Chair Little called the Regular Meeting to order at approximately 3:00 p.m.

1. Conflict of Interest:
Chair Little: The first order of business to inquire of the Board and staff if one has any Conflict of Interest with any item on the agenda.

There were none.

2. Acceptance of Agenda:
Chairman Little: Next item is Acceptance of Agenda. Motion to approve.
Sorg: Move to approve.

Chair Little: Thank you. A second?

Johnson: Second.

Chair Little: Any additions or corrections to the agenda? Seeing none. Ask for a vote.

Commissioner Bencomo - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Johnson - Aye; and Chair Little - Aye; Commissioner Baumgarn - Absent.

The Agenda was Accepted Unanimously 6-0.

3. *Acceptance of Minutes:

   The Minutes were Approved Unanimously on Consent 6-0.

4. Public Participation:
Chair Little: Next item is Public Participation. Are there members of the public present who care to be heard? Seeing none.

There was none.

5. Administrative Report:
Chair Little: Next item of business is the Administrative Report. Dr. Garcia.

Dr. Garcia: Ms. Widmer, please.

Widmer: Mr. Chairman, Commissioners. Adrienne Widmer, Deputy Director for Water. Today, I’d like to talk a little bit to you as a reminder back in August of 2017 you all gave us the honor of approving our Internship Program because we had been having trouble hiring people with the right certifications. This particular program is a competitive program that interns, internships for students wishing to pursue a degree and a career in the Water/Wastewater operations through the associate degree in Water Technology. Our program is paying for tuition and related expenses and stipends, we provide on the job training and 20 hours per week during school and 40 hours per week during the school breaks. After completing the program an intern becomes a full-time employee and it takes service to Water, Wastewater, or Regulatory programs for up to eight years depending on the program usage. Since the
Spring 2018 semester, six interns have been accepted with additional interns expected for the 2020 Fall Semester. I will now introduce John Mrozek, the Deputy Director of Wastewater.

Mrozek: Mr. Chairman, Commissioners. John Mrozek, Deputy Director Wastewater. We are bringing to you today the first intern to complete the Las Cruces Utilities (LCU) Internship Program. Errol Lockett completed the program in December 2019 and is now working for the Wastewater Line of Business as a Wastewater Maintenance Worker. I present Errol Lockett.

Lockett: Mr. Chairman, Board Members. My name is Errol Lockett. I'm the first graduate of the City of Las Cruces (City) Internship Program. I was very interested in the wastewater field and when I saw the Internship Program, I knew I had found a way into the field. It was very hard taking classes and working but I had plenty of help with my co-workers and supervisors. When I graduated there was a position for the maintenance worker, and I moved right into this position. I just took my Level II Certification and when there's a position available for that, a higher position, I'll be able to take it. I would like to thank the City for the Internship Program. It was really helpful in my education. Thank you.

Walsh: Mr. Chairman. We have a small gift for Errol. You did a great job.

Sorg: Mr. Chair.

Chair Little: Go ahead.

Sorg: I just wanted to comment this is a really good thing that the City is doing. The City Utilities is doing. We need a lot more of this across our City and across the state and across the country. This is what we need to do to get people high paying jobs.

Chair Little: Thank you. I agree. Okay.

Dr. Garcia: The next item we have Mr. Peck, he will give us a little bit about Recycling. Two of the Council Members saw the presentation, but this gives you another opportunity to ask more questions.

Peck: Good afternoon Mr. Chairman, Commissioners. Patrick Peck, Director of South Central Solid Waste Authority. Then again for the three of you that have seen this presentation this week I apologize that you're going to go through this again, but we're going to go through this. This is basically the exact same one that we just went through with the City Council but I want
to, hopefully, we have a little bit different discussion than we did with City Council.

What we’re talking about today is the future of our Recycling Program in Las Cruces and what we’re doing to help combat some of the effects of the Chinese Green Sword. As you may know back in 2018 the Solid Waste Authority in conjunction with Jacobs Engineering and Suzanne Michaels Communications, we sponsored some citizens groups meetings here in Las Cruces and met with citizens to get their thoughts about what was happening with the Recycling Program and basically the collapse of the recycling market at that point in time. I will tell you right off the bat that I got way out in front of this. I was way out in front of the issue and at that point in time that we had the citizens meeting there was not a lot of knowledge. There wasn’t public information. It wasn’t out in the news media yet, so they weren’t really aware of the total impact of what was happening with that program.

Instead they were talking about they wanted green waste programs and they wanted to expand the program into the rural areas of the county and there actually was a demand for more services. The takeaway from that and from the surveys that we actually published online is that the overall citizenship we had a really good support for one of the best programs in the United States and it was very supportive at that point in time. I mean there was not an angry mob, but they weren't really aware of what was coming down the pipe. I think they are, we are today. It's much better.

As I said, those public meetings were held...I had to hire Jacobs Engineering, which is the world's largest consulting engineering firm to come in and actually help me with those programs and then afterwards we looked at the situation and the global market. We looked at the survey sheets that were put out and they produced the reports, about a 50-page report that was produced with some recommendations. These are the recommendations coming in and then again this was fall of 2018 so it's a little over a year old. There was a push and a big recommendation to continue on with public education and to get the information out to the public. The most important thing is at that point in time was how to recycle right? What were the items that need to be recycled? What constituted a clean item? That was the message the industry was sending out as well at the same time, and I'm going to get to that in another slide.

There's a concept in Recycling called “Dual Stream” where you actually take the carbon or the fiber material, the paper material and you separate it from the containers; the tin, the plastic and we went to West Palm Beach, Florida, and looked at the Dual Stream System. And the report is pretty interesting. I
mean we would've had a small hiccup as far as support for the program if we had instituted it but, after about four months it actually, that hiccup would've gone away. The problem with Dual Stream is that we don't have the infrastructure in place to set up that program. We don't have two sort lines and we couldn't do it separately. Give you place to think about it, if things change even more that we could potentially do a modified Dual Stream here if we had to, but at that point in time it wasn't feasible for us to look at. They wanted us to focus on small price increases to get caught up to where we needed to be. One of the things that you need to understand about the Recycling Program in Las Cruces is we have a separate line item for Recycling. It's not a blend on the bill where it's just hidden in your Solid Waste bill. It's actually a separate line item, and because of that we're actually ahead of probably 90% of the country that just blended it in, and it's lost within their rates and when you do the rate studies. By doing that we're ahead of that and they recognize that, and they said, "Make your small price increases through every year through that instead of trying to hit the public with one big hit."

What I really want to focus on today is the development of partnerships. Las Cruces Utility, Dr. Garcia, Ms. Lawrence, and myself, we have talked about this a lot in the last year and started to develop a much more robust partnership between the Utilities, between South Central Solid Waste Authority and LCU. At the same time that we're working together I've also created what they call the Rio Grande Recycling Corridor, which is a partnership between Santa Fe, Albuquerque, Las Cruces, and El Paso. We are having monthly phone calls and having conversations. I had one yesterday that lasted an hour and a half just keeping everybody abreast of what's going on with their programs and what they're doing.

When I talk about LCU, one of the ideas that we've been kicking around and you've probably heard whispers of this if not full blown had this brought to your attention, but Dr. Garcia and I really firmly believe in a strong customer service presence. One of the biggest frustrations from the constituents and we've heard this over and over again is they didn't know who to call if they had a problem with their Solid Waste or their Recycling. There was a customer service call at City Hall or was it calling Solid Waste directly or was it calling Friedman directly or was it calling South Central Solid Waste Authority? And those phone calls bounced all over the place and they have for the last decade. The idea behind that is to form a joint call center for utilities. South Central Solid Waste Authority is committed to funding one of those positions. Dr. Garcia's group is funding the other two. We want to create a call center that handles utilities specifics.
The other thing that we want to do is we designed a joint logo and we actually want to put the same number, same logo on the Recycling containers that are on the Solid Waste containers and then again give the constituents a one stop shop and provide the training to the people answering the phones so that they have an intelligence level for utilities and they understand what the questions that are coming in and how to get the constituents to the right answer. I think that's huge.

On the second side of the partnership, I mention the Rio Grande Group. We were actually awarded $125,000.00 state grant to develop a statewide Recycling ad campaign. There're two examples; one is the Recycling Raccoons out of Michigan and the other one is Republic Services, Recycling Simplified. You can look those up. They're good concise messaging on how to recycle right. The grant was awarded in July. We, actually in December were allowed to advertise. We've hired a consultant; Sunny 505 in Albuquerque is going to be ad campaign. The New Mexico Recycling Coalition is another contractor on this to help disseminate the information. Within the two weeks of that those PO's have been issued, 505 has already produced image ready material. They showed it yesterday during our conference call where they actually have material out. This is going to be a really high focused Recycle Right Campaign along the Rio Grande corridor this spring. We're going to roll this out; billboards, radio spots, and going from there. Just on the other side of the coin everyone in the room should know Suzanne Michaels, Cassie, and I've asked them, they're preparing a PR campaign that will mirror that for here locally. We're going to really emphasize on Recycling right and how to do certain things and try to get the message out that, “Recycling isn't dead, it's just that the rules have changed.” I wish I could take credit for that quote, but actually that's Sarah Pierpont from NMRC (New Mexico Recycling Coalition).

Where do we get here from today and why do I call this the Perfect Storm? We got hit by three different sides. China basically quit taking the 50% of the world's recycling. It was because of environmental policies of the administration that's in charge and I can't blame them for that because China was being used as a trash can by most of the world. In the same breath, we have extremely low oil prices that's making virgin plastic extremely inexpensive to create and so the demand for recycled plastic isn't high and the price is down to the bottom. Then we had a trade war, which really affected the amount of goods and materials that were going for because everything in the world is made in China and everything is packaged in China. The Christmas season, they normally order cardboard or packaging material for Christmas in July and there's always an uptick every year in the price of materials in July and this year there wasn't. I mean it really showed
that there was going to be a huge, the pending trade war was going to be a huge impact.

I guess the other thing that's come out of this and I, then again, I think there's some good things that have come out of this. I'm trying to look at the silver lining. The Recycling industry was basically called out on the fact that they were using China as a trash can and that a lot of the plastics that were being supposedly recycled were actually being incinerated or landfilled in China after they were sorted by peasant labor. Some of that basically the plastic industry has a waste disposal problem that they have to manage, and I think that came out of it. There's been a lot of pressure in conferences and I'm happy about that, but I can tell you right now that our 3-7 plastic is being recycled here in Las Cruces and is going to a mill in Louisiana so it's staying domestic and it is still being recycled. It doesn't have much value, but it is being taken there.

With domestic mills which is where I was a year ago preaching that we had to go to domestic. Domestic mills are demanding pristine material. I mean it has to be very beautiful cardboard. They can't have, what used to be allowable isn't anymore. China's contamination rate is half of 1%. That translates to about a 2% contamination right here in the United States and we were up to 7% or 8% before the China sort so it's what we're considering very pristine materials. The days of wish-cycling and just simply putting something in your container, in your blue container and going, "Ah, it'll be recycled" are over. It just, that's trash and actually that's one of the images we talked about putting up on billboards is like the biggest one, contaminate we're seeing are pizza boxes and just putting the pizza box on the billboards saying, "I'm trash and that's okay," because of the grease and the food contamination in that. That's the type of messaging we're coming in but that's the situation that we're looking at.

Seems that we're right on track with what's being discussed at conferences throughout the country. I've been sending people to trainings and conferences all over the place. Partnerships and allies, transparencies from the processors which we have. Part of our contract is they actually have to show us what it's costing them to run their plant and I get reports on a monthly basis of what our contamination rates are. That's the part of the Rio Grande telephone is transparency between all the partners that are working with Friedman. This is the one that Councilor Flores kind of landed on and Councilor Bencomo, you were there as well, that recycling is not the answer, it's a plague. It's beginning to have a conversation about zero waste, and the road to zero waste and how do we quit producing so much waste. Also, what
they talked about on what they call a circular economy and we'll get to that a little bit more in the presentation.

Then again 2019, the WASTECON is the national waste conference for municipalities. Huge on innovation tour which is, I was excited to do that, but it ended up being nothing more than a compost tour. I don't know, some of you saw Councilor Vasquez's e-mail yesterday or right after, I think it was yesterday he sent out that Phoenix just raised their rates as well because of recycling. That was kind of interesting. Curbing contamination at the curb is important and we're working with the Recycling Partnership, which is a national nonprofit to actually go out and inspect containers and look and putting oops tags and thank you tags out and trying to raise that level of awareness. Just combating contamination throughout so that we can actually work towards a more pristine material which is what the market's demanding.

All of that's being discussed at conferences. As I said Monday at the City Council Work Session, I've actually looked into conferences out of the United States because we covered the United States. I mean from the East Coast to the South to the Pacific Northwest, we've been all over the place trying to get ideas and get, you know, find out what's going and what other areas are doing with this issue. I keep hearing about this big conference in Canada that I should, they're supposed to have some innovative ideas, so it looks like I'm probably submitting to go to Canada this year.

If we look to the future, the near future what we're doing, I think it's huge because of the fact that the Recycling industry and the conditions are changing on a daily basis. I think developing a single point of contact for customer service is huge. It's very important to have a clear and concise message. Like I said, we've committed to staffing one of those positions in that call center. I think it's a great idea. Then we're continuing to work with national groups, you know the Recycling Partnership, the Solid Waste Association North America, the National Recycling Coalition, the New Mexico Recycling Coalition, and one that was new is now we're working with a firm called the Closed Loop Partnership that helps develop business plans and does analysis for circular economic type of activities.

When I talk about a circular economy, on the last slide you'll see but it's basically you utilize waste that's generated within your community that can be processed and reformed back into a useable good back into your community instead of shipping it out and shipping your problem elsewhere. It's held mostly, and I don't think it's realistic to think that we can do everything in the waste stream as a circular economy, but then again there's
bits and pieces in where we can go with that. The best example I have is scrap tires and grinding the scrap tires up and using that to chip seal or fill cracks within asphalt. I know that material's there and I think, but then again, we don't have the infrastructure for that yet, but we're working towards that. It's just finding the money and the grants and getting that done.

As I contemplated because in this year our Recycling contracts are up. We just signed a five year processing contract with Friedman so we still have a good market and they've been doing really well to establish relationships with markets and mills and being able to sell and move the material and they're being able to move 3-7 plastics a good example of that. How do we mitigate our risk as a community to make sure that we don't go out and just spend a lot, wasteful spending of a lot of money on trucks or this Recycling Program that could collapse again? I think the best thing to do is then again mitigate risk to industry.

We're going to go out to bid this year for collection. Originally, a year ago I was all hot to begin collection and bring it in-house and do it ourselves, now I don't think that's the best thing in the world to do is to buy a million dollars' worth of trucks and hire more people. We need to mitigate some of that risk to industry, but in the same time bite we need to build equity. Going back to the days of Miguel Silva when he was on my Board of Directors, buy the containers that the trucks pick up is a good way to build equity. Dr. Garcia and I have talked about it and budgeted and we're going to buy the containers that we put out on the street and just hire a company to pick them up. We'll handle the customer service. We'll handle the cart delivery. A lot of the details are being discussed in how we work this out, but that builds about $2 million worth of equity into a $5 million program. I think that's a good step to go in from there.

One of the things that I've been calling out and it's good to see that Lisa's here from Sustainability is, and she and I have actually had a phone call yesterday on this is that we really need to review our old codes and update them, and ordinances. We need to support zero waste concepts and ideas and make those things viable here in Las Cruces instead of putting up fences for them or walls for that. We need to be looking at, and a good example, I guess is how we treat food waste. Forty-two percent of the waste stream it's defined as Municipal Solid Waste and so therefore it has to be picked up as a solid waste. It cannot be picked up separately or managed separately or composted because of the way the old ordinance is written.
A simple change with that and then the other phone call Lisa and I were talking about was glass and how glass could actually be picked up and processed independently and then again it falls within that definition of the solid waste. Those type of changes make it easy to develop economic development ideas or new jobs or new ideas through the circular economy approach. Then again think about, like I said the easiest thing I can think of is tires. You grind tires up the consistency of black pepper, that material is then used in a product that's used to seal cracks. If we can grind the tires here and make material here or get a public/private partnership with a company to make the material here, then again, the City could go back and use on their own roads. That's a circular economy and to me that's a perfect idea.

Those are the type of things looking forward of what we're looking at, that's the discussion, those are the types of ideas. Today our blue bins are being picked up, the material is being sold and recycled, it has little to no value and the transportation is eating it up. As Councilor Sorg told me in an e-mail and we discussed on Monday there are industries that are looking at Las Cruces and the area because of our rail port, our inland port, and some of the infrastructure, and just some of the relationships that we have. There are some plastic companies that are looking to come into the area. At least we're being considered and that's a good thing. Like I said, I think Councilor Vasquez who's the chair on my board, he was like, "just please tell me it's being picked up and being recycled," and it is. That's a good thing.

Then again this is kind of my last slide talking about then again Las Cruces, New Mexico. The Southwest I define it as a recycling island because we only have one mill in New Mexico that's five hours away that you can take material that everyone wants to send it there, so they basically pay whatever they want, not what the market will bear. I understand that we have a need to develop sorting infrastructure and move all of our eggs out of one basket into multiple baskets. We just came back from a lovely trip to Steamboat Springs, Colorado in the middle of a blizzard to go look at sorting infrastructure and that was fun. We met some great people who have some ideas there. Then again that was recommended from the Closed Loop Partnership.

Right now, clear and concise messaging, I think is something that we can drive home. Then we have to continue, like I said we're going to work with the Rio Grande Group. We're going to develop our options. Maybe somebody can do a plastic flaking plant. Maybe somebody can do a paper pulp process, whatever the process is. I'm asking what is the next step in the recycling process of the material and can we do that as an added value so that we
don't...all of our money isn't eaten up in transportation. Because everybody can produce a bale but what's the next step and those are the type of questions that we're answering. I don't have all those answers yet, but I think we're on the right path.

With that I think pretty sure that's the last slide. I would stand for any questions or comments that you would have, Chairman Little, Board Members on this subject. We're still working towards it. We're still recycling here in Las Cruces and it's still a good program.

Chair Little: Okay. Comments or questions? I have lots.

Peck: I'm ready.

Sorg: I can say something too.

Chair Little: Go ahead.

Sorg: Okay. I'll just repeat what I said in the City Council. I'm very impressed with what Mr. Peck has been doing on what is called information news gathering. All the information he's gathering, the hard work and all that and I thank him very much for all that. This is amazing. What he's learned and what he's sharing with us and I think we can make this work.

Chair Little: Okay. All right. One of the early steps needs to be providing training materials. I know that there's an awful lot of ignorant people putting things in blue bins here, there, and everywhere. They are ignorant. They are not stupid. They're not ill-meaning. They're ignorant. We need training materials soon and clear and extensive.

The second item is directed at the Utilities Department. I have often gone to sleep congratulating myself that the Utilities’ sole responsibility of Recycling was a pass-through. Now I hear that we are contemplating a much more active and intimate role and I don't know what that's going to be, and I certainly want to hear about it before the deal is struck.

Dr. Garcia: Yes, Mr. Chairman. Given what is going on with Recycling, that's when we started talking about what are we going to keep the program going. If you go back to the rate presentation, you'll see that there's a small component to do something about recycling of the containers. We reserved four of the old trucks to if tomorrow we have to go and pick up recyclables if we had the containers then we may be willing to do that and start a program on our own. You're absolutely right. As we move forward, we may see that we have
a bigger role for our customers in case Friedman decides that they want to walk away. That's not the case right now, but we need to be ready. Yes, and we may, as things move forward, we may need additional work sessions to discuss the details as to what our role would be. Now on the rate side we will continue to have Recycling separate as a pass through but in terms of operations we need to be ready to react, we need to be flexible.

Chair Little: We certainly, we as a Board need to learn about that as early as practical.

Dr. Garcia: Correct.
Chair Little: The third item is whether or not there are still any opportunities or even thoughts for single stream, or I'm sorry, multiple stream recycling; white office paper, clean cardboard, tin cans, aluminum cans.

Peck: Chairman Little. I had the engineering look at that, and probably that's a step backwards. Going back in and having separate containers for white paper, breaking that and moving away from single stream. They don't recommend it. Nationwide, they're not recommending that. I mean the MRF (Materials Recovery Facility) infrastructure's there it's just, and the nice thing about the increase in the quality that's being demanded by the mills is it's forcing those, that MRF infrastructure to be upgraded and so we're meeting the quality standards now. Going backwards and having multiple trucks and everything else, you get into this conversation about what's the carbon footprint, what's the environmental impact of putting multiple trucks on the street versus one. What I like about what we're talking about doing is we have a robust Commercial Recycling Program that is very heavy in cardboard, and so if we were to develop infrastructure here in Las Cruces it would be to go in and mine that high value cardboard or carbon material out and then utilize the MRF in El Paso as the second side of the dual stream approach to send some of the lower quality materials there and let them do it because I think in 12 months we'll be able to sell cardboard and paper very easily, but what are we going to do with some of the other marginal materials? The idea is to build infrastructure here and then utilize both MRFs as kind of a hybrid dual stream approach.

Chair Little: Anyone else? Anything else? I'm the only comments.

Peck: One of the things too, Chairman Little, I wanted to talk about, I agree with you on the training material. The Recycling Partnership has got a lot of material out that's generic and part of the charge of Sunny 505 and this RAID (Recycling and Illegal Dumping) Grant, this $125,000.00 ad campaign is to take their material and put a southwest or New Mexico brand on it and give it a visual effect that is for our community, not for South Carolina, not
for Georgia, but for the southwest. That's part of the whole agreement within the Rio Grande Corridor is once that's developed and we're in a (inaudible) will be coming in is to actually help disseminate that information, use those same graphics, have that consistent messaging so it's the same, fairly the same from El Paso all the way to Santa Fe and of course right here.

I mean I'm not going to whine too much, but the Recycling Partnership actually hired our Recycling Coordinator who was great at that away from us and she left. I was left and then I stole one of Robin's persons and you know we're stealing from each other to try to make these things, but it's been tough, because I had that graphic arts person, that Facebook person, that young intern and she got snatched up and paid very well to do the same thing on a national level. We are recovering and right now we're actually interviewing for a new outreach person that's going to help develop that and help disseminate that information out there. We had a setback, but we're moving forward.

Chair Little: Okay. Thank you. Anything else? Thank you for the presentation.

Dr. Garcia: Mr. Provencio. You're next.

Provencio: Good afternoon Chairman, Commissioners. Brief you on our ongoing activity with respect to Utility Assistance Programs and the activity and statistics that will reflect the January report. First two pages speak for the new activity. Any of the items that we have there and were working with various agencies to assist our customers. The main one that is always of interest is the Casa de Peregrinos program that administers utility bill assistance. We are on very good track in terms of making sure we reach out to as many people as we can and fully utilize the program funds to help our customers to pay their utility bills. We're at pretty much, we've expended 64% of the fund. I'll keep you briefed going forward as we approach the second half of the, as we near the end of the fiscal year. I'll stand by for any questions you may have.

Chair Little: Commissioner Johnson.

Johnson: Yes, is this kind of the normal pattern? We're ahead of on use percentage versus percentage of the fiscal year. Is that because it's heavier in the winter months or are we seeing that we're going to be by the end of the year not able to provide all of it?

Provencio: Chairman, Commissioner Johnson. It's a factor of two things. It is a seasonal effect. We've also promoted, done a good deal of promotion to get the word out to our customers to come in and sit down and meet with our receivables
staff and help them out with their situation as well as the staff itself reaching out in a proactive manner, so it's a factor. It's seasonal, yes of course during the winter season, and as well as in the water during the summer when the water consumption goes up. It's also, it's the promotion and getting the word out that we the City provide help for all of those customers that qualify for that assistance.

Johnson: I had a second question two slides back; 2,156 customers requesting a due date. Is that in one month or is that cumulative through the year?

Provencio: That's a single month statistic. That's for each month.

Johnson: That's lots.

Provencio: That's the most common used, "Can you help me out just till I get my next paycheck."

Johnson: How many repeat offenders do we have?

Provencio: I wouldn't be able to say. It's a simple process that our receivables folks administer and it's a very effective one.

Johnson: Okay. Well if it's working that's fine, I was just surprised.

Chair Little: It runs about that amount each month.

Provencio: Yes. Yes, it does. That's correct.

Johnson: That's what sort of percentage of our total customers?

Provencio: About 45,000 bills.

Johnson: Forty-five thousand, yes. I guess that's not too bad then.

Provencio: No, it's not.

Archuleta: About 10%.

Chair Little: Less.

Sorg: Four percent.

Johnson: Yes, way less than 10%.
Chair Little: Okay. Thank you.

Provencio: You're welcome.

Dr. Garcia: Ms. Walsh.

Walsh: Mr. Chairman, Commissioners. Delilah Walsh, Assistant Utilities Director. If you'll look at our chart on the left, you'll see that we reduced our total FTE (Full-Time Employee) vacancies by 10. That's a net change since we started tracking in November so that's good news for us. This is not fully reflective of all the change that we've had simply because we do have a lot of promotions happening internally, so those vacancies never really pop up in our reports. So, we're actually making a lot of progress for filling those vacancies and our Deputy Directors are doing a great job in that area.

Our Water Line of Business if you'll look at our vacancies by lines of business on that right has maybe the most progress in filling the vacancies. Adrienne has actually reclassified one of her positions and she has a plan to reclassify even more positions. Once those all go through and everything's approved, she'll actually have addressed more than half of the vacancies she started with at the beginning of fiscal year and that's really significant if you remember how many we had starting out in Water. Any questions on the vacancy portion?

Sorg: Yes.

Walsh: Yes sir.

Sorg: Is there internships in the Water too?

Walsh: There are.

Sorg: Okay. Very good.

Walsh: We're actually going to talk about internships a little bit more. As you know on the left side, we talk about our strategic business plan. One of our results and goals is to fill vacancies within six weeks. We're still not anywhere near that number. We're still running in the 25-week, 28-week range. We have some positions; I think seven or eight that have been open for more than one year that we're working on reclassifications and changing the job descriptions in order to address those issues. Gas is a good example, and I'm not picking on Lucio it's just it's such a highly technical and specialized line of business that he's had some positions open for over 60 weeks. If you look at
the success of pipe fitters in southeastern New Mexico working on the gas pipelines, we're competing with a lot of high pay. To that note I think John just lost a Level IV Water Operator to Carlsbad. We're going to see booming industry at that end and that's what we're having to compete with. Especially with the highly skilled and specialized positions. That's getting tough for us.

Regarding the work stoppage, we have 36% of tasks in LCU are stopped with us. However, we have about 12 to 15 positions that we're currently interviewing, ranking, and rating so by the middle of February we should have a lot of those answers and pushing more back into HR in order to initiate new hires. We're doing really well, and we've got great progress there.

Speaking of progress, we have set our own overall goal of five or less vacancies by the end of FY20. We've been a lot more aggressive in reclassifying positions and working with HR to change some of our job descriptions and address the issues that we discussed regarding the licensing and skills and specialties. Joshua's actually going to be working on a summary for us to see if we can have people working under licenses rather than having that certification themselves, so can a Level IV supervise three people under his certification rather than requiring it of the subordinate staff.

We've also remitted all the reclass and position review requests to HR. That happened in early January and as a matter of fact Dr. Garcia and I, and I think Domonique have a meeting with the ACM (Assistant City Manager) next week to clarify our organizational chart as well as what we plan to do with those positions, reclassifications, and changes. I've also completed a review of all temporary (temp) positions. When I thought I was done it changed so I need to do that again. We have a lot of flex in that. Speaking to that point what I want to do is really take a good look at those temp positions and see how we can transition them to regular FTEs. The reason being we lose the historical knowledge, we lose the training effort, we lose the relationship when we have temp employees because they're going to go after a permanent position and it's usually not with LCU. What I'd like to do is look at those and transition to FTEs. A good example, the Water Quality Lab we have a temp there who's been there for four years. That's no longer temporary.

Looking forward, once we get an HR Coordinator which I'm really hoping we can push through after next week, it's a big deal for us. I've been reaching out to some trade organizations and apprenticeship programs for electricians, pipe fitters, and heavy equipment operators. We're hoping we can start setting up apprenticeship programs as well as journeyman programs within
LCU. In addition to that we have a meeting with Doña Ana Community College (DACC). As you know the Water Technology Intern Program turned out really well. Errol was here today, and I believe we have two more graduating at the end, three more graduating at the end of the spring semester, so that's a demonstrative success within the internship program and I'd like to see that expand. We'll be meeting with DACC and seeing what we can do for their welding program and their plumbing program to see if those can match up to the skill sets needed at LCU.

I'm also coordinating with NMSU and that is with their New Mexico EDGE program and their Master of Public Administration (MPA) program. What we'd like to do with EDGE, and that stands for Education Designed to Generate Excellence in the public sector. NMSU's MPA department actually administers the EDGE program in conjunction with the extension office. What this is, it's a certification program for public officials and public employees but what we want to do is take that program, offer it to the professional staff and encourage them for those who want to pursue a MPA within NMSU. The idea is to take your EDGE certification programs and being able to convert those into credit hours at the college in pursuit of the MPA program. We do have a lot of engineers and we have even our current staff, our leadership staff, supervisors with bachelor's degrees who may not understand the management portion of working in the utility. This is a good way for them to take advantage of the City's tuition reimbursement program, take advantage of EDGE, which is a full education of working in government, and then moving to your MPA.

I've also been reviewing the longevity to identify potential retirees within LCU. Again, we need our HR Coordinator to come and help with those succession plans and that's going to be one of our forward-looking goals. Finally, I am also reviewing the span of control for all supervisors. That one's a little more complex when it comes to analysis only because you can't just use industry benchmark saying, "One supervisor in Water should only supervise five people." You have to really look at the job description, the type of management style, the demands of the position, the demands of the organization, the demands of the department of the section, and then analyze what really is a healthy span of control to make sure your supervisors have a good program in place. Meaning, should I really be supervising 20 people, or should I be supervising seven? What makes you a more effective supervisor? Again, that's another goal looking forward. I stand for any questions.

Archuleta: I have a question.
Chair Little: Go ahead.

Archuleta: Next time can you show us overtime and how overtime has been changing as a result of filling vacancies? In other words, if the staff is needed, and apparently it is, somebody's got to do the job right, so that calls for overtime. As you reduce your number of vacancies and you get the full-time employee hopefully overtime is being decreased as well. Can you show that information to us next time?

Walsh: Absolutely. Mr. Chair, Mr. Archuleta. I'll definitely add that to my report, and it will be a discussion when we come to our budget work session.

Archuleta: Okay. Thank you.

Bencomo: I have a question as well Mr. Chair.

Chair Little: Go ahead.

Bencomo: Thank you for that. That was really a great presentation. With the temp that was, that's been for four years, do you have a lot of those employees that are temporary that have been for a really long time and what does that mean? Do they not have benefits? What does it mean being a temp for four years as opposed to someone that's full-time?

Walsh: Mr. Chair, Commissioner Bencomo. You're absolutely correct. They don't have the same benefits as a regular City employee. They're not adding to PERA (Public Employees Retirement Association) as a retirement benefit. They don't get to take advantage of our benefits such as healthcare and what else the City offers for the employees. Additionally, they don't build up any longevity, so they don't see the same reward for staying with the City that a regular employee does. We do have a handful that have been here that long, but we want zero in that sense. We want to have, we really, really want to invest in employees staying with LCU as a long-term career.

Bencomo: Yes, absolutely. I look forward to those updates. Thank you.

Sorg: There's a missing piece of information. What are these temps missing that they can't be full time?

Walsh: Mr. Chair, Commissioner. What it is, that's how we budgeted the position.

Sorg: It's just that?
Walsh: It is.

Sorg: Qualifications are okay?

Walsh: Correct, and it varies. In some instances, we could have that we're still recruiting for a position and we filled it with a temp because no matter what the work has to get done. In other instances, it has been the convenience of hiring a temp when we have that employee demand rather than going through the full process. When it comes down to budget, we have a limited and finite set of FTEs and it's our responsibility to update that need and demonstrate it when it comes to the budget processing.

Sorg: Okay.

Dr. Garcia: If I may add, Mr. Chairman and Councilor Sorg. A lot of it has to do with budget too and we just increase rates. In order to have a full-time FTE you're making a commitment over time for a full-time person with benefits and all that. Many times, we start with contract employees or a temp employee. Now we should identify which ones, what is the duration of a temp, but there are budgetary issues too because in order for me to justify to management that I want a full-time person I need to show the money.

Sorg: Yes.

Dr. Garcia: In reality, a temp is cheaper because you can terminate that employment and that activity may not continue. Whereas once you have an FTE, this Board and the City Council and the manager would want to know that we have the need and we have the money to pay for it. A lot of it has to do with the financial too when you make a commitment of salary and benefits and the PERA and all those things.

Chair Little: Anything else? Commissioner Carmichael.

Carmichael: Am I misunderstanding that you all want five or less vacancies by the end of this fiscal year, now got 42?

Walsh: Mr. Chair, Commissioner Carmichael. That's exactly correct and what we found is there are positions; if it's been open for 52 weeks we can't fill it and we have to admit to ourselves we can't fill it, so how do we reclassify that FTE to meet the needs of the utility? We've gone through a lot, I think we have, I want to say 15 requests with HR now to make those changes.
Carmichael: I applaud aggressive goals, but I've also seen aggressive goals create frustration and the wrong actions. I just, just a caution.

Walsh: Thank you.

Carmichael: Thank you.

Dr. Garcia: Mr. Studer. Go ahead.

Studer: Mr. Chair and Commissioners. One of the things that by filling the positions, the temp positions with regular employees is the supervisors in the Utility who spent a lot of their time churning with employees the whole time will be able to hopefully divert their time to more important type of functions rather than simply replacing a temp employee with another temp employee and so forth. By getting career employees in there and having them stay with us for 20, 25, 30 years as opposed to four years, two years, one year, six months, whatever. It just becomes a better functioning organization in that way and also a more efficient one in terms of the dollars spent. I think that's one of the goals that really will help out.

Walsh: Mr. Chair, Commissioners. To add to that I love what Bill said about the career employees. That's LCU's ultimate goal and you'll see that in our strategic business plan, you'll see that we're committed to making those career employees. Just for the record Patrick, I'm not above kicking you if you take our employee, but I want to avoid that by making it great to stay with LCU.

Chair Little: Okay. Anything else? Thank you.

Dr. Garcia: Mr. Chairman, Commissioners. The next thing is the litigation update. On the TX v. New Mexico, the attorneys have informed me that we have a status conference for the end of March or early April that is with the Special Master. That is to see what's the plan moving forward. Even though there's been no action on the filings from last April. Mr. Stein briefed you in closed session last time about that. We did have a meeting with the State Engineer to discuss this particular litigation. We hosted a lunch with him and his attorney and basically there was a request for support for legislative funding for this litigation and starting some potential settlement alternatives in terms of agricultural following and what the impacts of hydrology will be. I requested the City Manager to authorize us contacting our lobbyist and our attorney now is working with a lobbyist. I don't know that that they'll accomplish too much in a 30-day session but again we need to support the state engineer in any needs regarding this litigation. That's where we are and once we hear,
once they have the status conference, I'm going to ask Mr. Stein to come down and give us a brief of that.

**Studer exited meeting at 3:55 p.m.**

On the Griggs Walnut the federal litigation part we're very close to a final settlement. The City Council had a closed session where they authorized to move forward with what is being proposed right now. Once it's filed with the court it's going to be a public document because it has to go in the Federal Register so I will be able to provide in open session all the details of the settlement. The settlement is the best it's going to ever get. It's not going to pay for everything we want, but it's not going to get any better and so I think it's a good settlement with the Department of Justice and EPA and the Department of Defense. Hopefully it can get filed mid-March and then we'll be able to move forward with the project.

Chair Little: Okay, thank you.

Dr. Garcia: Any questions? Mr. Clark.

Clark: Thank you Chairman, Commissioners. Carl Clark, Deputy Director Environmental/Technical Support. Here to give you the February 2020 projects update. The three projects I have listed are the Talavera 8-Inch Steel High Pressure Gas Extension Project, the Sandhill Sewer Interceptor Phase I Project, and the third project I'm going to allow Lisa LaRoque our Sustainability Officer to come up and talk to us about the City Power Purchase Agreement.

The first project is Talavera 8-Inch High Pressure Gas Extension Project. Just to give a bit of background for Commissioner Bencomo, basically it's an extension of our gas system out to the Talavera area. They are in our gas service area so this project in whole was to install approximately 14,000 lineal feet of steel high pressure gas line, 4,820 feet of 4-inch low-pressure polyester line, and some bores that go along with the crossings of Dripping Springs Road. The contractor for this project is DuCross Construction. Contract cost is approximately $1.5 million with 245 working days. They started this project back in March 4, 2019 with an estimated completion date of February 24, 2020. Currently the contract is under suspension right now as well as we put together the hydrostatic pressure test plan and then they're going to move forward with the actual pressure testing with the assistance of the gas section. The contractor is at 93% complete in regard to construction and payments. They've already installed approximately 13,750 lineal feet of steel high pressure gas line. That portion has to be hydrostatic...
tested. We've already done some, actually it's nitrogen testing over on the west end near Sonoma Ranch. This is the last portion of it so we can finalize this. In the end after the hydrostatic pressure test all the liquid will be removed, it'll be cleaned, and then it'll be charged with natural gas up to the very end of that steel gas line.

**Studer returned to meeting at 3:58 p.m.**

I included a couple of photos here. The fabrication of the steel pressure test header. That's over on the western end near Sonoma Ranch, Dripping Springs and Sonoma Ranch. Down below is the nitrogen filling of the pipeline for a pressure test. There's a small section that was nitrogen filled for pressure testing that was at the west end near Sonoma Ranch. A couple hundred feet that was done as part of that. Any questions on that project?

Chair Little: No.

Clark: I do want to say one thing, we are working with a contractor right now. I did tell you there was a lot of issues with other utilities wandering in and out of the trench that caused delays to the project, caused additional cost to the project, and staff is dealing with that along with the consultant. We're looking at everything proposed to us from the contractor.

The next project is the Sandhill Sewer Interceptor Phase I. This is a two-phase project. First phase is to get us all the way across I-25. As you can see the dark green lines are completed sections and actually the light green line that you see in the middle, when this map was made it wasn't completed, it is now so that should be filled in dark green. You can see the jack and bores. All the bores have been completed. The largest one being the jack and bore beneath I-25. That was a large jack and bore across the highway. Skip to the next one. The contractor for this project is Timberland Construction. The contract cost is $1.2 million with 75 working days. They started this back in September 9, 2019 with an estimated completion of February 21, 2020. There was a couple of stop-work issues when we were trying to find the existing interceptor, that took some time. Right now, the contractor is approximately 65% complete in regard to construction, 41% in regard to payment. They've already installed over 6,000 lineal feet of 15-inch sewer line, 12 manholes, and approximately 560 lineal feet of casing that was installed via jack and bore across I-25, Elks Drive, and Lavender Drive.

I have a couple photos in there. The manhole base installation near the arroyo that we're passing along through. Then the jack and bore across I-25. You can see the large skid mount that it takes to get across there. That has
been completed. They are pushing pipe through the casing right now in order to complete that section. This one we had early on in the project we had some issues with sediment in siltation that came up the arroyo and buried our line an additional 12 feet, so the contractor had to push all that dirt out of the way temporarily and so we're dealing with that. There was time that he wasted when he could have been installing pipe, instead he was helping us find the pipe. Then we ran into Doña Ana Mutual Domestic’s line that crossed across us all of a sudden, so we had to deal with that issue as well. There’s some changes in the time that we're entertaining with the contractor and he’s been working well with us in regards to that aspect and we believe that with the time given to him he’s going to finish on time within the project time that he’s allowed. Any questions on that project?

Chair Little: None. Thank you.

Clark: The final project, I'm not going to present it, but I will give kudos to Lisa LaRocque. She spearheaded this thing. She put together the PPA (Purchase Power Agreement), all the pieces for the PPA. She vetted all the consultants or the companies that solicited or came as part of the RFP (Request for Proposal). Basically, she drove this to fruition, and this is a huge step in sustainability for the City. Lisa if you want to come on up.

LaRocque: Hello Chair, Commissioners. My name is Lisa LaRocque. I'm the Sustainability Officer for the City and it's nice to be introduced. I like the perks of that introduction. It has been a long couple year but I'm really happy to tell you about the progress. Thanks to our Council, Councilor Sorg in particular. He set me to task with a resolution that by 2050 that 100% of our electricity would be generated from renewable energy. To keep me on task even more the initial goal was by 2022, 25% would be renewable and by 2030, 50% would be by renewable energy, and that is approximately 5,000 kilowatts by 2022, 10 and then 20 as a total figure. One thing that I wanted to stop and define is that renewable energy is looked at in many different forms and one of the ways that I want to acknowledge is the Cogen operations that are going on at Jacob Hands. They are a very great example of using waste products and turning them into energy and that is also a great example of a circular economy. You’re already living Patrick's dream.

One thing that I wanted to point out is that the energy transition is really happening fast and furious. We're looking at all sorts of creative ways to be able to finance these projects. Earlier you heard from Johnson Control and the way that they are proposing it is through an energy performance contract where you take out a bond and then the savings is guaranteed over time, so you pay back the bond. In this example, what we're doing is, you'll love this,
we're not paying anything to begin with. What we're doing is we're having a power purchase agreement. We have a partnership with an organization and in this case it's with Ameresco and they will come and build the solar installation for us and we will purchase the renewable energy from them. In some slides that are coming up I'll explain the benefits of that. We have a relationship with them to get our renewable energy so there's no upfront costs. We put out a request for proposals and then had five proposals submitted and vetted them through the Selection Advisory Committee and ultimately ended up with Ameresco.

In looking at, this is a pretty busy map, but in looking at what wells and what sites and what lift stations and boosters were the best that we looked for work horses. I can now name every well number. That is an amazing feat. What we did is we really focused on the West Mesa area, Well 63 and the Lift Station and the Wastewater treatment facility there. Then the East Mesa, Wells 42, 43, 68 and then we had a couple sprinkled in the middle for good measure which is Burn Lake and the South Fork Lift Station that's by the dam.

Just to show you the progress that we made, we started getting involved in renewable energy in 2011 and now 10 years later we're going to have almost 25% of our electricity generated from renewable energy. This is the memory lane, on the left side is everything that we did where we went out and we bought the solar installations straight up. Now we are entering into a power purchase agreement and doing this list of wells and lift stations that are described here. In addition to the majority of the focus which is on utility sites there are a couple extra; the airport facilities and Fire Station 7 that are also benefitting from this.

What happens in this power purchase agreement with Ameresco is that we for the life of this relationship which can go up to 25 years, we have a flat fee that we're going to pay. We're going to pay $0.065 cents for every kilowatt hour that we use that's generated from the solar installation. If you think of just the kilowatt hour then you would say, "Well we avoided cost, what we would normally be paying El Paso Electric is $0.06," but the thing that we have to understand is that there's additional charges that are put on for every kilowatt hour that we use when we have an El Paso Electric bill. We have a fuel charge, we have a renewable portfolio standard recovery charge, so what starts out as a cheaper rate ultimately ends up being a higher rate once those other surcharges are put on. Additionally to that this is just one example, the rates of the fuel charge and the renewable portfolio charge go up and down, but this rate is flat for the life of the PPA, whereas the El Paso Electric is going to escalate it's rates over time and so every year as every
year where they increase their rates our savings will also increase. Over the course of 25 years our savings will be $5.8 million. We have the option at years 10, 15, and 20 if we want to, to buy the installation and between 16 and 17 years the savings that we'll have accumulated is equal to the cost of the installation at its price from that time period. The Commission, this is something for you to think of in 15 years while you're still sitting here, is that you have the opportunity of buying the installation at any point of time and then the cost will be zero after that because you own the system. Those are all options to consider and the whole thing is really exciting because we're making amazing changes on our energy portfolio. Thank you and I stand for questions.

Chair Little: Questions?

Archuleta: I have a question. What is a total kilowatt hour usage by the City?

LaRocque: It's about 38 million kilowatt hours.

Archuleta: Thirty-eight million kilowatt hours? We're taking only a very small portion. Is that correct?

LaRocque: Chair and Commissioner Archuleta. We are taking the, no we're taking, I would say that we're taking a pretty large percent because we're taking about 18%. We're reducing about 18% of the Water and Wastewater portion of our electric bill in total and that would represent about a third of the electric bill for utilities. We're dropping it by probably about 30%.

Archuleta: Maybe I'm mixing kilowatts and kilowatt hours.

LaRocque: Okay. I'm sorry.

Archuleta: Versus megawatt hours or megawatts. To me it seems like it's a small portion and you don't have streetlights in, here do you?

LaRocque: Chair, Commissioner Archuleta. No, I don't. Let's see, I don't have street. The total, if you can bear with me in my explanation. If we look at a pie and determine how much is being used in electricity, about 20-25% of that pie is going to be, probably even more, about 30% of that pie is going to be Water Utilities, maybe even higher, and so we're taking out probably a third of that pie.

Archuleta: A third of a third?
LaRocque: A third of a third, yes.

Archuleta: Okay. So, it's about 10%.

LaRocque: You're better at math than I am.

Archuleta: Okay.

Chair Little: Commissioner Johnson.

Johnson: Yes, you talked about solar but is there any other renewable energy effort that we're using besides solar?

LaRocque: Chair, Commissioner. The only other example that I can give you right now is the Cogen.

Johnson: Okay. Well one of the things that we have here in our part of the country is a whole lot of wind, but you've got to be in the right place to be able to do it. I just wondered if we're looking at any wind generation activities.

LaRocque: Chair, Commissioner. The one thing that is restricting us right now is that El Paso Electric requires that we have net metering. That means that every installation that we do has to be connected to a specific building or infrastructure. It has to tie into that building or that infrastructure. There are no bids, no RFP proposals that were submitted that projected or that suggested wind because the flatter areas that we're at in the East and West Mesa didn't provide that consistent generation.

Johnson: No, if you want to really use wind you got to go up on the Organs and there you've got a lot.

LaRocque: Yes, I agree with you.

Chair Little: Okay. Commissioner Carmichael.

Carmichael: I guess I'm a little confused. Does this replace anything that the Utility Department should be doing that we, the projects that we normally would be looking at for renewable energy like what we did at the Reclamation Facility on the East Mesa, the Co-Gen. We stop thinking about that?

Dr. Garcia: Mr. Chairman, Commissioner Carmichael. No, this just adds to, this is converting several of our wells, lift stations, and the West Mesa plant to have solar with an investor providing the capital and we buy. It's a great
opportunity to do that. It doesn't negate any future solar PV that we may want to do in this building or in this parking lot or any other facility. It was a great opportunity to meet the City's goals by putting some of the, like Lisa called them the workhorses, those wells that are high capacity and we run them a lot of the time then they qualify for a good solar PV demand. No, it does not negate any future opportunities that we may be looking at. It's was just a great opportunity to do it at this time with the rest of the City initiative.

Carmichael: Is that why one of the previous charts that listed the City, yes, this one, has the East Mesa Water Reclamation Facility?

Dr. Garcia: Correct.

Carmichael: Facility.

Dr. Garcia: That's the only one we have at this point on the utilities side.

Carmichael: Discounting the Cogen?

Dr. Garcia: Of course. Yes.

Carmichael: Why would that not be included? Am I missing something?

LaRocque: Chair, Commissioner. I was just listing the solar projects. It doesn't negate what the Cogen is providing, but I didn't include it in the calculations.

Carmichael: Yes, okay. I just think we've got to be careful not to confuse this project and what the City objective is with what some other opportunities might be. Maybe I'm just not understanding enough, but I think we've just got to be careful that it doesn't let us go to sleep with what our responsibilities are as a utility for cost savings and sustainable energy. Does that make any sense?

Dr. Garcia: Yes. This is just another opportunity but it's a great opportunity because.

Carmichael: Yes, I agree.

Dr. Garcia: The proposal, now are we going to have to be careful with, and change some of our operations, yes. Let me give you an example; if we need to repair the motor in the well that is on solar we're not going to take a long time to do that because we're going to be making payments to the solar provider, right? We need to fix that well. It needs to be a priority. I already talked to my staff
about prioritizing the sites once they're up and running because you have cheap energy, but you will be charged for that.

Archuleta: Is it take or pay?

Dr. Garcia: Correct you have to pay. You have to pay for it.

Archuleta: Okay.

Dr. Garcia: The contracts are very clear so you cannot just sit and decommission a well. Now there's opportunities in the contract that maybe Joe can add to it but there's opportunities to move the installation if you have to. If you were to eliminate a well, it collapses or something you could work with the provider to move the installation. Some operational changes. The other thing is maximizing the use during the daylight hours and that's why we provided information on the data on the daytime versus evening use of certain wells. Prior to this Carl Clark commissioned a study by Molzen Corbin to look at all of our facilities and see which ones were good candidates, and we provided those good candidates to the proposals. We've looked at the sites that are better candidates because as you know some wells run all the time, some may kick up just based on demand. These are the best candidates that we identified for solar loading, solar PV load. To answer your question, we will continue to look at opportunities that may even add to the City's growth.

Carmichael: Yes, I think I just think we need to be a lot more aggressive probably more than we have been.

LaRocque: Thank you.

Carmichael: Thank you.

Dr. Garcia: I think we're ready for resolutions Mr. Chairman.

Chair Little: All right. Thank you.

6. Resolutions for Discussion:
6a. Resolution 19-20-049:
Chair Little: The first resolution is Resolution 19-20-049. A Resolution Awarding the Utilities Public Relations Professional Services Price Agreement Under RFP 19-20-049 to Two Consultants for a Total Contract Amount not to Exceed $100,000.00 Including New Mexico Gross Receipts Tax, for a One Year Term, Effective March 1, 2020 to February 28, 2021, with the Option to Renew
Sorg: Move to approve.

Chair Little: Thank you. A second?

Johnson: Second.

Chair Little: Thank you. Discussion.

Ruiz: Thank you Chair, Commissioners. For the benefit of Commissioner Bencomo, I'll give a little brief history of how we got to this point. Based on the February 2009 Mercer Report a need was identified for the Utilities Department to keep the public informed of utility issues because response time can be critical to effective safety and public health, then to hire a public relations analyst. In response to the need, the Utilities Department advertised a RFP. On January 13, 2011, under Resolution 10-11-179 and on January 8, 2015, under Resolution 14-15-101 this Board approved both RFPs and awarded the contract to the sole bidder Suzanne Michaels Communications. On October 14, 2019, we submitted a new RFP for the current proposal 19-20-049 before you today. An evaluation committee of five met and evaluated the two proposals that were submitted and received. The evaluation committee recommended contracting with both public relation consultants, which the Director of Utilities concurred with. The two vendors selected are Suzanne Michaels Communications of Las Cruces, New Mexico, and Agenda Global, LLC of Albuquerque, New Mexico. Again, the total contract amount is $100,000.00 split 75% to Suzanne Michaels and 25% to Agenda Global. South Central Solid Waste Authority Director was part of our evaluation committee and subsequently he will piggyback against the contract that the City puts forth with both vendors.

The Utilities Department will use Agenda for special projects; such as the City of Las Cruces Lohman property excavation and clean up and possibly even the Texas v. New Mexico when there's decisions made; and such. We'll try them out on a special projects' basis. I stand for any questions.


Commissioner Johnson - Aye; Commissioner Carmichael - Aye; Commissioner Archuleta - Aye; Commissioner Sorg - Aye; Commissioner Bencomo - Aye; and Chair Little - Aye; Commissioner Baumgarn - Absent.
The motion was Unanimously Approved 6-0.

6b. Resolution 19-20-058A:
Chair Little: The next resolution is Resolution 19-20-058A. A Resolution Awarding a Contract to Cross Town Construction and Trucking, LLC of Las Cruces, New Mexico for the Pre-1965 Foothills Landfill Hauling Services, Project No. 19-20-058A, for a Total Contract Amount of $548,969.72.

Sorg: Move to approve.
Chair Little: Thank you. A second?
Archuleta: Second.
Chair Little: Thank you. Discussion.
Clark: Thank you Chairman, Commissioners. This is a hauling contract. As you know we have all the other contracts in place so we can begin the waste excavation of the Pre-1965 Foothills Landfill. We're trying to change the name over to the City of Las Cruces Lohman Properties so we can get rid of that stigma of the landfill. Once we get it cleaned up, we feel we can call it that because it will all be cleaned up but at least the first three cells.

The contractor will be providing us 18 cubic yard end dumps for the waste, the removal or delivery to South Central Solid Waste. There's going to be approximately 3,300 trips that are going to be made. We'll have three or four people out there on bulldozers and excavators loading the trucks. Currently Beck is out there blading the roadway, the haul road that they're going to be driving on. You can see remnants of the old road that used to be up on top. They're re-blading that, they're going to be putting millings on it so the haul trucks can come in and out and move through there without sinking into the sand that's out there. Then the trucks will haul along Sonoma Ranch and then out to the highway and up to the Corralitos Landfill. Just another construction activity for me, removal of the waste into trucks and on forth. Any questions?

Sorg: Mr. Chairman.
Chair Little: Commissioner Sorg.
Sorg: Yes. To remind myself and everybody here we're just going to be taking the Waste Area from 1, 2, and 3, not 4, right?
Clark: That is correct. Chairman, Commissioner Sorg. 1, 2, and 3 will be completely cleaned. Four, there was not a budget for 4 because 4 is the same size as the first three so dollar wise we didn't have enough budget there to do that one. It'll be another.

Sorg: If we do cleanup 4, which we haven't decided yet.

Clark: Yes, we haven't made that decision yet, but we know we're going forth with the first three. Dr. Garcia has some comment to make in regard to that.

Sorg: Yes.

Dr. Garcia: Mr. Chairman. That's going to be a management decision and City Council decision as to how much you want to invest. Let's see the success of 1, 2, and 3 first.

Sorg: Yes.

Dr. Garcia: Then 4, the other thing that we are pursuing which takes time is there's a couple of properties that are BLM (Bureau of Land Management) land in the intersection and the City's going to Masterplan this whole area it may be of interest to look at those areas as well. We want to attack 1, 2, and 3, see how successful we are and then move forward with 4 and potentially the other properties if we ever get those properties.

Sorg: The BLM land, remind me, is that on the other side of Lohman?

Dr. Garcia: It's west of section, of this fourth. Carl, can you?

Sorg: Waste Area.

Clark: No way I can pan through that. It's at the intersection of it'd be Roadrunner and Lohman. It would be the southeast and northeast corner of that intersection belongs to the Bureau of Land Management.

Sorg: Which is on the north side of Lohman.

Dr. Garcia: And south.

Clark: And south.

Dr. Garcia: There's two properties.
Clark: Yes, there's two properties.

Sorg: Anything on the south side.

Clark: Yes, they own both the north and south side.

Dr. Garcia: Across from Walgreens on that.

Clark: Yes, right next to Walgreens.

Dr. Garcia: For now, like I said, Mr. Chairman, Councilor Sorg, these three areas are much easier to clean. They cover much less, correct?

Clark: That's correct.

Dr. Garcia: That's what the problem with Area 4 is that there's a lot more cover so there's more material to move and it almost doubles the cost.

Sorg: Yes, and correct me if I'm wrong, I heard early on that Waste Area 4 would not have to be cleaned up if it was left into a public park like place, right?

Dr. Garcia: Mr. Chairman, Councilor Sorg. We don't need to clean any of it.

Sorg: Okay. Yes, okay.

Dr. Garcia: There's just no mandate to remove the garbage. That's a policy decision from the City Council to buy the land from the City of Albuquerque and make something productive of the land.

Sorg: Yes.

Dr. Garcia: There's no requirement, if the City Council decides to make a park, it will be a park.

Sorg: Okay, but if you want to build something on there you have to clean up the waste, right?

Dr. Garcia: Correct, well you could have a park or something that is not intrusive, but I'm pretty sure that you have to clean up the waste if you're going to put buildings and things like that.

Sorg: Yes. Okay.
Dr. Garcia: Roads and …

Sorg: Just reminding myself. Thank you.

Dr. Garcia: I want to clarify there’s no, the reason that if you recall in the discussions that go back three or four years in terms of the Environment Department determining that there were no ground water concerns with that property. That prompted the City Council to negotiate with Albuquerque and buy that land. There are no ground water issues so now it’s solid waste issues that need to be done.

Sorg: Yes, I remember.


Commissioner Bencomo - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Johnson - Aye; and Chair Little - Aye; Commissioner Baumgarn - Absent.

The motion was Unanimously Approved 6-0.

6c. **Resolution 19-20-066:**

Chair Little: Next resolution is Resolution 19-20-066. A Resolution Awarding a Construction Contract for the Jacob A. Hands Wastewater Treatment Facility Site Improvements, Project No. 19-20-066, to A Mountain Professional Construction, LLC of Las Cruces, New Mexico, for a Total Contract Award Amount of $201,183.36.

Sorg: Move to approve.

Chair Little: Thank you. A second?

Johnson: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you Chairman, Commissioners. Basically, this project is site improvements, parking improvements, and drainage improvements in that area. You can see the two new metal buildings that we have constructed. The parking and drainage were not part of the two metal buildings. We wanted to have a typical metal building to bid so that we could get that constructed in five different locations and then we can reap the benefits of the lower cost
and that's what we accomplished. Now this portion is to take care of the drainage that needs to be handled in that area as well as the asphalt that’s needed for the parking lot and some improvements to, actually really it's a large amount of improvements to drainage and drainage ponds that we're going to have in there. Relocations of the gates and relocations of the biosolids I guess customer pickup point so it's more easily accessible for customers at that point. That's the whole gist of this project.

Sorg: Can you, Mr. Chair?

Chair Little: Go ahead.

Sorg: Could you use the pointer to show where you're talking about?

Clark: Sure. Let's see if the pointer will come up.

Sorg: Yes.

Clark: Yes, this is the whole site. These are the two metal buildings that were constructed. We're going to be addressing all the drainage within this green infill area and then we'll have ponding along the fence line up in here.

Sorg: Isn't that the Co-Gen (Co-Generation) irrigation area too?

Clark: The Co-Gen is, yes, it's across the ways which are these two little buildings that you see right there.

Sorg: Then my second question is, will there be landscaping involved in this?

Clark: As part of this project there is some gravel rock that will be placed out there, some decorative type rock that are going to be used out there and around the ponding and areas that aren't going to get paved.

Sorg: No trees?

Clark: Not with this project. However, I’ve talked to John or John has mentioned that we will be doing some improvements to that.

Sorg: Vegetation type.

Clark: Vegetation type, yes.

Chair Little: Other comments or questions? Seeing none. Ready for a vote.
Commissioner Johnson - Aye; Commissioner Carmichael - Aye; Commissioner Archuleta - Aye; Commissioner Sorg - Aye; Commissioner Bencomo - Aye; and Chair Little - Aye; Commissioner Baumgarn - Absent.

The motion was Unanimously Approved 6-0.

6d. Resolution 19-20-095:
Chair Little: Next one is resolution 19-20-095. A Resolution Awarding an Engineering Services Contract for the Design and Construction Management of the Jacob A. Hand Wastewater Treatment Facility East Primary Clarifier Rehabilitation Project No. 19-20-095, to Bohannan Huston, Inc. of Las Cruces, New Mexico, for a Total Award Amount of $287,061.16.

Sorg: Move to approve.

Chair Little: Thank you. A second?

Archuleta: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you Chairman, Commissioners. This is the second primary clarifier that we're going to be doing. We did the West Primary Clarifier as you all recall. You toured it when it was done. Now we're going to be attacking the East Primary Clarifier that's in need of rehab, along with the splitter box that splits the flows between the two clarifiers. That's slightly to the south of, in between those two clarifiers, and then the piping that's in between that area and some of the valve work. This contractor Bohannan Huston includes construction administration as well. It also includes the NACE inspection services and construction observations. We hope to flip this around quickly and we should see the rehab starting in Fiscal Year 2020. I can't give you the exact date right now because I think it's all contracting portions but yes, we plan on getting started in Fiscal Year 2020.

Chair Little: Thank you. Discussion, questions?

Carmichael: No.

Chair Little: One question. Will this involve dewatering the clarifier at some point?

Clark: Chairman, Commissioners. Yes. We'll be draining that.
Chair Little: It'd be nice if we got a chance to take a look at that one.

Clark: Before it gets rehabbed?

Chair Little: No, when it's emptied out. I missed the other one.

Clark: You did. Okay well try to make a point to get you over there and into that.

Chair Little: Okay. Anything else?

Bencomo: I'll go too.

Chair Little: If you've never seen what's really going on it's well worth the trip. Ready for a vote.

Commissioner Bencomo - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Johnson - Aye; and Chair Little - Aye; Commissioner Baumgarn - Absent.

The motion was Unanimously Approved 6-0.

6e. Resolution 19-20-LCU016:

Sorg: Move to approve.

Chair Little: Thank you. A second?

Bencomo: Second.

Chair Little: Thank you. Discussion.

Clark: Chairman, Commissioners. Basically, this Change Order, we're increasing the contract to Molzen. We started with some building assessments here in the main building and then we had them propose where we would expand to and some of their options were out in the parking lot. Then that affected our parking lot issues so we had them take a look at our warehouse and then expanding into there, and then we realized that well we really need you to
look at the entire facility which includes all the satellite buildings and to see how they're being occupied and utilized, in addition to the parking out there and the drainage out there that's going on. You can see in the document itself they're going to be addressing a lot of stuff with this change order. They're going to be interviewing staff as well that does house outside in those satellite buildings and see how we're going to be moving people around and arranging it to be more efficient on our side. I think it's highly needed this time and maybe can provide us with some insight as to what direction we need to start going on in the future so as we go, we know where we're going to expand to. We don't have the opportunity to purchase any more property outside of this facility, so we have to make it very efficient at this point.

Chair Little: Comments or questions?

Carmichael: No.

Bencomo: I have a question.

Chair Little: Go ahead.

Bencomo: Thank you Mr. Chair. The increase in the contract is not to get things done that haven't gotten completed right?

Clark: The increase in the contract is to address the open spots that weren't part of the original contract.

Bencomo: Okay.

Clark: Meaning the satellite building areas that we have out here that's specifically and that would finally encompass the whole facility at that point.

Bencomo: Okay.

Chair Little: Anything else?

Dr. Garcia: If I may add, Mr. Chairman, this is project that we will need a lot of Board input once we have the draft, probably a work session for you to see what is being proposed and look at the big picture in this whole property.

Chair Little: Very good.

Dr. Garcia: We'll be scheduling that once we, the consultants. They've done some of the building part.
Clark: Right.

Dr. Garcia: Now we're going to do the outside and when we're ready we'll let you know but it will require a Work Session.

Chair Little: Okay. Anything else? All right. Ready for a vote.

Commissioner Bencomo - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Johnson - Aye; and Chair Little - Aye; Commissioner Baumgarn - Absent.

The motion was Unanimously Approved 6-0.

7. Old Business:
Chair Little: That concludes the Resolutions. The next item is Old Business.

Dr. Garcia: From staff, Mr. Chairman, the Solid Waste Rate Review Work Session was presented to City Council last Monday. We're planning on taking the recommendation from the Board at the March 16th Council meeting.

Chair Little: Okay. Thank you.

Dr. Garcia: That's all for old business.

8. New Business:
Chair Little: Okay. New Business.

Dr. Garcia: From staff as New Business, we will be scheduling, we need a March budget Work Session. As you know, it's budget time for Fiscal Year 2021. We normally have a March Work Session and I'll be discussing some of those projects that we talked to the bonds as well as some of the operational changes for the Utility. I'm recommending the meeting on March 12th at 1:30 p.m., an hour and a half should be sufficient to do the budgeting session.

Chair Little: Okay if that's enough time then please calendar that, and we will all save that time. That's an important meeting to make.

Dr. Garcia: That's all we have from staff Mr. Chairman.

9. Board's General Discussion:
Chair Little: Board's General Discussion. Anyone have anything to bring up?
Carmichael: Not me.

Chair Little: All right I have one. How does progress go with Shomaker and Associates working on our Water Action Plan?

Dr. Garcia: Ms. Widmer. Will you give us a brief as to where they are?

Widmer: Mr. Chairman, Commissioners. Just to update you, their notice to proceed was July 29, 2019. They have a year and a half to complete. Their Task 1 was to prepare the draw down indicator report. Their final draft is in for us to review. They've also started Task 2, which is the draft report on the availability of water in the Corralitos and the Nutt-Hockett Basins which is essentially an update from the 2004 report that they completed. They're moving forward which is really good. Those two seem to be kind of the biggies. If you would like April would be a really good time for them to come down and give you an update if you would like because we're expecting probably the end of February or the first part of March to get their drafts to them.

Chair Little: If that will be a substantial amount of it that sounds like a good idea.

Dr. Garcia: Yes. We'll schedule that too.

Chair Little: All right.

Dr. Garcia: We'll probably, Mr. Chairman, I suggest that a short Work Session rather than putting it in the Administrative Report. In April you have the budget approval but I don't anticipate a Work Session so we could have a short Work Session and have that separate.

Chair Little: All right. Thank you. That sounds good. Anything else?

10. Next meeting Date:

Chair Little: Our next meeting is scheduled for March 12th. We are anticipating a Work Session in advance of that meeting starting at 1:30 p.m.

11. Adjournment:

Chair Little: I will entertain a motion for adjournment.

Johnson: So moved.
Chair Little: Thank you. A second?

Bencomo: Second.

Chair Little: Thank you. Those in favor signify by saying "aye." Thank you all. We'll see you in a month.

Meeting was adjourned at approximately 4:40 p.m.

William M. Little  
Las Cruces Utilities Board Chair  

Date