



**NORTH CENTRAL SOLID WASTE AUTHORITY
BOARD OF DIRECTOR'S
REGULAR MEETING**

**Friday, April 27, 2018 at 9:00 A.M.
2016 N. Riverside Drive
Española, New Mexico 87532**

I. Roll Call

Board Members:

Santa Clara Pueblo	Bernardino Chavarria/Chairman, <i>Present</i>
City of Espanola	John Ricci/Vice Chairman, <i>Present</i>
Ohkay Owingeh	Ben Lujan/Secretary, <i>Present</i>
Rio Arriba County	Alex Naranjo, <i>Present</i>
Rio Arriba County	Tomas Campos, <i>Present</i>

Staff Members:

Interim Manager/CFO	Audrey Gonzales
Executive Assistant	Gavina Velarde
Billing Specialist	Michelle Valencia

Others:

City Manager	Kelly Duran
NMED SWB	Auralie Ashley-Marx
NMED SWB	Peter Garcia

II. Call to Order

Chairman Chavarria officially called the meeting to order at 9:09 a.m.

III. Approval of Agenda – Friday, April 27, 2018

Motion made by Secretary Lujan to approve the Agenda for April 27, 2018.

Commissioner Naranjo requests to move Item VII. Directors Business, B. Board Elections to Item IX. Old/New Business, as he needs to leave from 9:15 a.m. to 10:00am

Motion to approve the Agenda with the changes as stated by Commissioner Naranjo made by Vice Chairman Ricci

Motion seconded by Commissioner Naranjo.

Motion approved and carried 5-0

IV. Approval of Minutes –

- **Special Meeting, Monday, March 5, 2018**
- **Regular Meeting, Wednesday, March 21, 2018**

Motion made by RAC Manager Campos to approve the Meeting Minutes for March 5, and March 21, 2018.

Motion seconded by Secretary Lujan

Motion approved and carried 5-0

V. Audience Participation/Public Comment

Customer Peter Romero presents to the Board today. He previously tried, unsuccessfully, to meet with Former Manager Romero to discuss his account. Mr. Romero states that he is very ill, and currently resides in Las Vegas, NM, where he is receiving medical care. He states that he learned of the lien on his property while applying for a medical assistance loan. Mr. Romero goes on to state that his residence in Espanola is currently not occupied but does have electricity running. Commissioner Naranjo states that these types of situations should warrant a physical site visit to verify the status of the property in question, prior to the Authority placing a lien on the property. He states that the Authority should be working RAC Planning and Zoning, and the Assessor's office to verify the information as well. Secretary Lujan apologizes to Mr. Romero on behalf of the Board, and states that the Authority is following RAC Ordinance 97-04. He reminds the Board that it has previously been suggested that the Ordinance be review and updated; until then the Authority must continue to abide by the County's Ordinance. Mr. Romero argues that he is not receiving trash service and should not have to pay for a service that is not being rendered. Commissioner Naranjo reminds the Board of the revenue being lost on the 1,000 delinquent accounts, and states that we should be working with these customers to bring the accounts current.

Commissioner Naranjo leaves at 9:18 a.m.

Customer Rubel Naranjo presents to the Board today. His father passed away in 2008; his sister provided the Authority with a copy of his death certificate shortly thereafter. He states that the property is vacant, and like Mr. Romero, they are being charged for services not rendered. He goes on to state that his sister just paid on another property that is vacant, and also had a lien. Mr. Naranjo would like to see a change in the policy regarding the lien process, and states that he had to relocate from Colorado to tend to this issue. RAC Manager Campos suggests that these customers be allowed an opportunity to meet with Manager Fuller to discuss their accounts individually. He also mentions that he is available to assist, if necessary. Vice Chairman Ricci suggests that Manager Fuller have a staff member go out and physically verify the property in cases such as this and proceed with each on a case by case basis. RAC Manager Campos advises Mr. Fuller that the Authority has full access to utilize the Assessor's Office for property verifications. Billing Specialist Michelle Valencia advises that the Authority is currently only provided with a spreadsheet from the Assessor's Office and does not have online access. RAC Manager Campos states that he will look into this. Secretary Lujan states that while this type of physical verification is a good idea, the problem in the past has always been the lack of an Authority employee dedicated to conduct the research necessary. He goes onto state that the liens were also initially a good idea, then quickly got out of hand when customers ignored the notices being sent by the Authority. Secretary Lujan would like to acknowledge the 11k customers that pay their bills on time, as they keep the Authority afloat financially. Secretary Lujan inquires if we have heard anything back from RAC Attorney Adan Trujillo in regards to the forgiveness program; Ms. Valencia states that we have not.

Customer Jerry Atencio presents to the Board today. Mr. Atencio and his wife just returned from the Alcalde Transfer Station, where they delivered a load of branches in his short bed pick-up. Mr. Atencio is upset that he was charged \$13 for today's load, whereas in the past he was only charged \$6 for the same type of load. Mr. Atencio shares a photo of his truck and the load he delivered

today. Operations Supervisor Jerome Broyles advises Mr. Atencio that since the branches extended above the bed of the truck, 2 punches are warranted, resulting in the additional charge. RAC Manager Campos states that there should be some “wobble-room” when it comes to green waste disposal, since it is burned at the Ohkay Owingeh Collection Center for little to no cost. He suggests that Mr. Atencio arrange to meet with Manager Fuller after today’s Board Meeting. Manager Fuller provides his business card to Mr. Atencio.

VI. Financial

A. Budget to Actual Reports – Audrey Gonzales, CFO

Ms. Gonzales begins by thanking the Board for trusting and supporting her during her tenure as Interim Manager. She then advises the Board that there is no Budget to Actual report for this month again. Mr. Fierro continues to work diligently on the Authority’s financials and does not want to presumptuously present a report without actual numbers. Mr. Fierro has reconciled the past 3 (three) fiscal years for the account with NM Bank and Trust, and 2 (two) fiscal years for the account with Century Bank; he is currently working on FY16 for Century Bank. RAC Manager Campos inquires if Ms. Gonzales can provide the Board with a quick checklist of payments and current standings at the next Regular meeting. Ms. Gonzales advises that she can, as all monthly and quarterly bills are up to date. Vice Chairman Ricci would also like to see a quick Profit and Loss statement at the upcoming meeting; Ms. Gonzales will work on this as well. Ms. Gonzales also advises that she sent a letter to the State Auditor’s Office regarding the acceptance of bids for the Authority’s next auditor; She has received 2 applicants thus far. She reminds the Board the FY16, ‘17 and ‘18 will need to be audited when a new auditor is selected. Chairman Chavarria inquires if Ms. Gonzales has looked into our investments, and if so, are they are being distributed evenly. Ms. Gonzales advises that she and our accountant, Mr. Fierro, are reviewing this and will have an update available at the next meeting. RAC Manager Campos suggests that the Authority look into investing with local Credit Unions as well.

City of Espanola Manager Kelly Duran enters at 9:56 a.m.

VII. Manager’s Report

Manager Fuller begins by expressing his thanks to the Board and the communities they represent for their confidence in him as the new Manager of the Authority. He then thanks the citizens that have brought their concerns to the Authority today and advises that he is available to meet with customers to address their concerns. Manager Fuller asks that appointments be arranged through his Executive Assistant, Ms. Velarde. Manager Fuller reiterates his focus question for the Board, “What is the safest, most practical, and cost-effective way to serve the on-going solid waste collections and disposal needs of our customers?”. Manager Fuller states that his immediate priorities are the financial and operational integrity of the Authority. He and Ms. Gonzales has already revised our PR/PO process and are working on spending card analysis and oversight. Manager Fuller states that safety is first and foremost the most important part of our jobs at the Authority. He attends the weekly Safety Meeting held at the Alcalde Transfer Station, and is conducting a route review, by actively spending time out on the road with our driver’s. Manager Fuller wants to be transparent with the Board and will do his best to provide concise information at every opportunity; that said he seeks the Boards suggestions at every level. Manager Fuller states that he is open to and willing to participate in public forums in our communities. Manager Fuller mentions the formal grievance letter received by RACCSWC (Rio Arriba County Citizens for a Solid Waste Choice); he suggests that we invite the parties in for clarification

and further discussion. RAC Manager Campos advises that this group has filed grievances before and trusts Manager Fuller will contact them to discuss their concerns. Manager Fuller advises the Board that as per Chairman Chavarria's request, he has provided a copy of the dates he will be out of the office in the coming months.

Commissioner Naranjo returns to the meeting at 10:06 a.m.

RAC Manager Campos thanks Manager Fuller, and states that he and Dino have been on the Board, in some capacity, since the Authority's inception in 2004; he is ready to see changes moving forward. Vice Chairman Ricci states that he has met with Manager Fuller and had a very productive meeting. He then formally introduces the new City Manager, Kelly Duran. Secretary Lujan welcomes all the new members to the Board. He states that he also met with Manager Fuller and wishes him the best. Secretary Lujan believes the Board needs to give Manager Fuller the opportunity to do his job, and not micromanage him or his staff. Commissioner Naranjo states that Manager Fuller has his support 1000%. He also does not believe in micromanaging but will continue to relay customer concerns that are brought to his attention. Commissioner Naranjo would also like for the 1,000 outstanding liens to be addressed. Chairman Chavarria thanks Manager Fuller for his report and his positive attitude. He states that he asked Ms. Ashley-Marx from NMED Solid Waste to be here today to answer any questions Manager Fuller, or the Board may have in regards to Solid Waste rules and regulations. Mr. Ashley-Marx will make her presentation shortly. Chairman Chavarria then thanks Ms. Gonzales for all her hard work as Interim Manager, and states that she did a wonderful job.

VIII. Director's Business

A. NMED Solid Waste Bureau – Auralie Ashley-Marx

Ms. Ashley-Marx is the Bureau Chief for the State of NM Environmental Department Bureau Solid Waste Bureau. She thanks the Board for their invitation today, and states that she is available to provide assistance or answer any questions that Manager Fuller or the Board may have. Ms. Ashley-Marx has been with the NMED SWB for 14 years; prior to that she was the Solid Waste Manager for Santa Fe County. She states that RAC Manager Campos has done a great job in the past of working with her office to establish the Alcalde Transfer Station. Ms. Ashley-Marx mentions the full cost accounting method utilized at facilities in other communities and suggests that the Authority utilize the scale in Alcalde, as this is the best and most fair tool for both the Authority and its customers. Ms. Ashley-Marx hands out a copy of a mailing that she helped create and distribute in Santa Fe County; she suggests the Authority create something similar to be sent out to customer quarterly as a means of keeping them informed and educated. Operations Supervisor Jerome Broyles states that as of now, only commercial and Pueblo customers are utilizing the scale; all residential customers utilize the pay as you go system. Mr. Broyles also mentions the current three-bag rule allowing customers in good standing to take 3 (three) garbage bags to the Collection Centers at no cost. Commissioner Naranjo inquires what the difference in cost would be to increase the number of punches on customers permit cards. Billing Specialist Michelle Valencia advises that as per the information she provided at the last Board meeting, the Authority would lose approximately \$211k by providing more punches per customer. Commissioner Naranjo states that illegal dumping will increase due to the lack of punches, and again references the need for the lien forgiveness program as a means of collecting revenue. RAC Manager Campos suggests that the Board isolate the entities and conduct a rate and cost

analysis; then permit cards, etc. can be further discussed. Vice Chairman Ricci agrees and favor a cost analysis as the entities are all different animals with different needs. Ms. Ashley-Marx advises that she recommend to Former Manager Romero that such a cost analysis be done; and also suggested that the Authority secure an MOU to deliver waste directly to San Juan County's landfill, as this would be more cost effective than hauling loads from Tierra Amarilla to Rio Rancho. Ms. Ashley-Marx also suggests hosting a one-day event to dispose of big ticket items, i.e. refrigerators, for a flat fee to generate revenue; this will also prevent illegal dumping of these items. She goes on to mention that Bernalillo County has passed an ordinance that requires that all tires be quartered prior to disposal; the quarters can in turn be disposed of as MSW at Collection Centers; eliminating the additional expense of tire disposal at Denver City Tire. Ms. Ashley-Marx goes on to discuss recycling options being limited now that China has closed its doors to receiving plastic waste from the US; she encourages organic recycling whenever possible. Ms. Ashley-Marx introduces Peter Garcia who is the Rio Arriba County enforcement officer. Mr. Garcia is also available to meet with the Board or Manager Fuller to answer any questions they may have. He advises that there is a State Hotline to report illegal dumping. Secretary Lujan asks if Mr. Garcia has any suggestions for all of the illegal dumping in Ohkay Owingeh. Ms. Ashley-Marx states that State Police can enforce illegal dumping. She then states that Santa Fe County requires that all loads be tarped and charges a \$25 flat fee for tarps to customers that do not have their loads properly covered. Ms. Ashley-Marx recommends a wooden slat fencing to control blowing debris at the Alcalde Transfer Station; she will send Manager Fuller information on this. Commissioner Naranjo states that he will suggest that Rio Arriba County adopt a similar ordinance regarding mandatory tarping at the next County Commission meeting. Chairman Chavarria thanks Mr. Ashley-Marx and Mr. Garcia for their attendance at today's meeting.

Ms. Ashley-Marx and Mr. Garcia leave at 11:02 a.m.

RAC Manager Campos steps out at 11:02 a.m., he returns at 11:04 a.m.

COE Manager Kelly Duran leaves at 11:05 a.m.

B. Board Elections

Chairman Chavarria asks if there are any nominations for the Chairman's seat. Commissioner Naranjo states that the Bylaws need to be addressed ASAP.

Motion made by Commissioner Naranjo to elect RAC Manager Tomas Campos as Chairman of the Board

Motion seconded by Secretary Lujan

Motion approved by acclamation 5-0

RAC Manager Campos will assume the Chairman seat at the next meeting.

Commissioner Naranjo thanks Chairman Chavarria for his service on the Board.

Motion made by Commissioner Naranjo to elect Ben Lujan as Vice Chairman of the Board

Motion seconded by Chairman Chavarria

Motion approved by acclamation 5-0

*Motion made by Secretary Lujan to elect Dino Chavarria as Secretary of the Board
Motion seconded by Commissioner Naranjo
Motion approved by acclamation 5-0*

IX. Old/New Business

Mr. Byers asks that Operations Supervisor Jerome Broyles makes his presentation first; Mr. Boyles obliges.

D. Collection Center Cost Comparison

Mr. Broyles reached out to 5 entities in the surrounding communities to obtain quotes for landfill services. The following entities provided quotes; Estancia Valley Regional Landfill, Northeastern NM Regional Landfill, and Sandoval County Landfill; Taos County and Santa Fe County did not provide quotes as requested. Based on the cost breakdown provided by each respective entity, Mr. Broyles recommends that the Board continue in their current agreement with Universal Waste Systems, and Mr. Ernie Byers.

A. Universal Waste Systems – Ernie Byers

Mr. Byers advises the Board that he currently has an agreement with Sandoval County to lock in a reduced rate of \$28.50 per ton until 2025; he would in turn like to extend his agreement with the Authority to lock in our current rate of \$22.50 per ton. Mr. Byers states that the proposed extension is mutually agreeable annually and would only continue to benefit the Authority. RAC Manager Campos is concerned that per the State Procurement Code, contracts cannot extend beyond 4 years; Ernie counters stating that he believes SPC will allow for an 8-year contract. RAC Manager Campos asks Ms. Gonzales to verify this. Vice Chairman Ricci suggests that the Board once again review the agreement and the State Procurement Code and take action at the next Regular meeting.

*Motion made by Vice Chairman Ricci to table this item pending a full review by the Board,
and verification of the State Procurement Code
Motion seconded by Commissioner Naranjo
Motion approved and carried 5-0*

RAC Manager Campos inquires if the Authority can sign an exclusive contract with Mr. Byers. Mr. Byers advises that he invested \$200k immediately following approval of the RFP to bring our equipment up to par. He is fully invested financially and feels that it is only fair that the agreement be exclusive. Chairman Chavarria states that he believes that NMED SWB has a regulation that a back-up facility is required; he asks Mr. Broyles to verify this before the next meeting.

Mr. Byers leaves at 11:30 a.m.

B. Vaughn Project Development – Reghanne Vaughn

Ms. Velarde advises the Board of Ms. Vaughn's email advising that she would not be able to attend today's meeting. RAC Manager Campos wants Ms. Vaughn to produce a better-quality work product or return the \$10k she was already paid. Chairman Chavarria asks Manager Fuller to reach out to Ms. Vaughn and convey the Board's message. Manager Fuller agrees.

C. Incode Agreement

Ms. Gonzales reminds the Board that she has been recommending the conversion from Caselle to Incode for some time. Training was held a few weeks ago and was very well received by the Authority's staff. The total cost to convert from Caselle to Incode is \$134k; of that amount 40% will need to be put down when the agreement is signed. The recurring monthly cost is roughly \$16k. Ms. Gonzales advises that a complete cost breakdown can be found on Page 13 of the agreement. She also advises that the conversion will take 9 months to implement.

RAC Manager Campos steps out at 11:37 a.m.; he returns at 11:38 a.m.

RAC Manager Campos inquires if there are any hidden costs. Chairman Chavarria inquires if Manager Fuller has reviewed the agreement; he has not. Secretary Lujan recommends that Manager Fuller approve the proposal pending a favorable review; Manager Fuller is comfortable with this. Commissioner Naranjo agrees.

Motion made by Commissioner Naranjo to have Manager Fuller approve the Incode agreement pending a favorable review

Motion seconded by Secretary Lujan

Motion approved and carried 5-0

X. Next Meeting – Wednesday, May 16, 2018 at 9:00 a.m.

XI. Executive Session

- A. Per Article 15, §10-15-1 of the New Mexico State Statutes Open Meetings Act
Pending or Threatened Litigation Regarding Personnel
Pending Legal**

Motion to enter Executive Session at 11:44 a.m.

Roll Call Vote

Dino Chavarria – In favor

John Ricci – In favor

Ben Lujan – In favor

Alex Naranjo – In favor

Tomas Campos – In favor

Motion to return from Executive Session by Vice Chairman Valdez at 11:55 a.m.

Roll Call Vote

Dino Chavarria – In favor

John Ricci – In favor

Ben Lujan – In favor

Alex Naranjo – In favor

Tomas Campos – In favor

Motion approved and carried 5-0

No action taken during Executive Session

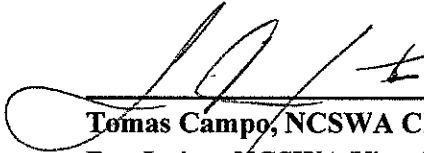
XII. Adjournment

Motion made by Secretary Lujan to Adjourn at 11:55 a.m.

Motion seconded by RAC Manager Campos

Motion approved and carried 5-0

APPROVED AND ADOPTED THIS 16 DAY OF May, 2018



Tomas Campo, NCSWA Chairman
Ben Lujan, NCSWA Vice-Chairman

ATTEST:



Dino Chavarria, NCSWA Secretary