't filled the other positions.

Mr. Kippenbrock said that is correct, 3 will be assigned to part time litter patrol for 9 months.

Councilor Bushee said, "Let me understand, so 1 through 6 we will need to find homes for them. Is that correct."

Mr. Kippenbrock said. "1, 2 and 6, we already have positions. Number 6, that employee, already has been hired as a HHW handler.

Ms. Salazar said, "We have these 10 positions in current FY 15 – we have these positions, as is, that's the first column. Next year, what he's proposing, and what he foresees is, for example the one MRF Tech 2 may go to a heavy equipment operator which currently is vacant. The big changes are 3, 4 and 5. These people, for the next fiscal year, would be on a 9 month basis. And then if everything goes according to plan with the contract, then in FY17, they would be *[inaudible]*. But for FY 16, with this budget, they'll be a 9 month job. The others, 6, 7 and 8 will just be...."

Councilor Bushee asked how many full time positions there are now.

Ms. Salazar said they're full time now, and would be 3/4 in the next fiscal year. And then 7, 8 and 9, currently are employees, which Mr. Kippenbrock proposes to give new titles. Number 6 position is filled in place. They currently have the full time position for the next fiscal year in the budget.

Councilor Bushee asked if the contract goes through, how many people will be displaced for which we need to find a new home.

Ms. Salazar said there are 3.

Councilor Bushee said then the rest will be dealt with within the system here at SWMA, and Mr. Kippenbrock said this is correct.

Councilor Bushee said on page 3, Mr. Kippenbrock indicates he will achieve revenue from the sales and marketing of mulch and finished compost projects. She said we are receiving a percentage or a certain amount per ton from Paynes, and asked if that is the \$20,000 that is dependent on sales.

Ms. Salazar said it is depending on sales and it is not a guaranteed amount.

Responding to Councilor Bushee's question on page 3, Mr. Kippenbrock said, "That paragraph is strictly the sale of recyclable materials at the transfer station. And I projected for the budget, approximately \$475,000 for the entire fiscal year. That's what I'm projecting. I'm also projecting that if we do go to a MRF contract, that we hope we can receive \$200,000 in revenues, so there is a decrease there. And that's based on 10,000 tons. What I didn't want to put in there are the transportation costs for sending the recyclable material to Albuquerque, because we don't know if the contractor is going to do that part, or we need to do that part. And if we are going to do that part, then based on what we've done, we know what it is going to cost us, and hopefully, they will pay for that service."

Councilor Bushee said then there is no plan to raise tipping fees to make up any differences, and Mr. Kippenbrock said that is correct.

Councilor Bushee noted the training listed on page 5 – training for employees.

Mr. Kippenbrock said most of the training is related to OSHA or the NMED requirements, and a lot of the training is budgeted in 5501 the Landfill. They have made it more appropriate by putting money in the Transfer Station budget.

Councilor Bushee noted that last year the employees received both merit and COLA, and asked if that is anticipated again, noting we had a thorough discussion of it in the past.

Mr. Kippenbrock said, "I am well aware of it and I don't have the answer until the negotiation with the union."

Councilor Bushee said it was recommended by management the last time, and asked "do you have an idea of what you are going to recommend this time."

Justin Miller said, "There is a merit set aside of 2% and I think a COLA of 1.4%. It's on page 10, under Note 1."

Ms. Salazar said that is for last year.

Commissioner Chavez asked, on the issues of merit and COLA, are either of those part of the union contract and part of the negotiations. *[The response was inaudible because too many people talking at the same time.]*

Responding to Councilor Bushee, Ms. Salazar said the rent is on page 10, under 562550 Land/Buildings which is \$60,000.

Mr. Kippenbrock said he is working with Nick Schiavo to negotiate a new lease. He said it will increase, but he doesn't know how much, and they will go from there. He said for the first 10 years it was driven on how much material was going in and out of the transfer station, which was not in the best interest of the City. He said, "Matt O'Reilly that works for the City, he's in charge of the facility, he has looked at the facility and identified what repairs may be needed over the next 10-20 years, that includes buildings, roofs, roads, etc., and they still have the debt payment and bond that hasn't been paid, so there is some consideration there. It is significantly higher than the \$60,000, and I'm hoping to compromise with what would be a fair assessment."

Commissioner Chavez asked if we are talking double.

Mr. Kippenbrock said, "Yes. Just to give you an idea. On the payment, they still have 9 years left, it's \$266,000."

Chair Maestas said he's talking the rent, the budget to pay for the rent.

Commissioner Chavez asked if the increase is 50%, 100%.

Mr. Kippenbrock, "More than that. I just mentioned right now it's \$60,000. It may be \$260,000 to \$300,000, at a minimum. And I want to come up with some strategies to compromise when it come to repairs. We may take full responsibility on that, rather than paying the landlord a set amount of money every year, and so on."

Chair Maestas said, "The current term is a flat fee of \$24,000 a year plus 2%. Are we going to stick to the same basis."

Mr. Kippenbrock said no.

Chair Maestas said, "It will be more of a fixed amount."

Commissioner Chavez said, "But the Agency is doing all the maintenance, right."

Mr. Kippenbrock said, "That's what I'm proposing. We do the general maintenance right now."

Commissioner Chavez asked about the roofs and such.

Mr. Kippenbrock said who is responsible has been a sticking point. He said, "Regardless, the Agency will indirectly pay for that in the lease, or they possibly could pay for that through their CIP funds. To me, it's all about being fair."

Councilor Bushee asked if is okay to approve the budget with that unknown.

Mr. Kippenbrock said we don't have an answer yet. He said, "I met with them this afternoon at 2:00 p.m. and for the first time, I saw the numbers, and I identified a couple of numbers that didn't look right, and we're going to get back together in a couple of weeks."

Councilor Bushee asked if he wants to wait to approve the budget.

Mr. Kippenbrock said, "The lease is due in August, and I will have to come back and amend the budget."

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

IX EXECUTIVE SESSION.

- (A) **DISCUSSION OF PENDING OR THREATENED LITIGATION IN WHICH THE SANTA FE SOLID WASTE MANAGEMENT AGENCY IS OR MAY BECOME A PARTICIPANT, PURSUANT TO NMSA 1978 §10-15-1(H)(7); BUENA VISTA ESTATES, INC., V. SANTA FE SOLID WASTE MANAGEMENT AGENCY AND SANTA FE COUNTY, CASE NO. 1:15-CV-00217-WPL-KBM IN THE UNITED STATES DISTRICT COURT DISTRICT OF NEW MEXICO.**

MOTION: Commissioner Chavez moved, seconded by Commissioner Holian, to go into Executive Session for discussion of pending or threatened litigation in which the Santa Fe Solid Waste Management Agency is or may become a participant, pursuant to NMSA 1978 §10-15-1(H)(7); Buena Vista Estates, Inc. v. Santa Fe Solid Waste Management Agency and Santa Fe County, Case No. 1:15-CV-00217-WPL-KBM In the United States District Court, District of New Mexico.

VOTE: The motion was approved on the following roll call vote:

For: Councilor Bushee, Commissioner Holian, Commissioner Roybal and Commissioner Chavez.

Against: None.

Absent for the vote: Councilor Lindell.

The Board went into Executive Session at 6:05 p.m.

Councilor Bushee departed the meeting at the end of the Executive Session

MOTION TO COME OUT OF EXECUTIVE SESSION

MOTION: At 6:40 p.m., Commissioner Chavez moved, seconded by Commissioner Holian, that the Board come out of Executive Session and stated that the only items which were discussed in executive session were those items which were on the agenda, and no action was taken.

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

X. ACTION, IF ANY, REGARDING BUENA VISTA ESTATES, INC., V. SANTA FE SOLID WASTE MANAGEMENT AGENCY AND SANTA FE COUNTY, CASE NO. 1:15-CV-00217-WPL-KBM IN THE UNITED STATES DISTRICT COURT DISTRICT OF NEW MEXICO.

No action was taken.

XI. MATTERS FROM THE BOARD

Chair Maestas said Councilor Lindell asked him to ask a question of Mr. Kippenbrock on her behalf: He said her question is, "Even though it was on consent and approved, regarding the SWMA 2015 Excellence Award, how much is CDM being to paid to process this award.

Mr. Kippenbrock, "It is my knowledge, they are working with us and there is no cost to us. There is an application fee of \$175. We've been working together on the application."

Commissioner Chavez said he has started buying paper for a project he's doing, using paper to make adobes. He bought 200 pounds this last Thursday, and hopes to continue it as a source for his project. He is thinking of doing some pilot projects and other things. He said, "Do you want to expand what your thoughts are and where the Agency could possibly take this, besides what I'm doing with shredded paper."

Adam Schlachter, SWMA, said the City of Phoenix is doing what they call "Re-Imagine Phoenix." They're soliciting informal proposals to say "what can you do with our rate." He said what he's thinking about is something similar to that, is something we can do in Santa Fe. He said, for example, we ship our glass to Phoenix, which is not very environmentally friendly. He is going to figure out with Randall what do.

Chair Maestas said he and Randall have been talking about reserves, and we have been making a lot of transfers from reserves into the budget. He said, "I would like a policy, I know you're working on policies for all the reserves, but I would like you to make a formal recommendation to the Board on the uses of those reserve funds, and then a recommended minimum. And then maybe in that discussion, we can talk about how we're going to recharge some of the reserves, because some of them are low, and below where you would like to see them. Most reserve accounts I've seen have a minimum, and we've got to regenerate. With revenues down, I don't know how tight our budget is going to be, but I want to see how we are going to be able to recharge those reserves going forward."

Chair Maestas said, "Also, I'm so disappointed with the outcome of the RFP. I realize there are going to be some negotiations, but regardless of the outcome of that RFP, I think we all should commit, with whatever plan shakes out, to significantly increase our recycling rate. I think we all agree on that, but I don't want anyone to perceive this downturn in the market to be a negative, in terms of getting in the way of achieving our goals for recycling. So I think a lot of us don't really want incremental increases, we want a significant increase in our recycling rate. So we're really going to have to work hard on this to come up with some kind of a hybrid scenario, if this RFP doesn't work out as envisioned. We have a lot of partners, we have draft, we have a lot of staff. As Chairman, I'm really committed to work really hard on this. I realize we can't solely change the market. It's at the whims of the market, but I think we need to commit ourselves to do all we can to increase that recycling rate."

Chair Maestas said, "And the last thing, and this is something you can get me off-line, Randall. In the materials regarding the permitting, there was a request for information from NMED, but I didn't find it in my packet. And I'd like to see what the nature of the request for information is from NMED regarding the landfill permit. I know we're near the very end, so I'm kind of wondering, it's going to expire in June, what other information do they need. Is it significant, or maybe can you tell us briefly what the information is."

Mr. Kippenbrock said it is a Request for Additional Information #3. It is asking that the assets are included in our application. He said, "I believe there are 5 items, and in my opinion, they are minor that the assets include. I will also point out, as a result of the La Bajada-Buena Vista lawsuit, we want to add language in our operation plans that include the operations, so everybody is on the same page. It is an integral part of the operation. The reason why the permitting stage is taking some time, is all about funding by the NMED. They have other permit applications in front of us and they're getting close to June. They have recommended they wait until after July 1st to take on our permit application. Once we submit and it is deemed complete, then the clock will begin on them. However, they prefer the clock start a certain time where it is beginning FY 16, that's why I mentioned August."

Chair Maestas asked if they will grant some kind of existing extension on the existing permit for that.

Mr. Kippenbrock said, "Oh yes. Once you submit your application 12 months before the expiration date, pretty much regardless of what's happened, you've done that in good faith, you always maintain the current permit until a new one is issued."

Commissioner Holian said, "Related to the Chair's comments related to recycling, first of all, number one, I think it's kind of interesting to note. That the County had a diversion rate of 17% last month. It went up, and so, we're trying to analyze exactly why it went up, but it did, and I'm happy about that. The other thing that may make it go up permanently, is that our next BCC meeting on the 28th, we have an agenda item, which is a proposal to create 4 areas in the County, where the County will enter into franchise agreements with private haulers. And there are several advantages to be doing this. There will be one private hauler per area. The advantage is that hopefully they'll be able to keep the fees down for the customers because they'll have a geographically contiguous area. They won't have to cover as much area as they do now. And also, there will be competition, because a private hauler will not be allowed to

have more than two areas. Also, they will be required to pick up recyclables at no extra cost. Up until now, we had to have.... about 75% of the solid waste in the County is handled by private haulers, and they often charge extra to pick up recyclables, so nobody separates out their recyclables. So they're dealing with private haulers in that effort. So I think this is really going to increase recycling in the County."

Commissioner Chavez asked in these areas if it is mandatory or voluntary to sign up.

Commissioner Holian said it is voluntary.

Commissioner Chavez said, as these programs take hold, hopefully the participation will increase and everything else will fall in line.

Commissioner Holian said, they are going to look at additional ways to encourage recycling. She said the other thing is it will reduce the wear and tear on County roads.

Chair Maestas said there is a recommendation to enact an Ordinance to require that construction & debris go to the local landfill. He will be looking into that, and he will be working with Ms. Padilla in this regard.

Ms. Padilla said this definitely is something the City needs to do, especially on City projects. She said that will increase the total waste disposed at the landfill, and we aren't addressing C & D waste at this time, in terms of recapturing that waste. She said they are looking at numbers, and it is important to look at what we're targeting for waste reduction. She noted that commercial waste accounts for 60% of the waste to the landfill.

Commissioner Chavez said it seems that most of our recycling efforts are on the shoulders of the residential recyclers, and if that is accurate, how do we get additional commercial recycling into the mix.

Ms. Padilla said the City has a commercial recycling program and they do promote that, noting they constantly are increasing business recycling, noting 22% of the businesses in the City are participating in the recycling program. To increase, we need to go to the box stores which have a lot of third party haulers. She said commercial has to be a priority. She said it is a matter of getting them informed so that know they can save money.

Chair Maestas said the Assessment recommended that we do an audit of commercial cardboard producers, and asked if that would help to get a better idea of how much we're not capturing, and asked if we can do that in-house.

Ms. Padilla said they definitely could do an overall waste characterization study of the landfill, so we could look at targeting those businesses. She noted many municipalities have landfill bans and they ban certain types of wastes. So we could ban cardboard from the landfill, for example, to increase diversion.

Commissioner Chavez said we need to focus on the diversion rate as well as the recycling rate.

Mr. Kippenbrock said we are diverting 7,000 pounds just through recycling, and that's how it should be done, and you shouldn't focus on the percentage which can go up and down.

Commissioner Holian said if we enter into agreement to recycle all plastics, including clamshell, it really will help. She said most people throw away their plastic in the regular trash, because they don't know what is or isn't accepted. She said if we remove that confusion, she thinks it will considerably increase recycling.

XII. MATTERS FROM STAFF

Ms. Padilla said tomorrow morning they are holding a brainstorming session at Frenchy's Park at 9:00 a.m., with SWAC, noting the Mayor and Council have been invited. Ms. Padilla invited the SWMA Board to attend if they would like.

Olivar Barela said, with regard to Commissioner Holian's comment on the upcoming proposal, two things which are important is flow control where can have all construction and debris to either BuRRT or to the landfill. Also one of the things they found in the study is there is no data on the private haulers, so now they're going to have to report the data.

SWANA's Excellence Award

Danita Boettner, BuRRT Site Manager, presented information regarding this matter from her Memorandum of April 10, 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.

Danita Boettner noted she is a Past President of SWANA in New Mexico. This year's conference is in Orlando, Florida in August, commenting if we win this award, the Chair will be able to attend to accept the award.

Responding to Commissioner Chavez, Mr. Kippenbrock said there are certain requirements for the application, and it is limited to 15 pages.

Ms. Boettner said the application is standardized, and she feels that our application will be very strong.

XIII. MATTERS FROM THE CITY

Ms. Padilla thanked Adam Schlachter for his enthusiasm and for helping to coordinate the efforts on our messaging on recycling between the City, the County and the Agency.

Ms. Padilla said Councilor Ives has introduced a Resolution to go to the next City Council meeting, to direct the Environmental Services Division to issue an RFP to create a "Carbon Neutral Impact Report," (CNIR) form that helps to identify and quantify carbon emissions stemming from proposed City resolutions and ordinances.

Mr. Schlachter thanked Ms. Padilla for her kind words. He said on Earth Day the 3 entities, the Agency, City and County, are preparing "a very cool Earth Day insert," coming out on May 23rd.

Mr. Schlachter said this weekend is the annual GCCC birthday event, and there will be a lot of games, some recycling activities, displaying what can we recycled.

Ms. Schlachter said next weekend is Amnesty Day for trash at BuRRT, and any trash item is accepted free of charge. He said Household Hazardous Waste isn't considered trash for this event, because HHW is accepted every Friday and Saturday, noting that event will be in November.

Ms. Padilla said they will be attending Keep New Mexico Beautiful events, and other events throughout the summer, and will make recycling information available, as well as recycling bins.

Councilor Chavez asked if they throw away the old bins.

Ms. Padilla's response is inaudible because of noise overlay

XIV. MATTERS FROM THE COUNTY

There were no matters from the County.

XV. NEXT MEETING DATE – THURSDAY, MAY 21, 2015

XVI. ADJOURNMENT

There was no further business to come before the Board, and the meeting was adjourned at approximately 7:15 p.m.

APPROVED BY:

Kathleen S. Holian for Joseph Maestas
Joseph M. Maestas, Chair
Kathy S. Holian, Vice Chair Person

ATTESTED TO:

Yolanda Y. Vigil, City Clerk
City of Santa Fe

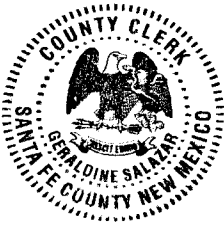
ATTESTED TO:

Geraldine Salazar
Geraldine Salazar
Santa Fe County Clerk

7-2-2015

SUBMITTED BY:

Melessia Helberg
Melessia Helberg, Board Stenographer



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

SOLID WASTE MINUTES
PAGES: 24

[Hereby Certify That This Instrument Was Filed for
Record On The 6TH Day Of July, 2015 at 04:29:18 PM
and Was Duly Recorded as Instrument # 1768877
of The Records Of Santa Fe County

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