

AMENDED MINUTES OF A REGULAR MEETING OF THE CARLSBAD BOARD OF SOLID WASTE COMMISSIONERS OF THE CITY OF CARLSBAD, NEW MEXICO, HELD AT CITY HALL IN THE PLANNING ROOM ON NOVEMBER 19, 2014 AT 3:30 P.M.

Voting Members Present: Jerry Stanley, Chairman – Member at large
Lisa Flores, Board – Ward 1
Alvin Doporto, Board – Ward 2
John Beasley, Board – Ward 3 (*left meeting approximately 5:40 p.m.*)
Jim Grantner, Board – Ward 4

Voting Members Absent: None

Ex-Officio Members Present: Steve McCutcheon, City Administrator

Ex-Officio Members Absent: Mayor Dale Janway

Board Secretary Present: Luis Camero, Director of Utilities

Staff Present: Monica Harris, Finance Director
Mike Hernandez, Deputy Director of Utilities
Ruben Ramirez, Solid Waste Superintendent
Sylvia Schneider, Solid Waste Coordinator

Others Present: Mary Garwood, Rainbow Recycling
Joe Lewandowski, Operational Consultants

Time stamps below correspond to the recording of the meeting; the recording is hereby made a part of the official record.

0:01:01:0 Jerry Stanley called the meeting to order at 3:31 p.m.

0:01:12:0 1) **ROLL CALL OF VOTING MEMBERS and DETERMINATION OF QUORUM**

Jerry Stanley called the roll of voting members, determining that five of the five appointed board members were in attendance, which constitutes a quorum.

0:01:23:0 2) **APPROVAL OF AGENDA**

Jerry Stanley called for a motion to approve the agenda as presented. John Beasley made the motion, which was seconded by Jim Grantner. *The vote was as follows: Yes – Flores, Doporto, Beasley and Grantner. No – none. Abstain - none. Absent – none. The motion carried.*

0:01:43:0 3) **APPROVAL OF MINUTES OF OCTOBER 15, 2014 MEETING**

John Beasley noted that as of the October 15th meeting, he had not been notified, nor sworn in, therefore, he could not be absent. He made the motion to approve the October 15, 2014 minutes as amended. Lisa Flores seconded the motion. *The vote was as follows: Yes – Flores, Doporto, Beasley and Grantner. No – none. Abstain - none. Absent – none. The motion carried.*

0:04:17:0 4) **ELECT CHAIR PRO TEM**

Jerry Stanley noted that Christopher Jones was the Chair *pro tem* until his resignation, and the commission needs to elect a new one and called for nominations. Jim Grantner nominated John Beasley. John Beasley nominated Alvin Doporto. There were no other nominations and

Stanley called for the vote. Grantner, Flores and Doporto voted for Beasley; Beasley voted for Doporto. John Beasley was elected as Chair *pro tem*.

0:07:00:0

5) **REPORTS**

0:07:04:0

a. Financials – Steve McCutcheon reported that financial reports were not yet submitted due to on-going audit.

0:08:02:0

b. Solid Waste

0:08:04:0

i. Pulverizer status – Mike Hernandez reported that Xcel Energy has been contracted to supply power for the pulverizer. City construction department will pour concrete pad now that specifications, i.e., power conduit placements, are complete. Manufacturer will send technicians to set up equipment and provide training. John Beasley asked what the plan is for product; McCutcheon explained it will be used locally, in accordance with the memorandum of understanding with Guadalupe Mountains National Park. Some will probably be sold to commercial construction contractors although there may also be some product available for sale to individuals. Jerry Stanley remarked that Guadalupe Mountains National Park will receive what they need in accordance with the MOU; the city may also use product at golf course and parks.

0:22:31:0

ii. Convenience station update – Luis Camero reported that plans for the convenience station, which are included in the printed audit report, will be submitted to engineering for final drawings. Mr. Camero anticipates completion around March.

0:24:10:0

c. Carlsbad Recycles! – There was no report for Carlsbad Recycles! but Jerry Stanley invited Mary Garwood to speak about Rainbow Recycling.

0:42:24:0

6) **OPERATIONAL CONSULTANTS PRESENTATION OF SOLID WASTE AUDIT**

Jerry Stanley introduced Joe Lewandowski of Operational Consultants. Stanley said, "It's quite an audit, I think. He is to be complimented with all the detail that he's got in this blue book."

0:43:05:

Stanley recommended discussing the report in three segments "so we don't spend the whole night here" and direct questions regarding Research & Analysis, Findings & Recommendations, and any general comments and then the Ordinance "because we need to spend some time on that ordinance before it goes to council."

0:43:39:0

John Beasley asked if Stanley was recommending three meetings to discuss the audit. Stanley said it was to be done "here today in three segments" and it was all right with him if the board was there until midnight, he did not care. He wanted to avoid random discussion and wanted to keep it organized in each segment.

0:44:32:0

Joe Lewandowski discussed the findings of the solid waste audit and answered questions. He had a printed report and recommendations, including numerous attachments. Lewandowski explained that due to the growth of the city, the current collection

system is seriously outdated. He said Carlsbad needed to convert their system because the city has outgrown the current process.

0:46:17:0 Lewandowski said, "The system you have right now, there's not a lot of recommendations as far as changing the... side-loader system, what you're doing right now to improve what you currently have in place with a side-loader residential pick-up is not anything I'm recommending that you change or anything. Your routes are efficient enough."

0:47:06:0 Lewandowski said the perfect system in Carlsbad would be front-loaders for the commercial routes – he said they are more versatile; they are heavier-duty, higher compaction trucks with ability to service various-sized containers. He went over his recommendations and reasoning for same, adding that the department does well with the equipment available. He recommends changing some of the vehicles to more versatile equipment, i.e., front-loaders or roll-out trucks, rather than making do and modifying the existing fleet for the increase in roll-out containers.

0:47:51:0 Lewandowski recommended converting to roll-outs at the curb for all residential customers, as a more efficient means of managing solid waste. As an example, Southwest Disposal, which Lewandowski said he started, uses carts at the curb, as does Waste Management and many municipalities because this other system is so much more cost effective, so much more efficient, not only in the commercial but in the residential area, too.

0:50:00:0 House-to-house recycling of approximately 1,000 homes and the Fairway Pilot Program should be working "very fine" as a means of transitioning to once-per-week trash pickup. Lewandowski said they call it "dumping air" by having a second pickup. Homes that may require additional service could be offered an additional container, in part to avoid contamination of curbside recycling containers. Conversion to carts and front-loader system is recommended.

0:51:49:0 Lewandowski noted as biggest loss of or waste of money is bulk trash pick-up in "search and destroy" mode rather than scheduled pickups. His recommendation is an on-call system – customers call in, address is input into simple software program that organizes a report to put requests in order, like a regular route.

0:55:02:0 Commercial is the second-biggest loss of money item, which he calls "dumping air."

0:55:10:0 He concurs with the plan to have the convenience station manned to control dumping and what goes on there, specifically, users that are not residential. Unmanned also is a liability issue, so it is an issue that needs to get under control.

0:56:05:0 Commercial customers should have an option for once-per-week pick-up rather than twice a week minimum. Lewandowski said if a one-time-per-week pickup on commercial accounts was offered, it would be "the vast majority of what all your pickups are going to be." He said 75-80 percent of all commercial accounts in other cities are once per week. However, the rate adjustment should not simply be cut in half.

1:00:40:0 Lewandowski said if Carlsbad offered once a week pickup, and 60 percent of customers opted for it, it does not mean that workers are laid off; instead of picking up trash for a second time, they would pick up recycling or do something more productive "like we do in

private enterprise" – he said private enterprise is always looking for ways to save money and expand in other areas.

1:05:25:0 David Flores said he didn't understand how the downtown area could be serviced with front-loaders. Lewandowski conceded and said, "oh, you're not going to.... You can, but I don't recommend it." Other companies have done so by putting casters on containers, which are then pulled out by the driver, serviced, and pushed back into place. He said too many accidents can happen and too many things can go wrong. Downtown area will continue to use side-loaders. Options to continue using side-loaders in commercial area include 350- to 450-gallon plastic containers, which can be picked up by the same side-loader truck that picks up residential 96-gallon roll-outs.

1:09:00:0 Joe Lewandowski explained that the metal Dumpsters are either missing lids or have damaged lids; maintenance is very expensive. Plastic containers are easier to maintain and maintenance costs are less expensive. Damage often occurs when a driver does not clear the hopper of the truck and the lids are crumpled when they hit garbage. This never occurs with a front-loader system.

1:11:40:0 Recycling continues to be a valid tool in solid waste management; however, Rainbow Recycling facility would need to modify to be able to handle increased tonnage. Lewandowski said "you don't want to push recycling until you resolve the recycling issue as far as rates" because recycling dumpsters are currently free. Rainbow has equipment that is more than adequate to handle the amount of recycling generated. A recycling rate for collection needs to be established. Sale of processed materials should pay for the cost of recycling; collection of recyclables is the same cost as picking up garbage, and should be paid; Lewandowski said he normally has assessed recycling fees at 50 percent of the solid waste rate; the council needs to adopt a recycling rate, and he does recommend 50 percent.

1:16:12:0 House-to-house recycling will have minimal effect on diversion, but since it is established, it should be continued. Commercial sector will have the biggest impact on waste stream and Lewandowski recommends focusing on commercial sector and drop-off points, including neighborhood drop-offs.

1:19:25:0 Long-term goals include continuing converting residential routes from Dumpsters to roll-outs on the streets and work to eliminate side-loader system for new commercial customers and convert to front-loader system.

1:21:03:0 A transfer station is a good idea, Lewandowski said; you can reduce the size of the trucks where they have more maneuverability in the alleys, which will save on maintenance, wear and tear. The faster turnaround increases productivity of drivers and improves customer service. Weather would not force a facility shut-down with a transfer station. Customers could drop off bulk trash and recycling as well as material for the glass pulverizer.

1:24:20:0 Lewandowski suggested housing the recycling center and other solid waste facilities in one area, i.e., a transfer station.

1:24:40:0 Jerry Stanley commented that the audit report contained a lot of information, and opened the floor for questions. Stanley asked where Blackfoot Road is because he did not know where the composting facility was located. He asked, "With the remodel of the convenience station, would we not want the compost facility to be part of that?" Mr. Camero

explained that the facility is a part of the wastewater treatment plant and the product is used at the golf course and city parks.

1:27:04:0 Jerry Stanley said he saw a discrepancy on 1-5 and 1-6 regarding side-loaders; one page showed more trucks in the fleet. Lewandowski explained three units are held as back-ups and one of four grapple trucks is a back-up. Stanley asked about one compactor unit listed in the report and Mr. Camero said it was located at the hospital. Lewandowski noted that Lowe's has a compactor, but it is not a stationary compactor.

1:29:03:0 Lewandowski said "you need to push more and more toward the compactors" and will present a list of accounts which would benefit from compactor service. Jerry Stanley confused about discrepancies in numbers of containers. Route sheets and inventory sheets are not going to match, but Lewandowski said he would reconcile the numbers for the final report.

1:33:20:0 Stanley said he suspects there are homes that do not have any containers. Mr. Camero explained that every residence does have access to a container.

1:37:00:0 Lewandowski explained that there are businesses that will always require multiple pick-ups per week, and should be charged; however, those for whom once per week pick-up is adequate, the city will save considerably. Some of the larger accounts that currently are serviced multiple times per week will be included in the recommendation for compactor service.

1:44:37:0 Jerry Stanley asked about large item disposal, for which Carlsbad currently does not charge. Lewandowski explained that charging for the service encourages illegal dumping. Lewandowski said the pages will be revised for clarity. Lewandowski does not recommend charging routinely for bulky trash; there is a recommended fee schedule for specifically requested clean-ups, i.e., clearing a piece of property or other large project but routine deposits of bulk trash should continue to be "free" to residential customers. Lewandowski reiterated that any time a charge is assessed for bulk pick-ups or convenience station drop-offs, that illegal dumping does increase. Grapple service should be call-in, according to Lewandowski, which is a big step toward improving departmental efficiency.

1:51:06:0 Lewandowski noted that approximately 1,000 residences are currently served by curbside recycling, including the Fairway Pilot Program. Recycling is picked up once per week. Lewandowski commented that once per week trash and once per week recycling, as is being done in the Fairway area, would work for the city. The audit recommendation will be to utilize roll-out carts citywide, which are serviced once per week.

1:54:22:0 Lewandowski stressed that the sample ordinance he provided is not the recommendation, only an example to be tailored to the board's decisions.

1:55:44:0 Jim Grantner queried Lewandowski as to whether the recommendations would be phased in; Lewandowski said he had not yet calculated the prioritization of changes. Some of the criteria to be considered are whether there will be an expenditure or savings. Jerry Stanley said he had a list for Lewandowski that he would like him to rank in order. Grantner again wanted to know how changes would be phased in, and would like a projected timeline. A recommendation from the board is still a work in progress.

2:01:42:0 Mr. Camero said to keep in mind what the main goal is: "We're supposed to accomplish the same thing we're accomplishing now as a department, as solid waste, not necessarily for less, but for the same amount." Council will not be amenable to a rate increase unless it is absolutely necessary. The audit shows ways to become more effective and Mr. Camero said in the long run, we will see some savings. Lewandowski explained that changing to once per week service would certainly not result in a 50 percent decrease in rates; costs to be considered for the first pick-up include containers, container maintenance – a second pick-up utilizes the same container, so the cost is not the same, therefore, if rates are reduced, it would not be half. Lewandowski said a rate analysis would probably be advisable before any changes to rates were recommended. Lewandowski explained why providing compactors would be another means of providing service efficiently.

2:19:04:0 7) **OTHER COMMENTS & QUESTIONS FOR DISCUSSION ONLY – NO ACTION TAKEN**

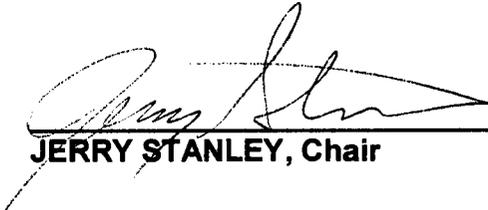
Monica Harris explained that rates had increased by 5% for the last several years by ordinance. Beginning October 2015, the rate increase will be based on the Consumer Price Index for the previous four fiscal years (ending in July), which will continue to increase based on CPI until/unless the ordinance is amended or rescinded and a new ordinance enacted. As part of this process to amend the solid waste ordinance, and concurrently, the rates, Harris said she would not recommend not having a factor to consider inflation, which is what the CPI is – based on rates of inflation. The city has been satisfied using those criteria for water utility rates.

2:28:44:0 8) **SET NEXT MEETING**

The next meeting of the Board shall be scheduled for 3:30 p.m. on Wednesday, December 17, 2014 in the Planning Room at City Hall.

2:28:49:0 9) **MOTION TO ADJOURN**

Jerry Stanley called for a motion to adjourn. Jim Grantner made the motion to adjourn, seconded by Alvin Doporto. *The vote was as follows: Yes – Flores, Doporto, and Grantner. No – none. Abstain - none. Absent – Beasley. The motion carried.* The meeting was adjourned at approximately 6:00 p.m.



JERRY STANLEY, Chair