

**PUBLIC UTILITIES MEETING MINUTES
JUNE 06, 2006
CITY HALL, COUNCIL CHAMBERS
405 PASEO DE OÑATE, ESPAÑOLA NM**

CHAIR: Alice Lucero

COUNCILORS: Alfred Herrera
Dennis Tim Salazar
Cecilia Lujan

MAYOR: Joseph Maestas

GUESTS: Michele Martinez
Mr. Lewendowski

Approval of Agenda:

Councilor Lujan made a motion to approve the agenda. Councilor Salazar seconded the motion; it passed with a 4/0 vote.

Mr. Martinez asked Councilor Lucero if he could add subsection b. to F – Water Services to include Update on Task Order #59-&-61.

Approval of Minutes:

Councilor Salazar made a motion to approve the minutes. Councilor Herrera seconded the motion; it passed with a 4/0 vote.

New Business:

Rate Increase per CPI:

Councilor Lujan made the motion to accept the CPI rate increase. Councilor Herrera seconded the motion; it passed with a 4/0 vote.

Land Purchase:

Councilor Herrera made the motion to refer to staff for the land purchase. Councilor Salazar seconded the motion; it passed with a 4/0 vote.

Rate Increase:

Mayor Maestas stated that he felt there was still time to get the CIP from the last year and use the 5.1% and look at the last 12 months. Water is the only public rate that is tied to the CPI. The committees should look at Waste Water and Solid Waste to modify the CPI.

It should be almost policy that this should create a rate increase because of the budget impact.

Councilor Herrera stated that he would assume that the council looks at the rate increase now at \$.60 as opposed to \$3.00 increase.

Michele Martinez stated that all items are taken to the transfer station for free and there are many services offered more for their money.

Mr. Lewendowski stated that the new punch card system is going on now because of a lot of garbage coming in from other areas. Mr. Lewendowski stated that they are looking at the possibility of purchasing land from the City and also paying for used equipment received from the City. They are trying to get the City out of the budget crisis. Last year they did not try to enforce the policy in asking for the GRT.

Mr. Lewendowski stated they still have a debt of about \$40,000 to \$30,000 that is still in question.

Mr. Herrera asked if it was a debt that was owed to the city or if the city owed them.

Mr. Lewendowski stated this was a lease of vehicles at Valley Nation Bank that needed to be purchased.

Mr. Lujan stated that his main concern was that they would have a transfer station located directly adjacent to a well operated by the City and Mr. Martinez has been doing a great job trying to protect the well from contamination.

Mr. Martinez stated that the facility that Mr. Lewendowski is proposing is totally different and would not affect the well at all.

Mr. Lewendowski stated that this was a totally modern facility and would not affect the wells.

Mr. Herrera stated he was in favor of increasing the CPI with the understanding that a previous 12 month study be used in as opposed to a 4 month study period. Councilor Herrera would hate to deviate from the memorandum of understanding.

Mr. Lewendowski stated that this was a simpler way of working it out. Mr. Lewendowski stated that the fuel cost was drastic and into the 8th month of the year they had already exhausted the fuel budget. The rate increase is the last thing that they wanted to ask for. The first step was to audit the City's accounts. The fuel costs were \$42,000 for 1 month.

Councilor Herrera stated that the rate increase terms were being dealt with by the Council and he wanted to see if there was any provision that needed to be looked at.

Mr. Lewendowski stated the Solid Waste Ordinance had to be amended with a rate increase based on Resolution.

Mr. Condrey stated this should be done by August 1, 2006 and this could still be accommodated and be taken to council for the final adoption.

Councilor Lucero stated it took 30 days after publication to be adopted as an ordinance. Councilor Lucero stated a draft of the new ordinance needed to be presented to the council for review.

Land Purchase:

Mr. Lewendowski stated if the was possible and viable it might just work. Councilor Herrera stated he walked through the land in question and felt this matter should be looked into and felt it was a one time shot revenue but should be sold for the new transfer station. He particularly liked the idea of moving the traffic from the Industrial Park Road. Not only the traffic but just the average person dumping their trash over there.

Mr. Lewendowski stated there had been 22,000 visitors in April were visited at the transfer station.

Councilor Lucero stated traffic generated at this area was a lot and she thought herself that it would be great to redirect the traffic.

Mr. Lewendowski stated that he would like to by this property for the transfer station and that the back section would on be used for solid waste and they would like to develop the remaining land.

Councilor Lucero stated that this property lended itself for this project. Councilor Lucero stated Bartolome Land Grant gave property to develop as a business park and they needed to see if the property could be actually sold. Councilor Lucero stated they needed to bring them on board so they would not oppose this sale for a transfer station.

Mr. Condrey asked if the original 50 acres included both sides.

Councilor Lucero stated all the 50 acres were on the north side.

Councilor Lujan stated she would be in favor of this because the traffic would be redirected for safety issues.

Councilor Lucero suggested that the issue be researched and be referred to staff.

Marvin Martinez stated that the Ordinance needed to be brought up to date. Mr. Martinez and staff discussed some of the changes that needed to be changed. A study session was suggested for completion of revision of the Ordinance.

Councilor Lucero suggested that Marvin Martinez, Veronica Martinez and Louis Lujan get together for revision completion of the Ordinance.

Councilor Lujan left at 7:00 p.m.

Collection Procedures:

Marvin Martinez presented a progress report on a standard operation procedure that they want to use and put in place. During the time that Michele Martinez was in charge it was utilized and then got dropped. Marvin Martinez went through the proposed operational procedure.

Mr. Martinez discussed the proposed door hangers to the council, and suggested that the door hangers be filled out by Utility/Finance because they know what is actually owed and not there would be not contradiction as to what is actually owed by the customer. Mr. Martinez also suggested that the actual amount owed be specified on the perforated portion of the door hanger.

Water Service

Streets without adequate water service were discussed, as well as streets that are not meeting requirements for fire protection. Mr. Martinez discussed some of the statistics of the list and stated in order for it to be true it had to meet at least 1500 gallons per minute per flow.

Update On Task Order # 59-&-61

Mr. Martinez stated they were instructed to go ahead and get them improved and that the City Manager had signed the task orders and they were presented to Molzen-Corbin. They would be meeting in another two weeks and then they could proceed with it. Arsenic/Fluoride is being worked on.

Wastewater Services:

SAN JUAN HOOKUP: Mr. Louis Lujan stated that the San Juan Hookup and Supplemental Environmental Project went hand in hand and was an Administrative order that the City was under. The San Juan Hookup was approved through EPA and for the violation they would have to pay \$37,500 per day; they went to EPA and covered this. Mr. Lujan stated himself and Mr. Condrey were looking at speaking with Governor Garcia and get some things finalized and make sure that everyone was on the same page. Mr. Lujan stated that San Juan wanted to hookup with the city and that the city would benefit from the hookup because of the supplemental environmental project. Mr. Lujan stated it was pretty clear cut what was wanted. The MOU was in place but he has not seen it.

Mr. Condrey stated the trouble with the MOU doesn't really mean anything. In terms of compensation, return flow issues, what the operating costs of plant and many other issues needed to be negotiated and thus far they have been working with San Juan on these issues.

Mr. Lujan stated that the Governor was willing to work with the city. They have \$150,000 for the hookup but they also need to come to some agreement on if flow credits will be made and he felt that was what the Pueblo would agree to and that would be to the benefit of the City. If a 50/50 return flow credit would prorated, if he could get them to agree with that it would be great.

Councilor Salazar stated it would be a great idea to get the ball rolling as a new Governor will be in at the end of December so he would like for them to start working on it.

Supplemental Environmental Project Through EPA

Mr. Lujan stated they needed to work hand in hand. EPA schedule is on schedule and Louis provides updates.

Councilor Lucero asked if the penalty was still hanging in the air.

Mr. Lujan stated that a penalty of a minimum of \$8,000 will have to be paid. They stated they were going to penalize the City but not as much as originally stated.

Councilor Lucero asked when the penalty would have to be paid. Mr. Lujan stated he did not know when it would have to be paid.

ADJOURNMENT

Councilor Herrera made the motion for adjournment. Councilor Salazar seconded the motion; it passed with a 3/0 vote.

PASSED APPROVED AND ADOPTED AUGUST 1, 2006.

Electronic copy – signatures on file