

**MINUTES OF**  
**CITY AND COUNTY OF SANTA FE**  
**SOLID WASTE MANAGEMENT AGENCY**  
**JOINT POWERS BOARD**  
**Santa Fe, New Mexico**

**I. CALL TO ORDER**

A regular meeting of the City and County of Santa Fe Solid Waste Management Agency Joint Powers Board was called to order by Chair Virginia Vigil at approximately 6:05 p.m. on this date in the Legal Conference Room at the Santa Fe County Courthouse, 102 Grant Street, Santa Fe, New Mexico.

Roll call indicated a quorum was present as follows:

**II. ROLL CALL**

**Members Present:**

Commissioner Paul Campos  
Commissioner Virginia Vigil, Chair  
Councilor Christopher Calvert  
Councilor Ronald Trujillo

**Members Absent:**

Councilor Miguel Chávez (Excused)  
Commissioner Michael Anaya (Excused)

**Staff Present**

Randall Kippenbrock, SWMA Executive Director  
Justin Stockdale, Recycling Special Project Manager  
Mark Basham, SWMA Contract Counsel  
Rita Fiore-Lucero, Accounts Coordinator SWMA  
Leonard Lovato, SFSWMA Operator II  
Leonard Montoya  
Jill Holbert, City Solid Waste Management Director  
Phillip Westen, Santa Fe County Solid Waste Director  
Mitch Buszek, Stenographer

### **III. APPROVAL OF THE AGENDA**

**Councilor Chris Calvert moved to approve the agenda as submitted. Councilor Ron Trujillo seconded the motion. The motion passed unanimously.**

### **IV. APPROVAL OF THE MINUTES FOR MARCH 23, 2006**

**Commissioner Paul Campos moved to approve the minutes as submitted. Councilor Calvert seconded the motion. Motion passed unanimously.**

### **V. MATTERS FROM THE PUBLIC**

There were no matters from the public.

### **VI. MATTERS FROM THE EXECUTIVE DIRECTOR**

#### **A) Status Report on Cell Development**

Mr. Randall Kippenbrock reported on the status of cells 4A, 5A and 6A. [See Exhibit A]. Mr. Kippenbrock reported the status on 4A as unchanged, 5A as having had the soil overlying the basalt as having been removed, and that it was ready for a contractor to blast and remove the basalt. He reported that currently staff is removing soil from Cell 6A until a contractor takes over the cell construction project.

Mr. Kippenbrock also reported that the remaining air space in cells 2B and 3B is projected to last until January 2007

#### **B) Approval of agreement with Del Hur Industries, Inc., of Port Angeles, WA for the Development and Operation of Commercial Aggregate Quarry and Cell Construction in the Amount of \$2,376,933.49**

Mr. Kippenbrock provided a memorandum [See Exhibit B] explaining the bidding process. He pointed out that 39 RFP's were originally issued to potential bidders on or about October 4, 2005. He said that on October 24, 2005, four firms submitted their Statement of Qualifications, but one of the applicants, Associated Asphalt did not meet the minimum requirements. The three qualified firms, Vulcan Materials, Lafarge southwest and Del Hur Industries were invited to a Pre-Proposal Conference on November 7. Only Del Hur Industries submitted a formal proposal, the evaluation committee reviewed their submittal and selected them as the qualified firm.

Mr. Kippenbrock noted that Del Hur provided a turnkey proposal to the Agency for the removal of the basalt, backfill of the excavation to attain design grades for Cells 4A, 5A and 6A, installation of geosynthetic liners in the cells, and placement of crushed aggregate drainage layer on the cell floor and on-site protective cover soil material on the side slopes of the cells.

He noted that the final estimated cost submitted by Del Hur was \$2,310,488.18 and that Del Hur agreed to sell the basalt rock removed from Cells 4A, 5A, and 6A of Phase I within three years from the date of the contract. Mr. Kippenbrock said this contract represented a significant step forward in the Agency's commitment to handle the basalt rock and cell development at the Caja del Rio Landfill.

Mr. Kippenbrock asked for Board approval as follows:

**Staff recommends the Board award a construction contract for the development and operation of a commercial aggregate quarry and cell construction to Del Hur Industries, Inc in the amount of \$2,310.488.18.**

In response to a question from Councilor Calvert, Mr. Kippenbrock explained that the \$2,310,488.18 total budget was arrived at with \$543,404 coming from Account 5507, the Cell construction Reserve, \$840,347 coming from account 5520, the CIP Reserve Account and with the \$1,016,249 which was available from the 'Available Unencumbered WIP budget.

In response to a question from Commissioner Paul Campos, Mr. Kippenbrock said he did not have direct experience with Del Hur, but that the engineering consultant, Mr. Gordon did, and that he had direct experience with him in Lea County. Mr. Kippenbrock noted that one of the four initial applicants decided not to respond, another did not answer, and another was not qualified.

Chairperson Virginia Vigil asked if any of the rock material being removed could be used for roads or for base course.

Mr. Kippenbrock responded that they were discussing setting some aside, and that probably at market value, and that they do sell to Vulcan and Lafarge.

Mr. Kippenbrock said the contract was set up in phases, with the first phase to be completed by October 27, but could be extended up to 18 months. He said it was possible the contract could be extended 8-10 years, the life of the disposal area.

Chairperson Vigil asked if the SF Solid Waste Management Agency could conduct an independent evaluation and end the contract.

Mr. Kippenbrock said that he had discussed this with the contractor and that, yes, he does understand that there is an evaluation agreement and that, only then, would the contract be renewed.

Councilor Calvert said he understood that there was some time sensitivity to meet our needed for 2007 and he asked how we could make sure that happens.

Mr. Kippenbrock said that there was a liquidated damages clause of \$500 for each day the work is not completed.

Commissioner Campos asked if the evaluation had already been done.

Mr. Kippenbrock responded that Mr. Gordon, the consultant engineer for SWMA, had conducted the evaluation. Mr. Kippenbrock confirmed that SWMA had been doing its own cell development, except for Cell 1. He explained that it was a combination of in-house and contracting out, noting that the agency couldn't move the 95,000 yards of rock other than 2,000 yards per day. He said that their involvement would reduce the overall cost.

Commissioner Campos asked what the policy would be regarding marketing the rock material.

Mr. Kippenbrock responded that marketing was a challenging responsibility; but that the contractor would be marketing and selling the material that for 320,000 tons of rock could take 3 years to complete.

**Commissioner Campos moved to approve the recommended contract. Councilor Calvert seconded the motion. Motion passed unanimously**

**Staff also recommended that funds for this contract be transferred from Cell Construction Reserve 5507 (\$543,404.00) and CIP Reserve 5520 (\$840,3407.00) to Work in Progress (WIP) Construction for Cell Construction 52507.572980.**

Mr. Kippenbrock. noted that the monies should come from Reserve Account 5507 and not the CIP reserve account as stated in the previous memo.

**Councilor Calvert moved approval of the fund transfer. Commissioner Campos seconded the motion. Motion passed unanimously.**

- C) Approval of Amendment No. 1 to the Professional Service Agreement with Kleinfelder of Albuquerque, NM to Conduct Phase II of the Soil Boring Plan (Geotechnical Study) and Perform Projected Site Life and Volume Calculations in the Amount of \$128,049.54.**

**(1) Approval of B budget Adjustment Request to 52507.572.572960 – WIP Design in the Amount of \$128,049.54**

Mr. Kippenbrock requested approval of the Amendment No. 1 to the Professional Service Agreement with Kleinfelder of Albuquerque. He said that after working out the terms of the original agreement, he felt that it would be better to separate out the contract in phases. He said that after this phase is completed; the plans would be taken to the Bureau of Land Management for them to conduct the next step for converting the non-disposal area of their property to a potential disposal area.

Mr. Kippenbrock explained that he was also requesting that the \$128,049.54 be transferred from the project budget to the design budget.

**Commissioner Campos moved to approved Amendment No. 1 and the Budget Adjustment. Motion was seconded by Councilor Trujillo. Motion passed unanimously.**

**(D) Approval to Award a Contract in Response to RFP #06/21/p – Item #2 for the BuRRT single stream Processing System Baler to Van Dyk Baler of Stamford, CT.**

Mr. Kippenbrock requested approval of the purchase of a recycling baler from Van Dyk Baler of Stamford, CT. He said that at the last Agency meeting, the Board approved the conveyer system from CP Manufacturing. He said that Van Dyk was better qualified for the baler.

Mr. Justin Stockdale, the Recycling Special Project Manager for SWMA, requested that the Board ignore the scores on the back of the report, as they referred to another project.

Mr. Stockdale noted that all the contractors were hesitant to take on any indirect liabilities. He said that in the event that the baler doesn't perform, they would not be responsible for lost potential revenue. He said the language in the contract was acceptable to both parties.

Mr. Stockdale commented that the machinery was built in Holland and the Agency would pay 90% of the contract price before delivery.

Mr. Mark Basham, SWMA Contract Counsel, said that the Board, at their last meeting, had approved the contract with CP Manufacturing, and instructed staff to go back regarding some limited liability language. He said the parties had come to an agreement that all parties were comfortable with.

He noted that the language Van Dyk proposed was not as charitable, but if staff went to any other vendor in this field, they would have to deal with the same language. He said one item struck, was the statement that if Van Dyk sued the Agency for breach of contract, the Agency would agree not to counter-sue. He said they also agreed to strike New York as the venue for any lawsuit, and make New Mexico the venue. He also noted that the Agency was able to increase the retainage. He stated that, in the end, language was arrived at that was agreeable to all.

Councilor Calvert asked for an explanation of the interface between the sorting equipment and the baler.

Mr. Stockdale. said there was a significant interface. He stated that it is industry practice to split these two functions and that they had given a number of reference where the interface was successful.

Councilor Calvert asked if maintenance was more complicated with two vendors.

Mr. Stockdale said there were some challenges but CP Manufacturing does not manufacture balers.

In response to question by Councilor Trujillo, Mr. Stockdale responded that Van Dyk was from Stamford, CT., and one of their strengths was their promise of a 24-hour turnaround for maintenance. He said his research indicated that Van Dyk had an excellent reputation for service.

**Councilor Calvert moved approval of Item 6 (D) awarding the contract for a System Baler to Van Dyk Baler. Commissioner Campos seconded the motion. Motion passed unanimously.**

**(E) Approval to Award Bid #06/28/B for the General Installation Contract Related to the Development of the MRF to ESA Construction, Inc. of Albuquerque, NM**

Mr. Kippenbrock said that 2 bids were received for the project, one for \$1,220,467 and the other for \$1,331,321. He said the lowest bidder was ESA Construction and staff was still negotiating the details of the contract.

Mr. Kippenbrock also presented the following Staff Recommendation:

**That funds for this contract be transferred from the first option using 2006 state legislature funding (\$140,000), transfer unrestricted cash in CIP**

**Reserve 5520 (\$881,409.00) and transfer unrestricted cash in Emergency Cash Reserve 5508 (\$199,058.00) to Work in Progress (WIP) Construction for BuRRT.**

In response to a question from Chairperson Vigil regarding a requirement of agenda notice, Mr. Basham said that the agenda does not require this level of specificity.

Mr. Kippenbrock said he was not specific regarding the request for a line item transfer because the costs were unknown when the agenda was prepared.

Councilor Calvert clarified that there were other funding options, but that the ones presented would be the fastest.

Mr. Kippenbrock said that was the reason for using the Emergency Cash Reserve monies. He also noted that there was a current balance in the fund of \$663,600.

Mr. Stockdale said that they were pursuing more negotiations with the contractor to see if staff could find any more cost savings. He said he expected there would be changes orders that would reduce the cost of the contract. He said that although the contract was written for \$1,200,000, staff was hoping to build the MRF for \$1,000,000.

**Mr. Trujillo moved to approve the staff recommendations. Councilor Calvert seconded the motion. Motion passed unanimously**

**(F) Approval of FY 2006-2007 Budget.**

Mr. Kippenbrock presented the FY 2006-2007 Budget. He noted that he expected the 2006 revenues to reach \$5,970,000, exceeding the forecasted revenues of \$5,600,000. He explained that some of the revenue increase came from the fee increase from \$5 flat fee to \$50/ton and the diversion of the smaller haulers to the transfer station.

Mr. Kippenbrock said staff expected an increase of \$821,110 in projected revenues from the sales of recyclable materials after the MRF is in operation. He said he expected an increase in recycling operating expenses in the amount of \$411,272. but with the upgrades, there would be an increase in revenues from recycling the following fiscal year.

Mr. Kippenbrock indicated there would be a COLA of 3.1% (\$35,154) and a merit pay system averaging 3% in salary increases (\$27,019) to keep pace with salaries across the region.

Mr. Kippenbrock explained that the proposed budget did not show funding for the approved expansion of six classified employees (sorters) for the MRF operation at BuRRT. He said the request was for \$237,576, which if approved, would come from Account 5500 – Unrestricted Cash.

Mr. Kippenbrock noted that he has reorganized the maintenance division by reclassifying the Operations Manager, Mechanic III, and Parts Worker to Landfill Manager, Equipment Maintenance Supervisor, and Mechanic II, respectively.

In terms of the purchase of new equipment, Mr. Kippenbrock said he was looking at doing better maintenance and lengthening the number of years that equipment would be used.

Councilor Calvert asked if the items approved earlier in the meeting were included in the budget.

Mr. Kippenbrock responded that they were not, but that they were included on page 3 of the budget, and that when they are approved by the Board, they would then be included in the budget.

In response to a question by Mr. Trujillo, Mr. Kippenbrock said that they had been getting rid of some heavy equipment every 5 years, and a buyback program was in place. Mr. Kippenbrock estimated that heavy equipment was going up 3% per year, and that better maintenance or replacing engines could extend the useful life of the equipment.

Ms. Holbert, City of Santa Fe, Solid Waste Director, asked if the COLA increase was as a result of the union contract.

Mr. Kippenbrock responded that the increases were approved at the last Board meeting and that the item was not reflective of union negotiations or of the 2007 union contract.

Mr. Basham pointed out that this item still needed to be negotiated with the union for the 2007 contract.

Chairperson Vigil verified that the budget included approximate figures for this budget item and that a budget adjustment request would handle any future changes.

Mr. Kippenbrock concurred.

Mr. Kippenbrock confirmed that contract negotiations are in process at the present time and have been going on since January 2006.

Councilor Calvert said the city was going through the same process. He asked if these discussions could take place earlier so that the necessary work would be done by the time the budget had to be approved.

Commissioner Campos confirmed that the current contract goes through June 30, 2006.

Mr. Kippenbrock said these funds would be added to the old contract and that the same amounts were being asked in the current budget request. Regarding COLA, Mr. Kippenbrock said staff would not know the number until July. He added that both sides have agreed regarding the elements of the contract, which includes COLA and merit pay increases.

Commissioner Campos said he had a concern about re-opening contract discussions on a contract that had already been signed.

Mr. Basham said that in the last contract, it was agreed that there would be a labor-management committee that would meet over the course of the year and that certain things could be negotiated and that the items under discussion here would be included in negotiations for the next contract.

Mr. Stockdale stated that it was agreed in the current contract that some items, including merit pay and hazardous pay, would continue to be negotiated for the current contract. He said the items under discussion now would be reflected in the 08 budget.

In response to a question by Ms. Holberg, Mr. Stockdale said he did not expect any additional negotiations that would impact the contract or the budget.

Mr. Len Montoya, AFSCME representative, said that, with the county, the contract is 96% complete.

**Mr. Trujillo moved to approve the FY 2006-2007 Budget as presented. Councilor Calvert seconded the motion. Motion passed unanimously.**

**(G) Consent Calendar:**

**(1) Approval of General Pay Adjustment for All Employees (Excluding Probationary and Temporary Employees) for FY 2006**

- (2) Approval of Amendment No. 3 to the Professional Service Agreement with Basham & Basham, PC of Santa Fe, NM for Legal Services in the Amount of \$24,500.**
- (3) Approval of Amendment No. 2 to the Professional Service Agreement with Blue Water Environmental Consulting, LLC of Santa Fe, NM for the Groundwater Monitoring Program in the Amount of \$27,465.90.**
- (4) Approval of Sole Source for Vendors – Wagner Caterpillar, Al-Jon, Ditch Witch, Tire Resources, and Golden Equipment for FY 2007/**
- (5) Approval of Resolution 2006-1, A Resolution Determining Reasonable Notice for Public Meetings of the Santa Fe Solid Waste Management Agency.**
- (6) Approval of Free Disposal Fees.**

Chairperson Vigil asked if any Board members had any items they wanted to discuss before approval of the consent calendar.

Chairperson Vigil asked for elaboration on Item (1).

Mr. Kippenbrock said that he was asking for \$600 for each employee for a total of \$12,600. He noted that this was not a part of the current union contract that called for a 5% increase to be paid with a one time lump sum, and that the employees did not receive this up front. He said that according to Board policy that the Board can approve a pay adjustment. He noted that this was separate from the merit pay and COLA items discussed previously, that there were no other pay increases in the new contract, and that the last increase was in May 2005. He said that he was looking for consideration for an increase for this fiscal year.

Chairperson Vigil asked if this was an across the board pay increase.

Mr. Kippenbrock responded that it was a one-time lump sum, to be done in one pay period, effective after approval by the Board

Chairperson Vigil asked if these kinds of increases shouldn't be negotiated through collective bargaining.

Mr. Basham said that said that the Board's policy manual gives the Board the authority to do this kind of adjustment. He noted that this change would impact both union and non-union employees.

Mr. Kippenbrock said that the figure was arrived at by considering the CIP budget's 2.1% inflation rate, applying it to the non-management staff and dividing by the number of employees in the sample. He said the fiscal impact would be \$12,600 to the FY 05-06 budget.

Chairperson Vigil asked Mr. Montoya from AFSCME if this was not an item that the union would like to include in contract negotiations.

Mr. Montoya responded that the item had come up for discussion at the Labor-Management Committee meetings. He noted that there was no wage increase for FY 05-06. He said all this adjustment was doing, was accounting for no increase under current contract. He clarified that this money would come out of the 2005-2006 budget and would not impact the 06-07 budget because any raises were addressed under the COLA and Merit Pay parts of the contract.

Ms. Holbert noted that a raise similar to this was not approved by AFSCME when Mr. Robert Chávez was the president of the union.

Chairperson Vigil asked if SWMA employees were under PERA.

Mr. Kippenbrock responded that they were.

Chairperson Vigil asked if PERA didn't prohibit lump sum payments and if FICA and health benefits didn't need to be deducted from lump sum payments.

Mr. Basham said while he was not familiar with that PERA rule, it was his recollection that the Board had given lump sum payments in the past, and that in fact, both the city and the SWMA Board had done so. He also acknowledged that because it had been done before, didn't mean there wasn't a problem with it. He did say that the lump sums would have the comparable deductions taken out. He recalled that when the lump sum discussion came up previously, it was opposed by then union president, Robert Chávez, because the issue had been addressed in the contract that had just been agreed to.

Chairperson Vigil asked if the lump sum should be considered as part of the current contract negotiations.

Mr. Kippenbrock said he would like the Board to vote for or against it, and that he didn't expect it to come back to the Board, because the compensation plan had already been agreed to in the current negotiations. He noted that there had been no increase since 04-05.

Mr. Stockdale said the 05-06 contract was approved in November 2004, but because of corrections there was a delay in the final approval until February

2006. He said that it was an oversight that the raise was not included in that contract. He felt that it was a good faith effort on the part of the Executive Director to make up for this error. He concluded by saying that he felt the budgetary impact was negligible since the total amount was only \$12,600.

Commissioner Campos said the he felt that once a contract is negotiated, that's it, you don't keep coming back and changing it.

Councilor Calvert said that it wasn't that the union came back, it was that it was being offered by the agency.

Mr. Kippenbrock said that he agreed with Commissioner Campos, and the only reason he brought the issue to the board was because board policy gave the board the authority to make this kind of change.

Chairperson Vigil asked if the SWMA manual was put together before the County had a collective bargaining agreement.

Mr. Kippenbrock confirmed that was the case.

Chairperson Vigil suggested that the manual be revisited to take into account the new collective bargaining agreement.

Mr. Basham said that would be a good idea.

**Commissioner Campos moved approval of Item G(1). Councilor Calvert seconded the motion. The motion was approved unanimously.**

**Councilor Calvert moved to approve the rest of the Consent Calendar. Commissioner Campos seconded the motion. Motion passed unanimously.**

## **VII. Matters from Staff**

### **(A) Recap of the 7<sup>th</sup> Annual Joint Household Hazardous Waste Day Held on April 23, 2006 by Justin Stockdale, BuRRT Manager.**

Mr. Stockdale made his presentation based on the written memo in the packet. Mr. Stockdale said that 946 families or customers for that day. He said that 610 were from the city and 336 were from the county, which meant over 1300 vehicles visited the site, even though the scales were only designed to handle 400 vehicles a day.

He said that electronic waste was included as hazardous waste.

He noted that in many other communities it was the fire department or the wastewater departments that handled this waste, because the waste water system was not built to accommodate the wastes. He commented that pesticides were a particular problem.

Mr. Stockdale said his hope was to have a Household Waste coordinator that would make the waste collection a year around process. He said that it would take the hiring of one position, and that this person would be in the field 2-3 days a week. He said the facilities were in place and that the needed structural improvements would cost something in the neighborhood of \$100,000. He felt that the effort could be a collaborative one with the fire department and the wastewater department and that it would take a year or two to come up with the funding. He concluded that he thought that with the bond retiring, and with legislative funding assistance, that the money could be found.

Chairperson Vigil thought there would be public relations and education value in having the position.

**(B) Presentation of Legislative Funding Strategy for 2007 with Possible Action by Justin Stockdale, BuRRT Manager.**

Mr. Stockdale reported that he and lobbyist Gregory Green had met with State Representative Peter Wirth. He said the recommendation was a multi-pronged approach to include a request for federal money through our Congressional delegation, a request to the Governor and a request to the Legislature. He said this would spread the funding across multiple entities. He said Representative Wirth said there would be no opportunity for funding through interim committees. He said Representative Wirth suggested pursuing traditional capital outlay routes and multiple legislative funding approaches. He said he was hopeful that SWMA could get \$500,000 from the legislature and \$500,000 from the governor.

Mr. Stockdale noted that the MRF would be up and running by the time SWMA was requesting the money. Representative Wirth said there was an advantage to tell funding sources that the project is complete.

Mr. Stockdale requested that \$15,000 be allocated for lobbyist services. Mr. Kippenbrock noted that the executive director can sign contracts up to \$25,000.

Mr. Kippenbrock said he had received a communication requesting oversized basalt rock from the county.

**VIII. Matters from the Board**

**(A) Presentation of Proposed Litter Abatement Along Routes to the Landfill by Chairperson Virginia Vigil with Possible action.**

Chairperson requested that this item be postponed until all members of the Authority were present. The Board agreed.

**(B) Election of Vice Chair.**

Chairperson Vigil requested that this item be postponed until all members of the Authority were present. The Board agreed.

**IX. Adjournment**

Chairperson Vigil said that the Board had scheduled meetings for 6 p.m., but that seemed to conflict with the Buckman Direct Diversion Board meetings.

Councilor Calvert suggested that the Board meet every 3<sup>rd</sup> Thursday.

Chairperson Vigil suggested that staff consult with BDD, but that the 3<sup>rd</sup> Thursday meeting should continue and that 5:00 would be the new time.

**The next meeting was scheduled for Thursday, June 15, 2006 at 5:00 p.m.**

There being no further business to come before the Board, the meeting was adjourned at 8:00 p.m.

**Approved by:**

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Virginia Vigil, Chairperson

Submitted by: