

CITY CLERK'S OFFICE
AMENDED AGENDA
Add VI (C)

DATE 2/15/13 TIME 12:15pm
SERVED BY Randall Kuppenbrock
RECEIVED BY [Signature]

REGULAR MEETING

SANTA FE SOLID WASTE MANAGEMENT AGENCY
JOINT POWERS BOARD

FEBRUARY 21, 2013
12:00 P.M.
LEGAL CONFERENCE ROOM
SANTA FE COUNTY COURTHOUSE
102 GRANT AVENUE
SANTA FE, NM

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of Minutes for Regular Meeting - January 24, 2013
- V. Matters from the Public
- VI. Matters from the Executive Director
 - (A) Request for Approval of Procurement Under State Price Agreement to Wagner Caterpillar of Albuquerque, NM, to Repair Hydraulic System to Unit 1433 (Caterpillar 950G II Wheel Loader) in the Estimated Amount of \$54,192.75.
 - (1) Approval of Budget Increase from Equipment Replacement Reserve - 5502.100700.07000 to Repair Machinery and Equipment - 52504.520400 in the Amount of \$54,192.75.
 - (B) Request for Approval of Policy No. 2013.1 - Purchasing Procedures and Finance Policy.
 - (C) Request for Approval of Revised List of Vendors for Sole Source Procurement for Fiscal Year 2013.
 - (D) Discussion with Possible Action Regarding County Options for Disposal of Materials that Merit Special Consideration Through a Contractual Agreement Under the 2012 Fee Ordinance.
 - (E) Status Report Regarding the Basalt Rock and Related BLM Royalty at the Caja del Rio Landfill.
 - (F) Status Report Regarding the Crushing Operation at the Caja del Rio Landfill.
 - (G) Status Report on Current Contracts.
- VII. Matters from Staff
- VIII. Matters from the Board
- IX. Next Meeting Date: Thursday, March 21, 2013
- X. Adjournment

Anyone needing further information or requiring special needs for the disabled should contact Sally Padilla at (505) 424-1850, extension 150.

AGENDA

REGULAR MEETING

**SANTA FE SOLID WASTE MANAGEMENT AGENCY
JOINT POWERS BOARD**

FEBRUARY 21, 2013

12:00 P.M.

**LEGAL CONFERENCE ROOM
SANTA FE COUNTY COURTHOUSE
102 GRANT AVENUE
SANTA FE, NM**

CITY CLERK'S OFFICE

DATE 2/14/13 **TIME** 10:48am

SERVED BY Randall Kippenbrock

RECEIVED BY [Signature]

I. Call to Order

II. Roll Call

III. Approval of Agenda

IV. Approval of Minutes for Regular Meeting - January 24, 2013

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SUMMARY INDEX
SOLID WASTE MANAGEMENT AGENCY
JOINT POWERS BOARD MEETING
February 21, 2013

SFC CLERK RECORDED 03/26/2013

| <u>ITEM</u> | <u>ACTION</u> | <u>PAGE</u> |
|---|--------------------|-------------|
| CALL TO ORDER & ROLL CALL | Quorum | 1 |
| APPROVAL OF THE AGENDA | Approved | 1 |
| APPROVAL OF THE MINUTES FOR REGULAR MEETING –JANUARY 24, 2013 | Approved | 2 |
| MATTERS FROM THE PUBLIC | None | 2 |
| <u>MATTERS FROM THE EXECUTIVE DIRECTOR</u> | | |
| REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT TO WAGNER CATERPILLAR OF ALBUQUERQUE, NM, TO REPAIR HYDRAULIC SYSTEM TO UNIT 1433 (CATERPILLAR 950G II WHEEL LOADER) IN THE ESTIMATED AMOUNT OF \$54,192.75 | Approved | 2-4 |
| APPROVAL OF BUDGET INCREASE FROM EQUIPMENT REPLACEMENT RESERVE – 5502.100700.07000 TO REPAIR MACHINERY AND EQUIPMENT – 52504.520400 IN THE AMOUNT OF \$54,192.75 | Approved | 2-4 |
| REQUEST FOR APPROVAL OF POLICY NO. 2013.1 – PURCHASING PROCEDURES AND FINANCE POLICY | Approved | 4-8 |
| REQUEST FOR APPROVAL OF REVISED LIST OF VENDORS FOR SOLE SOURCE PROCUREMENT FOR FISCAL YEAR 2013 | Approved [amended] | 8-10 |
| DISCUSSION WITH POSSIBLE ACTION REGARDING COUNTY OPTIONS FOR DISPOSAL OF MATERIALS THAT MERIT SPECIAL CONSIDERATION THROUGH A CONTRACTUAL AGREEMENT UNDER THE 2012 FEE ORDINANCE | No action needed | 10-11 |

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

SOLID WASTE MINUTES
PAGES: 22

I Hereby Certify That This Instrument Was Filed for Record On The 26TH Day Of March, 2013 at 09:30:14 AM And Was Duly Recorded as Instrument # 1700469 Of The Records Of Santa Fe County

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



| <u>ITEM</u> | <u>ACTION</u> | <u>PAGE</u> |
|--|------------------------|--------------------|
| STATUS REPORT REGARDING THE BASALT ROCK AND RELATED BLM ROYALTY AT THE CAJA DEL RIO LANDFILL | Information/discussion | 11-16 |
| STATUS REPORT REGARDING THE CRUSHING OPERATION AT THE CAJA DEL RIO LANDFILL | Information/discussion | 11-16 |
| STATUS REPORT ON CURRENT CONTRACTS | Information/discussion | 17 |
| MATTERS FROM STAFF | Information/discussion | 17 |
| MATTERS FROM THE BOARD | Information/discussion | 17-19 |
| NEXT MEETING DATE – Thursday, March 21, 2013 | | 19 |
| ADJOURNMENT | | 19 |

SEC CLERK RECORDED 03/26/2013

**SOLID WASTE MANAGEMENT AGENCY
JOINT POWERS BOARD MEETING
Legal Conference Room
Santa Fe County Courthouse
February 21 , 2013**

FILED
CLERK
RECORDED
03/26/2013

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 Ives, Chair, on Thursday, February 21, 2013, at approximately 12:00 noon, in the Legal Conference Room Santa Fe County Courthouse, 102 Grant Avenue, Santa Fe, New Mexico.

II. ROLL CALL

MEMBERS PRESENT:

Councilor Peter N. Ives, Chair
Commissioner Miguel Chavez, Vice-Chair
Commissioner Kathy Holian
Commissioner Daniel Mayfield
Councilor Christopher M. Rivera

MEMBERS EXCUSED:

Councilor Bill Dimas

STAFF PRESENT:

Randall Kippenbrock, Executive Director – SWMA
Angelica Salazar, SWMA
Justin Miller, Legal Counsel
Melessia Helberg, Stenographer

There was a quorum of the membership in attendance..

III. APPROVAL OF THE AGENDA

MOTION: Commissioner Mayfield moved, seconded by Commissioner Holian, to approve the Agenda as presented.

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

IV. APPROVAL OF THE MINUTES FOR REGULAR MEETING – JANUARY 24, 2013.

MOTION: Commissioner Holian moved, seconded by Councilor Rivera, to approve the minutes of the regular meeting of January 24, 2013, as presented.

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

V. MATTERS FROM THE PUBLIC

There were no matters from the public.

VI. MATTERS FROM THE EXECUTIVE DIRECTOR

(A) REQUEST FOR APPROVAL OF PROCUREMENT UNDER STATE PRICE AGREEMENT TO WAGNER CATERPILLAR OF ALBUQUERQUE, NM, TO REPAIR HYDRAULIC SYSTEM TO UNIT 1433 (CATERPILLAR 950G II WHEEL LOADER) IN THE ESTIMATED AMOUNT OF \$54,192.75.

(1) APPROVAL OF BUDGET INCREASE FROM EQUIPMENT REPLACEMENT RESERVE – 5502.100700.07000 TO REPAIR MACHINERY AND EQUIPMENT – 52504.520400 IN THE AMOUNT OF \$54,192.75

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum of February 15, 2013, with attachments, 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.

Chair Ives noted this was discussed at the last meeting and thanked Commissioner Mayfield for making sure we are procedurally correct.

Commissioner Chavez asked if one motion can be made to approve VI(A) and VI(A)(1), or if two motions are needed.

Chair Ives said we usually do two separate motions.

MOTION: Commissioner Holian moved, seconded by Commissioner Chavez, to approve Item VI(A), as presented.

DISCUSSION: Commissioner Mayfield said he understands the price threshold is \$35,000, before we have to go out for RFP.

Mr. Kippenbrock said on a State Price Agreement there is a price already in place. He said we use the City's Purchasing Manual amount of \$50,000, before it is brought to this Board.

FILED
CLERK
RECORDED
03/26/2013

Commissioner Mayfield asked if SWMA falls under the City's procurement or the State Procurement Code.

Mr. Kippenbrock said we have a hybrid procurement policy, and for the most part we follow the State Procurement Code. He said the next item will refer to our purchasing and finance policy. He said the Authority is a joint entity of the City and the County. The County follows the State Procurement Code, so we utilize all of that, and utilize the City Purchasing Manual as long as it doesn't conflict. He said the State Code talks about state pricing agreement, but doesn't deal with maximum limits. However the City Purchasing Manual refers to a \$50,000 threshold where the City Manager or the Executive Director would take it before the board for approval.

Commissioner Mayfield said if we get a general estimate and it falls within the \$50,000 threshold, and they give a revised estimate which goes over, what are the rules on something like that. He would defer to Ms. Martinez to answer this question.

Teresa Martinez, County Finance Director, said the County follows some of the standards, noting their threshold is \$50,000, so we're all on the same page. She said Mr. Rodarte is here from the City and he can speak to the City procurement.

Commissioner Mayfield said we have to follow the Procurement Code. In this case, the estimate was under \$50,000 and work is started. However, the actual cost is higher than \$50,000, and asked how that comes into play.

Ms. Martinez said in this case, it was under the threshold, and issues arose. She said at that point, it should have been brought to this Board. She said, moving forward, this should be the process.

Commissioner Mayfield asked Ms. Martinez if SWMA violated the procurement code.

Ms. Martinez said no. She said the problem in this case is that it was initially captioned as a sole source and then exceeded the dollar amount. She said there is a valid statewide price agreement to use, and she thinks everything is fine. She said the intention is to bring it to the Board for approval. However, she understands the circumstances – you're working on it and new issues were brought up which exceed the threshold. She said lessons learned here are to caption an item correctly and bring it before this Board for approval.

Commissioner Mayfield noted our Auditor was at the last meeting, and asked if we need to self-report this. He said, "I would recommend that we do and let the auditor make this determination."

Chair Ives asked Commissioner Mayfield what he means by self-reporting.

Commissioner Mayfield said report it to our auditors.

Chair Ives asked if we provide our minutes to the auditor, because those would reflect the discussions we've had. He said the only alternative we might have pursued would have been to have called a special meeting. He said if we leave a piece of equipment idle we don't get the needed work done and it could

end up costing the Authority more money than the amount by which the repairs exceed the \$50,000 limit. He is happy to consider that. He would like SWMA counsel to give a recommendation at the next meeting on whether we need to pursue that course, and we may be having a special meeting. He hopes everyone will be available if that is the case. He said in this case, we did bring it up at the January meeting, which is the next regular meeting after the issue arose, so he thinks it was very timely brought forward. He asked Mr. Miller to report back at the next meeting in this regard.

Mr. Miller said, "The Procurement Code allows exempt purchases under a state price agreement from competitive bidding or proposals, without regard to amount." He said the \$50,000 threshold comes into play in the relationship between the Agency and the Board, and whether the Board should have called a special meeting. He said that was further complicated by the fact that the machine was already there, and that the initial bid was lower.

Mr. Miller said, "As far as the Procurement Code itself, which is the real basis for which the Agency must comply, there is no violation of the Procurement Code."

CALL FOR THE QUESTION: Commissioner Chavez moved, seconded by Commissioner Holian to call the question.

VOTE: The motion to call the question was approved unanimously on a voice vote.

VOTE: The main motion to approve Item VI(A) was approved unanimously on a voice vote.

MOTION: Commissioner Holian moved, seconded by Councilor Rivera, to approve Item VI(A)(1), as presented.

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

(B) REQUEST FOR APPROVAL OF POLICY NO. 2013.1 – PURCHASING PROCEDURES AND FINANCE POLICY.

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated February 16, 2013, with attachments, to the SFSWMA Joint Powers Board, is incorporated herewith to these minutes as Exhibit "2. Please see Exhibit "2" for specifics of this presentation

Chair Ives noted that Robert Rodarte from the City and Teresa Martinez from the County are in attendance, and asked if they have remarks in this regard.

Mr. Rodarte and Ms. Martinez said they have no remarks and will stand for questions.

Commissioner Chavez said, "An observation, in reading the packet and listening to staff's presentation, it seems that staff has pretty much covered everything. And it touches on Commissioner Mayfield's concern, or maybe an aspect of being a hybrid and using our joint experience, if you will, of the City's and County's experiences in dealing with purchases and the Procurement Code, in spending dollars, and making sure that it is in the sun in the light of day, and that we're doing it properly. And I think, in my experience on SWMA in the past, that has always been the intent and I think we've always been close to the highest standards possible. And I see that here, and I just wanted to comment on that."

Commissioner Chavez continued, "I think we have a lot of areas where the City and County need to collaborate and jointly provide services. And I think SWMA is one of the areas where we've done better at that in other areas. So I just note that for what it's worth. I would also say that I don't think it's only because of our participation or contribution, but I think it goes to staff and certainly the public that's been involved in this, because that's been a big component too."

Chair Ives said he hopes to carry on that transparency and cooperative working relationship with the Authority, certainly in this next year, and "certainly as long as I serve."

Commissioner Chavez said, "I guess the only other comment I would make, is that I know we've really struggled with the local preference, and I don't know if anyone wants to touch on that piece. But I think that we have staff that can speak to that, and if there are any possible changes or amendments that we could make in that area, that's the one area where I might want to spend some time. But if staff has already researched it and this is the best that we can do for right now, I'm comfortable with that too, because I know we've gone back and forth on that and it's never perfect. But, maybe it's the best that we can do."

Chair Ives noted that the Santa Fe City Attorney has expressed that the City, in dealing with City dollars, as opposed to federal grants, state funds, etc., actually does have a fairly large capacity to direct to that those funds be used to engage people who are residents of Santa Fe County. And that's something we could consider if you do go down that path. As per some discussions, it's important to have a release valve to then step outside in the event nobody qualifies for particular work. He said there are pros and cons of taking that approach.

Commissioner Chavez said it goes both ways, and in some cases if you have a local preference and you are using federal dollars, then you have to ignore the local preference. He reiterated it's not always perfect, and we're not always going to get it our way, but we have parameters within which we can work and there are superceding agencies which require us to do differently on certain projects, and we have to accept that.

Commissioner Mayfield asked Mr. Ross if he is familiar with whether the City and County local preference on procurement track with one or another.

Mr. Ross said he hasn't looked at the City's procurement policy.

Commissioner Chavez asked Mr. Rodarte to talk about the City's side, and said we then could research the County's policy to see how closely they are to one another.

Mr. Rodarte said, "The City does have the local preference, but it is 10%. The County has a couple of other options which are different. There is a veterans preference that is kind of being listened to, and I'm putting things together to present it to the Governing Body. But what's happening here at the County, you are able to get up to 15% putting that in there. But we're looking at it closely, and we'll bring it forward as we work on it. But basically, on the City side of the local preference, 10% is a maximum we have put in there. So, while you can accumulate things, minority businesses, veterans preference, things like this, New Mexico resident preference is also in there, but you can't exceed 10% putting them all together. That's where we're sitting right now."

Mr. Rodarte continued, "There are some challenges coming out right now in that people want more. But the funding sources for local play a lot on whether or not we can enforce it on projects. If it's federal money, you can't put it in there. A lot of the State funding we're getting will specify that we cannot use the local preference, and only follow New Mexico State preference, and that is basically 5%. But there's a lot of rules related to local preference that are tricky. And, in order for the County and the City to really come together, we have to make sure that the governing rules that the County follows... remember we're Home Rule. There might be some guidelines in there that would not allow the County to do what we do. So you have to take a good hard look at that from a legal perspective, before you really want to merge them together."

Mr. Rodarte continued, "Now the City has a local preference that extends all the way through Santa Fe County. We had to do that for the reason that many of our contractors are in the County, and they basically employee people who are in this are. Santa Fe County, as you well know, goes all the way to Chimayo and goes all the way to Moriarty, or whatever, but it's still under our umbrella of local preference, and it makes a big difference. But before you try to put them together, you're really going to have to look at legal aspect as governed by the State of New Mexico over the County, versus a Home Rule City like the City of Santa Fe."

Commissioner Chavez said one really big difference is Home Rule, so we really need to take note on that. He said on page 5 of 8 of the document, Purchasing Procedures and Finance Policy, the County is closest to the City in the Resident Veteran Business and Resident Veteran Contract, where there is a range between City 7-10%, and in others the County is lower at 5%. He said, as Commissioner Mayfield asked, how much the County can influence the 5%. And perhaps that could be a question to our legal staff.

Mr. Miller said, "We've looked at this pretty hard, so I can clarify how it all comes together, and it touches on what Commissioner Mayfield was talking about earlier, more being bound by the State Procurement Code, where the City is a Home Rule Municipality that has created it's own procurement policy. So it's bound by the Procurement Code and then the County on top of that. So, the first two preferences, (A) and (B), the In-state Resident and the Resident Veteran Business, those are are State Procurement Code preferences that local public bodies and instrumentalities, like SWMA, must follow. So, that's where (A) and (B) come from. They are not cumulative. In other words, a respective contractor can't

get the In-State Resident and the 10% Resident Veteran. Those 7, 8 and 10% values depend on the size of the Veteran's business."

Mr. Miller continued, "So, in addition to that, the question came before the Agency a number of times about a local preference, and local is separate and apart from the State Procurement Code. The City has had a local preference for a while. The County did not until April 2012. So for the Agency, our intent was to develop a local preference, where the City and County's preferences overlap, and that is expressed Subsection (C), which is a 5% preference for local vendors who are submitting a competitive sealed proposal. So it doesn't apply to bids, because the County preference doesn't apply to bids. It is in addition to (A) and (B), so it does allow a local County resident up to a 10% State preference to get the 5% local preference. It also applies if the Agency were to accept certifications from the City of Santa Fe, or what is acceptable to the County, because the City of Santa Fe local preference extends to everybody within the County, and so does the County's preference."

Commissioner Chavez asked if that would give them the cumulative effect of having a 10%.

Mr. Miller said, "Or more. Potentially that's a 15% for resident [inaudible] and local. (A) and (B) are not cumulative."

Mr. Miller said, "The reason we drafted this and limited it to only sealed proposals was simply because of the County Ordinance as a Joint Powers Agreement entity, this Agency arguably shouldn't exercise powers that aren't belonging to their entity, so if the County didn't allow it, we wouldn't want to include it here either."

Commissioner Chavez then we are pretty locked into the 5% local preference at this point, and we don't have the authority to go beyond that.

Mr. Miller said, "Right, and at the City and County level, it's just 5%."

Councilor Chavez said then that brings it full circle.

Chair Ives said, from a legal perspective, defaulting to the common denominator between the local preferences between the City and the County is the prudent way to do it. Because, that way, it's least subject to challenge by anyone participating in the bidding process, and claim it is something untoward or that the County wasn't authorized to go so far as the 10% local preference the City provides. He said this just seems like the prudent drafting choice.

Councilor Chavez said if you follow the process, you can get to that 10-15% anyway, so they still have that due process. If they want to go through the process..

Councilor Rivera said he understand Mr. Miller to say that the City and County local preference is 5%, but he understood Mr. Rodarte to say it is 10%.

Mr. Rodarte said the City is at 10% following the City format, and then the resident preference or veterans is the one we give out for qualified local companies.

Chair Ives said if you look at both entities, the County's is a smaller local preference that it is safer to go with, in terms of the Joint Powers Board.

Mr. Miller said, "And the City preference, what it essentially does, is to fold the in-state preference into the 10%, so the City isn't giving the in-state preference that comes from the Procurement Code, 5%, but it's 10%, so it's similar."

MOTION: Commissioner Chavez moved, seconded by Commissioner Holian, to approve Item VI(B), as presented.

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

(C) REQUEST FOR APPROVAL OF REVISED LIST OF VENDORS FOR SOLE SOURCE PROCUREMENT FOR FISCAL YEAR 2013.

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated February 15, 2013, with attachments, to the SFSWMA Joint Powers Board, is incorporated herewith to these minutes as Exhibit "3." Please see Exhibit "3" for specifics of this presentation.

Councilor Rivera said, "The definition of Sole Source, is that these are the only people who can provide these services for the Agency, correct."

Mr. Kippenbrock said yes.

Chair Ives said he heard Mr. Kippenbrock indicate he periodically will go out to see if there are other vendors who might be able to provide those same services, asking if that is correct, and Mr. Kippenbrock said yes.

MOTION: Commissioner Chavez moved, seconded by Commissioner Holian, to approve Item VI(C), as presented.

DISCUSSION: Commissioner Chavez asked Mr. Kippenbrock to keep the Board updated quarterly on the list of vendors, if that would work with his schedule – keep it updated regularly "so it doesn't get away from us," so we know exactly how we're handling that.

FRIENDLY AMENDMENT: Commissioner Chavez would like to amend the motion to provide that the Director will update the Board quarterly on the list of vendors and keep it updated regularly so it doesn't get away from us. **THE AMENDMENT WAS FRIENDLY TO THE MAKER AND SECOND, AND THERE WERE NO OBJECTIONS BY THE OTHER MEMBERS OF THE BOARD.**

CONTINUATION OF DISCUSSION ON THE MOTION AS AMENDED. Mr. Rodarte said HB-182 was approved by the Legislature and signed by the Governor, and will go into effect on July 1, 2013. He said, in terms of what was just mentioned about reporting, there will be a lot of parameters which will be required from all agencies in terms of sole source and emergency procurements. He said it will work well in terms of reporting these.

Chair Ives asked Mr. Miller to track the bill and its impact moving forward.

Councilor Chavez asked if this bill will change State Statutes and direct organizations to follow a different reporting.

Mr. Rodarte said it will require more justification. He said they are seeking a true sole source, and it will change the scope in that the parameters are tighter, and they seek clarity as to what they're really signing under sole source.

Commissioner Chavez said that clarity has to start with the definitions, and hopes there is a very clear definition of sole source.

Mr. Rodarte said HB-182 has a lot of strike-outs now, as far as the language that is kind of vague, and they've added a lot of new language which clarifies it quite well.

Councilor Rivera asked, "Are we kind of putting ourselves out there by putting together a list of sole source vendors. It's different if you bid on something and you only have one person to bid, or return a bid, or there's only one person that can truly provide the work, versus having a list, spending the money, and then finding out, that 'hey, I could have done this work as well, I just never knew about it.' Are we putting ourselves in a bit of a predicament by actually having a list that may or may not change from month to month."

Chair Ives said from his perspective, it makes sense to have the list, simply because there have been people who have often been essential to bringing those services. We are asking for updates to that list and making sure that if we are other people out there, we come aware of it. He said, "And additionally, it sounds like, as of July 1, 2013, we may have to make additional changes to our Procurement Policy to account for HB-182 when it becomes effective. We will certainly have to comply with the specifics of that bill at that point in time. And I think we're doing a reasonable thing now saying, here's these vendors, but keep an ear to the ground for others who might also provide that service.

Commissioner Chavez said perhaps that could be part of staff's update, "so that, here's the list, it may or may not change, but we know. I'm comfortable that some of these are in fact sole source, and that's not going to change. Some of it's cut and dry. But I think as part of staff's report, we could say, okay here's the list, saying this is last month's, and here are the other vendors I've contacted that are interested or not interested in what we have to offer. Period. If nobody else is interested or offers to provide the services, that's where we need to go."

Chair Ives said he presumes that is a component of Commissioner Chavez's amendment.

Commissioner Chavez said, "Not originally, but in discussion, that detail needs to be in there, so if there's any question about staff's comment referencing the minutes about doing due diligence on that, we have it in writing. We have staff's comment of commitment in the minutes, and then we have a report in subsequent meetings. I think we're covered."

Chair Ives said it appears there is an additional amendment to the original motion.

RESTATEMENT OF THE FRIENDLY AMENDMENT: Councilor Chavez would like to amend the motion to provide direction to staff that the Director's Report would include a list of vendors that have been contacted about services that might be needed at the Agency, and the Director will update the list quarterly so doesn't get away from us.

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

Chair Ives said he just received a copy of HB-182, and asked at the next meeting there be a copy of the bill in the packets.

(D) DISCUSSION WITH POSSIBLE ACTION REGARDING COUNTY OPTIONS FOR DISPOSAL OF MATERIALS THAT MERIT SPECIAL CONSIDERATION THROUGH A CONTRACTUAL AGREEMENT UNDER THE 2012 FEE ORDINANCE.

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated February 18, 2013, with attachments, to the SFSWMA Joint Powers Board, is incorporated herewith to these minutes as Exhibit "4." Please see Exhibit "4" for specifics of this presentation

Chair Ives said he reviewed the minutes from that prior meeting as well as the fee ordinance. And it appears that at the time, a special circumstance existed, pursuant to which the City requested a special fee consideration by this Board under Section B(4), which graciously was approved by this Board. He said he is thankful for that from the City's perspective, noting he wasn't on the Board or on the City Council at the time. He said, "As issues come up where the County might want to avail itself of this same consideration, I can certainly say [inaudible] act favorably in light of the actions of this Authority vis a vis the City's request previously."

Commissioner Chavez said he concurs with the Chair's statement. He said if the occasion does arise, the point the Chair makes about being accommodating, he would take that same position as well. He said members of the Agency need to work together and the reason we are here. He said we have a policy that says there is a way to reduce that fee in certain cases and situations. He said, "And so, kind of 'what goes round comes round.' When you need help, we'll help you, and when I need help, you help me, and this is how we do it."

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Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memoranda as follows:

- 1) Memorandum dated February 18, 2013, to the SFSWMA Joint Powers Board, regarding Status Report regarding the Basalt Rock and related BLM royalty at the Caja del Rio Landfill, incorporated herewith to these minutes as Exhibit "5;" and
- 2) Memorandum dated February 18, 2013, to the SFSWMA Joint Powers Board, regarding Status Report regarding the Crushing Operation at the Caja del Rio Landfill, incorporated here herewith to these minutes as Exhibit "6."

Please see Exhibits "5" and "6" for specifics of this presentation.

The Board members commented and asked questions as follows:

- Commissioner Chavez asked, after the basalt has been processed into a marketable project, if it is moved up site.

Mr. Kippenbrock said no, it is on site until the sale is made.

- Commissioner Chavez said Del Hur is selling to the public and to contractors and the transaction is done on site, and asked if Del Hur has an office there.

Mr. Kippenbrock said they have a field office, but all transactions are done through the pay station at SWMA. They have records and bill Del Hur.

- Commissioner Holian said then Del Hur doesn't pay royalties to SWMA until they have sold the aggregate to an outside party, and Mr. Kippenbrock said this is correct.
- Commissioner Holian so they don't have to pay royalties until they receive some income from it, and Mr. Kippenbrock said this is correct.
- Commissioner Chavez said then SWMA is tracking all of the activity, so you have an estimated amount on the royalties.

Mr. Kippenbrock said yes, based on the density, the amount that was taken and converted to tons.

- Commissioner Chavez said then you have a separate log, a separate line item in your office that tracks all of this, and Mr. Kippenbrock said yes.
- Commissioner Mayfield asked, when the RFP was issued, and this contractor was selected, were they told they would be provided office space in the SWMA building, and they could use our facilities to crush the rock, store the rock and aggregate material on our property and go ahead and sell it off-location and then pay us the royalties after. He asked, "Was that all disclosed in the RFP process."

Mr. Kippenbrock said yes. The RFP expressly implied, in terms of locations, hours, permits and so forth.

- Commissioner Mayfield said he wants a copy of that RFP.
- Chair Ives said on page 94 of the packet, in the entry of October 26, 2011, it says, "...the Agency met with County staff from the Santa Fe County's Land Use Department and the County Attorney, to discuss if there were any permits required for the crushing operation at the landfill. The County concluded that no permit for the crushing operation was needed and did not ask or require the Agency to obtain permit." He said then this has been the circumstance through today, and asked if this is correct.

Mr. Kippenbrock said this is correct.

- Chair Ives said it also was his understanding that as part of the adoption of the new Land Use Code, hopefully there will be consideration of the status of facilities that exist and asked if he understands this correctly.
- Commissioner Chavez said, "I think you're right, because the existing conditions will be factored into the new Land Use Plan, and obviously the regional landfill, SWMA, has been permitted, there's a master plan, we know that there is a life expectancy that we're looking at for that permit process, and it's a very extensive and very expensive process to permit. I'm sure that will be factored in, and maybe you want to add to that."
- Commissioner Holian said, "I would just point out that part of the process in developing the new Land Development Code is to create zones. We really don't have zoning *per se* right now, and that is going to be a very important part of it, to do the zoning map for the County."
- Commissioner Chavez said, "I think on the mere point of whether SWMA should have or shouldn't have a special sand and gravel permit, I can't see why we would want to go back and do that now. We knew full well that the basalt was going to present some challenges and we dealt with that. If site selection would have been different, if that had played out differently, we wouldn't be having this discussion. But the basalt is the nature of the beast, and there's no way around it. And I think the way it's being handled now is probably the best that we can do."
- Chair Ives noted the feds own the basalt and he is unsure under the circumstances whether questions of federal preempting come in, in terms of permitting, commenting he doesn't want to confuse the issue. He said we may get greater clarity as the County moves into its new Code on some of those issues. He said we can certainly engage the BLM in a discussion of that as well.
- Commissioner Mayfield said this is the reason the City and the County were fined.
- Commissioner Mayfield said he has "several questions." He said then the Agency is SWMA and Mr. Kippenbrock said yes.

- Commissioner Mayfield said then SWMA is receiving royalties.

Mr. Kippenbrock said it is \$1.50 per ton. The annual receipts are approximately \$1.50 times \$75,000.
- Commissioner Mayfield said then that goes into the base budget and he is reporting it back to the Board, and we approve it in the budget for the following year.
- Mr. Kippenbrock said when we do budgeting, we look at the prior year, and estimate the revenue, noting sometimes it is a lot more and in other years it is less. Last year it was \$69,000. He said there is another line established for BLM, noting there is an expense of 59¢ per ton to BLM.
- Commissioner Mayfield said in 2005, it was determined there was no need for a permit for the sand and gravel mining operation at SWMA. He said part of the RFP said there will be a gravel and mining operation.
- Mr. Kippenbrock said the RFP said to obtain all necessary permits.
- Commissioner Mayfield asked how we could determine at that time that a permit isn't needed from the County.

Steve Ross, County Attorney said, "There's two things going on here, there's two regulatory touchstones on this project. Number one, zoning in general, which is the major focus of the new Code. The new Code is going to contain provisions regarding zoning, a zoning map, and hopefully we will correctly capture this operation on the new zoning map, resolving that long standing ambiguity about the zoning sets, the proper sets, is one. Under the new Code, there also will be parallel police power provisions regarding sand and gravel operations generally, just like we have in the current Code. I don't know if they'll be any different. We probably will propose something fairly similar to the current Code, and will have discussions about what that will look like."

Mr. Ross continued, "The current Code has special regulations concerning sand and gravel operations. I'm not sure how the determination, if it were, in 2005 came about concerning the need for a sand and gravel permit. But Councilor Ives has hit on the key issue here, an issue that we've been discussing in recent weeks, and that is whether these are valuable federal minerals or not. If they are, we don't have any jurisdiction, even assuming the present sand and gravel ordinance applies. So that's what we're looking like right now."

- Commissioner Mayfield also quoted from paragraph 2 on page 94 of the packet, "...the Agency met with County staff from the Santa Fe County's Land Use Department and the County Attorney, to discuss if there were any permits required for the crushing operation at the landfill." Commissioner Mayfield said this just talks about the crushing side of it. Mr. Mayfield continued reading from page 94, "The County concluded that no permit for the crushing operation was needed and did not ask or require the Agency to obtain permit." He said this is under Code, and there haven't been any exceptions granted under the current Code as written.

- Commissioner Mayfield said, "My second part to that question. Along 599, just tell me if I'm wrong on this, there's other, I guess, mining operations or sand and gravel operations all along 599. Do all those other entities have a permit from Santa Fe County, or are they all non-permitted operations along 599."

Mr. Ross said, "Virtually all of the existing sand and gravel operations in the County are pre-Code."

- Commissioner Mayfield said, "Then along 599, those are all pre-Code. And can you clarify this for me, Steve, would SWMA be pre-Code."

Mr. Ross said no.

- Commissioner Mayfield said, "Then why don't they need a permit from us today under Code."

Mr. Ross said, "Under current Code, we're studying the question that I mentioned earlier, with respect to the sand and gravel operations themselves."

- Commissioner Chavez asked, "Would this be a permit after the fact, since the house has already been built."

[Mr. Ross's response was inaudible]

- Commissioner Chavez said, "So what's the point then. I don't understand. I don't understand. I just have to ask, because if the house is already built, do you want us to move the house."
- Commissioner Mayfield said, "I don't know. The residents are calling me asking this question."
- Commissioner Chavez said, "Well I'm asking, because if they want us to move the house, we need to know, because that's going to be a hard house to move."
- Commissioner Mayfield said, "I just want the question answered."
- Commissioner Chavez said, "Well, then I just have to ask. I apologize, but I needed clarification, and I want to know...."
- Commissioner Mayfield said, "And I just want the question answered, that's all I want. Tell me if these guys have not had the proper permit. Just answer the question, and when residents call and ask me, I'll tell them they don't have the proper permit and we're just waiting it out until the new Code comes and then we're going to grandfather it under the Code. That's simple."
- Chair Ives said, "From my point of view, we certainly appear to have had an answer to that question, correct or incorrect."
- Commissioner Mayfield said, "I still want an answer, Mr. Chairman, straight up."

- Chair Ives said, "When I read this, at least to me, it suggests that question appears to have been asked and answered. And certainly I think the County is more than free to pick that issue up. This Board, running this operation, understands that it is running with the requisite authority at this point in time, and presumably has been for the last however many years we've been operating the landfill. And they've been crushing rock out there and selling it. So, I'm not sure it's an answer... we would certainly to look to guidance from the County, but so far the County's guidance on the issue has been that additional permitting is not required."
- Commissioner Chavez said, "Mr. Chair and Mr. Commissioner, I don't know that it does the County any service to let the public know that we didn't get a permit, and then do something after the fact. Because the landfill was permitted, and it was a very extensive process to get that permit from the State, Federal BLM, City, County. So I don't know, if residents are uncomfortable with the operation of SWMA, I think the Agency has tried to compensate and change its hours and do what it can to be sensitive to the neighbors in the area, and I think they're going to have to continue to do that. That's going to be ongoing."
- Chair Ives said, "Indeed, from Mr. Kippenbrock's prior presentation, it sounds when complaints are made regularly, they do contact people at the operation and ask them to adjust their scheduling, please correct me if I'm misstating what your prior indications were."

Mr. Kippenbrock said there was an instance where they did some early hours of construction and we advised our employees to stay within the [inaudible due to the noise overlay] with the one time instance. We do try to respond as quickly as possible to all calls that are made by concerned citizens, whether locally or not locally.

- Commissioner Mayfield said, "This is my last question. One, there were two meetings involved, there was a report that was done and we had the presentation from the, I don't recall the company. But questions were still asked by some of the community residents with regard to the permitting at SWMA. I'm still asking questions for community residents. I'm just going to make my point Mr. Chairman if I can. And two, if it was sited and permitted, was this the original site for the Caja del Rio to be sited, or the Marty Sanchez Golf Course was. I don't know if anybody has an answer to that. Was it moot at one time. Was that the proper site, then we know that. If nobody has an answer to that, that's fine too. But that's all I have Mr. Chairman, thank you."
- Chair Ives said, "Certainly part of our moving forward with the renewal of the permit to run the landfill, again I'm sure this issue will come up in the context of the new Code the County is adopting. What may not be clear now, I believe will become very clear in the future as those additional processes unfold."

(G) STATUS REPORT ON CURRENT CONTRACTS

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated February 17, 2013, with attachments, to the SFSWMA Joint Powers Board, is incorporated herewith to these minutes as Exhibit "7." Please see Exhibit "7" for specifics of this presentation.

Chair Ives asked if this is an inclusive of all the contracts that the authority has in place.

Mr. Kippenbrock said these are contracts that went out for competitive bidding, whether for proposal or a bid. They are not the small maintenance contracts, or any that require a small amount of work to be done, as a one-time contract, or less than one year.

Chair Ives appreciates the list. He said he would like for the City to put together a similar list, noting it would be a small book for the City. It is able to see in 2 pages the major contracts that the Agency has in place, along with all the details of the contract.

VII. MATTERS FROM STAFF

Ms. Padilla gave a brief update on the City's updated recycling strategies for 2013. Ms. Padilla said they have partnered with the Sierra Club and in the evenings will be volunteering to help distribute recycling binds at the Chavez Center. She said they will be doing distribution monthly. She spoke about the outreach to the public so people understand the recycling process better. She said the position of Recycling Supervisor Manager is being advertised. The City has purchased 4 compressed natural gas collection units that will be delivered next week.

Chair Ives said he has received emails regarding "Zero Waste." He asked if they are looking at that and giving it consideration.

Ms. Padilla said they have, and a workshop is scheduled for this evening as an introduction and all day tomorrow at the Santa Fe Community college. She and Katherine Mortimer will be attending to get more education and information about the concept.

Chair Ives asked Ms. Padilla if she will provide a short Memorandum about what she learned at that meeting, and Ms. Padilla said she will do so.

VIII. MATTERS FROM THE BOARD

Commissioner Mayfield said we are paying more than \$40 per ton to dump our waste because we are going to have to back under the ground, and are working on preservation of a life cycle. He said, "That's my point. We're paying over \$40 per ton and trying to reduce the amount per ton that we are paying the landfill. So that's one of my points, and I think it is important for the record to note that."

Commissioner Chavez suggested we discuss having a meeting at SWMA.

Mr. Kippenbrock said we generally have meetings over there, and will have to get back to the Board as to when it would be appropriate.

Commissioner Chavez said this is fine, noting he is suggesting this for the future, and we could hear any concerns from the residents in the area. He said perhaps we want to do some outreach and have meetings on a rotating basis, and hold meetings there every 3rd month or so, so we can have that interaction and make it a little easier for the public to attend.

Commissioner Chavez asked Mr. Kippenbrock if he has a log listing complaints, and Mr. Kippenbrock said no.

Commissioner Chavez suggested he start doing this in the future, to see the number of complaints, where they're coming from, the nature of the complaints and such.

Commissioner Chavez said he had a brief discussion with staff earlier about the disposal of horse manure, and asked Ms. Merrill to share what they discussed earlier about horse manure and the green waste program.

Ms. Merrill said there are quite a few residents who are illegally dumping horse manure. She said she thinks the County is going to encourage people, rather than throwing away horse manure or illegally dumping it, to bring it to Jacona and Eldorado as green waste. She said at BuRRT they accept horse manure as green waste, and they would accept it from the County if the County were to accept it from the residents as well.

Chair Ives there were questions about when it contains additional materials, it moves out of the green waste to trash. He said that begs the question of making sure that people who are the generators of manure know that this process exists for them, if it is kept clean. He would like to do outreach so people know how they need to bring it.

Ms. Van Peski said it is quite valuable, and asked if they are planning to sell it.

Ms. Merrill said they don't sell it, they put it with the mulch and then give it away free. She said after the assessment study is done, and whatever happens with composting, she is sure it will be included with composting, and is unsure if it will continue to be free.

Councilor Chavez said his interest is to give the public another option instead of dumping in arroyos.

Ms. Merrill said they can charge people if they unload it, at \$5 per cubic yard.

Mr. Barela said they don't accept horse manure at the transfer stations, but he will check on that, and if the County wants to do that, the County would have to change the Ordinance. And if that is done, it can be included in the green waste at the transfer stations.

Commissioner Chavez asked if we can direct staff to work in that direction, or does the Board want more discussion.

Commissioner Holian said it has to be the County staff that works on it.

Commissioner Chavez asked if the Board is okay with this, or do we need to bring it back for discussion at the next meeting.

Chair Ives asked if this would require a change to our operations.

Mr. Kippenbrock said it would not mean a change to the current fee ordinance, but he will respectfully request the County staff to change the definition of what constitutes green waste. He would like it to be delivered separately rather than in the green waste.

Responding to Commissioner Chavez, Commissioner Holian said we should work together as to how to move this forward, and Commissioner Chavez said he will work with her in this regard.

Chair Ives said it is his sense that it would be a consensus among the members that it would be a good thing to do.

Commissioner Mayfield asked the kind of manure matters.

Mr. Kippenbrock said it doesn't matter, however they accept mostly horse manure.

Commissioner Chavez said perhaps the definition needs to consider manure from other small farm animals.


IX. NEXT MEETING DATE – Thursday, March 21, 2013

X. ADJOURNMENT

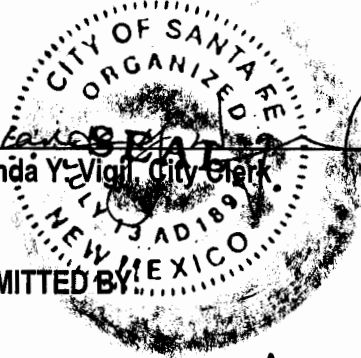

MOTION: Commissioner Holian moved, seconded by Commissioner Chavez, to adjourn the meeting.

VOTE: The motion was approved unanimously on a voice vote, and the meeting was adjourned at approximately 1:50 p.m.

APPROVED BY:


Peter N. Ives, Chair

ATTESTED TO:



Yolanda Y. Vigil, City Clerk

SUBMITTED BY:


Melessia Helberg, Board Stenographer

SEC CLERK RECORDED 03/26/2013

MEMORANDUM

To: SFSWMA Joint Powers Board Members
From: Randall Kippenbrock, P.E., Executive Director *RK*
Date: February 15, 2013
Subject: Request for Approval of Procurement Under State Price Agreement to Wagner Caterpillar of Albuquerque, NM, to Repair Hydraulic System to Unit 1433 (Caterpillar 950G II Wheel Loader) in the Estimated Amount of \$54,192.75.

BACKGROUND AND SUMMARY:

On September 18, 2003, the Board approved the purchase of a new Caterpillar 950G II wheel loader (Unit 1433) from Wagner Equipment Company (Wagner) of Albuquerque, NM, in the amount of \$176,920.00.

The unit is assigned to the green waste program. As to date the unit has 11,898 machine hours.

On August 30, 2012, Wagner replaced a hydraulic vane-type pump on the unit at the BuRRT facility.

On October 12, 2012, the Agency red tagged the unit due to more issues with the hydraulic component of the unit that were not previously apparent. On November 7, 2012, the unit was transported to Wagner's Albuquerque shop for inspection to the unit. On December 10, 2012, Wagner provided an estimate in the amount of \$35,484.50 to repair the hydraulic component of the unit. Wagner also stated that a revised estimate may be provided after the unit is disassembled and the parts in question are inspected.

On January 11, 2013, Wagner provided a revised estimate in the amount of \$54,192.75 after the unit was disassembled and determined that numerous worn pumps and cylinders associated with the hydraulic system can not be reconditioned and instead recommended new parts.

Wagner is an authorized vendor on the New Mexico State Price Agreement # 10-000-00-00077: Highway and Off Road Equipment and Truck Reports (Parts and Labor).

ACTION REQUESTED:

Staff recommends approval of the procurement under the State Price Agreement # 10-000-00-00077 for the repair of the hydraulic system of Unit 1433 (Caterpillar 959G II wheel loader) to Wagner Equipment Company in the amount of \$54,192.75. Staff also requests

approval of a budget increase from Equipment Replacement Reserve - 5502.100700.07000
to Repair Machinery and Equipment - 52504.520400 in the amount of \$54,192.75.

Attachments: Budget Adjustment Request
Wagner's Cost Estimate to Repair Hydraulic System for Unit 1433
State Price Agreement # 10-000-00-00077

M:\Memo\Memo021413.1.wpd

ATTACHMENT

Budget Adjustment Request

BUDGET ADJUSTMENT REQUEST (BAR)

| DEPARTMENT NAME SANTA FE SOLID WASTE MANAGEMENT AGENCY | | | | DATE 1/24/2013 |
|---|-------------------------|--|-----------------|--------------------------|
| ITEM DESCRIPTION | B.U. / LINE ITEM | SUBLEDGER <small>(Finance Dpt. Use Only)</small> | INCREASE | DECREASE |
| Transfer-Out Equipment Replacement Fund | 52502.700150 | 5500 | 54,192.75 | |
| Transfer-In Operating Fund | 51500.600150 | 5502 | (54,192.75) | |
| Capital Outlay Equipment | 52504.520400 | | 54,192.75 | |
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Budget increase to be funded from 5502.100700(Cash reserves Equipment Replacement Reserve) to the Operating Fund (5500) to recondition UNIT 14733-2003 Caterpillar 950G (Added value to asset)

| | | | | | |
|---|------|--------------------------------|--------------------------|------------------|------|
| | | <u>CITY COUNCIL APPROVAL</u> | | | |
| Angelica G Salazar | Date | City Council Approval Required | <input type="checkbox"/> | Budget Officer | Date |
| | | City Council Approval Date | <input type="text"/> | Finance Director | Date |
| Randall Kippenbrock, P.E. Exec Director | Date | Agenda Item #: | <input type="text"/> | City Manager | Date |

ATTACHMENT

Wagner's Cost Estimate to Repair Hydraulic System for Unit 1433



Repair Quote - Basic, Special Instructions, Taxes

Date: Jan/11/2013 11:05:59 AM
Customer Number: 77956
Customer Name: SANTA FE SOLID WSTE MGMT CST
Customer Contact: PHIL LUCERO
Customer Contact Phone: 505-231-7617
Wagner Contact: TERRY JACKSON
Wagner Contact Phone: 505 343 2718

Make: AA
Model: 950G II
Serial Number: 0BAA00286
Customer Equipment No: 1433
Last Known SMU: 11,898
Work Order Number: AK10641

Comments: FINAL QUOTE FOR HYDRAULIC REPAIRS ON 950G WITH TAX.

| Segment No | Qty | Description | | Part | Labor | Misc | Total |
|------------|-----|--|---|----------|--------|--------|----------|
| 01 | 1 | TROUBLESHOOT HYDRAULIC SYSTEM TROUBLESHOOT HYDRAULIC BUCKET DRIFT | * | 0.00 | 0.00 | 0.00 | 0.00 |
| 02 | 1 | REMOVE & INSTALL LIFT/HOIST CYLINDER REMOVE AND INSTALL LIFT CYLINDERS-ADDITIONAL LABOR ADDED TO BURN OUT THE ONE DAMAGED PIN ASSEMBLY. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | | 18.32 | 919.25 | 50.00 | 987.57 |
| 03 | 1 | RECONDITION LIFT/HOIST CYLINDER LEVEL THREE RECONDITION LIFT CYLINDER LEVEL 3 118-8296 LH *** MUST SAVE ALL PARTS AFTER DISASSEMBLY *** THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | | 348.72 | 565.12 | 16.00 | 929.84 |
| 04 | 1 | RECONDITION LIFT/HOIST CYLINDER LEVEL THREE RECONDITION LIFT CYLINDER- LEVEL 3 125-0024 RH *** MUST SAVE ALL PARTS AFTER DISASSEMBLY *** THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | | 288.71 | 565.12 | 13.00 | 866.83 |
| 05 | 1 | ADD PARTS LIFT/HOIST CYLINDER ADD PARTS SEGMENT-PINS,SEALS AND BRGS. BOTH BARRELS AND PISTONS ARE PITTED AND SCORED DUE TO METAL BEING IN THE SYSTEM, NEED TO BE REPLACED. | | 5,227.48 | 0.00 | 300.00 | 5,527.48 |
| 06 | 1 | RECONDITION HYDRAULIC PUMP, VANE-TYPE RECONDITION THE IMPLEMENT PILOT BRAKE PUMP. | | 150.68 | 616.50 | 20.00 | 787.18 |
| 1A | 1 | REMOVE & INSTALL FUEL TANK REMOVE AND INSTALL THE FUEL TANK. THE FUEL TANK NEEDS TO BE REMOVED TO ACCESS THE LEFT SIDE STEERING CYLINDER. | | 25.00 | 308.25 | 0.00 | 333.25 |
| 10 | 1 | REMOVE & INSTALL STEERING CYLINDER REMOVE AND INSTALL BOTH STEERING CYLINDERS FOR RECONDITIONING. THE HYDRAULIC SYSTEM HAS CONTAMINATION. | | 0.00 | 616.50 | 50.00 | 666.50 |
| 11 | 1 | RECONDITION STEERING CYLINDER LEVEL THREE RECONDITION THE RIGHT STEERING CYLINDER. | | 253.59 | 411.00 | 15.00 | 679.59 |
| 13 | 1 | RECONDITION STEERING CYLINDER LEVEL THREE RECONDITION THE LEFT STEERING CYLINDER. | | 253.59 | 411.00 | 15.00 | 679.59 |

Repair Quote - Basic, Special Instructions, Taxes

| Segment No. | Qty | Description | Part's | Labor | Misc | Totals |
|-------------|-----|---|----------|----------|--------|----------|
| 16 | 1 | REMOVE & INSTALL TILT CYLINDER REMOVE AND INSTALL THE TILT CYLINDER FOR RECONDITIONING. THE HYDRUALIC SYSTEM HAS CONTAMINATION | 14.99 | 411.00 | 25.00 | 450.99 |
| 17 | 1 | RECONDITION TILT CYLINDER LEVEL THREE RECONDITION THE TILT CYLINDER. | 477.41 | 616.50 | 25.00 | 1,118.91 |
| 18 | 1 | ADD PARTS TILT CYLINDER ADD PART IS THE CYLINDER BARRELL. THE BARRELL IS SCORED FROM METAL IN THE HYDRAULIC SYSTEM. | 1,993.88 | 0.00 | 250.00 | 2,243.88 |
| 20 | 1 | REMOVE & INSTALL CAB REMOVE AND INSTALL THE CAB TO ACCESS THE HYDRULIC PUMPS AND HOSES. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 0.00 | 1,027.50 | 250.00 | 1,277.50 |
| 30 | 1 | REMOVE & INSTALL PILOT CONTROL VALVE REMOVE AND INSTALL THE PIOLT CONTROL VALVE FOR RECONDITIONING. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 25.00 | 411.00 | 0.00 | 436.00 |
| 31 | 1 | RECONDITION PILOT CONTROL VALVE RECONDITION THE PILOT CONTROL VALVE. | 144.05 | 616.50 | 5.00 | 765.55 |
| 33 | 1 | REMOVE & INSTALL/REPLACE HYDRAULIC CONTROL VALVE REMOVE AND INSTALL THE HYDRULIC CONTROL VALVE FOR RECONDITIONING. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 50.00 | 411.00 | 0.00 | 461.00 |
| 34 | 1 | RECONDITION HYDRAULIC CONTROL VALVE MAIN RECONDITION THE HYDRAULIC CONTROL VALVE. | 240.97 | 719.25 | 25.00 | 985.22 |
| 36 | 1 | REMOVE & INSTALL HYDRAULIC ACCUMULATOR REPLACE THE HYDRAULIC ACCUMULATOR AND CLEAN THE SHUTTLE VALVE. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 1,400.00 | 411.00 | 0.00 | 1,811.00 |
| 39 | 1 | REMOVE & INSTALL HYDRAULIC FAN PUMP REMOVE AND INSTALL THE HYDRAULIC FAN PUMP FOR RECONDITIONING. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 45.01 | 513.75 | 30.00 | 588.76 |
| 40 | 1 | REPLACE WITH CAT REMAN HYDRAULIC FAN PUMP DISASSEMBLED PUMP AND FOUND DEBRIS HAS DAMAGED THE PUMP. ITS MORE COST EFFECTIVE TO REPLACE THE PUMP WITH A REMAN. | 857.48 | 513.75 | 25.00 | 1,396.23 |
| 42 | 1 | REMOVE & INSTALL IMPLEMENT PUMP REMOVE AND INSTALL THE IMPLEMENT PUMP FOR RECONDITIONING. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. WAGNER IS PAYING FOR THIS SEGMENT | * | 0.00 | 0.00 | 0.00 |
| 43 | 1 | REPAIR FOR WARRANTY IMPLEMENT PUMP DISASSEMBLE AND INSPECT PUMP FOR MOST COST EFFECTIVE REPAIR, RECON OR REPLACE WITH REMAN. WAGNER IS PAYING FOR THIS SEGMENT. | * | 0.00 | 0.00 | 0.00 |

| Segment No. | Qty | Description | Part \$ | Labor \$ | Misc \$ | Total |
|-------------|-----|---|---------|----------|---------|----------|
| 45 | 1 | CLEAN HOSES & LINES CLEAN THE HYDRAULIC HOSES AND LINE FOR THE PILOT CONTROL GROUP. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 50.00 | 513.75 | 0.00 | 563.75 |
| 49 | 1 | REMOVE, CLEAN & INSTALL HYDRAULIC TANK REMOVE CLEAN AND INSTALL THE HYDRAULIC TANK. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 600.00 | 1,438.50 | 0.00 | 2,038.50 |
| 53 | 1 | CLEAN HYDRAULIC HOSES/LINES CLEAN THE HYDRAULIC HOSES AND LINES FROM THE TANK TO THE HYDRAULIC OIL COOLER THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 150.00 | 1,027.50 | 0.00 | 1,177.50 |
| 56 | 1 | CLEAN HYDRAULIC HOSES/LINES CLEAN THE HYDRAULIC HOSES AND LINES ON THE TANK GROUP. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 150.00 | 1,027.50 | 0.00 | 1,177.50 |
| 57 | 1 | CLEAN HYDRAULIC HOSES/LINES CLEAN THE HYDRAULIC HOSES AND LINES TO THE FROM LOADER ARM FRAME. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 350.00 | 1,541.25 | 0.00 | 1,891.25 |
| 63 | 1 | CLEAN HYDRAULIC HOSES/LINES CLEAN THE REAR COUPLER HYDRAULIC HOSES AND LINES. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 100.00 | 822.00 | 0.00 | 922.00 |
| 64 | 1 | REPAIR PILOT SYSTEM HYD FILTER REPLACE THE HYDRAULIC FILTER AND CLEAN FILTER BASE. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 75.00 | 102.75 | 0.00 | 177.75 |
| 65 | 1 | CLEAN HYDRAULIC HOSES/LINES CLEAN THE HYDRAULIC FAN HOSES AND LINES AND CLEAN THE VALVE BLOCK. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 50.00 | 616.50 | 0.00 | 666.50 |
| 66 | 1 | FLUSH HYDRAULIC OIL COOLER FLUSH AND PRESSURE CHECK THE HYDRAULIC OIL COOLER. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 25.00 | 308.25 | 250.00 | 583.25 |
| 67 | 1 | REMOVE & INSTALL STEERING VALVE REMOVE AND INSTALL THE STEERING VALVE FOR RECONDITIONING. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 1.54 | 1,746.75 | 30.00 | 1,778.29 |
| 68 | 1 | RECONDITION STEERING VALVE RECONDITION THE STEERING VALVE. | 372.01 | 616.50 | 25.00 | 1,013.51 |
| 70 | 1 | REMOVE & INSTALL/REPLACE PARK/SEC BRAKE CONT VLV REPLACE THE THE BRAKE CONTROL VALVLE FOR RECONDITIONING. THE VALVE IS DAMAGED FROM METAL IN THE HYDRAULIC SYSTEM. | 425.00 | 411.00 | 25.00 | 861.00 |
| 73 | 1 | REMOVE & INSTALL/REPLACE STEERING PUMP REMOVE AND INSTALL THE STEERING PUMP FOR RECONDITIONING. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 25.00 | 513.75 | 0.00 | 538.75 |



Repair Quote - Basic, Special Instructions, Taxes

| Segment No. | Qty | Description | Parts | Labor | Misc | Total |
|-------------|-----|---|----------|----------|-------|----------|
| 74 | 1 | RECONDITION STEERING PUMP RECONDITION THE STEERING PUMP. | 0.00 | 1,071.50 | 0.00 | 1,071.50 |
| 75 | 1 | REPLACE WITH CAT REMAN STEERING PUMP THE PUMP BARREL AND PISTON ARE WORN AND DAMAGED. IT IS MORE COST EFFECTIVE TO REPLACE WITH A REMAN. | 1,800.19 | 0.00 | 0.00 | 1,800.19 |
| 76 | 1 | REMOVE & INSTALL PUMP SIG PRESS CONT VALVE REMOVE AND INSTALL THE PUMP PRESSURE VALVE FOR RECONDITIONING. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 25.00 | 308.25 | 0.00 | 333.25 |
| 77 | 1 | RECONDITION PUMP SIG PRESS CONT VALVE RECONDITION THE PUMP PRESSURE VALVE. | 18.50 | 102.75 | 5.00 | 126.25 |
| 79 | 1 | REMOVE & INSTALL HYD PUMP, PISTON-TYPE REMOVE AND INSTALL THE HYDRAULIC ROTATING STEERING PUMP FOR RECONDITIONING. | 25.00 | 208.50 | 0.00 | 233.50 |
| 80 | 1 | RECONDITION HYD PUMP, PISTON-TYPE RECONDITION THE HYDRAULIC ROTATING STEERING. | 318.15 | 1,071.50 | 20.00 | 1,409.65 |
| 82 | 1 | REMOVE & INSTALL STEERING METERING PUMP REMOVE AND INSTALL THE STEERING METERING PUMP FOR RECONDITIONING. | 8.32 | 499.00 | 30.00 | 537.32 |
| 83 | 1 | RECONDITION STEERING METERING PUMP RECONDITION THE STEERING METERING PUMP. | 163.64 | 308.25 | 25.00 | 496.89 |
| 85 | 1 | CLEAN STEERING LINES/HOSES CLEAN THE STEERING LINES AND HOSES. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 50.00 | 208.50 | 0.00 | 258.50 |
| 86 | 1 | REMOVE & INSTALL/REPLACE SECONDARY STRG PUMP REMOVE AND INSTALL THE SECONDARY STEERING PUMP FOR RECONDITIONING. | 25.00 | 205.50 | 0.00 | 230.50 |
| 87 | 1 | RECONDITION SECONDARY STRG PUMP RECONDITION THE SECONDARY STEERING PUMP. | 492.53 | 513.75 | 60.00 | 1,066.28 |
| 88 | 1 | RECONDITION DIVERTER VALVE RECONDITION THE DIVERTER VALVE. | 205.99 | 822.00 | 20.00 | 1,047.99 |
| 9A | 1 | REMOVE & INSTALL COUPLER CYLINDER REMOVE AND INSTALL THE QUICK COUPLER CYLINDER. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 25.00 | 208.50 | 0.00 | 233.50 |
| 9C | 1 | REMOVE & INSTALL BRAKE & AXLE FRONT REMOVE AND INSTALL THE FRONT BRAKE AND AXLE. | 173.41 | 616.50 | 30.00 | 819.91 |
| 9D | 1 | CLEAN BRAKE & AXLE FRONT CLEAN THE FRONT BRAKE AND AXLE. | 25.00 | 205.50 | 0.00 | 230.50 |
| 9F | 1 | REMOVE & INSTALL BRAKE & AXLE REAR REMOVE AND INSTALL THE REAR BRAKE AND AXLE. | 173.41 | 822.00 | 30.00 | 1,025.41 |
| 9G | 1 | REPAIR BRAKE & AXLE REAR REPAIR THE REAR AXLE BRAKE SECTION. THE PISTONS AND THE PLATE IN THE AXLE FOR THE BRAKES ARE DAMAGED FROM METAL CONTAMINATION. | 850.00 | 308.25 | 0.00 | 1,158.25 |



Repair Quote - Basic, Special Instructions, Taxes

| Segment No | Qty | Description | Part \$ | Labor \$ | Misc \$ | Total \$ |
|-----------------------|-----|--|------------------|------------------|-----------------|------------------|
| 9H | 1 | REMOVE & INSTALL HYDRAULIC FAN MOTOR REMOVE AND INSTALL THE HYDRAULIC FAN MOTOR PART# 191-2943. | 0.00 | 616.50 | 45.00 | 661.50 |
| 9I | 1 | RECONDITION HYDRAULIC FAN MOTOR RECONDITION THE HYDRAULIC FAN MOTOR. | 137.00 | 330.25 | 55.00 | 522.25 |
| 9K | 1 | REMOVE & INSTALL/REPLACE BRAKE ACCUMULATOR REPLACE THE BRAKE ACCUMULATORS. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 550.00 | 205.50 | 25.00 | 780.50 |
| 9L | 1 | REMOVE & INSTALL/REPLACE BRAKE ACTUATING MECHANISM REPLACE THE PARKING BRAKE ACTUATOR. THE HYDRAULIC SYSTEM IS CONTAMINATED WITH METAL. | 450.00 | 205.50 | 0.00 | 655.50 |
| 9M | 1 | REPLACE CRANKSHAFT FRONT SEAL REPLACE THE FRONT CRANKSHAFT SEAL AND FAN BELT. THE SEAL IS LEAKING AND BELT IS WORN. | 50.00 | 308.25 | 0.00 | 358.25 |
| 9N | 1 | REPLACE AIR LINE/PIPE REPLACE THE AIR INTAKE TUBE. THE TUBE HAS A HOLE RUBBED IN THE TUBE. | 480.00 | 51.38 | 0.00 | 531.38 |
| Grand Total | | | 20,234.57 | 29,947.62 | 1,789.00 | 51,971.19 |
| Tax | | | | | | 2,221.56 |
| Total with Tax | | | | | | 54,192.75 |

Quote Approval

Name

Title

Date

Wagner Equipment Company guarantees the final invoice for this repair will match the quote for the scope of work detailed above.

ATTACHMENT

State Price Agreement # 10-000-00-00077



State of New Mexico
General Services Department
Purchasing Division

Statewide Price Agreement Amendment

Awarded Vendor
0000094627
Construction Truck Equipment, LLC
P.O. Box 16020
Albuquerque, NM 87191


Telephone No. 505-250-0538

Price Agreement Number: 10-000-00-00077

Price Agreement Amendment No.: Three

Term: June 21, 2011-June 20, 2013

Ship To:
All State of New Mexico agencies, commissions,
institutions, political subdivisions and local public bodies
allowed by law.

Procurement Specialist: Eric Sanchez 

Telephone No.: (505) 827-0554

Invoice:
As Requested

Title: Highway and Off Road Heavy Equipment and Truck Repairs (Parts & Labor)

This Price Agreement Amendment is to be attached to the respective Price Agreement and become a part thereof.

This amendment is issued to reflect the following effective immediately:

Change vendor (AI) Construction Support & Equipment name and vendor number to Construction Truck Equipment, LLC vendor number 0000094627. Name was done in error on amendment two.

Except as modified by this amendment, the provisions of the Price Agreement shall remain in full force and effect.

Accepted for the State of New Mexico



New Mexico State Purchasing Agent

Date: 6/19/12

State of New Mexico
General Services Department
Purchasing Division
Price Agreement #: 10-000-00-00077

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(BC)

0000043931

Rush Truck Centers of NM, Inc.
6521 Hanover Road NW
Albuquerque, NM 87121
505-875-3410

Delivery: As Requested

(BD)

0000011548

Southwest Construction Parts
11212 Santa Monica Dr. NE
Albuquerque, NM 87122
505-220-4076

Delivery: FOB Destination, 4 weeks ARO

(BE)

0000009873

Stewart & Stevenson, LLC
6565 Hanover Rd. NW
Albuquerque, NM 87121
505-881-3511

Delivery: 15 working days or less

(BF)

0000046284

Tom Growney Equipment, Inc.
P.O. Box 6157
Albuquerque, NM 87197
505-884-2900

Delivery: Tom Growney Equipment Facility

(BG)

0000039177

Tractor & Equipment Supplies
P.O. Box 6085
Albuquerque, NM 87197
505-344-6209

Delivery: Destination

(BH)

0000045306

Wagner Equipment Co.
4000 Osuna Rd NE
Albuquerque, NM 87109
505-345-8411

Delivery: F.O.B. Wagner Equipment

(BI)

0000045306

Wagner Equipment Co.
4000 Osuna Rd NE
Albuquerque, NM 87109
505-345-8411

Delivery: As Requested

State of New Mexico
General Services Department
Purchasing Division
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Terms and Conditions
(Unless otherwise specified)

1. **General:** When the State Purchasing Agent or his/her designee issues a purchase document in response to the Vendor's bid, a binding contract is created.
2. **Variation in Quantity:** No variation in the quantity of any item called for by this order will be accepted unless such variation has been caused by conditions of loading, shipping, packing or allowances in manufacturing process and then only to the extent, if any, specified in this order.
3. **Assignment:**
 - a. Neither the order, nor any interest therein, nor any claim thereunder, shall be assigned or transferred by the Vendor, except as set forth in Subparagraph 3b or as expressly authorized in writing by the State Purchasing Agent or his/her designee. No such assignment or transfer shall relieve the Vendor from the obligations and liabilities under this order.
 - b. Vendor agrees that any and all claims for overcharge resulting from antitrust violations which are borne by the State as to goods, services, and materials purchased in connection with this bid are hereby assigned to the State.
4. **State Furnished Property:** State furnished property shall be returned to the State upon request in the same condition as received except for ordinary wear, tear and modifications ordered hereunder.
5. **Discounts:** Prompt payment discounts will not be considered in computing the low bid. Discounts for payment within twenty (20) days will be considered after the award of the contract. Discounted time will be computed from the date of receipt of the merchandise invoice, whichever is later.
6. **Inspection:** Final inspection and acceptance will be made at the destination. Supplies rejected at the destination for nonconformance with specifications shall be removed at the Vendor's risk and expense, promptly after notice of rejection.
7. **Inspection of Plant:** The State Purchasing Agent or his/her designee may inspect, at any reasonable time, the part of the Contractor's, or any subcontractor's plant or place of business, which is related to the performance of this contract.
8. **Commercial Warranty:** The Vendor agrees that the supplies or services furnished under this order shall be covered by the most favorable commercial warranties the Vendor gives for such to any customer for such supplies or services. The rights and remedies provided herein shall extend to the State and are in addition to and do not limit any rights afforded to the State by any other clause of this order. Vendor agrees not to disclaim warranties of fitness for a particular purpose of merchantability.
9. **Taxes:** The unit price shall exclude all state taxes.
10. **Packing, Shipping and Invoicing:**
 - a. The State's purchasing document number and the Vendor's name, user's name and location shall be shown on each packing and delivery ticket, package, bill of lading and other correspondence in connection with the shipments. The user's count will be accepted by the Vendor as final and conclusive on all shipments not accompanied by a packing ticket.
 - b. The Vendor's invoice shall be submitted duly certified and shall contain the following information: order number, description of supplies or services, quantities, unit price and extended totals. Separate invoices shall be rendered for each and every complete shipment.
 - c. Invoices must be submitted to the using agency and NOT the State Purchasing Agent.

State of New Mexico
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Purchasing Division
Price Agreement #: 10-000-00-00077

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11. Default: The State reserves the right to cancel all or any part of this order without cost to the State, if the Vendor fails to meet the provisions of this order and, except as otherwise provided herein, to hold the Vendor liable for any excess cost occasioned by the State due to the Vendor's default. The Vendor shall not be liable for any excess costs if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the Vendor, such causes include but are not restricted to, acts of God or the public enemy, acts of the State or Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of subcontractors due to any of the above, unless the State shall determine that the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Vendor to meet the required delivery scheduled. The rights of the State provided in this paragraph shall not be exclusive and are in addition to any other rights now being provided by law or under this order.

12. Non-Collusion: In signing this bid the Vendor certifies he/she has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this offer submitted to the State Purchasing Agent or his/her designee.

13. Nondiscrimination: Vendor doing business with the State of New Mexico must be in compliance with the Federal Civil Rights Act of 1964 and Title VII of the Act (Rev. 1979) and the Americans with Disabilities Act of 1990 (Public Law 101-336).

14. The Procurement Code: Sections 13-1-28 through 13-1-99 NMSA 1978, imposes civil and criminal penalties for its violation. In addition the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

15. All bid items are to be NEW and of most current production, unless otherwise specified.

16. Payment for Purchases: Except as otherwise agreed to: late payment charges may be assessed against the user state agency in the amount and under the conditions set forth in Section 13-1-158 NMSA 1978.

17. Workers' Compensation: The Contractor agrees to comply with state laws and rules pertaining to Workers' Compensation benefits for its employees. If the Contractor fails to comply with Workers' Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the contracting agency.

18. Bids must be submitted in a sealed envelope with the bid number and opening date clearly indicated on the bottom left hand side of the front of the envelope. Failure to label bid envelope will necessitate the premature opening of the bid in order to identify the bid number.

New Mexico Employees Health Coverage

A. If Contractor has or grows to six (6) or more employees who work or who are expected to work an average of at least twenty (20) hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to have in place and agree to maintain for the term of the contract health insurance for those employees and offer that health insurance to those employees no later than July 1, 2010, if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed two hundred fifty thousand dollars (\$250,000).

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the State.

C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following website link for additional information:

<http://insurennewmexico.state.nm.us/>

State of New Mexico
General Services Department
Purchasing Division
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New Mexico Pay Equity Initiative

Contractor agrees, if it has ten (10) or more New Mexico employees OR eight (8) or more employees in the same job classification, at any time during the term of this contract, to complete and submit the PE10-249 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. If contractor has (250) or more employees, contractor must complete and submit the PE250 form on the annual anniversary of the initial report submittal for contracts that are up to one (1) year in duration. For contracts that extend beyond one (1) calendar year, or are extended beyond one (1) calendar year, contractor also agrees to complete and submit the PE10-249 or PE250 form, whichever is applicable, within thirty (30) days of the annual contract anniversary date of the initial submittal date or, if more than 180 days has elapsed since submittal of the last report, at the completion of the contract, whichever comes first. Should contractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, contractor agrees to provide the required report within ninety (90) days of meeting or exceeding the size requirement. That submittal date shall serve as the basis for submittals required thereafter.

Contractor also agrees to levy this requirement on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the contract. Contractor further agrees that, should one or more subcontractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, contractor will submit the required report, for each such subcontractor, within ninety (90) days of that subcontractor meeting or exceeding the size requirement. Subsequent report submittals, on behalf of each such subcontractor, shall be due on the annual anniversary of the initial report submittal. Contractor shall submit the required form(s) to the State Purchasing Division of the General Services Department, and other departments as may be determined, on behalf of the applicable subcontractor(s) in accordance with the schedule contained in this paragraph. Contractor acknowledges that this subcontractor requirement applies even though contractor itself may not meet the size requirement for reporting and be required to report it self.

Notwithstanding the foregoing, if this Contract was procured pursuant to a solicitation, and if Contractor has already submitted the required report accompanying their response to such solicitation, the report does not need to be re-submitted with this Agreement.

The PE10-249 and PE250 worksheet is available at the following website:
<http://www.generalservices.state.nm.us/spd/guidance.doc>

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Statewide Price Agreement

Article I – Statement of Work

Under the terms and conditions of this Price Agreement all State of New Mexico agencies, commissions, institutions, political subdivisions and local bodies allowed by law may issue orders for items and/or services described herein. The terms and conditions of this Price Agreement shall form a part of each order issued hereunder.

The items and/or services to be ordered shall be as listed under Article IX - Price Schedule. All orders issued hereunder will bear both an order number and this Price Agreement number. It is understood that no guarantee or warranty is made or implied by the New Mexico State Purchasing Agent, his/her designee or the user that any order for any definite quantity will be issued under this Price Agreement. The Contractor is required to accept the order and furnish the items and/or services in accordance with the articles contained hereunder for the quantity of each order.

Article II – Term

The term of this Price Agreement, for issuance of orders, shall be as indicated in the specifications.

Article III – Specifications

Items and/or services furnished hereunder shall conform to the requirements of specifications and/or drawings applicable to items listed under Article IX-Price Schedule. Orders issued against this schedule will show the applicable Price Agreement item(s), number(s), and price(s); however they may not describe the item(s) fully.

Article IV – Shipping and Billing Instructions

Contractor shall ship in accordance with the following instructions: Shipment shall be made only against specific orders which the user may place with the Contractor during the term; The Contractor shall enclose a packing list with each shipment listing the order number, price agreement number and the commercial parts number (if any) for each item; Delivery shall be made as indicated on page 1. If vendor is unable to meet stated delivery the State Purchasing Agent or his/her designee must be notified.

Article V – Termination

This Price Agreement may be terminated by either signing party upon written notice to the other at least thirty (30) days in advance of the date of termination. Notice of termination of the price agreement shall not affect any outstanding orders.

Article VI – Amendment

This Price Agreement may be amended by mutual agreement of the New Mexico State Purchasing Agent or his/her designee and the Contractor upon written notice by either party to the other. An amendment to this Price Agreement shall not affect any outstanding orders issued prior to the effective date of the amendment as mutually agreed upon, and as published by the New Mexico State Purchasing Agent or his/her designee. Amendments affecting price adjustments and/or the extension of a price agreement expiration date are not allowed unless specifically provided in the bid and price agreement specifications.

Article VII – Issuance of Orders

Only written signed orders are valid under this Price Agreement.

Article VIII – Packing (if applicable)

Packing shall be in conformance with standard commercial practices.

Article IX – Price Schedule

Prices as listed in the price schedule hereto attached are firm.

MEMORANDUM

To: SFSWMA Joint Powers Board Members
From: Randall Kippenbrock, P.E., Executive Director RLK
Date: February 16, 2013
Subject: Request for Approval of Policy No. 2013.1 - Purchasing Procedures and Finance Policy.

BACKGROUND AND SUMMARY:

In February 2000, the Board adopted the State of New Mexico Procurement Code as its purchasing guidelines. Since then there have been changes to the State of New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199 including new cap limits for small purchases, professional services, and engineering services

On January 14, 2010, the Board approved Policy No. 2010.1 that incorporated a higher purchasing threshold by the New Mexico Procurement Code and/or amendments to the City of Santa Fe Purchasing Manual, dated July 2008. The policy increased the threshold of \$50,000 that involve the procurement of professional services, engineering services, emergency purchases, sole source purchases, change orders, and amendments to professional services agreements. The policy also included a threshold of \$50,000 for budget adjustments.

Policy No. 2013.1 increases the lower threshold established by the State of New Mexico Procurement Code from \$5,000 to \$10,000 for small purchases, professional services and engineering services.

The policy includes the following preferences when awarding contracts for procurement of goods, services, and tangible personal property through a competitive sealed proposal process or a competitive sealed bid process: in-state resident business and contractor preference; resident veteran business and resident veteran contractor; and local preference. An offeror can not be awarded for both an in-state resident preference and a resident veteran preference. Furthermore, the local preference is applicable only to offers received when the Agency procures services through a competitive sealed proposal process.

The policy also incorporates the latest amendments of the City of Santa Fe Purchasing Manual, dated July 9, 2012.

ACTION REQUESTED:

Agency staff recommends approval of Policy No. 2013.1 - Purchasing Procedures and Finance Policy.

Attachments: Redline/Strikeout Version of Policy No. 2013.1 - Purchasing Procedures and Finance Policy
Policy No. 2013.1 - Purchasing Procedures and Finance Policy

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ATTACHMENT

Redline/Strikeout Version of Policy No. 2013.1 - Purchasing Procedures and Finance Policy



SANTA FE SOLID WASTE MANAGEMENT AGENCY

POLICY No. 2013.12010.1 - PURCHASING PROCEDURES AND FINANCE POLICY

EFFECTIVE DATE: ~~01/14/10~~ 2/21/13

PURPOSE

To provide guidelines for the procurement of needed goods and services for the Santa Fe Solid Waste Management Agency (Agency) as economically as possible according to specified standards of quality, while giving responsible suppliers and vendors fair consideration.

To provide for accountability in Agency expenditures.

REFERENCE

State of New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199.

NMAC 1.4.1 - Procurement Code Regulations effective September 30, 2005.

City of Santa Fe Purchasing Manual, modified July 9, 2012.

Santa Fe County Ordinance No. 2012-4, enacted April 10, 2012.

Adoption of State Procurement Code approved by Joint Powers Board on February 1, 2000.

Sole Source Providers approved by Joint Powers Board ~~on May 21, 2009.~~

SFSWMA Petty Cash Policy approved by Joint Powers Board on August 18, 2005.

POLICY

PROCUREMENT

~~Except as otherwise set forth herein, the~~ The Agency follows ~~adopts~~ the procurement processes set forth in the State of New Mexico - Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as the Santa Fe Solid Waste Management Agency Procurement Code for purchasing.

Small Purchases

Except for purchases of engineering and professional services, the Agency may procure services, construction, or items of tangible personal property pursuant to the following procedures:

- A. Purchases of up to ~~five-ten~~ thousand dollars (\$~~105,000~~), excluding applicable state and local gross receipts taxes and freight, shall be made after obtaining a verbal quote from one known vendor and considering cost, service, and delivery factors, as well as prior use of similar purchases, unless carried as inventory. The Executive Director shall approve all such purchases.
- B. Purchases of more than ~~five-ten~~ thousand dollars (\$~~10,000~~~~5,000~~) but not exceeding twenty thousand dollars (\$20,000), excluding applicable state and local gross receipts taxes and freight, shall be made after obtaining written quotes from three known vendors, recording the quotes in the quote section of the requisition, and considering cost, service, and delivery factors, as well as prior use of similar purchases, unless carried as inventory. The Executive Director shall approve all such purchases.
- C. Purchases of more than twenty thousand dollars (\$20,000) excluding applicable state and local gross receipts taxes and freight shall be made after obtaining competitive sealed bids in accordance with NMSA 1978, §§ 13-1-102 through 13-1-110. After reviewing all bids, a designated committee shall make recommendations to the Joint Powers Board. After reviewing recommendations from the reviewing committee, the Joint Powers Board shall make all final decisions regarding acceptance of bids.

Professional Services

Purchases of professional services not exceeding ~~five-ten~~ thousand dollars (\$~~10,000~~~~5,000~~), excluding applicable state and local gross receipts taxes, shall be negotiated directly with prospective vendors. The Executive Director shall approve all such purchases. Informal proposals or quotes are recommended in order to obtain professional services in the best interest of the Agency, but are not required.

Purchases of professional services of more than ~~five-ten~~ thousand dollars (\$~~10,000~~~~5,000~~) but not exceeding fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes, shall be made after submitting a request for qualifications to at least three prospective vendors. The request for qualifications shall include (1) a proposed professional services agreement with, where possible, a defined scope of services; (2) a list and description of evaluation factors; and (3) a deadline for contacted prospective vendors to respond. After reviewing all submittals from prospective vendors, a designated committee shall make

recommendations to the Executive Director. After reviewing recommendations from the reviewing committee, the Executive Director shall make all final decisions regarding selection of the appropriate professional services firms and the terms of contracts with selected firms.

Purchases of ~~p~~Professional ~~s~~Services of more than fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes, shall be made after obtaining competitive sealed proposals in accordance with NMSA 1978, §§ 13-1-11~~102~~ through 13-1-117. After reviewing all proposals, a designated committee shall make recommendations to the Joint Powers Board. After reviewing recommendations from the reviewing committee, the Joint Powers Board shall make all final decisions regarding acceptance of proposals and the terms of contracts with selected firms.

Engineering Services

Purchases of engineering services not exceeding ~~five~~ten thousand dollars (\$~~10~~5,000), excluding applicable state and local gross receipts taxes, shall be negotiated directly with prospective vendors. The Executive Director shall approve all such purchases. Informal proposals or quotes are recommended in order to obtain engineering services in the best interest of the Agency, but are not required.

Purchases of engineering services of more than ~~five~~ten thousand dollars (\$~~10~~5,000) but not exceeding fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes, shall be made after submitting a request for qualifications to at least three prospective vendors. The request for qualifications shall include (1) a proposed professional services agreement with, where possible, a defined scope of services; (2) a list and description of evaluation factors; and (3) a deadline for contacted prospective vendors to respond. After reviewing all submittals from prospective vendors, a designated committee shall make recommendations to the Executive Director. After reviewing recommendations from the reviewing committee, the Executive Director shall make all final decisions regarding selection of the appropriate engineering services firms and the terms of contracts with selected firms.

Purchases of engineering services of more than fifty thousand dollars (\$50,000) excluding applicable state and local gross receipts taxes shall be made after obtaining competitive sealed qualifications-based proposals in accordance with NMSA 1978, §§ 13-1-11~~17.2~~ through 13-1-124. After reviewing all proposals, a designated committee shall make recommendations to the Joint Powers Board and negotiate with the highest rated firm. After reviewing recommendations from the reviewing committee and the terms of any negotiated contract, the Joint Powers Board shall make all final decisions regarding acceptance of the terms of that contract with the selected firm.

Multi-Term Contracts

A contract for professional services or engineering services may not exceed four years, including all extensions and renewals.

A contract for construction may not exceed eight years, including all extensions and renewals.

Emergency Purchases

The Agency may make necessary purchases to address emergency conditions. For purposes of this policy, emergency conditions are conditions that create a threat to public health, welfare, safety, or property. The existence of the emergency condition creates an immediate and serious need for services, construction, or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten the functioning of the Agency, the preservation or protection of the Agency, the Agency's property, or the health and safety of any person.

The Executive Director is authorized to approve emergency purchases not exceeding fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes and freight. When it is practicable to do so, emergency purchases of more than fifty thousand dollars (\$50,000) shall be approved by the Joint Powers Board in advance. When obtaining advance approval from the Joint Powers Board is not practicable, the Joint Powers Board shall be informed of the emergency purchase at its next scheduled meeting.

Sole Source Purchases

The Agency may procure services, construction or items of tangible personal property from one vendor if it determines, after conducting a good faith review of available sources, that the vendor is the only source for the required services, construction or items of tangible personal property.

The Executive Director is authorized to approve sole source purchases of up to fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes and freight. The Joint Powers Board shall have the exclusive authority to approve sole source purchases of more than fifty thousand dollars (\$50,000) excluding applicable state and local gross receipts taxes and freight. The Joint Powers Board may adopt specific vendors as sole source providers of goods and services on an annual basis.

Application of Preferences

Pursuant to the Procurement Code, NMSA 1978 §§ 13-1-21, 13-1-22, and 13-4-2, the City of Santa Fe Purchasing Manual, and Santa Fe County Ordinance 2012-4, the Agency shall apply the following preferences when awarding contracts for procurement of goods, services, and tangible

personal property through a competitive sealed proposal process or a competitive sealed bid process.

A. *In-state resident business and contractor preference:* An offeror who submits to the Agency a valid in-state resident certificate, issued by the New Mexico Department of Taxation and Revenue, shall receive a 5% preference as set forth in NMSA 1978, §§ 13-1-21, 13-1-22, and 13-4-2. The in-state resident business and contractor preference applies to offers received pursuant to a competitive sealed bid process or a competitive sealed proposal process.

B. *Resident veteran business and resident veteran contractor:* An offeror who submits to the Agency a valid resident veteran business or resident veteran contractor certificate, issued by the New Mexico Department of Taxation and Revenue, shall receive a preference of 7%, 8%, or 10% as set forth in NMSA 1978, § 13-1-21 and 13-1-22. The resident veteran business and resident veteran contractor preference applies to offers received pursuant to a competitive sealed bid process or a competitive sealed proposal process.

The Agency shall not award an offeror both an in-state resident preference and a resident veteran preference.

A.C. *Local preference:* An offeror who submits to the Agency a valid Local Preference Certification Form, pursuant to the City of Santa Fe Purchasing Manual, or a Santa Fe County Preference Certificate, issued by Santa Fe County, shall receive a 5% preference as set forth in Santa Fe County Ordinance No. 2012-4. The local preference applies only to offers received when the Agency procures services through a competitive sealed proposal process. An offeror is eligible for the local preference in addition to either the in-state preference or the resident veteran preference.

Purchasing Procedures

Unless otherwise specified by this policy, the normal and routine purchasing procedures related to requisitions and purchase orders with the City of Santa Fe Purchasing Department will be followed as detailed in the City of Santa Fe Purchasing Manual. All purchase orders must be authorized by the Agency's Procurement Officer, which shall be the City of Santa Fe Purchasing Director.

BUDGET ADJUSTMENTS

Budget adjustments of up to fifty thousand dollars (\$50,000) between line items previously approved by the Joint Powers Board may be approved by the Executive Director.

Budget adjustments of more than fifty thousand dollars (\$50,000) including budget increases or decreases in total revenues (transfers-in) or in total expenditures (transfers-out) that reflect increases or decreases from the budget previously approved by the Joint Powers Board must be approved by the Joint Powers Board.

PETTYCASH PURCHASES

Petty cash purchases of seventy-five dollars (\$75) or less may be paid from petty cash with the approval of the Executive Director or an Agency employee designated by the Executive Director. Disbursements from petty cash of fifty dollars (\$50) or less may be approved by an Agency employee designated by the Executive Director. Disbursements from petty cash over fifty dollars (\$50) must be approved by the Executive Director.

The Accounts Coordinator or another employee designated by the Executive Director shall be responsible for petty cash purchases. Agency employees who are authorized to make petty cash purchases are responsible for preparing vouchers and other documentation required for these purchases before a refund can be completed. The maximum amount of petty cash to be assigned to the Accounts Coordinator or designated employee is three hundred dollars (\$300) annually.

The splitting of invoices to circumvent the seventy-five dollars (\$75) limit shall not be allowed.

CHANGE ORDERS

Change orders of up to fifty thousand dollars (\$50,000) or 10% of the total contract price, whichever is less, must be reviewed and approved by the Executive Director. Change orders over fifty thousand dollars (\$50,000) or 10% of the total contract, whichever is less, must be reviewed and approved by the Joint Powers Board.

All change orders shall include the original amount of the contract, the amount of previous change orders, the amount of the proposed change order, and the new total contract amount.

AMENDMENTS TO PROFESSIONAL SERVICES AGREEMENTS

Amendments to professional services agreements, which may include the modification of terms and conditions or contract renewal, must follow the terms of the original agreement and must be accomplished by amendment of the agreement in writing, signed by all parties. Amendments must include references to the provisions of the original agreement that are being modified and must contain the entire provision as modified.

Amendments must be approved as follows:

- A. Any change in compensation up to fifty thousand dollars (\$50,000) or ten percent (10%) of the agreement, whichever is less, requires review and approval by the Executive Director. Any change in compensation over fifty thousand dollars (\$50,000) requires Joint Powers Board review and approval. Any change in compensation over ten percent (10%) of the agreement requires Joint Powers Board review and approval, unless the total amount of the agreement and all amendments remain under fifty thousand dollars (\$50,000) for engineering and professional services, excluding applicable state and local gross receipts taxes. The amendment shall include the original amount of the agreement,

the amount of the previous amendments, the amount of the proposed amendment, and the new total agreement amount.

- B. Unless the agreement provides otherwise, and subject to the limitations on multi-term contracts set forth above, any agreement may be amended to extend the term. If an amendment to the term of an agreement does not change the scope of work or compensation, the amendment requires only the approval of the Executive Director.

GRANTS

The Agency periodically receives grants to fund specific projects and Agency functions. Joint Powers Board approval is required before any grant shall be accepted by the Agency. Amendments to grants must be consistent with the terms of the original grant and must be accomplished by amendment of the grant in writing, signed by all parties. Amendments must include references to the provisions of the original grant that are being modified and must contain the entire provision as modified.

Amendments must be approved as follows:

- A. Any change in compensation under the grant not exceeding ten percent (10%) shall be approved by the Executive Director. The amendment shall include the original amount of the grant, the amount of the previous amendments, the amount of the proposed amendment, and the new total grant amount.
- B. Any change in compensation under the grant of more than ten percent (10%) shall be reviewed and approved by the Joint Powers Board. The amendment shall include the original amount of the grant, the amount of the previous amendments, the amount of the proposed amendment, and the new total grant amount.
- C. Unless the grant provides otherwise, any grant may be amended to extend the term. If an amendment to the term of a grant does not change the scope of work or the compensation under the grant more than ten percent (10%), the amendment shall be approved by the Executive Director. If the amendment to the term of the grant changes the scope of work or impacts compensation under the grant more than (10%), the amendment shall be reviewed and approved by the Joint Powers Board.

CONTRACT ADMINISTRATION

The Agency is responsible for the administration of all aspects of each contract it enters, including professional service agreements. Responsibilities include, but are not limited to, the following: obtaining and retaining for audit purposes any and all procurement documentation related to services, including invoices, payments, and work product related to services rendered; timely requesting review by the Agency attorney to ensure all contracts entered into contain all mandated clauses and comply with all applicable laws; ensuring contractors perform in accordance with all contract terms, conditions, and specifications; obtaining and retaining in procurement files any and all applicable bonds and insurance certificates related to the contracts;

ensuring all services are performed and payments are made under a current and valid contract; and ensuring no payments are made unless the contracted-for goods have been received or the contracted-for services have been rendered.

DEFINITIONS

All terms used in this policy shall be defined in accordance with the definitions codified in the State of New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199.

APPROVAL

The Joint Powers Board has adopted this Policy on the date set forth below.

Rosemary RomeroPeter Ives
Chair, Joint Powers Board

DATE: _____

APPROVED AS TO FORM:

Mark T. BakerJustin W. Miller
Agency Attorney

ATTACHMENT

Policy No. 2013.1 - Purchasing Procedures and Finance Policy



SANTA FE SOLID WASTE MANAGEMENT AGENCY

POLICY No. 2013.1 - PURCHASING PROCEDURES AND FINANCE POLICY

EFFECTIVE DATE: 2/21/13

PURPOSE

To provide guidelines for the procurement of needed goods and services for the Santa Fe Solid Waste Management Agency (Agency) as economically as possible according to specified standards of quality, while giving responsible suppliers and vendors fair consideration.

To provide for accountability in Agency expenditures.

REFERENCE

State of New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199.

NMAC 1.4.1 - Procurement Code Regulations effective September 30, 2005.

City of Santa Fe Purchasing Manual, modified July 9, 2012.

Santa Fe County Ordinance No. 2012-4, enacted April 10, 2012.

Adoption of State Procurement Code approved by Joint Powers Board on February 1, 2000.

Sole Source Providers approved by Joint Powers Board.

SFSWMA Petty Cash Policy approved by Joint Powers Board on August 18, 2005.

POLICY

PROCUREMENT

The Agency follows the procurement processes set forth in the State of New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as the Santa Fe Solid Waste Management Agency Procurement Code for purchasing.

Small Purchases

Except for purchases of engineering and professional services, the Agency may procure services, construction, or items of tangible personal property pursuant to the following procedures:

- A. Purchases of up to ten thousand dollars (\$10,000), excluding applicable state and local gross receipts taxes and freight, shall be made after obtaining a verbal quote from one known vendor and considering cost, service, and delivery factors, as well as prior use of similar purchases, unless carried as inventory. The Executive Director shall approve all such purchases.
- B. Purchases of more than ten thousand dollars (\$10,000) but not exceeding twenty thousand dollars (\$20,000), excluding applicable state and local gross receipts taxes and freight, shall be made after obtaining written quotes from three known vendors, recording the quotes in the quote section of the requisition, and considering cost, service, and delivery factors, as well as prior use of similar purchases, unless carried as inventory. The Executive Director shall approve all such purchases.
- C. Purchases of more than twenty thousand dollars (\$20,000) excluding applicable state and local gross receipts taxes and freight shall be made after obtaining competitive sealed bids in accordance with NMSA 1978, §§ 13-1-102 through 13-1-110. After reviewing all bids, a designated committee shall make recommendations to the Joint Powers Board. After reviewing recommendations from the reviewing committee, the Joint Powers Board shall make all final decisions regarding acceptance of bids.

Professional Services

Purchases of professional services not exceeding ten thousand dollars (\$10,000), excluding applicable state and local gross receipts taxes, shall be negotiated directly with prospective vendors. The Executive Director shall approve all such purchases. Informal proposals or quotes are recommended in order to obtain professional services in the best interest of the Agency, but are not required.

Purchases of professional services of more than ten thousand dollars (\$10,000) but not exceeding fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes, shall be made after submitting a request for qualifications to at least three prospective vendors. The request for qualifications shall include (1) a proposed professional services agreement with, where possible, a defined scope of services; (2) a list and description of evaluation factors; and (3) a deadline for contacted prospective vendors to respond. After reviewing all submittals from prospective vendors, a designated committee shall make recommendations to the Executive Director. After reviewing recommendations from the reviewing committee, the Executive Director shall make all final decisions regarding selection of the appropriate professional services firms and the terms of contracts with selected firms.

Purchases of professional services of more than fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes, shall be made after obtaining competitive sealed proposals in accordance with NMSA 1978, §§ 13-1-111 through 13-1-117. After reviewing all proposals, a designated committee shall make recommendations to the Joint Powers Board. After reviewing recommendations from the reviewing committee, the Joint Powers Board shall make all final decisions regarding acceptance of proposals and the terms of contracts with selected firms.

Engineering Services

Purchases of engineering services not exceeding ten thousand dollars (\$10,000), excluding applicable state and local gross receipts taxes, shall be negotiated directly with prospective vendors. The Executive Director shall approve all such purchases. Informal proposals or quotes are recommended in order to obtain engineering services in the best interest of the Agency, but are not required.

Purchases of engineering services of more than ten thousand dollars (\$10,000) but not exceeding fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes, shall be made after submitting a request for qualifications to at least three prospective vendors. The request for qualifications shall include (1) a proposed professional services agreement with, where possible, a defined scope of services; (2) a list and description of evaluation factors; and (3) a deadline for contacted prospective vendors to respond. After reviewing all submittals from prospective vendors, a designated committee shall make recommendations to the Executive Director. After reviewing recommendations from the reviewing committee, the Executive Director shall make all final decisions regarding selection of the appropriate engineering services firms and the terms of contracts with selected firms.

Purchases of engineering services of more than fifty thousand dollars (\$50,000) excluding applicable state and local gross receipts taxes shall be made after obtaining competitive sealed qualifications-based proposals in accordance with NMSA 1978, §§ 13-1-111 through 13-1-124. After reviewing all proposals, a designated committee shall make recommendations to the Joint Powers Board and negotiate with the highest rated firm. After reviewing recommendations from the reviewing committee and the terms of any negotiated contract, the Joint Powers Board shall make all final decisions regarding acceptance of the terms of that contract with the selected firm.

Multi-Term Contracts

A contract for professional services or engineering services may not exceed four years, including all extensions and renewals.

A contract for construction may not exceed eight years, including all extensions and renewals.

Emergency Purchases

The Agency may make necessary purchases to address emergency conditions. For purposes of this policy, emergency conditions are conditions that create a threat to public health, welfare, safety, or property. The existence of the emergency condition creates an immediate and serious

need for services, construction, or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten the functioning of the Agency, the preservation or protection of the Agency, the Agency's property, or the health and safety of any person.

The Executive Director is authorized to approve emergency purchases not exceeding fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes and freight. When it is practicable to do so, emergency purchases of more than fifty thousand dollars (\$50,000) shall be approved by the Joint Powers Board in advance. When obtaining advance approval from the Joint Powers Board is not practicable, the Joint Powers Board shall be informed of the emergency purchase at its next scheduled meeting.

Sole Source Purchases

The Agency may procure services, construction or items of tangible personal property from one vendor if it determines, after conducting a good faith review of available sources, that the vendor is the only source for the required services, construction or items of tangible personal property.

The Executive Director is authorized to approve sole source purchases of up to fifty thousand dollars (\$50,000), excluding applicable state and local gross receipts taxes and freight. The Joint Powers Board shall have the exclusive authority to approve sole source purchases of more than fifty thousand dollars (\$50,000) excluding applicable state and local gross receipts taxes and freight. The Joint Powers Board may adopt specific vendors as sole source providers of goods and services on an annual basis.

Application of Preferences

Pursuant to the Procurement Code, NMSA 1978 §§ 13-1-21, 13-1-22, and 13-4-2, the City of Santa Fe Purchasing Manual, and Santa Fe County Ordinance 2012-4, the Agency shall apply the following preferences when awarding contracts for procurement of goods, services, and tangible personal property through a competitive sealed proposal process or a competitive sealed bid process.

- A. *In-state resident business and contractor preference:* An offeror who submits to the Agency a valid in-state resident certificate, issued by the New Mexico Department of Taxation and Revenue, shall receive a 5% preference as set forth in NMSA 1978, §§ 13-1-21, 13-1-22, and 13-4-2. The in-state resident business and contractor preference applies to offers received pursuant to a competitive sealed bid process or a competitive sealed proposal process.
- B. *Resident veteran business and resident veteran contractor:* An offeror who submits to the Agency a valid resident veteran business or resident veteran contractor certificate, issued by the New Mexico Department of Taxation and Revenue, shall receive a preference of 7%, 8%, or 10% as set forth in NMSA 1978, § 13-1-21 and 13-1-22. The resident veteran business and resident veteran contractor preference applies to offers

received pursuant to a competitive sealed bid process or a competitive sealed proposal process.

The Agency shall not award an offeror both an in-state resident preference and a resident veteran preference.

- C. *Local preference:* An offeror who submits to the Agency a valid Local Preference Certification Form, pursuant to the City of Santa Fe Purchasing Manual, or a Santa Fe County Preference Certificate, issued by Santa Fe County, shall receive a 5% preference as set forth in Santa Fe County Ordinance No. 2012-4. The local preference applies only to offers received when the Agency procures services through a competitive sealed proposal process. An offeror is eligible for the local preference in addition to either the in-state preference or the resident veteran preference.

Purchasing Procedures

Unless otherwise specified by this policy, the normal and routine purchasing procedures related to requisitions and purchase orders with the City of Santa Fe Purchasing Department will be followed as detailed in the City of Santa Fe Purchasing Manual. All purchase orders must be authorized by the Agency's Procurement Officer, which shall be the City of Santa Fe Purchasing Director.

BUDGET ADJUSTMENTS

Budget adjustments of up to fifty thousand dollars (\$50,000) between line items previously approved by the Joint Powers Board may be approved by the Executive Director.

Budget adjustments of more than fifty thousand dollars (\$50,000) including budget increases or decreases in total revenues (transfers-in) or in total expenditures (transfers-out) that reflect increases or decreases from the budget previously approved by the Joint Powers Board must be approved by the Joint Powers Board.

PETTYCASH PURCHASES

Petty cash purchases of seventy-five dollars (\$75) or less may be paid from petty cash with the approval of the Executive Director or an Agency employee designated by the Executive Director. Disbursements from petty cash of fifty dollars (\$50) or less may be approved by an Agency employee designated by the Executive Director. Disbursements from petty cash over fifty dollars (\$50) must be approved by the Executive Director.

The Accounts Coordinator or another employee designated by the Executive Director shall be responsible for petty cash purchases. Agency employees who are authorized to make petty cash purchases are responsible for preparing vouchers and other documentation required for these purchases before a refund can be completed. The maximum amount of petty cash to be assigned to the Accounts Coordinator or designated employee is three hundred dollars (\$300) annually.

The splitting of invoices to circumvent the seventy-five dollars (\$75) limit shall not be allowed.

CHANGE ORDERS

Change orders of up to fifty thousand dollars (\$50,000) or 10% of the total contract price, whichever is less, must be reviewed and approved by the Executive Director. Change orders over fifty thousand dollars (\$50,000) or 10% of the total contract, whichever is less, must be reviewed and approved by the Joint Powers Board.

All change orders shall include the original amount of the contract, the amount of previous change orders, the amount of the proposed change order, and the new total contract amount.

AMENDMENTS TO PROFESSIONAL SERVICES AGREEMENTS

Amendments to professional services agreements, which may include the modification of terms and conditions or contract renewal, must follow the terms of the original agreement and must be accomplished by amendment of the agreement in writing, signed by all parties. Amendments must include references to the provisions of the original agreement that are being modified and must contain the entire provision as modified.

Amendments must be approved as follows:

- A. Any change in compensation up to fifty thousand dollars (\$50,000) or ten percent (10%) of the agreement, whichever is less, requires review and approval by the Executive Director. Any change in compensation over fifty thousand dollars (\$50,000) requires Joint Powers Board review and approval. Any change in compensation over ten percent (10%) of the agreement requires Joint Powers Board review and approval, unless the total amount of the agreement and all amendments remain under fifty thousand dollars (\$50,000) for engineering and professional services, excluding applicable state and local gross receipts taxes. The amendment shall include the original amount of the agreement, the amount of the previous amendments, the amount of the proposed amendment, and the new total agreement amount.
- B. Unless the agreement provides otherwise, and subject to the limitations on multi-term contracts set forth above, any agreement may be amended to extend the term. If an amendment to the term of an agreement does not change the scope of work or compensation, the amendment requires only the approval of the Executive Director.

GRANTS

The Agency periodically receives grants to fund specific projects and Agency functions. Joint Powers Board approval is required before any grant shall be accepted by the Agency. Amendments to grants must be consistent with the terms of the original grant and must be accomplished by amendment of the grant in writing, signed by all parties. Amendments must include references to the provisions of the original grant that are being modified and must contain the entire provision as modified.

Amendments must be approved as follows:

- A. Any change in compensation under the grant not exceeding ten percent (10%) shall be approved by the Executive Director. The amendment shall include the original amount of the grant, the amount of the previous amendments, the amount of the proposed amendment, and the new total grant amount.
- B. Any change in compensation under the grant of more than ten percent (10%) shall be reviewed and approved by the Joint Powers Board. The amendment shall include the original amount of the grant, the amount of the previous amendments, the amount of the proposed amendment, and the new total grant amount.
- C. Unless the grant provides otherwise, any grant may be amended to extend the term. If an amendment to the term of a grant does not change the scope of work or the compensation under the grant more than ten percent (10%), the amendment shall be approved by the Executive Director. If the amendment to the term of the grant changes the scope of work or impacts compensation under the grant more than (10%), the amendment shall be reviewed and approved by the Joint Powers Board.

CONTRACT ADMINISTRATION

The Agency is responsible for the administration of all aspects of each contract it enters, including professional service agreements. Responsibilities include, but are not limited to, the following: obtaining and retaining for audit purposes any and all procurement documentation related to services, including invoices, payments, and work product related to services rendered; timely requesting review by the Agency attorney to ensure all contracts entered into contain all mandated clauses and comply with all applicable laws; ensuring contractors perform in accordance with all contract terms, conditions, and specifications; obtaining and retaining in procurement files any and all applicable bonds and insurance certificates related to the contracts; ensuring all services are performed and payments are made under a current and valid contract; and ensuring no payments are made unless the contracted-for goods have been received or the contracted-for services have been rendered.

DEFINITIONS

All terms used in this policy shall be defined in accordance with the definitions codified in the State of New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199.

APPROVAL

The Joint Powers Board has adopted this Policy on the date set forth below.


Peter Ives
Chair, Joint Powers Board

DATE: _____

APPROVED AS TO FORM:

Justin W. Miller
Agency Attorney

MEMORANDUM

To: SWMA Board
From: Randall Kippenbrock, P.E., Executive Director 
Date: February 15, 2013
Subject: Request for Approval of Revised List of Vendors for Sole Source Procurement for Fiscal Year 2013.

BACKGROUND AND SUMMARY:

The Purchasing Policy authorizes the Board to approve a list of vendors, which is prepared by staff, as sole source providers.

Currently, under a section of Policy No. 2013.1 Purchasing Procedure and Finance Policy for sole source purchases, the Agency may procure services, construction, or items of tangible personal property from a vendor without a competitive process if the Agency determines, after conducting a good faith review of available sources, that the vendor is the only source for the required services, construction or items of tangible personal property. The executive director is authorized to approve sole source purchases of up to \$50,000 excluding applicable state and local gross receipts taxes and freight. The Board is the exclusive authority to approve sole source purchases of more than \$50,000 excluding applicable state and local gross receipts taxes and freight. The Board may adopt specific vendors as sole source providers of goods and services on an annual basis.

Staff has prepared a list of vendors that are sole source vendors for certain agency needs. The list includes vendors for the parts and labor for the pieces of heavy equipment at the Agency and also for other required services where a single vendor for the required services is the only source (e.g., telephone system).

Agency staff makes every effort to use vendors with the most competitive prices for wear items such as tires, oil and filters.

This list has been significantly reduced from previous years. It is not intended to be all inclusive. Occasions may arise during the course of Agency operations where the Agency will need to procure services or goods that are only available from one vendor who is not on the list. However, the list simplifies the process at the City of Santa Fe Purchasing Division by having documentation in place for sole source vendors. In all cases, the Agency will continue to make a specific determination for all procurement that the vendors are sole source providers.

List of Vendors for Sole Source Procurement for FY 2013


| Vendor | Reasons |
|--|---|
| Air Cycle Corporation Broadview, IL | Manufacturer of Bulb Eater for crushing fluorescent lamps with mercury. Source for parts and technical assistance. |
| Altura Santa Fe, NM | New Mexico authorized dealer to provide parts for the Avaya phone system at BuRRT. Also, provides labor for the troubleshooting, repair, and replacement of parts. |
| Andela Products, Ltd. Richfield Springs, NY | Manufacturer of Andela Pulverizers (glass crushers). Source of parts and technical assistance. |
| Carolina Software Wilmington, NC | Authorized dealer to provide technical supports and services for the WasteWorks solid waste software program. |
| State Rubber & Environmental Solutions Denver City, TX | Provides domestic shipping containers, transportation and scrap tire processing for scrap tires collected at BuRRT. |
| Traffic Developer Santa Fe, NM | Provides secure website hosting on its servers, maintenance, direct access to servers to take care of development issues quicker, troubleshoot problems faster to minimize downtime, and updating Agency's website. |
| Westfire, Inc. Phoenix, AZ | Authorized dealer to provide services for the fire suppression system on Caterpillar heavy equipment. Also, provides labor for the troubleshooting, repair and replacement of parts. |

ACTION REQUESTED:

The Agency requests the approval of the revised list of sole source vendors for FY 2013.

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MEMORANDUM

To: SFSWMA Joint Powers Board
From: Randall Kippenbrock, P.E., Executive Director 
Date: February 18, 2013
Subject: Discussion with Possible Action Regarding County Options for Disposal of Materials that Merit Special Consideration Through a Contractual Agreement Under the 2012 Fee Ordinance.

BACKGROUND & SUMMARY:

On June 29, 2011, City Manager Robert Romero and City staff met with Chairperson Rosemary Romero and Agency Executive Director Randall Kippenbrock to discuss the possibility of a one-time reduced disposal fee for the street sweepings stockpiled at the City's Siler Road Maintenance Yard.

On August 11, 2011, the Board approved the one-time reduced disposal fee for a large quantity of street sweepings stockpiled at the City's Siler Road Maintenance Yard under Section 5 (B)(4) of the 2010-1 Fee Ordinance.

Section 5 (B)(4) allowed for a contractual fee agreement to be established for solid waste delivered to the Caja del Rio Landfill in a quantity or condition that merit special consideration. The agreement also met the requirements of relevant local and state procurement laws and regulations, and, where applicable, the requirements of Agency 2010.1 Purchasing Procedures and Finance Policy.

The disposal fee for commercial vehicles in 2011 was \$37.50 per ton plus NMGR. The City requested for a one-time disposal fee of \$25.00 per ton plus NMGR. The reduced disposal fee requested by the City reflected the original landfill disposal fee of \$25.00 per ton prior to fee increases that began in 2009. Landfill records show that from August 18 to October 27, 2011, the City disposed of 7,059 tons of street sweepings. The City paid \$185,317.95. At the one-time disposal fee of \$25.00 per ton plus NMGR the City saved \$92,693.99.

Since October 27, 2011 after the one-time reduced disposal fee period ended, the City has disposed of 4,037 tons of street sweepings and paid \$162,796.39.

The 2012-1 Fee Ordinance contains the same contractual fee agreement language under Section 5 (B)(4).

No other customers have requested a reduced fee for disposal of materials that merit special consideration through a contractual agreement under the 2009-1, 2010-1 or 2012-1 fee ordinances. In November 2009, the Agency had preliminary discussions with Santa Fe County on the possibility for a reduced fee for the petroleum contaminated soil found during the early construction stage of the new courthouse. The County, however, elected to transport the soil to another approved facility.

ACTION REQUESTED:

The matter is before the Board for discussion and possible action.

Attachments: Excerpts of August 18, 2011 Joint Powers Board Meeting Minutes
Section 5 (B)(4) of the 2010-1 Fee Ordinance
Landfill Records

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ATTACHMENT

Excerpts of August 18, 2011 Joint Powers Board Meeting Minutes

**SOLID WASTE MANAGEMENT AGENCY
JOINT POWERS BOARD MEETING
Legal Conference Room
Santa Fe County Courthouse
August 11, 2011**



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 Rosemary Romero, Chair, on Thursday, August 11, 2011, at approximately 12:00 noon, in the Legal Conference Room Santa Fe County Courthouse, 102 Grant Avenue, Santa Fe, New Mexico.

II. ROLL CALL

MEMBERS PRESENT:

Councilor Rosemary Romero, Chair
Commissioner Kathy Holian
Commissioner Daniel Mayfield
Commissioner Virginia Vigil
[Vacancy]

MEMBERS EXCUSED:

Councilor Ronald S. Trujillo

STAFF PRESENT:

Randall Kippenbrock, Executive Director – SWMA
Angelica Salazar, SWMA
Justin Miller, Legal Counsel
Melessia Helberg, Stenographer

There was a quorum of the membership in attendance..

III. APPROVAL OF THE AMENDED AGENDA

MOTION: Commissioner Vigil moved, seconded by Commissioner Holian, to approve the Amended Agenda as presented.

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

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

SOLID WASTE MINUTES
PAGES: 221

I Hereby Certify That This Instrument Was Filed for
Record On The 29TH Day Of September, 2011 at 01:41:18 PM
And Was Duly Recorded as Instrument # 1646599
Of The Records Of Santa Fe County

Deputy Valerie Espinoza Witness My Hand And Seal Of Office
County Clerk, Santa Fe, NM

SFC CLERK RECORDED 09/23/2011

Commissioner Vigil asked if there were local bidders for any of the other requests on the agenda, and Mr. Kippenbrock said no.

Commissioner Vigil asked if the City has a local preference, and Chair Romero said yes.

Mr. Kippenbrock said the Agency falls under the County procurement, and cannot use the City's local preference, but we can use the State local preference.

Commissioner Vigil said her concern is that most contracts are out of Santa Fe County. However, we don't have the services available here, noting these are specialized services.

Chair Romero said the City has been able to break down some of the larger contracts into smaller pieces to encourage more local bidders. She said there is a local preference, but it is difficult to break the contract into smaller pieces when the services are so specialized.

Commissioner Vigil said the County has tried to do a local preference, but is unsure whether that can be done. She asked Mr. Miller to comment.

Mr. Miller said he is unsure what the County can do in terms of a local preference.

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

(E) DISCUSSION WITH POSSIBLE ACTION TO ENTER INTO A CONTRACTUAL FEE AGREEMENT WITH THE CITY OF SANTA FE FOR THE DISPOSAL OF STREET SWEEPINGS.

Randall Kippenbrock, Executive Director, presented information regarding this matter from his Memorandum dated July 17, 2011, with attachments, to the SFSWMA Joint Powers Board, is incorporated herewith to these minutes as Exhibit "5." Please see Exhibit "5" for specifics of this presentation..

Regina Wheeler said this is an important issue for the City to address, noting it is perpetuating bad behavior of dumping trash on the pile. She said it reduces peoples' pride in the work that they do. She said more importantly it is a regulatory and compliance issue. She said they appreciate SWMA's consideration to help them resolve this issue. She said they have a plan to move forward in a more appropriate fashion. In the future, after sweeping the waste will be put into a dump truck where they are working and it will go straight to the landfill, unless that isn't possible. In that event a small amount will be stockpiled to Siler Road. She said the disposal costs this will be paid by the City's Environmental Services Division, and the cost will be built into the rates.

Commissioner Vigil said she is totally in favor of this, but she does have comments. She said the 11.5 acres owned by the City on Siler Road is being considered for development. She thinks it would be good for the City, in master planning the area, to include open space and trails. She said the whole area

needs an uplifting in terms of beautification. She doesn't know where the City is with its development of Siler Road, noting Angel Depot may be asking for more space.

Commissioner Vigil said she is surprised the City hasn't been contacted by NMED about the stockpile, because it could be in violation.

Commissioner Vigil requested that when this is done, the dump trucks removing the waste will avoid Agua Fria. She said, in addition to ongoing road construction, the existing road was never designed to withstand that kind of tonnage. She noted there is an ordinance preventing truck traffic through Agua Fria, commenting they can now use the Siler Road Extension to get to the Caja del Rio Landfill. She said she doesn't know the preferred route, but she was told everything was to go up Siler Road to Cerrillos and down to #599 and to the Landfill. She doesn't know of a formal agreement, but this was discussed when the residents of the Traditional Village went before the City to recommend this. She would like this Board to take this into consideration.

MOTION: Commissioner Vigil moved, seconded by Commissioner Holian, to approve Item VI(E) with the condition that the disposal trucks be directed to go to the Caja del Rio landfill by avoiding Agua Fria Road.

DISCUSSION: Chair Romero asked Ms. Wheeler to review the pertinent Ordinances with regard to neighborhood truck bans which may be relevant to this discussion, to be sure we are following all of those. She said the neighborhood truck bans have been added piecemeal. She noted this is a one-time event, but she wants to be sure we stay on top of it.

Chair Romero said, for the record, when she first came on the Council, they had gotten stuck on the redevelopment at Siler, and one of the first items on which she voted was the purchase of the acreage behind Siler Road. The master plan got "stuck around budgetary issues." However, this is the center of town and at some point the focus will come back to consolidating Public Works and other departments requiring fees or a greater public presence. She said the City is still looking at this, but the idea of open space should be included in the master plan when we get to that place.

Commissioner Vigil said employees would benefit from walking trails and perhaps it could be connected to the Richards Avenue industrial area where there was an intent to create walking trails. She said people do use the sidewalks as walking trails. She said this is right across the street from the Santa Fe River Design Project, so there are lots of reasons to pursue open space and trails at that site.

Commissioner Mayfield asked the loss to SWMA in reducing the rate to the City, and Mr. Kippenbrock said it would be approximately \$100,000.

Commissioner Mayfield asked if other entities are given a break.

Mr. Kippenbrock said no. However, there was one exception which almost came to reality when they discovered the petroleum contaminated soil at the County Courthouse, which would have had a disposal rate of \$25 per ton. However, they elected to dispose of the material in a different manner. He said any others will have to come before the Board for approval.

Commissioner Mayfield asked who removed that waste.

Mr. Kippenbrock said the soil was removed and treated at another facility, and could have been in Rio Rancho, noting the County made that decision at that time.

Commissioner Mayfield asked if the County has similar stockpiles of material.

Olivar Barela said no, noting the only stockpiles are the wood chips at Eldorado and the green waste at Jacona.

Commissioner Mayfield said he wants to discuss that at a later time.

Chair Romero said those can be brought forward for discussion to see what we can do.

Commissioner Mayfield said Ms. Wheeler said the City will stop the practice of stockpiling, and asked if we can get some assurance this won't happen again.

Mr. Kippenbrock said the best assurance is going from paying from the General Fund to paying from the Environmental Services Fund, which has funds for this purpose. He said the second step, is the City will be developing a comprehensive plan. He understands the City will be building a concrete structure that will hold only so much material. He said typically you want to go to the yard to unload because of the low hanging brushes that can be damaged at the landfill, and the reason they don't do direct haul. He said he felt comfortable after the meeting with the City Manager that the City can use its Environmental Services Fund to pay for the disposal. He said this is the assurance that we have.

Commissioner Mayfield asked if we can find some sort of grant to help pay for this.

Chair Romero said no. She said we are looking at an immediate resolution before the City is cited and fined, noting grants take quite a bit of time. She said there will be money in the Environmental Services Fund which is the big change here.

Ms. Wheeler said grant funds won't pay for cleanup of negligence. She said the City does have a new master plan for the site. She said as part of that process, the City will be in a Phase 1 and Phase 2 assessment for potential additional contamination at that site. She said if it was shown as part of the public entity's negligence, then we wouldn't be able to get a grant to pay for cleanup.

Commissioner Vigil asked if this would be a public park, and Ms. Wheeler said yes, it would be part of the master plan.

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

SFC CLERK RECORDED 09/23/2011

ATTACHMENT

Section 5 (B)(4) of the 2010-1 Fee Ordinance

1 Compensating Tax Act, Section 7-9-4.3, NMSA 1978, a governmental gross receipts tax
2 of up to 5% shall be imposed on each billing rendered in accordance with this ordinance.

B. Service Classes.

4 **1. Landfill Service.** Mixed or separated solid waste intended for disposal at
5 the Caja del Rio Landfill Facility. Landfill service is generally restricted to those
6 vehicles which exceed 12,500 pounds GVW. The fee is established on the basis
7 of weight as determined by the Landfill Facility and charged to the nearest twenty
8 (20) pounds.

9 **2. Transfer Service.** Mixed or separated solid waste delivered to the
10 Buckman Road Recycling & Transfer Station Facility and intended for transfer to
11 the Caja del Rio Landfill Facility. Transfer service is generally restricted to
12 vehicles which do not exceed 12,500 pounds GVW. The fee is established on the
13 basis of weight as determined by the Recycling & Transfer Facility and charged
to the nearest twenty (20) pounds.

15 **3. Recycling Service.** Mixed or separated conventional recyclables, green
16 waste, scrap tires or scrap metal intended for recycling and delivered to the
17 Buckman Road Recycling & Transfer Station Facility. Recycling service shall
18 not be restricted by GVW. The fee is established on the basis of weight as
19 determined by the Buckman Road Recycling & Transfer Station Facility and
20 charged to the nearest twenty (20) pounds.

21 **4. Contract Service.** Solid waste or recyclables delivered to the facilities in
22 a quantity or condition which merit special consideration through a contractual
23 fee agreement. Contract service shall also apply to any materials produced for
24 resale by the SFSWMA. All contractual fee agreements shall meet the
5 requirements of relevant local and state procurement laws and regulations, and,

1 where applicable, the requirements of SFSWMA Policy No. 2010.1, Purchasing
2 Procedures and Finance Policy.

3 **5. Material Sales.** The sale of materials produced by the SFSWMA and
4 priced in accordance with this Ordinance or prevailing market price or sold to the
5 highest qualified bidder.

6 **Section 6. BILLING AND COLLECTION**

7 **A.** The Executive Director shall establish procedures for the rendering of bills and
8 receipt of payment including service contracts, security deposits and other guarantees of
9 payment.

10 **B.** Fees are due within thirty (30) days following each monthly billing or as the
11 Executive Director shall authorize. Any billed amount not paid by the date due shall
12 become delinquent on that date.

13 **C.** A penalty of one and one half percent (1.5%) per month may be charged on all
14 amounts which are delinquent.

15 **D.** The Executive Director may pursue all available means of collection of
16 delinquent amounts including termination of use of the facility.

17 **E.** Filing a complaint regarding fees, rates and charges does not relieve a customer
18 from making payments in a timely fashion. If it is determined that a customer was over
19 charged, the customer will be entitled to an appropriate refund.

20 **F.** Cash transactions shall be rounded to the nearest five (5) cents. Charge
21 transactions for monthly billing shall be rounded to the nearest one (1) cent.

22 **Section 7. PROHIBITED MATERIALS**

23 **A.** The SFSWMA will not accept the following materials at any facility;

24 1. Bulk or non-containerized liquids as defined by 20.9.2.10 NMAC

25 2. Compressed gas cylinders and tanks

ATTACHMENT

Landfill Records

Date 02/18/13
Time 10:03:51

Santa Fe SWMA, NM

Page 1

Material Analysis Report by Account


Inbound materials only for the period 08/18/2011 - 10/27/2011

Summary Report for Sites: 2

Accounts 0 - 999999 Customer Types - Z Materials - ZZZZZZZZZZ Material Types Z - Z

| Date | Material | Type | Customer | Type | Tickets | Count | Est. vol. | Act. Vol. | Est. Wt. | Actual Wt. | Charge |
|------|-------------------------------|----------------|----------|------|---------|-------|-----------|-----------|----------|------------|------------|
| 1 | City of SF - Solid Waste Div. | Total | | | 568 | 0 | 0 | 0 | 7059.71 | 7059.71 | 185,317.95 |
| | | Average | | | | 0 | 0 | 0 | 12.43 | 12.43 | 326.26 |
| | | Report Total | | | 568 | 0 | 0 | 0 | 7059.71 | 7059.71 | 185,317.95 |
| | | Report Average | | | | 0 | 0 | 0 | 12.43 | 12.43 | 326.26 |

MEMORANDUM

To: SFSWMA Joint Powers Board
From: Randall Kippenbrock, P.E., Executive Director 
Date: February 18, 2013
Subject: Status Report Regarding the Basalt Rock and Related BLM Royalty at the Caja del Rio Landfill.

Staff will present a status report on the basalt rock and related BLM royalty at the Caja del Rio Landfill. The following is a chronological summary of the major events related to the basalt rock activities and royalty payments.

| | |
|---------------|---|
| June 27, 1995 | NMED issued landfill permit for Caja del Rio Landfill. |
| May 1997 | Cell 1; was not constructed to permit base grade to avoid blasting of basalt rock. |
| May 1997 | Agency opened the landfill for business. |
| May 1998 | Cell 2A; was not constructed to permit base grade to avoid blasting of basalt rock. |
| May 2001 | Board approved a contract with Santa Fe Aggregate to remove 900,000 tons of basalt rock from designated locations and to pay the Agency a royalty of \$0.50 per ton within the boundaries of Cells 2B and 3B. The Agency's responsibilities included removing the overburden and providing the oversight and audit. |
| May 2001 | Board approved Amendment No. 1 to the contract with Santa Fe Aggregate to allow the contractor to remove any unsold stockpiled aggregate material from the landfill after the contract expired and reserved the Agency's rights to immediately cease all operations based on any NMED requests made. |
| June 2001 | Cell 3A; was not constructed to permit base grade to avoid blasting of basalt rock. |
| October 2002 | Board approved Amendment No. 2 to the contract with Santa Fe Aggregate to allow a hot-mix asphalt plant on site solely for the US Highway 285 project. (Note: Santa Fe Aggregate never placed an asphalt plant on the landfill.) |


- April 2003 Board approved Amendment No. 3 to the contract with Santa Fe Aggregate to increase the term of the contract from 400 days to five years from the start of the asphalt plant. This also included the drilling, blasting and crushing of basalt rock.
- June 2003 Cell 3A(2); was not constructed to permit base grade to avoid blasting of basalt rock. Cell 4A; was constructed to permit base grade with blasting of basalt rock (Santa Fe Aggregate).
- July 2003 Board approved Amendment No. 4 to the contract with Santa Fe Aggregate to remove basalt rock from Cells 4A and 4B and any other designated areas determined by the Agency.
- November 2004 Board approved a contract with Raba-Kistner Consultants to perform geotechnical engineering testings on the basalt rock for commercial aggregate viability.
- December 2004 Cells 2B and 3B; although some blasting of basalt rock was done, were not constructed to permit base grade (Santa Fe Aggregate).
- February 2005 Board approved an amendment to the contract with Raba-Kistner Consultants to determine potential commercial markets for the basalt rock.
- April 2005 Agency staff presented to Board three cell construction scenarios for Cells 4B, 5 and 6 with estimated remaining site life for the following: blasting to permit base grade (44 feet), 14 years; blasting to half way to permit base grade (22 feet), 9 years; and no blasting (minimal), 6 years. Board approved the option for blasting to permit grade.
- May 2006 Board approved an 8-year construction contract with Del Hur Industries (Del Hur) for the development and operation of a commercial aggregate quarry and cell construction (RFP No. 06/17/P). The contract includes a royalty of \$1.50 per ton to be paid to the Agency.
- September 2006 Cells 4A(2), 5A and 6A; were constructed to permit base grade with blasting of basalt rock (Del Hur); 229,977 cubic yards of basalt rock was excavated (conversion factor for basalt rock from cubic yard to ton is approximately 2 tons per cubic yard or 459,954 tons). Total construction cost: \$2,596,434.23. Potential royalty to be paid to the Agency from the sale of basalt rock produced from the Cell 4A(2), 5A, and 6A area is approximately \$689,931.00.
- January 2008 Board approved Amendment No. 1 to the contract with Del Hur for Cell 4B (RFP 06/17/P).

- December 2008 Cell 4B; was constructed to permit base grade with the blasting of basalt rock (Del Hur); 532,000 cubic yards (1,065,000 tons) of basalt rock was blasted and excavated. Total construction cost: \$5,041,605.00. Potential royalty to be paid to the Agency from the sale of basalt rock from Cell 4B area is approximately \$1,597,500.00.
- September 2009 Agency informed by the Bureau of Land Management's (BLM) Taos Field Office that although the surface rights were purchased by the Agency from private landowners, the basalt rock blasted and removed from the landfill and sold as commercial aggregate may be mineral rights of BLM.
- September 2010 Board approved the settlement agreement with the BLM for the excavation and sale of basalt rock at the landfill from 2001 to August 31, 2010 totaling 438,723 tons in the amount of \$468,252.79. The settlement amount of the royalty paid was based on the royalty collected by the Agency from the sale of basalt rock by the two contractors (\$404,741.86) plus interest and fees.
- October 2010 Agency submitted copies of landfill environmental documents to BLM for their environmental review as part of the requirements for a long term mineral materials contract.
- March 2011 Agency entered into a mineral materials contract with the BLM on the current stockpile of basalt rock at the landfill. The contract was for the sale of 50,000 tons of basalt rock at \$0.69 per ton royalty due BLM. The contract was retroactive for basalt rock sold since the settlement agreement in September 2010. Therefore, to summarize, Del Hur pays a royalty of \$1.50 per ton to the Agency of which the Agency then pays \$0.69 per ton to BLM of basalt rock sold.
- December 2011 BLM amended the mineral materials contract to increase the amount to an additional 50,000 tons, for a total of 100,000 tons.
- October 2012 BLM amended the mineral materials contract to increase the amount to an additional 50,000 tons, for a total of 150,000 tons and extend the term through March 11, 2015.
- February 2013 BLM official visited the landfill for a site inspection of the basalt rock and indicated the royalty due them, may be increased when a new contract is entered. The Agency is still waiting to hear from the BLM on their environmental review as part of the requirements for a long term mineral materials contract. It is the Agency understanding that an environmental assessment or environmental impact statement will be required.

Between 2006 and 2008 approximately 1,525,954 tons of basalt rock was blasted and excavated from landfill cells. To date, Del Hur has commercially sold 299,278 tons of basalt rock and the Agency has received a total of \$449,206. If the royalty structure remains unchanged, approximately \$2.6 million in royalty payments, before BLM payments, could be generated from the sale of the remaining basalt rock over the next 20-30 years.

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MEMORANDUM

To: SFSWMA Joint Powers Board
From: Randall Kippenbrock, P.E., Executive Director 
Date: February 18, 2013
Subject: Status Report Regarding the Crushing Operation at the Caja del Rio Landfill.

Staff will present a status report on the crushing operation Caja del Rio Landfill.

The presence of basalt rock at the landfill was known prior to receiving the landfill permit from the New Mexico Environmental Department in June 1995. Landfill records indicated that landfill disposal cells were not constructed to the permitted depths due to the presence of the basalt at shallow depths. The continuation of constructing cells at shallow depths would have depleted the original permit to less than 20 years. Also, the cells constructed at shallow depths were more costly to operate on a per ton basis. For the most part since 2001 the Agency utilized two contractors to blast and excavate basalt rock from landfill cells down to the permitted depths. A section in both contracts required the contractors to produce aggregate for commercial sale, in which the Agency received a royalty, in return to help offset the blasting and excavation costs. Also, based on landfill records the Agency used approximately 25% of the aggregate for past cell construction projects. More importantly, the crushing operation and the sale of aggregate are pertinent to and an integral part of the landfill operations in order for the Agency to keep the landfill disposal rates reasonable.

The basic concept of the current 8-year construction contract with Del Hur Industries (Del Hur) can be described in two parts: blasting and excavation of the basalt rock; and crushing/processing the basalt rock into aggregate for commercial sale. For the blasting and excavation of the basalt rock, the Agency negotiated with Del Hur in 2006 and 2008 to blast and excavate the basalt from cells designated by the Agency. The basalt rock is stockpiled during the excavation. The negotiations also incorporated cell development that includes subgrade preparation, geosynthetic liners installation, 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. The negotiations did not include the cost of crushing/processing basalt rock into aggregate.

For the commercial sale of the basalt rock, Del Hur is required to make a concerted effort to market, produce and sell the aggregate. Del Hur is responsible for the crushing operation and the cost associated to crush/process basalt rock into aggregate. To offset the crushing (processing) cost Del Hur established a market price list for various rock types (e.g., general fill, base course, chips, rip rap) ranging from \$3.75 to \$15.00 per ton. Del Hur pays the Agency a royalty of \$1.50 per ton of basalt rock sold.

For clarification regarding the ownership of the stockpiles of basalt rock at the landfill, any stockpile of basalt rock that has not been crushed or processed belongs to the Agency.

Conversely, any stockpile of aggregate (crushed, processed, screened) belongs to Del Hur as they incurred the cost of processing the basalt rock.

The following is a chronological summary of the major events related to the crushing operation at the landfill.

In October 2005, the Agency advertised RFP 06/17/P for the development and operation of a commercial aggregate quarry at the Caja del Rio Landfill. The RFP was issued to 30 potential bidders. Four firms submitted their Statement of Qualifications, the first required part of the RFP process. The firms were: Vulcan Materials, Lafarge Southwest, Española Mercantile Company d.b.a. Associated Asphalt, and Del Hur. The evaluation committee evaluated and scored the RFP's and determined that Vulcan Materials, Lafarge Southwest, and Del Hur Industries met the requirements. Associated Asphalt did not meet the minimum requirements. The three qualified firms were invited to a pre-proposal conference in November 2005 for a site-visit and inquire information pertaining to the RFP. In January 2006 only Del Hur Industries submitted a proposal. Vulcan Materials submitted a letter-of-decline and Lafarge Southwest did not respond to the RFP. The evaluation committee reviewed Del Hur's proposal and selected them as the qualified firm.

On May 4, 2006, the Board approved RFP 06/17/P for an 8-year construction contract with Del Hur for the development and operation of a commercial aggregate quarry and cell construction (Cells 4A, 5A, and 6A) in the amount of \$2,310,488.18. On January 18, 2007, the Board approved Change Order No. 1 to the contract for the additional blasting and removal of basalt rock from the cells and construction items in the amount of \$285,946.05. The total amount of the contract was \$2,596,434.23. The contract also called for revenue sharing by Del Hur agreeing to sell the basalt rock removed from the cells within three years from the date of the contract. Del Hur agreed to pay the Agency \$1.50 per ton for aggregates produced and sold by them across the scales located at the landfill on a monthly basis. Based on an estimated volume of 320,000 tons for basalt rock within the cells, this would yield the Agency approximately \$480,000 in revenues.

On January 17, 2008, the Board approved Amendment No. 1 to the contract with Del Hur to construct Cell 4B for an amount of \$5,041,605. The construction project included the blasting and excavation of the basalt rock, backfill of the excavation to attain design grades of the cell, installation of geosynthetic liners in the cell, and placement of crushed aggregate drainage layer on the cell floor and on-site protective cover soil material on the side slopes of the cell. Del Hur also agreed to sell the basalt rock removed from Cell 4B within ten (10) years from the date of the amendment of the contract and pay the Agency \$1.50 per ton for aggregates produced and sold by them on a monthly basis. Based on an estimated volume of 1,065,000 tons of basalt rocks within Cell 4B, this would yield the Agency approximately \$1,597,500 in revenues.

Del Hur had anticipated selling aggregates at an annual rate of 100,000 tons per year. However, with the global recession that began in December 2007 the sale of aggregates has been sluggish to almost nonexistent.

In June 2008 Del Hur and its subcontractor Fisher Sand & Gravel signed a plant site utilization and supply agreement to market the rock supplied by Del Hur. The agreement

also showed an asphalt plant to be located at the landfill in order to utilize a full range of crushed products supplied by Del Hur. This arrangement could have sold aggregates at the annual rate of 200,000 tons per year.

In October 2008, the NMED Air Quality Bureau issued a GCP-3 air quality permit to Fisher Sand & Gravel for an asphalt plant.

On May 21, 2009, there was a discussion at the Board meeting regarding the asphalt plant located at the landfill.

In October 2009, the Agency received inquiries from local residents regarding the asphalt plant.

On November 5, 2009, the Agency requested that Del Hur notify Fisher Sand & Gravel to halt the start up of the asphalt plant until further notice.

On November 18, 2009, the Board passed a motion that had the Agency notify Del Hur that the Fisher Sand & Gravel portable hot mix asphalt plant located at the landfill could not begin operations until the Board received confirmation that all necessary county approvals and permits were obtained.

Between November 2009 and February 2010, the Agency held meetings with staff from the Santa Fe County's Land Use Department. From those meetings, it was understood that the Agency could not blast basalt rock in areas that are not part of the landfill operations for the sole purpose of generating revenues. Blasting could only be done in areas that will be future landfill cells. It was also noted that the Agency would need to obtain a blasting permit from the County when the time comes.

Also in the same meetings with County staff the Agency pointed out that both Del Hur's crushing operation and sale of aggregate are pertinent and essential to the landfill operations in order to keep the landfill disposal rates reasonable. Based on landfill records the Agency used approximately 25% of the aggregate for past cell construction projects. It is our understanding that County staff agreed on this position. Furthermore, it is our understanding that at no time did County staff indicate that a sand and gravel permit was needed for the current Del Hur's crushing operation. County staff did indicate that any future asphalt or concrete plants to be located at the landfill must have a county permit.

On February 9, 2010, the Board of County Commissioners (BCC) approved the land use variance for a 30-foot flare for the landfill gas collection and control system (BCC Case # VAR/MIS 10-5020). The BCC also set two conditions for the variance. The conditions were: the County would not issue a permit to the existing asphalt plant at the landfill and it must be removed from the landfill within a reasonable time; and all non-core functions that are not a normal (essential) part of the landfill operations must have necessary county approvals and permits. The Agency agreed to both conditions.

In May 2010, Fisher Sand & Gravel removed the asphalt plant from the landfill.

On September 22, 2011, a resident nearby the landfill filed a complaint to the Santa Fe County's Land Use Department that Del Hur's crushing operation at the landfill was operating without a sand and gravel permit and that the Agency had only a landfill permit.

On October 26, 2011, the Agency met with the County staff from the Santa Fe County's Land Use Department and the County Attorney to discuss if there were any permits required for the crushing operation at the landfill. The County concluded that no permit for the crushing operation was needed and did not ask or require the Agency to obtain a permit.

At its regular meeting of April 24, 2012, the BCC discussed the question of whether the Agency needed a permit to conduct the basalt rock crushing operation. The County Attorney explained that the status quo was fine because the Agency property is institutional (government) property and, like most City and County property within the County, did not go through a formal zoning process when the 1996 Land Development Code was adopted. The County is in the process of revising the Land Development Code to clarify the zoning of City and County property as institutional.

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MEMORANDUM

To: SFSWMA Joint Powers Board
From: Randall Kippenbrock, P.E., Executive Director
Date: February 17, 2013
Subject: Status Report on Current Contracts.

RK

Staff will present an update on contracts currently administered by the Agency.

Attached is a list of contracts as of February 11, 2013. The list provides the RFP/RFB number, contract description, firm name and location, effective and expiration dates, number of amendments, and total dollar amount awarded.

Contracts are awarded by the Board as part of the process for Request for Proposal (RFP) or Request for Bid (RFB).

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Santa Fe Solid Waste Management Agency's Current List of Contracts as of February 11, 2013.

| RFP / RFB No. | Description | Firm Name | Effective Date | Expiration Date | Number of Amendment(s) | Total Dollar Amount Awarded |
|------------------|--|--|----------------|-----------------|---------------------------|-----------------------------------|
| 06/17/P | Development and operation of a commercial aggregate quarry and cell construction at the Caja del Rio Landfill. | Del Hur Industries ⁽¹⁾ Port Angeles, WA | May 4, 2006 | May 4, 2014 | 1 | \$7,638,039.23 |
| 10/14/P | O&M services for the landfill gas collection system at the Caja del Rio Landfill. | SCS Field Services Albuquerque, NM | Feb 17, 2010 | Jan 24, 2014 | 5 | \$381,387.32 |
| 10/15/P | Engineering services for air-related compliance for the landfill gas collection system at Caja del Rio Landfill. | SCS Engineers Bedford, TX | Feb 17, 2010 | Jan 24, 2014 | 3 | \$95,867.51 |
| 11/06/P | Legal services for the Agency. | Long, Pound, Komer Santa Fe, NM | Jan 27, 2011 | Jan 24, 2014 | 2 | \$70,000.00 |
| 12/06/P | Engineering design and permitting services for the Caja del Rio Landfill. | CDM Smith Albuquerque, NM | Feb 23, 2012 | Jan 24, 2014 | 1 | \$590,455.00 |
| 12/13/P | Computer support services for the Caja del Rio Landfill and Buckman Road Recycling and Transfer Station. | Planit Computer Services Albuquerque, NM | Feb 23, 2012 | Jan 24, 2014 | 3 | \$75,180.00 |
| 12/22/B | Security services for the Caja del Rio Landfill and Buckman Road Recycling and Transfer Station. | U.S. Security Associates Albuquerque, NM | Jun 21, 2012 | Jun 30, 2013 | 0 | \$71,597.72 |
| 12/27/P | Environmental services for the Caja del Rio Landfill and Buckman Road Recycling and Transfer Station. | Bluewater Environmental Consulting Santa Fe, NM | Aug 16, 2012 | Aug 16, 2013 | 0 | \$46,996.65 |

| RFP / RFB No. | Description | Firm Name | Effective Date | Expiration Date | Number of Amendment(s) | Total Dollar Amount Awarded |
|--------------------------|---|---|-----------------------|------------------------|-----------------------------------|--|
| 13/01/P | Electronic waste recycling services at the Buckman Road Recycling and Transfer Station. | Natural Evolution ⁽²⁾ Tulsa, OK | Nov 15, 2012 | Nov 15, 2013 | 0 | \$0.00 |
| 13/09/P | HHW collection services at the Buckman Road Recycling and Transfer Station. | Advanced Chemical Transport Albuquerque, NM | Nov 15, 2012 | Nov 15, 2013 | 0 | \$98,604.37 |

1. Awarded as an eight-year construction contract.

2. Natural Evolution pays \$0.02 per pound for all items collected except for CRT and LCD monitors.

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