



# Agenda

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**PUBLIC UTILITIES COMMITTEE  
MEETING  
CITY COUNCIL CHAMBERS  
WEDNESDAY, JUNE 6, 2007  
5:15 PM**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FOR THE MAY 2, 2007 PUBLIC UTILITIES COMMITTEE MEETING

**INFORMATIONAL ITEMS**

6. Update on Current Water Supply Status. (Michael Gonzales)
7. Update on Solid Waste Division (Bill DeGrande)
8. Update on Commercial Rate Structure. (Gary Martinez)
9. Update of Kopy Kaps/Fireflies. (Peter Ortega and Kyle Sager)

**CONSENT CALENDAR**

10. Request for Approval of a Sole Source Agreement with Great Southwest in the Amount of \$70,000 for Calibration of Flow Meters. (Edwin Lovato)
11. Request for Approval of a Sole Source Contract With EE&T in the Amount of \$20,000 to Evaluate Arsenic Compliance Strategies in the Buckman Well Field. (Robert Gallegos)
12. Request for Approval of a Sole Source Professional Services Agreement with Gallegos Trucking for the Transportation of Glass from BURTT to the Landfill. (Bill de Grande)

13. Request for Approval of a Sole Source Professional Services Agreement with Delhur Industries, Inc. to Process Glass Delivered to the Landfill. (Bill de Grande)
14. Request for Approval of a Sole Source Professional Services Agreement with Brown and Caldwell to Perform a Rate Structure Analysis for the Solid Waste Division. (Bill de Grande)
15. Request for Approval to Purchase Two Hundred (200) 96 Gallon Recycling Carts from Otto Environmental Systems, LLC through the HGAC Buy Program. (Bill de Grande)
16. Request for Approval to Purchase Eight Hundred Forty (840) 64 Gallon Automated Refuse Carts from Toter, Inc. through the HGAC Buy Program. (Bill de Grande)

### **DISCUSSION ITEMS**

17. Request for Approval of Resolution No. 2007-\_\_\_\_\_. A Resolution Amending Resolution No. 2003-106; the Annual Water Budget Administrative Regulations and Procedures Regarding the Designation of Water Rights for Low Priced Dwelling Units. (Councilor Ortiz and Councilor Wurzbarger) (Kathy McCormick)
18. Request for Approval of Resolution No. 2007-\_\_\_\_\_. A Resolution Designating Water Rights for Low Priced Dwelling Units in the Northwest Quadrant and for the Low Priced Dwelling Unit Credit Pool. (Councilor Ortiz and Councilor Wurzbarger) (Kathy McCormick)

### **MATTERS FROM THE CITY ATTORNEY**

### **ITEMS FROM STAFF**

### **MATTERS FROM THE COMMITTEE**

**NEXT MEETING: June 20, 2007**

**ADJOURN**

**SUMMARY INDEX  
PUBLIC UTILITIES COMMITTEE  
June 6, 2007**

<b><u>ITEM</u></b>	<b><u>ACTION</u></b>	<b><u>PAGE</u></b>
<b>CALL TO ORDER &amp; ROLL CALL</b>	<b>Quorum</b>	<b>1</b>
<b>APPROVAL OF AGENDA</b>	<b>Approved</b>	<b>1</b>
<b>APPROVAL OF CONSENT AGENDA</b>	<b>Approved</b>	<b>2</b>
<b>CONSENT CALENDAR LISTING</b>		<b>2</b>
<b>APPROVAL OF MINUTES MAY 2, 2007</b>	<b>Approved</b>	<b>3</b>
<b><u>INFORMATIONAL ITEMS</u></b>		
<b>UPDATE ON CURRENT WATER SUPPLY STATUS</b>	<b>Information/Discussion</b>	<b>3</b>
<b>UPDATE ON SOLID WASTE DIVISION</b>	<b>Information/Discussion</b>	<b>3-4</b>
<b>UPDATE ON COMMERCIAL RATE STRUCTURE</b>	<b>Information/Discussion</b>	<b>4-6</b>
<b>UPDATE OF KOPY KAPS / FIREFLYS</b>	<b>Information/Discussion</b>	<b>6-7</b>
<b><u>DISCUSSION ITEMS</u></b>		
<b>REQUEST FOR APPROVAL OF RESOLUTION NO. 2007-____. A RESOLUTION AMENDING RESOLUTION NO. 2003-106; THE ANNUAL WATER BUDGET ADMINISTRATIVE REGULATIONS AND PROCEDURES REGARDING THE DESIGNATION OF WATER RIGHTS FOR LOW PRICED DWELLING UNITS.</b>	<b>Postponed</b>	<b>7-8</b>
<b>REQUEST FOR APPROVAL OF RESOLUTION NO. 2007-____. A RESOLUTION DESIGNATING WATER RIGHTS FOR LOW PRICED DWELLING UNITS IN THE NORTHWEST QUADRANT AND FOR THE LOW PRICED DWELLING UNIT CREDIT POOL.</b>	<b>Postponed</b>	<b>8</b>
<b>NEXT MEETING: June 20, 2007</b>		<b>8</b>
<b>ADJOURN</b>		<b>8</b>

**MINUTES OF THE  
CITY OF SANTA FE  
PUBLIC UTILITIES COMMITTEE  
June 6, 2007**

**1. CALL TO ORDER**

A meeting of the Public Utilities Committee was called to order by Councilor Miguel Chavez, Chair, at approximately 5:15 PM on June 6, 2007, in the Council Chambers, City Hall, Santa Fe, New Mexico.

**2. ROLL CALL**

Roll call indicated the presence of a quorum as follows:

**MEMBERS PRESENT**

Councilor Miguel Chavez, Chair  
Councilor Carmichael A. Dominguez  
Councilor Ronald S. Trujillo

**MEMBERS ABSENT**

Councilor Patti J. Bushee  
Councilor Karen Heldmeyer

**OTHERS ATTENDING**

Galen Buller, City Manager  
Maureen Reed, Assistant City Attorney  
Stephanie Trujillo, Public Utilities  
Kay Carlson, Stenographer

**NOTE: All items in the Committee packet for all agenda items are incorporated herewith to these minutes by reference. The original Committee packet is on file in the Public Utilities Department.**

**3. APPROVAL OF AGENDA**

MOTION: Councilor Trujillo moved, seconded by Councilor Dominguez, to approve the agenda.

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

#### **4. APPROVAL OF CONSENT AGENDA**

MOTION: Councilor Dominguez moved, seconded by Councilor Trujillo, to approve the following consent agenda.

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

#### **CONSENT CALENDAR**

- 10. REQUEST FOR APPROVAL OF A SOLE SOURCE AGREEMENT WITH GREAT SOUTHWEST IN THE AMOUNT OF \$70,000 FOR CALIBRATION OF FLOW METERS. (EDWIN LOVATO)**
- 11. REQUEST FOR APPROVAL OF A SOLE SOURCE CONTRACT WITH EE&T IN THE AMOUNT OF \$20,000 TO EVALUATE ARSENIC COMPLIANCE STRATEGIES IN THE BUCKMAN WELL FIELD. (ROBERT GALLEGOS)**
- 12. REQUEST FOR APPROVAL OF A SOLE SOURCE PROFESSIONAL SERVICES AGREEMENT WITH GALLEGOS TRUCKING FOR THE TRANSPORTATION OF GLASS FROM BURTT TO THE LANDFILL. (BILL DeGRANDE)**
- 13. REQUEST FOR APPROVAL OF A SOLE SOURCE PROFESSIONAL SERVICES AGREEMENT WITH DELHUR INDUSTRIES, INC. TO PROCESS GLASS DELIVERED TO THE LANDFILL. (BILL DE GRANDE)**
- 14. REQUEST FOR APPROVAL OF A SOLE SOURCE PROFESSIONAL SERVICES AGREEMENT WITH BROWN AND CALDWELL TO PERFORM A RATE STRUCTURE ANALYSIS FOR THE SOLID WASTE DIVISION. (BILL DeGRANDE)**
- 15. REQUEST FOR APPROVAL TO PURCHASE TWO HUNDRED (200) 96 GALLON RECYCLING CARTS FROM OTTO ENVIRONMENTAL SYSTEMS, LLC THROUGH THE HGAC BUY PROGRAM. (BILL DeGRANDE)**
- 16. REQUEST FOR APPROVAL TO PURCHASE EIGHT HUNDRED FORTY (840) 64 GALLON AUTOMATED REFUSE CARTS FROM TOTER, INC. THROUGH THE HGAC BUY PROGRAM. (BILL DeGRANDE)**

**5. APPROVAL OF MINUTES FOR THE MAY 2, 2007, PUBLIC UTILITIES COMMITTEE MEETING**

MOTION: Councilor Trujillo moved, seconded by Councilor Dominguez, to approve the agenda.

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

**INFORMATIONAL ITEMS**

**6. Update on Current Water Supply Status (Michael Gonzales)**

A copy of the Weekly Water Report for the week ending June 3, 2007, is incorporated herewith to these minutes as Exhibit "1."

Mr. Gonzales reviewed the information in Exhibit "1."

Councilor Trujillo thanked Mr. Gonzales and his staff for the Fishing Derby. Councilor Trujillo said that he has received good feedback from the community and the event was appreciated by both children and adults. He recommended the event be held again next year.

**7. Update on Solid Waste Division (Bill DeGrande)**

Mr. DeGrande presented the status report contained in his memorandum of June 6, 2007. In addition, there are now 16,442 households on the automation program. There is an additional one classified assessment tech position open because a worker went to another division. With regard to the Paseo de Vista landfill violations, the fence in front of the "Stonefridge" display was repaired and "Stonefridge" itself was removed to bring the violation into compliance. Recycling carts have been put in the Runnels Building, which is the headquarters of NMED, and two other county buildings. All of the unrepairable dumpsters that were in the Siler Road yards were removed and the areas were cleaned up. All dumpsters that are currently in service are being brought in and repainted.

Councilor Trujillo asked what is done with dumpsters that are no longer in service.

Mr. DeGrande replied the dumpsters are sold for scrap metal and other obsolete metal dumpsters will be put on auction.

Chair Chavez noted that the majority of the recycling effort has been on residential curbside. He asked if there has been any headway made regarding apartment complexes.

Mr. DeGrande replied that they have problematic issues with multifamily residences and neither of the two methods tried has worked out satisfactorily, one to give everyone individual containers and in other facilities using 96 gallon carts. They will continue to revisit the program.

Chair Chavez asked about recycling at city offices and other facilities.

Mr. DeGrande said that new dividers for the commercial recycling trucks have been ordered that would keep white office paper separate from the rest of the commercial recycling to be baled as a separate commodity. They are continually adding city facilities, with GCCC and Fort Marcy coming on board in the past month and a half, and Wastewater is next.

Chair Chavez said that businesses have approached him and expressed interest in recycling.

Mr. DeGrande stated that, while they are willing to expand the commercial recycling, the current rate structure makes it prohibitive for the customer. He suggested that automation might help to provide more realistic rates for commercial recycling. He added that the cost for picking up a 56-gallon container once a month is \$56 per month, plus \$5 a month rental for the container, which is a disincentive.

Chair Chavez suggested that staff be given direction to work on changes to the rate structure for the committee to address.

## **8. Update on Commercial Rate Structure (Gary Martinez)**

A copy of a memorandum from Jason Mumm at Brown and Caldwell to Gary Martinez dated June 1, 2007, entitled "Projected Impact of Commercial Account Redesignation," is incorporated herewith to these minutes as Exhibit "2."

Chair Chavez explained this presentation is not a public hearing, but as information only. He stated that the committee would entertain short comments and questions from interested members of the public in attendance.

Mr. Martinez reviewed the memorandum and stated that Mr. Mumm was the driving force in the new water rate analysis and changes that are in effect today.

Councilor Dominguez asked, when staff refers to the cost to the city, if they are talking about revenues, not necessarily the operating expense to retrofit a meter or infrastructure. Mr. Martinez replied the revenues would be affected at that rate.

Chair Chavez stated that the bond counsel has to agree to any rate change.

**Richard Alarid, El Ice Plant, 1237 Calle Comercio**, stated there is great inequity in the entire water rate schedule for people like him who have had the same water meter for thirty years, which is 5/8" or 3/4". Last month his water bill was \$2,200, but if he had a 3" meter, it would have been \$600. He said he has been arguing this point since September 2006 and has yet to receive results. He realizes a change in the rate would be a loss of revenue to the city, but the inequity is that a company with a 3" meter and uses the same amount of water as Mr. Alarid pays three times less a month for the same amount. He said that he is basically subsidizing the bigger company. He has been told he could put in a 3" meter at a cost of \$25,000, which is absurd to do. He said he could supply the entire southern part of the city with a 3" meter.

Chair Chavez agreed the new rate structure may not seem fair, but Mr. Alarid has a meter that was there prior to the city's restructuring its rates. Water is an expensive commodity that is becoming more expensive for the city to acquire for its citizens. He said that he could see few options to address Mr. Alarid's concerns and suggested that Mr. Alarid continue to work with staff to see what solutions there might be.

**Scott Ciener, Luna Laundry**, referred to the data on page two of the memorandum and asked what "not found" for La Fonda meant on the chart. He said that he has a commercial laundry and hotels can do their laundry in the hotel or use his laundry, but if La Fonda has a 3" meter and is paying much less for water than he does, it is not fair. He said he asked Robert Jorgensen, City Engineer, for alternatives and was told there were none. The engineer told him that he does not need the bigger meter and is doing fine with his 5/8" meter. He stated the answer given him by the engineers is not an option and does not make sense because the companies with the bigger meter pay three times less for their water.

Chair Chavez stated that the city needs to work within the parameters from the latest work done by the consultant and on what the bond counsel will approve. He asked Mr. Martinez to respond to the concern. He pointed to the million dollar fiscal impact to the city.

Mr. Martinez explained that meter size is determined by the in-house engineers based on flow requirements determined from the applicant's summary of assumed demands of utility. The two cases presented this evening do not have a high demand, but a small constant demand, which is why they have a small meter that has worked for them for many years. It meters the volume of water and is sized according to needs and demands. The customer is being charged for the meter size that is based on demand.

Mr. Martinez explained that city water conservation staff have gone to many businesses to determine ways they can conserve water and ultimately save on their water bill. He said that staff will do the same for these entities. Staff will also verify meter size to make



sure it matches what the city has. Mr. Martinez added that Mr. Dan Ransom will have a report at the next PUC meeting.

Chair Chavez asked when there might be closure on this issue.

Mr. Martinez replied that, without further direction from the committee, this is a dead issue if the city will lose the revenues. He said that, if an applicant files an application requesting a larger meter size and the demand has not changed and the business is still the same, he did not think the water engineering division would recommend a larger meter. Setting a precedent will establish a standard for others and still affect the rate structure.

Councilor Dominguez asked where the cost comes in on changing the meter.

Mr. Martinez replied there is a set expansion charge for the larger meter and new infrastructure, not for labor or the cost of the meter itself. Meter sizes are based on the best available technology based on a certain water demand. Peak demand is sized accordingly to the meter. A customer would have to show there is a different demand that would require a larger meter, which is usually needed because of something like fire protection, not for a constant flow.

Councilor Dominguez wondered why other similar businesses that potentially could have the same meter have not come forward. He suggested they may have a different size meter, and so have not felt the impact of the new rate structure.

Councilor Trujillo said he would like to see a comparison of water usage and meter size for comparable businesses that supply things such as ice and water, rather than hotels, and what size meters they have.

Councilor Dominguez agreed and stated there are likely not many other businesses in the city that have similar types of usage, such as laundry, ice and water.

Mr. Martinez said that he could supply the data to compare meter size, billing and volumes.

Chair Chavez said there is the need to keep focus on the fiscal impact if staff will need to do more fact-finding. He asked how long the new rate structure has been in place.

Mr. Martinez replied it has been in place since January 2007.

## **9. Update of Kopy Kaps/Fireflies (Peter Ortega and Kyle Sager)**

Mr. Peter Ortega stated that the Conservation Department is dealing with Datamatic on Kopy Kaps and turned the discussion over to Dan Ransom.

Mr. Ransom explained that six Kopy Kaps were distributed through staff to be tested for a few weeks. Problems were immediately identified by Conservation, and Datamatic has worked to modify them. The company plans to send five changed Kopy Kaps by next week for re-testing and has added a new feature, a trip odometer. When the odometer is set to zero and the irrigation system is turned on, it will measure how much water has been used. The objective is to make this a water conservation tool for customers to check meter rates and water use since their last meter reading. Another feature can identify a leak. Datamatic is keeping them updated and will give a quote on upgrading.

Mr. Ortega reported that Firefly is the apparatus that is attached to read the meter. The Kopy Kap receives a signal from the Firefly. It is a smaller version of what is now used to read the meters. A customer can tell how much a washing machine or dishwasher will use for one load. By the end of this week just under 20,000 will be installed out of 30,000 customers. He said they hope to be totally complete by the beginning of September.

Councilor Dominguez asked if a new house being built today would have the Firefly on its new meter.

Mr. Ortega replied that, eventually, as the meter readers get their level one certification to make it legal for them to install and exchange meters, new installations will be on the program.

Chair Chavez asked about the status of the contract with Datamatic.

Mr. Ortega replied that the original contract on the project stated that Datamatic would provide 100 Kopy Kaps within 100 days of cutting a purchase order. Five prototypes were initially received, and within a week after installation, there was a list of things to change. Datamatic sent their representative to spend time with Mr. Ransom and solve those problems. Five more prototypes will now be installed with the software changes. Datamatic has other customers throughout the state who are interested, but they are taking feedback from Santa Fe because of their contract.

## **DISCUSSION ITEMS**

- 17. REQUEST FOR APPROVAL OF RESOLUTION NO. 2007-\_\_\_\_. A RESOLUTION AMENDING RESOLUTION NO. 2003-106; THE ANNUAL WATER BUDGET ADMINISTRATIVE REGULATIONS AND PROCEDURES REGARDING THE DESIGNATION OF WATER RIGHTS FOR LOW PRICED DWELLING UNITS. (COUNCILOR ORTIZ AND COUNCILOR WURZBURGER) (KATHY McCORMICK)**

**18. REQUEST FOR APPROVAL OF RESOLUTION NO. 2007-\_\_\_\_. A RESOLUTION DESIGNATING WATER RIGHTS FOR LOW PRICED DWELLING UNITS IN THE NORTHWEST QUADRANT AND FOR THE LOW PRICED DWELLING UNIT CREDIT POOL. (COUNCILOR ORTIZ AND COUNCILOR WURZBURGER) (KATHY McCORMICK)**

Chair Chavez suggested that agenda items #17 and #18 be postponed to the next PUC meeting because he and another committee member had to leave for a neighborhood meeting at six-thirty.

Because of time constraints, Ms. Trujillo suggested that the items be sent to the other City committees and then brought back to the PUC for its next meeting prior to going to City Council.

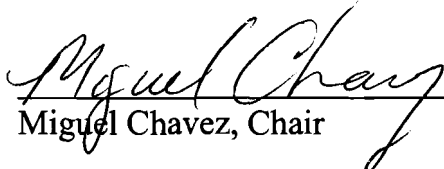
MOTION: Councilor Trujillo moved, seconded by Councilor Dominguez, to postpone discussion of agenda items #17 and #18 to the next PUC Meeting.

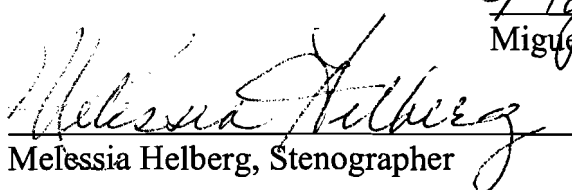
VOTE: The motion was approved unanimously on a voice vote.

**NEXT MEETING: June 20, 2007**

**ADJOURN**

There being no further business to come before the Committee, and the Committee having completed its agenda, the meeting was adjourned at 6:26 PM.

  
Miguel Chavez, Chair

  
Melissa Helberg, Stenographer