



# AGENDA

SWMA JOINT POWERS BOARD  
FEBRUARY 18, 2021  
5:00 PM  
ATTEND VIRTUALLY



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## SPECIAL PROCEDURES FOR SOLID WASTE MANAGEMENT AGENCY JOINT POWERS BOARD MEETING

*Due to the COVID-19 coronavirus, members of the public are encouraged to attend the Joint Powers Board meeting via Cisco WebEx video conferencing.*

Meeting Link using a computer/laptop/smartphone – must download the WebEx app on the device:

<https://santafesolidwastemanagementagency.my.webex.com/santafesolidwastemanagementagency.my/j.php?>

MTID=m8357493646923c4b36c2c1b7bf6768e6

Meeting Number (Access Code): 182 964 3922

Meeting Password: 48379948

Join by Telephone: (415) 655-0001

The agenda and packet for the meeting will be posted at [santafe.primegov.com/public/portal](http://santafe.primegov.com/public/portal).

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF AGENDA
- IV. APPROVAL OF CONSENT CALENDAR
- V. APPROVAL OF MINUTES
  - A. Regular Meeting – November 19, 2020
- VI. MATTERS FROM THE PUBLIC
- VII. CONSENT CALENDAR
  - A. Request for Approval of Mineral Materials Contract with the Bureau of Land Management for the Sale of Crushed Basalt Rock (Aggregate) at the Caja del Rio Landfill, and Authorizing the SFSWMA Executive Director to Act as the Contract Representative and Signatory Authority for Installment Payments.



# AGENDA

**SWMA JOINT POWERS BOARD**  
**FEBRUARY 18, 2021**  
**5:00 PM**  
**ATTEND VIRTUALLY**



- 
- B. Request for Approval to Purchase a Morbark 3400XT Wood Hog Horizontal Grinder from DDI Equipment of Phoenix, AZ, under Sourcewell Contract No. 050119-MBI for the Buckman Road Recycling and Transfer Station in the Amount of \$742,977.50.
1. Approval of Budget Increase to 8100852.570500 (Capital Outlay – Equipment and Machinery) from 811.100700 (Equipment Replacement Reserve Fund) in the Amount of \$742,977.50.
- C. Request for Approval to Purchase a Pemberton Loader Rake Grapple Attachment from Golden Equipment Company of Albuquerque, NM, for Volvo L110G/H Wheel Loaders at the Buckman Road Recycling and Transfer Station in the Amount of \$19,100.
1. Approval of Budget Increase to 8100852.570500 (Capital Outlay – Equipment and Machinery) from 811.100700 (Equipment Replacement Reserve Fund) in the Amount of \$19,100.
- D. Request for Approval to Repair Unit 1309 (Caterpillar D8R Waste Handler Track-Type Dozer) by Wagner Equipment Company of Albuquerque, NM, under ITB No. '20/27/B in the Amount of \$134,945.74; and
1. Approval of Budget Increase to 8100851.520400 (Repair & Maintenance of Equipment and Machinery) from 810.100700 (Operating Fund Cash Balance) in the Amount of \$134,945.74.
- E. Request for Approval of Amendment No. 1 to the Service Agreements for Scrap Tire Recycling Services (RFB No. '20/10/B) with:
1. State Rubber & Environmental Solutions, LLC of Denver City, TX (Scrap Tire Recycling) and;
    - a. Extend the Term of the Agreement through February 20, 2022.
    - b. Increase the Compensation by \$24,000 for a Total Not-To-Exceed Amount of \$54,000.
  2. Approval of Services Agreement with Enchantment Transport, Inc. of Albuquerque, NM (Scrap Tire Hauling) and;
    - a. Extend the Term of the Agreement through February 20, 2022.
    - b. Increase the Compensation by \$30,000 for a Total Not-To-Exceed Amount of \$69,000.

## VIII. MATTERS FROM THE EXECUTIVE DIRECTOR



# AGENDA

**SWMA JOINT POWERS BOARD**  
**FEBRUARY 18, 2021**  
**5:00 PM**  
**ATTEND VIRTUALLY**



- 
- A. Request for Approval of Cost of Living Adjustment (COLA) for AFSCME Union Employees for Fiscal Year 2021.
  - B. Presentation, Discussion and Possible Action Regarding Municipal Solid Waste Cost of Service and Rate Design Study. (David Yanke, President, NewGen Strategies and Solutions)

## **IX. MATTERS FROM THE BOARD**

- A. Election of Chair and Vice-Chair.

## **X. MATTERS FROM STAFF - AGENCY, CITY, COUNTY**

- A. Shirlene Sitton, Division Director, City of Santa Fe Environmental Service Division
- B. Les Francisco, Solid Waste Superintendent, Santa Fe County Public Works

## **XI. NEXT MEETING: Thursday, March 18, 2021**

## **XII. ADJOURNMENT**

SUMMARY OF ACTION  
 SANTA FE SOLID WASTE MANAGEMENT AGENCY  
 JOINT POWERS BOARD  
 VIA CISCO WEBEX VIDEO CONFERENCING  
 THURSDAY, NOVEMBER 19, 2020, 5:00 PM

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER		1
ROLL CALL	QUORUM	1
APPROVAL OF AGENDA	APPROVED	1-2
APPROVAL OF CONSENT CALENDAR	APPROVED	2
APPROVAL OF MINUTES	APPROVED	2
MATTERS FROM THE PUBLIC	NONE	2
 <u>CONSENT CALENDAR</u>		
REQUEST FOR APPROVAL OF SERVICES AGREEMENT WITH AMBITIONS TECHNOLOGY GROUP, LLC OF ALBUQUERQUE, NM, FOR MANAGED IT SERVICE THE AMOUNT OF \$60,000 (RFP NO. '21/01/P)	APPROVED	2-3
REQUEST FOR APPROVAL OF SERVICES AGREEMENT WITH VEOLIA ES TECHNICAL SOLUTIONS, LLC OF HENDERSON, CO, FOR HOUSEHOLD HAZARDOUS WASTE COLLECTION SERVICES AT BUCKMAN ROAD RECYCLING AND TRANSFER STATION IN THE AMOUNT OF \$125,000 (RFP NO. '21/16/P).	APPROVED	3

REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH SCS ENGINEERS OF BEDFORD, TX, FOR THE CAJA DEL RIO LANDFILL GAS COLLECTION SYSTEM FOR TASKS 1,2 AND 3 - ENGINEERING, OPERATION AND MAINTENANCE SERVICES AND TASK 9 - TITLE V PERMIT RENEWAL (RFP NO. '18/09/P)	APPROVED	3
REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH OCCUPATIONAL HEALTH CENTERS OF THE SOUTHWEST, P.A. ("CONCENTRA") OF ADDISON, TX, FOR EMPLOYEE MEDICAL SERVICES FOR THE SANTA FE SOLID WASTE MANAGEMENT AGENCY (RFP NO. '18/10/P)	APPROVED	3
MATTERS FROM THE EXECUTIVE DIRECTOR	INFORMATION/DISCUSSION	4
MATTERS FROM THE BOARD	NONE	4
<u>MATTERS FROM STAFF - AGENCY, CITY, COUNTY</u>		
SHIRLENE SITTON, DIVISION DIRECTOR, CITY OF SANTA FE ENVIRONMENTAL SERVICES DIVISION	INFORMATION/DISCUSSION	4
LES FRANCISCO, SOLID WASTE SUPERINTENDENT, SANTA FE COUNTY PUBLIC WORKS.	INFORMATION/DISCUSSION	5

NEXT MEETING

FEBRUARY 18, 2021

5

ADJOURNMENT

ADJOURNED

5

SANTA FE SOLID WASTE MANAGEMENT AGENCY  
JOINT POWERS BOARD  
VIA CISCO WEBEX VIDEO CONFERENCING  
THURSDAY, NOVEMBER 19, 2020, 5:00 PM

**I. CALL TO ORDER**

The meeting of the Santa Fe Solid Waste Management Joint Powers Board was called to order by Commissioner Anna Hansen, Chair, via Cisco Webex Video Conferencing, on Thursday, November 19, 2020, at 5:00 pm.

**II. ROLL CALL**

**BOARD MEMBERS PRESENT**

Commissioner Anna Hansen, Chair  
Councilor JoAnne Vigil Coppler, Vice Chair  
Commissioner Hank Hughes  
Councilor Michael Garcia  
Commissioner Anna Hamilton  
Councilor Roman Abeyta

**BOARD MEMBERS ABSENT**

**OTHERS PRESENT**

Randall Kippenbrock, Executive Director, SWMA  
Rosalie Cardenas, SWMA  
Nancy Long, Long, Komer and Associates  
Ernestine Baca, SWMA  
Yvonne Herrera, Santa Fe County Finance Director  
Les Francisco, Santa Fe County  
Danita Boettner, Landfill Manager, SWMA  
Emily Pisula, SWMA  
Erica Martinez, SWMA  
Elizabeth Martin, Stenographer

**III. APPROVAL OF AGENDA**

**MOTION** A motion was made by Commissioner Hamilton, seconded by Councilor Vigil Coppler, to approve the agenda as presented.

**VOTE** The motion passed on a roll call vote as follows:

Commissioner Hansen, yes; Councilor Vigil Coppler, yes; Commissioner Hughes, yes; Councilor Garcia, yes; Commissioner Hamilton, yes; Councilor Abeyta, yes.

#### **IV. APPROVAL OF CONSENT CALENDAR**

**MOTION** A motion was made by Councilor Abeyta, seconded by Councilor Vigil Coppler, to approve the consent calendar as presented.

**VOTE** The motion passed on a roll call vote as follows:

Commissioner Hansen, yes; Councilor Vigil Coppler, yes; Commissioner Hughes, yes; Councilor Garcia, yes; Commissioner Hamilton, yes; Councilor Abeyta, yes.

#### **V. APPROVAL OF MINUTES**

**MOTION** A motion was made by Councilor Garcia, seconded by Commissioner Hamilton, to approve the minutes as presented.

**VOTE** The motion passed on a roll call vote as follows:

Commissioner Hansen, yes; Councilor Vigil Coppler, yes; Commissioner Hughes, yes; Councilor Garcia, yes; Commissioner Hamilton, yes; Councilor Abeyta, yes.

#### **VI. MATTERS FROM THE PUBLIC**

None.

#### **VII. CONSENT CALENDAR**

**A. REQUEST FOR APPROVAL OF SERVICES AGREEMENT WITH AMBITIONS TECHNOLOGY GROUP, LLC OF ALBUQUERQUE, NM, FOR MANAGED IT SERVICES THE AMOUNT OF \$60,000 (RFP NO. '21/01/P; AND**

- 1. APPROVAL OF BUDGET INCREASE FROM 810.100700 (OPERATING FUND CASH BALANCE) TO BE APPORTIONED BETWEEN 8100851.510310 (LANDFILL SERVICE CONTRACTS) AND 8100852.510310 (BURRT SERVICE CONTRACTS) IN THE TOTAL AMOUNT OF \$20,000.**

Approved on consent.

- B. REQUEST FOR APPROVAL OF SERVICES AGREEMENT WITH VEOLIA ES TECHNICAL SOLUTIONS, LLC OF HENDERSON, CO, FOR HOUSEHOLD HAZARDOUS WASTE COLLECTION SERVICES AT BUCKMAN ROAD RECYCLING AND TRANSFER STATION IN THE AMOUNT OF \$125,000 (RFP NO. '21/16/P).

Approved on consent.

- C. REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH SCS ENGINEERS OF BEDFORD, TX, FOR THE CAJA DEL RIO LANDFILL GAS COLLECTION SYSTEM FOR TASKS 1,2 AND 3 - ENGINEERING, OPERATION AND MAINTENANCE SERVICES AND TASK 9 - TITLE V PERMIT RENEWAL (RFP NO. '18/09/P); AND
1. EXTEND THE TERM OF THE AGREEMENT THROUGH NOVEMBER 9, 2021.
  2. INCREASE THE COMPENSATION BY \$137,780 FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$551,029.
  3. APPROVAL OF BUDGET INCREASE TO 8100851.510250 (COMPLIANCE CONTRACTS) FROM 812.100700 (LANDFILL GAS COLLECTION SYSTEM RESERVE FUND) IN THE AMOUNT OF \$137,780.

Approved on consent.

- D. REQUEST FOR APPROVAL OF AMENDMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH OCCUPATIONAL HEALTH CENTERS OF THE SOUTHWEST, P.A. ("CONCENTRA") OF ADDISON, TX, FOR EMPLOYEE MEDICAL SERVICES FOR THE SANTA FE SOLID WASTE MANAGEMENT AGENCY (RFP NO. '18/10/P); AND
1. EXTEND THE TERM OF THE AGREEMENT THROUGH NOVEMBER 9, 2021.
  2. INCREASE THE AMOUNT OF COMPENSATION BY \$6,000 FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$68,000.

Approved on consent.

## VIII. MATTERS FROM THE EXECUTIVE DIRECTOR

Mr. Kippenbrock reported that they had the Household Waste Amnesty Day on November 7<sup>th</sup>. They had 228 cars and overall it was a safe event. We had the entrance conference for the Fiscal Year 20 Audit. The Chair participated in the conference. We will be late because of having to coordinate with the City. It will be completed on or before March 31, 2021. We are getting prepared now for the Audit.

Erica Martinez is participating today by phone. She is retiring on December 31<sup>st</sup>. She started with the City in 1995. We have brought in a new person this week for training. Our new person is Emily Pisula. She has been with the City for 5 years and is a CPA.

Chair Hansen welcomed Ms. Pisula and thanked Erica for all of her work.

Ms. Vigil said it had been a pleasure.

Chair Hansen said that she is concerned that the audit will again be late. This is an ongoing issue between SWMA and the City. She hopes at some point the City can get caught up and find a way so we can get our audit in time.

Mr. Kippenbrock said the last participant in the Household Waste Amnesty Day event was Councilor Vigil Coppler. He asked how her experience was.

Councilor Vigil Coppler said it was great. It was very well organized. Congratulations and kudos to the staff. It was very well done.

Chair Hansen said we have a wonderful Director. Thank you for a well run shop.

## IX. MATTERS FROM THE BOARD

None.

## X. MATTERS FROM STAFF - AGENCY, CITY, COUNTY

### A. SHIRLENE SITTON, DIVISION DIRECTOR, CITY OF SANTA FE ENVIRONMENTAL SERVICES DIVISION

Mr. Kippenbrock said he would speak for Ms. Sitton who could not be here today. She sent him an email that last week the City opened up their new recycling center at 2950 Agua Fria, next to the City's Fire Department Training Center. It is fully fenced and is using the new roll off containers.

**B. LES FRANCISCO, SOLID WASTE SUPERINTENDENT, SANTA FE COUNTY PUBLIC WORKS.**

Mr. Francisco reported that all is running smoothly at the County. He appreciated all the support they receive from the Commission. We will begin our modified hours on December 5<sup>th</sup>.

Commissioner Hamilton asked if he was considering different hours due to the worsening of COVID.

Mr. Francisco said no, not at this time.

Chair Hansen asked Mr. Kippenbrock if he was considering modifying hours.

Mr. Kippenbrock said no, it is best to spread out the customers and have social distancing and masks.

**XI. NEXT MEETING: FEBRUARY 18, 2021**

**XII. ADJOURNMENT**

There being no further business before the Board the meeting adjourned at 5:30 pm.

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Commissioner Anna Hansen, Chair



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Elizabeth Martin, Stenographer

# MEMORANDUM

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**To:** SFSWMA Joint Powers Board  
**From:** Randall Kippenbrock, P.E., Executive Director RLK  
**Date:** February 15, 2021  
**Subject:** Request for Approval of Mineral Materials Contract with the Bureau of Land Management for the Sale of Crushed Basalt Rock (Aggregate) at the Caja del Rio Landfill, and Authorizing the SFSWMA Executive Director to Act as the Contract Representative and Signatory Authority for Installment Payments

## SUMMARY

The Agency is requesting approval of a Mineral Materials Contract with the Bureau of Land Management to sell crushed basalt rock (aggregate) at the Caja del Rio Landfill.

The Agency is also requesting approval to authorize the SFSWMA Executive Director to act as the contract representative and signatory authority for installment payments.

The contract is for a five-year term with a quantity of 450,000 tons (equivalent to 300,000 cubic yards) at a royalty rate payment of \$0.75 per ton to the BLM. The total value of the contract is \$337,500. The Agency receives a royalty of \$1.50 per ton, of which \$0.75 per ton goes to the BLM, from Del Hur for the sale of aggregates at the Landfill.

Per the attached Contract, the Agency must furnish the BLM a performance bond for \$33,750 based on 10% of the total contract value. The previous performance bond was \$50,625 or 15% of the total contract value. Per the BLM, the new performance bond was reduced to 10% of the contract's total value for contract performance only (no reclamation). The BLM also stated the Agency had been a reliable operator regarding royalty payments and compliance.

## BACKGROUND

Since September 25, 2006, Del Hur sold 1,076,992 tons of aggregates and paid the Agency \$1,615,874 in royalty.

As of November 2020, there are approximately 450,000 tons of unprocessed basalt rock. Del Hur sold an average of 107,526 tons annually for the past five years. Conversely, four to five years of crushing and sales operation remain from the unprocessed basalt rock at the Landfill.

On May 4, 2006, the Board approved RFP' 06/17/P for an 8-year Construction Agreement with Del Hur Industries of Port Angeles, WA, for the development and operation of a commercial aggregate quarry and cell construction (Cells 4A, 5A, 6A and 4B). Del Hur agreed to pay the Agency \$1.50 per ton for aggregates produced and sold across the Landfill scales.

On February 17, 2011, the Board approved an agreement with the Bureau of Land Management (BLM) for a mineral materials contract for the excavation and sale of basalt rock (aggregates) at

the Landfill. The Board also authorized the SFSWMA Executive Director to act as the contract representative and signatory authority for installment payments (i.e., monthly royalty payments). The mineral materials contract addressed the Agency's immediate needs by allowing the Agency to have a short-term contract known as "categorical exclusion" with the BLM for the initial sale of up to 50,000 tons of basalt rock beginning September 1, 2010. It also allowed Del Hur to continue working at the Landfill until both parties execute a long-term mineral materials contract after completing an environmental assessment. There have been numerous 50,000 tons additions toward the contract.

The initial royalty rate was \$0.69 per ton. The rate increased to \$0.95 per ton in April 2013.

On May 15, 2014, the Board approved RFP No. '14/29/P for an 8-year Construction Agreement with Del Hur to continue basalt rock crushing and sales operation, and cell construction (Cells 5B and 6B). The contract included revenue sharing by Del Hur at \$1.50 per ton.

In October 2015, the Agency received BLM's final decision on the environmental assessment (EA) for the Landfill Material Crushing and Sale Project. The assessment allowed the BLM to reappraise the basalt rock. On June 7, 2016, the BLM reduced the royalty rate to \$0.75 per ton.

On October 20, 2016, the Board approved a Contract for the Sale of Mineral Materials with the BLM for a five-year term with a quantity of 450,000 tons (equivalent to 300,000 cubic yards) at a royalty rate of \$0.75 per ton. The total value of the contract is \$337,500. The Board also authorized the SFSWMA Executive Director to act as the contract representative and signatory authority for installment payments. To date, 390,701 tons of aggregates have been sold under the contract. The contract expires on October 26, 2021.

### **ACTION REQUESTED**

The Agency requests Board to approve the mineral materials contract with the BLM for the sale of aggregates at the Landfill.

The Agency also requests Board to authorize the SFSWMA Executive Director to act as the contract representative and signatory authority for installment payments.

Attachment: Contract for the Sale of Mineral Materials

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**ATTACHMENT 1**

**Contract for the Sale of Mineral Materials**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0103  
Expires: December 31, 2020

Office  
Taos Field Office

Contract Serial Number  
NMNM-126173

**CONTRACT FOR THE SALE OF MINERAL MATERIALS**

The UNITED STATES OF AMERICA acting through the Bureau of Land Management (BLM), and Santa Fe Solid Waste Management Agency you, the purchaser, make this AGREEMENT, under the authority of the Act of July 31, 1947 (61 Stat. 681), as amended at 30 U.S.C. 601 through 604, and the regulations at 43 CFR Group 3600.

We agree:

**Sec 1. Contract area** – Under the terms and conditions of this contract, the United States sells to you and you buy the mineral materials listed in Section 2 and contained in the following lands as shown on the map and mining plan attached to this contract:

COUNTY	STATE	TOWNSHIP	RANGE	SECTION	ALIQUOT PARTS	MERIDIAN	ACREAGE
Santa Fe	NM	17 North	8 East	21	SEse, Lots 2 & 3	23	36.00

Pit Name (if any): Caja del Rio Landfill

BLM will check this box if this contract is in a Community Pit. Community Pit Serial Number:

**Sec. 2. Amount and price of materials** – The United States determines the total purchase price by multiplying the total quantity of mineral material designated by the unit price given below, or as changed through reappraisal.

KIND OF MATERIAL <i>You may list only one material commodity per contract</i>	QUANTITY <i>(Unit of Measure must be specified in next column)</i>	UNIT OF MEASURE	PRICE PER UNIT	TOTAL PRICE
		<input type="checkbox"/> Cubic Yards OR <input checked="" type="checkbox"/> Tons <i>(Choose only 1)</i>		
Pumice, Scoria	450,000.00	Tons	\$0.75	\$337,500.00
Reclamation Fee, if in a Community Pit:	450,000.00			\$0.00
<b>TOTAL PURCHASE PRICE</b>				\$337,500.00
<b>PERFORMANCE BOND</b>				\$33,750.00

BLM's determination of the amount of materials that you have taken under the contract is binding on you. You may appeal this determination as provided in Section 19.

You are liable for the total purchase price, even if the quantity of materials you ultimately extract is less than the amount shown above. You may not mine more than the quantity of materials shown in the contract.

If you pay in full in advance, BLM will check this box, and Subsections 3(a) through 3(c) do not apply to your contract.  
*You must pay in full for all sales of \$2,000 or less.*

**Sec. 3. Payments, title, and reappraisals** – You may not extract the materials until you have paid in advance for them in full \$ \_\_\_\_\_, or paid the first installment of \$ \_\_\_\_\_.

(a) If you pay in installments, you must pay the first installment before BLM approves the contract.

(b) Once you start removing material, you must pay each subsequent installment payment monthly in an amount equal to the value of materials removed in the previous month. Payment must be made by the 15<sup>th</sup> day following the end of the month for which you are reporting. You must pay the total purchase price not later than 60 days before the contract expires.



Sec. 18. *Effective date* - This contract becomes effective as indicated below.

If this contract becomes effective on the date BLM signs the contract, BLM will check this box.

If this contract becomes effective only after certain conditions are met, BLM will check this box, list the conditions below, and indicate the effective date.

-Actual mineral material is crushed basalt - the royalty rate of \$0.75/ton is based on a BLM 2016-06-07 memo.

-450,000 tons is equivalent to 300,000 cubic yards using a conversion of 1.5 tons/cubic yard.

-A performance bond in the amount of \$33,750.00 is required for this contract. This is based on 10% of the total contract value.

-Taos Field Office standard stipulations for mineral materials will apply, except for reclamation standards. The pit will be reclaimed according to landfill requirements.

Sec. 19. *Appeal* - You may appeal any decision that BLM makes in regard to this contract under Parts 4 and 1840 of Title 43 of the Code of Federal Regulations.

The following parties have executed this contract as of:

PURCHASER

Santa Fe Solid Waste Management Agency

(Individual or Firm Name)

149 Wildlife Way, Santa Fe, NM 87506

(Address)

(505) 424-1850

(Phone Number – include area code)

(Signature)

(Signature)

THE UNITED STATES OF AMERICA

By Jonathan LeBlanc

(Print Name of BLM Official)

(Signature of BLM Official)

Acting Field Manager - Taos Field Office

(Title)

(Date)

If you are a corporation, affix corporate seal here:

Title 18 U.S.C. 1001, makes it a crime for any person knowingly or willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction, subject to a fine of up to \$10,000 and imprisonment up to 5 years.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 601 et seq.; 43 CFR Group 3600

**PRINCIPAL PURPOSE:** BLM uses this information to identify the parties entering into contracts for disposing of mineral materials.

**ROUTINE USES:** BLM will transfer information from the record or the record itself to appropriate Federal, State, local, or foreign agencies, when relevant to criminal, civil, or regulatory investigations or prosecutions.

**EFFECT OF NOT PROVIDING INFORMATION:** If you do not provide this information to BLM, we will not be able to process your application for a contract.

**The Paperwork Reduction Act** requires us to inform you that:

The BLM is collecting this information to process your application and effect a binding contract.

The BLM will use this information to identify and communicate with applicants.

You must respond to this request to get a benefit.

You do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average about 1 hour per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. You may submit comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0103), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Room 2134LM, Washington, D.C. 20240.

# MEMORANDUM

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**To:** SFSWMA Joint Powers Board  
**From:** Randall Kippenbrock, P.E., Executive Director RLK  
**Date:** February 15, 2021  
**Subject:** Request for Approval to Purchase a Morbark 3400XT Wood Hog Horizontal Grinder from DDI Equipment of Phoenix, AZ, under Sourcewell Contract No. 050119-MBI for the Buckman Road Recycling and Transfer Station in the Amount of \$742,977.50

## SUMMARY

The Agency is requesting Board approval to purchase a Morbark 3400XT Wood Hog horizontal grinder from DDI Equipment of Phoenix, AZ, under Sourcewell Contract No. 050119-MBI for \$742,977.50.

The Morbark 3400XT grinder will replace the 2002 Beast horizontal grinder (Unit 1436) at the Buckman Road Recycling and Transfer Station (BuRRT) for the green waste program. The unit is in poor condition and at the end of its useful life with 8,615 machine hours.

Morbark offers a one-year, 1,200-hour warranty, whichever comes first, for the machine, except for the engine. The CAT C18 engine is covered through the Caterpillar platinum extended service coverage 5-year, 6,000-hour warranty.

Funding is available from 811.100700 (Equipment Replacement Reserve Fund).

Table 1 breakdowns the DDI Equipment quote for a Morbark grinder. A detailed description of the grinder is provided in Attachments 2 and 3.

Table 1. DDI Equipment Quote

Description	Cost
Morbark 3400XT Wood Grinder	\$706,837.50
Auto-Lube Grease System	\$7,500.00
CAT Platinum Extended Service Coverage Warranty	\$10,990.00
Freight	\$17,650.00
Total	\$742,977.50

The estimated delivery time for the Morbark grinder is approximately three months from the date of purchase.

## BACKGROUND

The Agency uses a horizontal wood grinder to grind approximately 7,000 tons ( $\approx$ 21,000 cubic yards) of green waste into mulch annually. The mulch is:

- purchased by the City of Santa Fe Wastewater Division for their biosolid composting operation
- purchased by Reunity Resources for their organic composting operation
- used by Payne's Nursery as part of the Agency's composting operation at the Caja del Rio Landfill

- beneficially used as erosion control at the landfill
- sold to the general public at a nominal fee
- free to residents (one cubic yard or less)

The Morbark grinder will better handle the flow of green waste material than the current grinder. It has modern technologies that are not available on the Beast grinder. Based on a Morbark demonstration at BuRRT in 2020, the Agency anticipates the Morbark grinder will grind the green waste in half the time of the Beast grinder. The Morbark grinder will:

- reduce overall operating cost
- reduce downtime (readily available parts)
- have damage protection features on the machine (torque limiter, operating mill direction)
- reduce maintenance costs (fewer wear parts)
- increase worker safety (minimal confined spaces)
- reduce air quality impacts (dust/engine emissions)
- be more mobile (tracked unit)

The Morbark grinder will require an NMED air quality permit to operate.

The Morbark grinder will allow two loaders equipped with a grapple attachment to feed the grinder; thus, reducing the grinding time. The Agency has only one loader with a grapple attachment to feed green waste into the grinder; therefore, the Agency will request, under a separate memo, the purchase of a Pemberton grapple for use on a second loader.

While the Morbark grinder will be at BuRRT, it may be possible for the Agency to provide grinding services for the City of Santa Fe Fire Department Wildland Urban Interface program and Santa Fe County convenience centers.

The Agency plans to auction the Beast grinder.

### **ACTION REQUESTED**

The Agency requests approval to purchase a Morbark 3400XT Wood Hog horizontal grinder from DDI Equipment under Sourcewell Contract No. 050119-MBI for \$742,977.50.

The Agency also requests approval of a budget increase from 811.100700 (Equipment Replacement Reserve Fund) to 8100852.570500 (Capital Outlay - Equipment and Machinery) for \$742,977.50.

Attachments: 1) Budget Adjustment Request  
 2) DDI Equipment Quote  
 3) Morbark 3400XT Wood Grinder Specifications  
 4) Sourcewell Contract No. 050119-MBI

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**ATTACHMENT 1**  
**Budget Adjustment Request**

Log # {Finance use <u>only</u> }:	
Batch # {Finance use <u>only</u> }:	

## City of Santa Fe, New Mexico BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME					DATE	
SFSWMA					2/9/2021	
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE	
<u>EXPENDITURES</u>				<i>{enter as positive #}</i>	<i>{enter as negative #}</i>	
Transfer out to Fund 810	8110855	755810		742,978		
Equipment and Machinery	8100852	570500		742,978		
<u>REVENUES</u>				<i>{enter as negative #}</i>	<i>{enter as positive #}</i>	
Transfer In from 811	8100851	655811		(742,978)		
<b>JUSTIFICATION:</b> <i>(use additional page if needed)</i> --Attach supporting documentation/memo				<b>\$ 742,978</b>	<b>\$ -</b>	

To transfer funding from SWMA Equipment Replacement Reserve fund to SWMA operating fund to purchase Morbark Wood Hog Horizontal Grinder.

Cash is available in the Equipment Replacement Reserve Fund (811.100700)

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
Fund(s) Affected	Fund Balance Increase/(Decrease)
811	(742,978)
<b>TOTAL:</b>	<b>(742,978)</b>

Emily Pisula	2/9/2021	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i>	
Prepared By <i>{print name}</i>	Date	<b>CITY COUNCIL APPROVAL</b>	Budget Officer _____ Date
Division Director Signature <i>{optional}</i>	Date		Finance Director <i>{≤ \$5,000}</i> _____ Date
Department Director Signature	Date		City Manager <i>{≤ \$60,000}</i> _____ Date
		Agenda Item #: 4	

**ATTACHMENT 2**  
**DDI Equipment Quote**

400XT-0203 Quote Date: 2/3/2021 Customer P.O.: Sourcewell ID#154745 Requested: 90 Days ARC

Contact #: \_\_\_\_\_ Delivery Inst  
Erika Snyder / Denver Dodd Terms: Net 30 Days F

## 2021 MORBARK 3400XT WOOD HOG

### EQUIPMENT AND OPTIONS

**UNIT:**

- system complete with hammers and inserts
- feed infeed system consists of one (1) top compression feed roll and live floor
- drive includes all belts, sheaves, bushings and shields
- system consisting of a horizontal belt discharging onto a stacking conveyor belt
- rates (specify grate size)
- Morbark Integrated Control System) located in the instrument panel
- Operator's Manuals
- Hydraulic oil tank warning/shut-down
- Compression system
- End pulley for discharge conveyor
- Air compressor with 11-HP Honda motor
- Control with a tethered remote back-up system
- Operator operated debris containment door
- Roller undercarriage with 19 11/16" (600mm) Double grouser pads
- 18, Tier 4F engine, 800-HP, automatic reversing fan and externally adjustable torque limiter
- TO14FX hydraulic clutch and 2-way brake release

Sourcewell #050119-MBI

### TOTAL CALCULATION

Configured Total =	\$706,837.50
CAT ESC Platinum Plus 5year/6,000hours =	\$10,990.00
Freight =	\$17,650.00
Auto-Lube Grease System =	\$7,500.00
<b>Extended Price =</b>	<b>\$ 742,977.50</b>

**ATTACHMENT 3**

**Morbark 3400XT Wood Grinder Specifications**

A large orange Morbark 3400XT Wood Hog Horizontal Grinder is shown in operation. The machine is a tracked wood processor with a large hopper on the left and a discharge chute on the right. It is processing a pile of brush and branches, with wood chips being discharged into a large pile on the right. The machine has "3400XT WOOD HOG" printed on its side. The Morbark logo is visible in the top left corner of the image.

**MORBARK**

MADE FOR **MORE** TO KEEP PACE WITH **YOU**

# 3400XT WOOD HOG HORIZONTAL GRINDER

Listening closely to customer feedback while developing the design for the **3400XT Wood Hog**, Morbark provides the features customers want and the versatility they need, while staying true to our proven technology. One of the most important features of the 3400XT is that it can be made as narrow as 8'6" (2.59 m), making it within the legal transport width in any country, no matter what engine is used. With 800 horsepower (596 kW), this model is ideal for a broad range of applications in a wide variety of markets worldwide. Like all of Morbark Wood Hog models, the 3400XT also is available with electric power. The size of the 3400XT allows the model to be configured for multiple applications and global markets without additional design considerations.

## FEATURES AND BENEFITS

- Sloped infeed sides and an additional 24" (60.96 cm) infeed length gives the operator improved visibility and loading efficiency.
- The area between the hood and the engine has been reconfigured to provide an additional 12" (30.48 cm) of working space, for better access to components for general maintenance or to change screens.
- The Morbark Integrated Control Systems (MICS) automatically adjusts feed rates and monitors pressures and feed wheel position to maximize production and engine efficiency.
- The hydraulic hinged door allows quick and easy access for changing grates.
- The internal planetary drive with no chains and sprockets means lower maintenance, more torque and better durability.
- A proven drive line protection system protects against catastrophic damage from contaminants.



# MORBARK 3400XT WOOD HOG SPECIFICATIONS

GENERAL	US	METRIC
Length (transport)	38'2"	11.63 m
Length (operating)	57'9"	17.37 m
Height (transport)	12'	3.66 m
Height (operating)	16'0.5"	4.95 m
Width	8'6"	2.59m
Gross Weight (approx.)	71,900 lb	32,613 kg
Engine	CAT	
Horsepower	800 HP	596 kW
Fuel Capacity (tank)	300 gallons	1,135 litres
Hydraulic Oil	100 gallons	378 litres
Infeed Opening	57.5" x 38"	145 cm x 96.5 cm
Screen Area	3,785 sq in	24,419 sq cm
Tracks	320L Caterpillar undercarriage with double grouser	

Specifications may vary with equipment options

## EQUIPMENT HIGHLIGHTS

- Variable speed infeed system consists of one 34" (86.36 cm) diameter top compression feed roll with internal drive and a 16' long x 57.5" (4.88 m x 146 cm) wide live floor equipped with four strands of WDH-120 chain in a staggered configuration
- 32" x 58.5" (81.28 cm x 149 cm) hammermill system constructed of heavy-duty 20" (50.8 cm) diameter rotor, (16) 58.125" (2.86 cm) thick two-piece laser-cut rotor plates to ensure precisions and enforce steel strength. The plates are keyed on a 7.25" (18.41 cm) diameter shaft with 4.44" (11.27 cm) bearings on both ends of the rotor and eight 2.25" (5.7 cm) hammer retaining rods. Hammermill pattern has (18), 2" (5.08 cm) balanced forged heavy-duty hammers, (18) 3.06" (7.78 cm) wide double-edged replaceable inserts and 18 rakers
- Removable infeed chain return floor
- Automatic reversing fan system
- Dust suppression system
- Hydraulically operated debris containment door

## EQUIPMENT HIGHLIGHTS

- Discharge system consists of a hydraulically driven, horizontal 42" x 19'9" (106.68 cm x 6.02 m) aggregate belt conveyor discharging onto a 36" (91.44 cm) wide stacking conveyor with hydraulic fold for transport
- Remote control with tethered back-up system
- Magnetized end pulley with collecting slide tray for ferrous metal removal
- 11-hp (8.2 kW) air compressor with lockable enclosure

## OPTIONS INCLUDE

- Hydraulic Rod Puller
- ESPAR heating system for cold-weather start

Updated 11/26/19





**MORBARK**

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# BREAK-AWAY TORQUE LIMITER

For over a decade, Morbark's exclusive, Break-away Torque Limiter, has proven to be the industry's best solution for protecting the driveline of a horizontal or tub grinder from catastrophic failure. It reacts in milliseconds to a direct hit. No other system has this response time, which ultimately will save you downtime and money. The system is a standard feature on most current models of Morbark Wood Hog Horizontal Grinders and Tub Grinders, including:

#### Externally Adjustable Torque Limiter

3000X and 3000XT Horizontal Grinders  
3400X and 3400XT Horizontal Grinders  
6400X and 6400XT Horizontal Grinders  
7600B Horizontal Grinder  
1300B and 1600 Tub Grinders

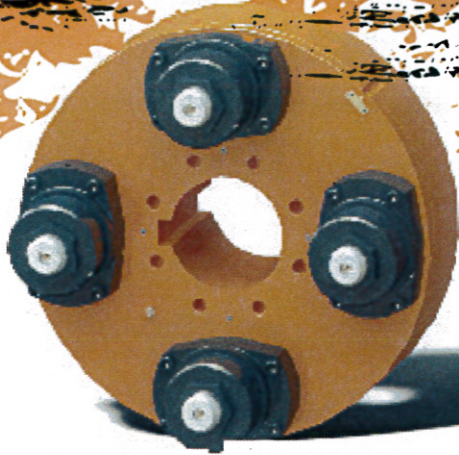
#### Internally Adjustable Torque Limiter

950 Tub Grinder  
1000 Tub Grinder  
1100 Tub Grinder  
1200XL Tub Grinder

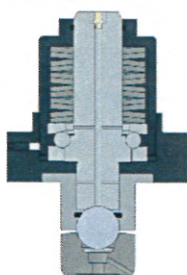




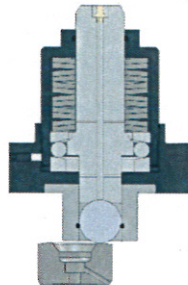
# MORBARK BREAK-AWAY TORQUE LIMITER



Torque Limiter Module Fig 1

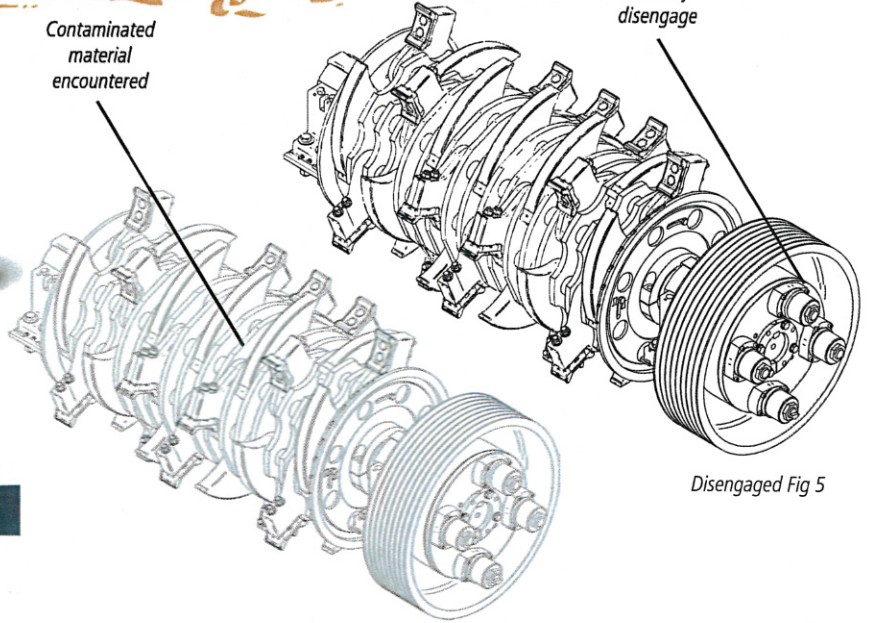


Engaged Fig 2



Disengaged Fig 3

Contaminated material encountered



Engaged Fig 4

Disengaged Fig 5

Updated 9/8/2020

## THE MORBARK BREAK-AWAY TORQUE LIMITER CAN SAVE YOU TIME AND MONEY!

### Instantaneous, positive release.

- The device consists of two halves, which will break-away from each other, when the set torque is exceeded, positively disconnecting the mill from the driveline should the mill hit a contaminate, such as steel, preventing catastrophic damage to the engine and clutch.
- Simultaneously, the engine and Morbark Integrated Control System (MICS) will be triggered to run through a setlist of protocols to prevent any further damage, while notifying the operator that the system has been tripped.

### Easily adjustable from the outside.

- Externally increase or decrease the torque limiter release settings to best fit your application.
- Upon being tripped, the torque limiter can be reset in a matter of minutes, creating less downtime.
- No need to take the elements off the torque limiter to adjust.
- No special tools required for adjustments.
- It can be manually released for proper detent and bearing lubrication.

### Direct replacement with Morbark's internally adjustable safety elements on select models.

- Changing from an internally adjustable to an externally adjustable torque limiter requires minimal modification, and can be easily completed in the field.

If you're ready to operate equipment that's made to keep pace with you, then we invite you to go to [morbarkdealers.com](http://morbarkdealers.com) to find the authorized dealer in your area. Your Morbark dealer will work with you to assess your needs now and in the future, as well as offer equipment recommendations, financing options, wear parts and service if you should ever need it.



**ATTACHMENT 4**

**Sourcewell Contract No. 050119-MBI**

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**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS,  
AND SOLUTIONS REQUEST**



Company Name: Morbark, LLC

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by Sourcewell or included in the final contract. Sourcewell will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	Sourcewell ACCEPTS
		<b>NO EXCEPTIONS TAKEN</b>	

Proposer's Signature: *Kevin Cotton* Date: 04/26/2019

**Sourcewell's clarification on exceptions listed above:**



**FORM D**

**Formal Offering of Proposal**  
(To be completed only by the Proposer)

**RECYCLING AND REPURPOSING EQUIPMENT WITH RELATED ACCESSORIES, SUPPLIES, AND SERVICES**

In compliance with the Request for Proposal (RFP) for RECYCLING AND REPURPOSING EQUIPMENT WITH RELATED ACCESSORIES, SUPPLIES, AND SERVICES, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer's response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: Morbark, LLC Date: 04/26/2019

Company Address: 8507 S. Winn Rd. P.O. Box 1000

City: Winn State: MI Zip: 48896

CAGE Code/DUNS: 195586185

Contact Person: Kevin Cotter Title: General Counsel & Governmental Sales Manager

Authorized Signature: *Kevin Cotter* Kevin Cotter  
(Name printed or typed)

**FORM E**  
**CONTRACT ACCEPTANCE AND AWARD**



(Top portion of this form will be completed by Sourcewell if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

Sourcewell Contract #: 050119-MBI

Proposer's full legal name: Morbark, LLC

**Based on Sourcewell's evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by Sourcewell.**

The effective date of the Contract will be July 15, 2019 and will expire on July 15, 2023 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the Sourcewell Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at Sourcewell's discretion.

**Sourcewell Authorized Signatures:**

DocuSigned by:  
Jeremy Schwartz  
CDFD2A139D06489  
SOURCEWELL DIRECTOR OF OPERATIONS AND  
PROCUREMENT/CPO SIGNATURE

Jeremy Schwartz  
(NAME PRINTED OR TYPED)

DocuSigned by:  
Chad Coquette  
7E4268F817A64CC...  
SOURCEWELL EXECUTIVE DIRECTOR/CEO SIGNATURE

Chad Coquette  
(NAME PRINTED OR TYPED)

Awarded on July 10, 2019

Sourcewell Contract # 050119-MBI

**Vendor Authorized Signatures:**

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name Morbark LLC

Authorized Signatory's Title Wayne Watts Gov Sales Rep.

Wayne Watts  
VENDOR AUTHORIZED SIGNATURE

Wayne Watts  
(NAME PRINTED OR TYPED)

Executed on July 12, 2019

Sourcewell Contract # 050119-MBI



**Form F**

**PROPOSER ASSURANCE OF COMPLIANCE**

**Proposal Affidavit Signature Page**

**PROPOSER'S AFFIDAVIT**

The undersigned, authorized representative of the entity submitting the foregoing proposal (the "Proposer"), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to Sourcewell members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.
2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of Sourcewell, or any person, firm, or corporation under contract with Sourcewell, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.
3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer's RFP response.
4. The Proposer will, if awarded a Contract, provide to Sourcewell Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.
5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
7. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
8. The Proposer understands that it is the Proposer's duty to protect information that it considers nonpublic, and it agrees to defend and indemnify Sourcewell for reasonable measures that Sourcewell takes to uphold such a data designation.

**[The rest of this page has been left intentionally blank. Signature page below]**

By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: Morbark, LLC

Address: 8507 S. Winn Rd. P.O. Box 1000

City/State/Zip: Winn, MI 48896

Telephone Number: (800) 831-0042 ext. 1711

E-mail Address: kevin.m.cotter@morbark.com

Authorized Signature: *Kevin Cotter*

Authorized Name (printed): Kevin Cotter

Title: General Counsel and Governmental Sales Manager

Date: 04/24/2019

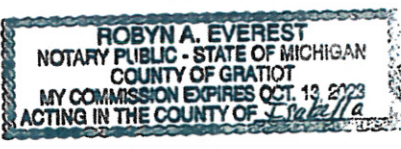
**Notarized**

Subscribed and sworn to before me this 24 day of April, 20 19

Notary Public in and for the County of Isabella State of Michigan

My commission expires: 10/13/2023

Signature: *Robyn A. Everest*





**Form P**

**PROPOSER QUESTIONNAIRE**

**Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions**

Proposer Name: Morbark, LLC

Questionnaire completed by: Kevin Cotter

**Payment Terms and Financing Options**

1) What are your payment terms (e.g., net 10, net 30)?

Net 30 days.

2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?

Yes, Morbark has an in-house Finance Manager who helps facilitate financing between our customers and lending institutions. Morbark has also partnered with National Cooperative Leasing (NCL) to offer Sourcewell members a complete suite of finance solutions. NCL is a current Sourcewell financing contract holder (#032615-NCL) and is an industry expert in municipal financing solutions. NCL will offer leasing terms from 12-120 months on transactions from \$5,000.00 and up. Traditional leasing and financing programs will be offered along with programs specifically designed for schools and governmental entities including Tax-Exempt Municipal Leases and a Purchase Order Only program. There is no ownership, common ownership, or control between Morbark, LLC and NCL. Please see the enclosed brochure for additional details.

3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to Sourcewell. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the Sourcewell Members' purchase orders.

Since the award of our first Sourcewell contract in 2015, the system that we initially put in place is functioning very well. We do not miss sales and our reporting is accurate. Sourcewell members contact Morbark directly or one of Morbark's dealers to request a quote. If it is a direct quote, Morbark's Governmental Support Representative will supply them with the requested information. If it is a dealer

request, the dealer representative will contact Morbark's Governmental Support Team and a quote will be generated and returned to the dealer. The dealer will then contact the Sourcewell member and supply them with the requested information. Purchase orders are issued directly to Morbark and all Sourcewell orders are monitored to ensure timely delivery and accurate reporting to Sourcewell.

Our dealers do not process Sourcewell member purchase orders directly. This allows us to control the transaction from start to finish - ensuring administrative fees are paid, and reporting is properly filed in a timely manner. Over the last several years our dealer network has bought into the solution our Sourcewell contract offers and they work to promote our contract to existing and potential customers.

- 4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell Members for using this process?

Morbark does accept the P-card procurement and payment process and there is no additional cost to Sourcewell members for this service.

**Warranty**

- 5) Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.

- Do your warranties cover all products, parts, and labor?

Yes, all products, parts and labor are covered. Coverage varies based on equipment category. Please see the enclosed Warranty Handbooks for complete details.

- Do your warranties impose usage restrictions or other limitations that adversely affect coverage?

Yes, please see the table below as well as the enclosed Warranty Handbooks. Extended warranty coverage is also available.

<b>Product Description</b>	<b>Company-Manufactured Components</b>	<b>Vendor-Purchased Components</b>	<b>Extended Coverage</b>
New Forestry, Recycling and Sawmill Equipment	One (1) year or 1,500 hours, whichever comes first	One (1) year from date in service	May be purchased prior to start-up
New Eger Beaver Chippers, except Eger	Two (2) years or 3,000 hours, whichever comes first	One (1) year from date in service	May be purchased prior to start-up

Beever 2230 (f/k/a M20R)			
New Eger Beever Chippers 1215 (f/k/a M12RX) and Eger Beever 2230 (f/k/a M20R)	One (1) year or 1,500 hours, whichever comes first	One (1) year from date in service	May be purchased prior to start-up
Rayco Forestry Mulchers	One (1) year	Not applicable	Contact Factory Representative
DENIS CIMAF mulcher heads	One (1) year or 1,200 hours, whichever comes first	Not applicable	Contact Factory Representative
Used Equipment	As stated on Equipment Order	Not applicable	Not applicable
New Engines	Not applicable	See Engine Warranty Statement	May be purchased prior to startup or possibly two (2) years after startup, depending on the programs offered by the engine supplier
Wear items such as conveyor belting, chipper and counter knives, flail chain, anvils, hammers, screens, bearings and tires	Manufacturer's limited warranty extended to the original purchaser to cover conditions reasonably considered to have been within manufacturer's control. Conditions not within manufacturer's control, such as irregular wear, lack of maintenance, damage due to	Manufacturer's limited warranty extended to the original purchaser to cover conditions reasonably considered to have been within manufacturer's control. Conditions not within manufacturer's control, such as irregular wear, lack of maintenance, damage due to	Not applicable

		accidents or vandalism, are not covered.	accidents or vandalism, are not covered.	
New Morbark-Manufactured Components		Ninety (90) days from the date of purchase	Not applicable	Not applicable
Advantage 3 Drum Assembly		<b>New equipment:</b> Three (3) years from the date in service <b>Replacement:</b> Covered for the remainder of the original equipment warranty <b>Purchased:</b> One (1) year from date of purchase	Not applicable	Not applicable
New After-Market Purchased Components		Not applicable	One (1) year	Not applicable

**The following circumstances are not covered by our warranty:**

- Maintenance
  - o Required scheduled maintenance including proper maintenance schedule intervals.
  - o Procedures to maintain correct fluid levels: fuel, oil, and lubricants recommended in the Operator's manual.
  - o Labor involved in adjusting, lubricating, as well as performing other normal maintenance services detailed in the Maintenance Schedule and/or Operator's manual.
  - o Items considered expendable or normal maintenance items such as: lubricants, anti-freeze, fluids, filters, clutch linings, brake pads, wear parts (i.e. such as knives, inserts, and grates), light bulbs.
- Damages Due to Accidents, Misuse, or Alterations
  - o Collision, fire, theft, abuse, negligence, freezing, vandalism, riot, explosion or objects striking the equipment, environmental damage, and caustic cleaning solutions.
  - o Modifications or temporary repairs made to equipment.
  - o Use of equipment for something other than it's intended use.
- Unauthorized Service

- o Repairs or service work performed by unauthorized service outlets, without prior approval.
- Damage resulting indirectly from a prior warranty issue.
  - o Warranty will only be allowed for direct cause
  - o Any damage caused because equipment was allowed to continue to operate with a warrantable problem allowing additional issues to develop will not be covered.
- Freight Inbound to Dealer/Customer
  - o Expenses over and above normal ground transportation for procurement of warranty materials.
- Freight Outbound to Morbark
  - o Morbark will not always require that a component be returned for warranty. Complete the Warranty Preliminary Review Form to find out whether or not an item must be returned.
  - o Freight to Morbark will not be reimbursed if Morbark did not require the component be returned.
- Towing
- Payment for lost profits or downtime
- Materials - Shop materials; maintenance items
- Travel expenses including lodging and meals
- Rental Equipment Expenses

- Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?

Travel is considered on a case-by-case basis.

- Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell Members in these regions be provided service for warranty repair?

There is no region of the United States where Morbark cannot provide a certified technician to perform warranty repairs. Our extensive dealer network will be handling warranty repairs, but if there is an area not represented by a dealer, a Morbark service technician will be able to service those customers. Dealer service technicians are factory trained and certified by Morbark.

- Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?

All engine services are handled directly by the nearest servicing distributor. Other purchased components not related to the engine are handled by Morbark directly.

- What are your proposed exchange and return programs and policies?

For warranty purposes, replacement parts are ordered by the customer through their authorized Morbark dealer. The servicing dealer will submit the warranty claim to Morbark and schedule the return of failed parts if requested by Morbark.

- 6) Describe any service contract options for the items included in your proposal.

Service contracts are handled through our dealer network. Most of our dealers do offer service contracts with scheduled maintenance programs performed by factory-trained personnel.

#### **Pricing, Delivery, Audits, and Administrative Fee**

- 7) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

We are offering our durable and high-performing tub grinders, horizontal grinders, enclosed grinders, solid waste grinders, whole tree chippers, hand-fed brush chippers, shredders, stacking/separating conveyors, recycling picking stations, rubber tire shredders, chiparvestors, flails, forestry mulchers and mulcher heads. Morbark equipment helps customers harvest, process and convert organic materials into valuable, usable and environmentally sound products. Product specification sheets with additional product detail are included with this proposal.

- 8) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

An electronic copy of our price book for all of our equipment is included. The price book shows the standard retail price of the equipment and options, as well as the Sourcewell price. Customers can order a base model and then add options as they wish.

- 9) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.

Morbark is offering 13.5% off the base price and options on our hand-fed brush chippers, from the Eger Beaver 812 through the Eger Beaver 2230 and other products included in the Tree Care Products (TCP) pricebook. We are offering 10% off the base price and options on the Morbark Industrial line of equipment which includes all equipment listed in the Industrial Products (IND) pricebook.

10) The pricing offered in this proposal is

- a. the same as the Proposer typically offers to an individual municipality, university, or school district.
- b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
- d. other than what the Proposer typically offers (please describe).

11) Describe any quantity or volume discounts or rebate programs that you offer.

Morbark does offer a set volume discount but we do consider larger discounts on a case-by-case basis.

12) Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.

Our equipment is built-to-order and thus we are very familiar with "non- standard options," which we handle through a well-defined cost/project request process. The first requirement is clearly defined requirements from the customer and a final review of those requirements before a cost/project request form is submitted for internal review. Once completed, a quote is returned to the customer for review and approval. The open market item is clearly noted on our quote and invoice and our discount applies to open market items as well.

13) Identify any total cost of acquisition costs that are **NOT** included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

There are no additional or hidden costs. Freight charges will be added at cost and start - up costs are included in the base price of the machines.

- 14) If travel expense, delivery or shipping is an additional cost to the Sourcewell Member, describe in detail the complete travel expense, shipping and delivery program.

We obtain a freight quote before a quote is given to a Sourcewell member. The best freight quote is then added to Morbark's equipment quote that is then shared with the Sourcewell member. We feel this practice is in the Sourcewell member's best interest. If we used a standard flat rate, members would not receive the benefit of a price reduction for closer deliveries, and our method provides the best rate possible at the time of the sale.

- 15) Specifically describe those travel expense, shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Shipments to Alaska, Hawaii and Canada are handled the same way as those described in response number 14 above.

- 16) Describe any unique distribution and/or delivery methods or options offered in your proposal.

To minimize cost for all of our customers we go to great lengths to ship full loads whenever possible by pairing shipments if the customer's timeline for delivery allows.

- 17) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell.

Over the last several years we have developed a very detailed and reliable system to ensure that we are always in compliance with our Sourcewell contract. Morbark has two individuals dedicated to ensure compliance with our Sourcewell contract. A series of checks and balances are in place such as quote reviews, quarterly reports and contract evaluations. All Sourcewell orders are closely reviewed by the Governmental Support Representative (GSR) and the Governmental Sales Manager. Quarterly reminders are emailed to the GSR and a dedicated back up to ensure reports are filed in a timely manner. All administration fees are processed by an administrative assistant, reviewed and approved by the GSR and then signed off by the Vice President of Strategy and Aftermarket Service before mailing. Conformance to contract requirements is of the highest priority.

- 18) Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of

Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See RFP Section 6.29 and following for details.)

Morbark is proposing to pay an administrative fee of 1.5% of net contract sales less freight.

### **Industry-Specific Questions**

19) Describe any key designs, processes or innovations that promote or enhance the safety, reduce down-time and simplify the operation of your equipment.

1. The markets that we serve view our equipment as a premium brand because of its durability and the service and support offered before, during and after the sale.

2. Safety and education are a cornerstone of our business. Currently, we offer a unique safety option on all our brush chippers, the ChipSafe® Operator Safety Shield.

In addition, we actively encourage all tree care customers to participate in the Tree Care Industry Association (TCIA). In fact, all first-time, tree care equipment customers are offered a FREE one-year membership, which Morbark pays for, so they can become familiar with and participate in the organization's Chipper Operator, Chain Saw, Grounds Operations, and Aerial Lift Specialists safety training programs.

3. We continue to develop tools and offerings for the market based on customer input. Examples of these initiatives include:

- Our recently developed model specific Parts Kits, which NJPA members can easily order at a discount through our Municipal Sales Team; and
- Maintenance Made Easy program – a complete set of how to videos that walk customers step-by-step through frequent equipment maintenance tasks. These videos are accessible by scanning a QR Codes on decals that are strategically located on equipment or on a set of cards that can be ordered on our website or through a Morbark dealer.

20) Describe any service programs and products that are unique in the marketplace that you or your dealer network offer.

- Of the companies that provide similar equipment, Morbark offers the most comprehensive and complete spectrum of Recycling and Repurposing Equipment.
- Having invented many of the machines that make up this market, Morbark has been building and innovating this equipment longer than any competitor.

- Morbark has the ability to engineer and adapt its equipment to meet specific customer needs.
- Morbark is able to provide electric-powered equipment and also provide installation assistance of electric powered solutions.

21) Describe the various types of configurations your equipment can be supplied in such as tracked, wheeled, electric, etc.

Most models of our equipment can be configured with tires or tracks. We also offer electric power options on many of our models in lieu of diesel power.

22) Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in this Proposal related to fuel efficiency, emission reductions, or other green/sustainability factors.

All engines used to power Morbark, Rayco, DENIS CIMAF, and Boxer equipment meet the stringent emission standards that have been phased-in throughout the United States and Canada.

23) If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.

We track our sales very closely. Beyond the volume of our sales, we track the method by which municipalities and non-profits purchase equipment. We also monitor our dealer network to determine their level of buy-in and use of our Sourcewell contract. When we identify a dealer who appears to be below their potential, we intervene and often find that some education on the process can often resolve the issue. We also monitor our annual Sourcewell sales and pay close attention to our year-over-year growth.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_


level of buy-in and use of our Sourcewell contract. When we identify a dealer who appears to be below their potential, we intervene and often find that some education on the process can often resolve the issue. We also monitor our annual Sourcewell sales and pay close attention to our year-over-year growth.

Signature: Ken Cothran

Date: 04/26/2019

# MEMORANDUM

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**To:** SFSWMA Joint Powers Board  
**From:** Randall Kippenbrock, P.E., Executive Director   
**Date:** February 15, 2021  
**Subject:** Request for Approval to Purchase a Pemberton Loader Rake Grapple Attachment for the Volvo L110G/H Wheel Loaders from Golden Equipment Company of Albuquerque, NM, for the Buckman Road Recycling and Transfer Station in the Amount of \$19,100

## SUMMARY

The Agency is requesting approval to purchase a Pemberton loader rake grapple attachment from Golden Equipment Company of Albuquerque, NM, for \$19,100.

The grapple attachment will be for the Volvo L110G/H wheel loaders at the Buckman Road Recycling and Transfer Station (BuRRT) to:

- support the green waste operation, including pushing green waste into piles
- load material into commercial trucks, including mulch, manure, overage, and scrap tires
- feed the green waste material into the Morbark 3400 XT wood horizontal grinder (requested under a separate memo)

Funding is available from 811.100700 (Equipment Replacement Reserve Fund).

## BACKGROUND

The Agency has one loader rake grapple attachment designed for the green waste operation. A second grapple attachment will improve the operation's efficiency and allow two loaders to feed the new Morbark 3400XT grinder, particularly during the peak green waste seasons.

The Agency has three Volvo L110G/H wheel loaders at BuRRT, all purchased from Golden Equipment Company of Albuquerque, NM, under Houston-Galveston Area Council Cooperative Purchasing Program (HGACBuy) Contract no. EM06-15 and EM06-19. These are:

- L110G Volvo wheel loader (Unit 1453)
  - Purchased on November 17, 2011
  - Cost - \$211,569.92
  - Serves as a backup unit for the transfer station, recycling, and green waste operations

- L110H Volvo wheel loader (Unit 1467)
  - Purchased on March 17, 2016
  - Cost - \$240,105.00.
  - Serves as the primary loader for the green waste operations
  
- Volvo L110H 2.0 wheel loader (Unit 1471)
  - Purchased on June 19, 2020
  - Cost - \$269,361.00.
  - Serves as the primary loader for the transfer station and recycling operations

All three loaders have the necessary 3<sup>rd</sup> hydraulic function to support hydraulic-driven attachments, including the new grapple attachment.

The Agency obtained two quotes from these vendors:

- Golden Equipment Company, Albuquerque, NM; \$19,100
- Pemberton, Longwood, FL; \$19,550

### **ACTION REQUESTED**

The Agency requests approval to purchase a Pemberton loader rake grapple attachment from Golden Equipment Company for \$19,100.

The Agency also requests approval of a budget increase from 811.100700 (Equipment Replacement Reserve Fund) to 8100852.570500 (Capital Outlay - Equipment and Machinery) for \$19,100.

Attachments:

- 1) Budget Adjustment Request
- 2) Golden Equipment Company Quote, dated February 1, 2021
- 3) Pemberton Loader Rakes Brochure with Specifications

M:/Memo/Memo021521.3.docx

**ATTACHMENT 1**  
**Budget Adjustment Request**

Log # {Finance use only}:	
Batch # {Finance use only}:	

## City of Santa Fe, New Mexico BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME					DATE	
SFSWMA					2/15/2021	
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE	
<u>EXPENDITURES</u>				<i>{enter as positive #}</i>	<i>{enter as negative #}</i>	
Transfer out to Fund 810	8110855	755810		19,100		
Equipment and Machinery	8100852	570500		19,100		
<u>REVENUES</u>				<i>{enter as negative #}</i>	<i>{enter as positive #}</i>	
Transfer In from 811	8100851	655811		(19,100)		

**JUSTIFICATION:** *(use additional page if needed)*  
 --Attach supporting documentation/memo

	\$ 19,100	\$ -
--	-----------	------

To transfer funding from SWMA Equipment Replacement Reserve fund to SWMA operating fund to purchase Pemberton Loader Rake Grapple Attachment

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
	Fund Balance
Fund(s) Affected	Increase/(Decrease)
811	(19,100)
<b>TOTAL:</b>	<b>(19,100)</b>

Cash is available in the Equipment Replacement Reserve Fund (811.100700)

Emily Pisula	2/15/2021	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i>	
Prepared By <i>{print name}</i>	Date	<b>CITY COUNCIL APPROVAL</b>  City Council Approval Date      2/18/2021  Agenda Item #:      4	Budget Officer _____ Date
Division Director Signature <i>{optional}</i>	Date		Finance Director <i>{≤ \$5,000}</i> _____ Date
Department Director Signature	Date		City Manager <i>{≤ \$60,000}</i> _____ Date

**ATTACHMENT 2**

**Golden Equipment Company Quote**

**February 1, 2021**



February 1, 2021

Santa Fe Solid Waste Management Agency  
 149 Wildlife Way  
 Santa Fe, NM 87506

Re: Machine Attachment Proposal

Golden Equipment Company is please to quote the following equipment for your consideration:

**Equipment**

Pemberton Loader Rake Grapple Attachment Model L600- LR

- Model – L600LR
- Machine – Volvo L110H
- Mount – Volvo Quick Coupler
- Heavy Duty 2” Abrasion Resistant Teeth
- 9 – Tooth
- 114” Raking Width
- 120” Overall Width
- Full Paddle w/out Teeth
- 1 Year Standard Manufacture’s Warranty
- Lead Time – 10-15 working Days

Subtotal Unit	\$17,200.00
Freight ABQ	\$1,450.00
PDI	\$250.00
Freight to BUURT	\$200.00
 Subtotal	 \$19,100.00
NMGRT	\$0.00
 TOTAL INVESTMENT	 \$19,100.00

This quote is good for 30 days.

**Albuquerque**  
 721 Candelaria NE  
 Albuquerque, NM 87107  
 505-345-7811

**Farmington**  
 1150 Madison Lane  
 Farmington, NM 87401  
 505-326-1413

**Durango**  
 29268 Hwy 160  
 Durango, CO 81301  
 970-247-8830



**Finding Innovative Solutions**

Thank you for inviting Golden Equipment Company to provide your equipment solutions. If you should have any questions, please feel free to contact our office.

**Customer Acceptance**

I hereby authorize Golden Equipment Company to order the equipment as specified above in this quotation and have read and agree to all the Terms and Conditions set forth hereof, including payment of the total cost indicated.

Quote #: \_\_\_\_\_

Equipment: \_\_\_\_\_

By: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Thank you for inviting Golden Equipment Company to provide your equipment solutions. If you should have any questions, please feel free to contact our office.

Best Regards,

Flavio Salazar  
Customer Development Manager

---

**Albuquerque**  
721 Candelaria NE  
Albuquerque, NM 87107  
505-345-7811

**Farmington**  
1150 Madison Lane  
Farmington, NM 87401  
505-326-1413

**Durango**  
29268 Hwy 160  
Durango, CO 81301  
970-247-8830



*Finding Innovative Solutions*

**GOLDEN EQUIPMENT COMPANY  
TERMS AND CONDITIONS OF QUOTATION AND SALE**

1. **QUOTATIONS.** Prices, deliveries and specifications quoted by GOLDEN EQUIPMENT COMPANY are furnished for information purposes only and are not binding upon GOLDEN EQUIPMENT COMPANY in any manner. A contract binding GOLDEN EQUIPMENT COMPANY and a written acknowledgment from GOLDEN EQUIPMENT COMPANY to buyer accepting that purchase order. GOLDEN EQUIPMENT COMPANY Terms and Conditions of Sale shall apply to all sales, and prices will be those in effect at time of shipment.
2. **GENERAL.** These terms and conditions supersede all prior communications and agreements and shall be deemed to be exclusive and complete. Notwithstanding any conflicting or different terms and conditions in any order or acceptance of Purchaser (to which Golden Equipment Company hereby objects), all sales and shipments shall be only upon these terms and conditions which shall not in any way be modified or waived, except by agreement in writing by a duly authorized representative of Golden Equipment Company. Section headings are for purposes of convenience only.
3. **DELIVERY.** Unless otherwise stated in Golden Equipment Company's proposal, all equipment sold is delivered F.O.B. point of shipment. Where the scheduled delivery of equipment is delayed by Purchaser or by reason of any of the contingencies referred to in Section 7. Golden Equipment Company may deliver such equipment by moving it to storage for the account of and at the risk of Purchaser. Shipping dates are approximate and are based upon prompt receipt of all necessary information and approvals from Purchaser. Golden Equipment Company reserves the right to make delivery in installments.
4. **TITLE AND RISK OF LOSS.** The equipment sold shall remain the personal property of Golden Equipment Company and shall remain personal property until fully paid for in cash. Purchaser hereby grants Golden Equipment Company a security interest in the goods sold and agree, if requested by Golden Equipment Company, to execute a security agreement covering the equipment sold and to perform all acts that may be necessary to perfect and assure retention of title to such equipment by Golden Equipment Company. Notwithstanding any agreement with respect to delivery terms or payment of transportation charges, risk of loss or damage shall pose to Purchaser and delivery shall be deemed to be complete upon delivery to a private or common carrier or upon moving into storage, whichever occurs first, at the point of shipment.
5. **WARRANTY DISCLAIMER.** Golden Equipment Company, assigns to the Purchaser all warranties, if any, extended by the manufacturer or distributor of new equipment. Purchaser understands that manufacturer warranties may not apply in the event any equipment is used other than for its intended purpose or in the event of any modifications or changes by Purchaser or others to the equipment as originally manufactured. GOLDEN EQUIPMENT COMPANY DOES NOT MAKE AND HEREBY DISCLAIMS ANY AND ALL OTHER WARRANTIES OF QUALITY, WRITTEN, ORAL, OR IMPLIED, AND ALL OTHER WARRANTIES INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. USED EQUIPMENT SOLD BY GOLDEN EQUIPMENT COMPANY IS SOLD "AS IS" WITH NO REPRESENTATION OR WARRANTY, AND GOLDEN EQUIPMENT COMPANY HEREBY DISCLAIMS ALL WARRANTIES OF QUALITY, WRITTEN, ORAL, OR IMPLIED OTHER THAN AS MAY BE EXPRESSLY AGREED TO BY GOLDEN EQUIPMENT COMPANY IN WRITING, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. ALL WARRANTIES ARE FOB; GOLDEN EQUIPMENT COMPANY.
6. **LIMITATION OF AVAILABILITY.** IN NO EVENT SHALL GOLDEN EQUIPMENT COMPANY BE LIABLE FOR SPECIAL, DIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF THE EQUIPMENT, OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT, FACILITIES, OR SERVICES, DOWNTIME COSTS, OR CLAIMS OF CUSTOMERS OF THE PURCHASER FOR SUCH OR OTHERS DAMAGES WHETHER ON ACCOUNT OF EQUIPMENT FURNISHED HEREUNDER OR DELAYS IN DELIVERY THEREOF OR SERVICES PERFORMED UPON OR WITH RESPECT TO SUCH EQUIPMENT. GOLDEN EQUIPMENT COMPANY'S LIABILITY ON ANY CLAIM, WHETHER IN CONTRACT, TORT, NEGLIGENCE, OR OTHERWISE FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THIS CONTRACT OR THE PERFORMANCE OF BREACH THEREOF, OR FROM THE DESIGN
7. **FORCE MAJEURE.** Golden Equipment Company shall not be liable for loss, damage, detention, or delay, nor be deemed to be in default from causes beyond its reasonable control or from fire, strike, or other concerted action of workmen, act, or omission of any governmental authority or of Purchaser, compliance with import or export regulations, insurrection or riot, embargo, delays or shortages in transportation, or inability to obtain necessary engineering talent, labor, materials, or manufacturing facilities from usual sources. In the event of delay due to any such cause, the date of delivery will be postponed by such length of time as may be reasonably necessary to compensate for the delay.
8. **PRICE ADJUSTMENT.** The price does not include any federal, state, or local property, license privileges, sales, service, use, excise, value added, gross receipts, or other like taxes that may now or hereafter be applicable to, measured by, or imposed upon or with respect to this transaction, the property, its purchaser, sale, replacement, value, or use, or any services performed in connection therewith. Purchaser agrees to pay or reimburse Golden Equipment Company, its subcontractors, or suppliers any such taxes that Golden Equipment Company, its subcontractors, or suppliers are required to pay or collect or that are required to be held by Purchaser. The price of any equipment or portion thereof that is unshipped as of the effective date of any increase or decrease in Golden Equipment Company's selling price shall be adjusted accordingly. Price change shall not apply to any portion of the equipment shipped prior to the effective date of the price change. If shipment is delayed due to acts or omissions of Purchaser or due to any of the causes specified in Section 7 herein, shipment shall mean the actual date of shipment. Purchaser shall pay to Golden Equipment Company, in addition to the purchase price, any amount by which transpiration charges may be increased by reason of increased transportation rates, between the date of the price quotation and the time of shipment.
9. **INFORMATION FURNISHED PURCHASER.** Any design, manufacturing drawings, or other information or materials submitted to the Purchaser remain the exclusive property of Golden Equipment Company or its suppliers and may not, without its consent, be copied or communicated to a third party.
10. **ASSIGNMENT.** Any assignment of this contract, or any rights hereunder, without prior written consent of Golden Equipment Company by a duly authorized representative thereof shall be void.
11. **PARTIAL INVALIDITY.** If any provision herein or portion thereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision or portion thereof, but these conditions shall be construed as if such invalid or unenforceable provision or portion thereof had never been contained herein.
12. **REMEDIES.** The remedies expressly provided for in these conditions shall be in addition to any other remedies that Golden Equipment Company may have under the Uniform Commercial Code or other applicable law.

**Albuquerque**  
721 Candelaria NE  
Albuquerque, NM 87107  
505-345-7811

**Farmington**  
1150 Madison Lane  
Farmington, NM 87401  
505-326-1413

**Durango**  
29268 Hwy 160  
Durango, CO 81301  
970-247-8830

**ATTACHMENT 3**

**Pemberton Brochure with Specifications**



For: Wheel Loaders



Type: Rakes



etc

Applications: Recycling Site Prep Storm Cleanup Wood Waste Other

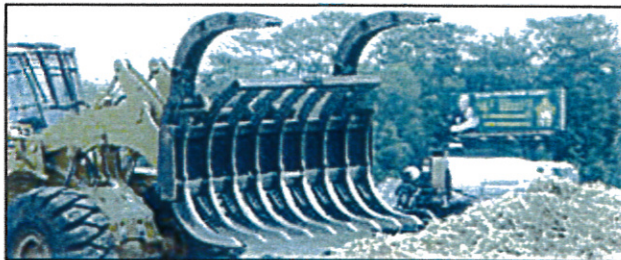
Loader Rakes with Paddle Clamp or Two Clamps are utilized in many applications. Recycling, land clearing and storm clean-up are probably the most common.

These rakes are designed with long teeth that are ideal for loading, piling and feeding grinders. They feature high strength and high tensile materials. These units can handle approximately 75% more material than the standard loader rake without a clamp.

The paddle clamp is essentially the two independent clamps tied together so they operate as one unit along the entire rake width.

Having two independent clamps (instead of the paddle clamp) helps when handling uneven loads, giving the opportunity for one clamp to close down tighter on the load than the other.

Please note that a third spool valve is necessary on the machine to operate the clamps or paddle.



Loader Class	Raking Width	Tine Spacing	Tine Thickness	Number of Tines	Max. Opening	Min. Opening	Weight w/o Clamps	Weight with Clamps
L-100	84"	10 7/8"	1 1/4"	8	80"	10"	1,900 lbs	2,900 lbs
L-200	96"	12"	1 1/2"	8	92"	12 1/2"	2,400 lbs	4,000 lbs
L-300	106"	13"	1 3/4"	8	95"	12 1/2"	2,900 lbs	5,085 lbs
L-500	106"	13"	1 3/4"	8	95"	12 1/2"	2,900 lbs	5,085 lbs
L-600	114"	12 1/2"	2"	9	95"	12 1/2"	3,800 lbs	6,200 lbs
L-700	122"	12 3/4"	2 1/4"	9	95"	12 1/2"	5,200 lbs	7,600 lbs
L-800	134"	14"	2 1/2"	9	98"	12 1/2"	6,900 lbs	9,800 lbs




Quality Attachments Since 1978

**PEMBERTON**

# MEMORANDUM

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**To:** SFSWMA Joint Powers Board  
**From:** Randall Kippenbrock, P.E., Executive Director   
**Date:** February 15, 2021  
**Subject:** Request for Approval to Repair Unit 1309 (Caterpillar D8R Waste Handler Track-Type Dozer) by Wagner Equipment Company of Albuquerque, NM, under ITB No. '20/27/B in the Amount of \$134,945.74

## SUMMARY

Several components of Unit 1309 (Caterpillar D8R waste handler track-type dozer) need reconditioning, including transmission, differentials, final drives, and other associated machine components. The repairs are necessary to continue using the dozer for several years as a backup unit for landfill operations until budgets support replacing the unit with a new machine.

On January 27, 2021, Wagner Equipment Company of Albuquerque, NM, provided a \$134,945.74 estimate under ITB No. '20/27/B for parts and labor to recondition Unit 1309. The estimated time to complete the repairs is 4 to 6 weeks. Wagner Equipment provides a Wagner extended warranty for twelve months and pro-rated after that for up to 36 months or 6,000 hours.

Wagner has records of the unit's equipment repair, service and warranty history. They provide Original Equipment Manufacturer (OEM) parts and diagnostic/repair services for Caterpillar equipment.

Funding is available in 810.100700 (Operating Fund Cash Balance).

## BACKGROUND

On November 6, 1996, the Board approved Bid No. '97/20/A to purchase a Caterpillar D8R waste handler track-type dozer (Unit 1309) from Wagner (formerly Rust Tractor Company) of Albuquerque, NM, for \$358,875.

On October 18, 2007, the Board approved sole source procurement for a certified rebuild of the unit to Wagner for \$370,160. The certified rebuild program restored the machine to its original like-new condition and performance and provided a new serial number and hour meter.

On July 16, 2015, the Board approved procurement under RFB No. '13/34/B to Wagner to replace the undercarriage (tracks and rollers) on the unit for \$96,063.85. The work included the removal, resealing, and installation of the track assemblies, roller frames, equalizer bar, roller frame pivot shafts, track adjusters, recoil springs, bogie cartridge pins, front and rear idler wheels, and sprocket segments.

On February 15, 2018, the Board approved the procurement under RFB No. '16/08/B to Wagner to recondition the engine torque converter and radiator on the unit for \$64,686.55. The work

included disassembling the components, cleaning and inspecting all the parts, and replacing parts that did not meet Caterpillar's guidelines for reusability, and then reassembling the components.

On February 20, 2020, the Board approved the procurement under RFB No. '18/17/B to Wagner for replacing worn undercarriage components on the unit for \$68,844.07. The work included removing, resealing and installing track assemblies, link assemblies, track rollers (front only), idlers (front only), guiding guards, sprocket segments and associated hardware. The undercarriage has approximately 4,000 hours of life remaining.

On June 18, 2020, the Board approved the award of ITB No. '20/27/B, which provided price agreements for off-road heavy equipment repairs (parts and labor) from various vendors, of which Wagner is included.

To date, Unit 1309 has approximately 21,500 machine-hours and is on its second life. The unit's average yearly usage is 2,000 machine-hours when used as the primary unit and less than 500 machine-hours when serving as a backup for landfill operations.

The Agency has three dozers (Units 1309, 1356, 1367) for landfill operations to:

- spread trash evenly across the working face for maximum waste compaction
- push dirt to cover the waste
- deploy/remove tarps (alternative daily cover) at the working face
- assist the earth moving scrapers during cell excavation and soil stockpiling

### **ACTION REQUESTED**

The Agency requests approval of procuring Wagner Equipment Company to recondition the transmission, differentials, hydraulic and associated components of Unit 1309 under ITB No. '20/27/B in the estimated amount of \$134,945.74.

The Agency also requests approval of a budget increase to 8100851.520400 (Repair & Maintenance of Equipment and Machinery) from 810.100700 (Operating Fund Cash Balance) in the amount of \$134,945.74.

Attachments:

- 1) Budget Adjustment Request (BAR)
- 2) Wagner Cost Estimate for Unit 1309, dated February 2, 2021

M:/Memo/Memo021521.4.docx

**ATTACHMENT 1**  
**Budget Adjustment Request**

Log # {Finance use <u>only</u> }:	
Batch # {Finance use <u>only</u> }:	

## City of Santa Fe, New Mexico BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME					DATE	
SFSWMA					2/15/2021	
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE	
<u>EXPENDITURES</u>				<i>{enter as positive #}</i>	<i>{enter as negative #}</i>	
Transfer out to Fund 810	8110855	755810		134,946		
Equipment and Machinery	8100852	570500		134,946		
<u>REVENUES</u>				<i>{enter as negative #}</i>	<i>{enter as positive #}</i>	
Transfer In from 811	8100851	655811		(134,946)		
<b>JUSTIFICATION:</b> <i>(use additional page if needed)</i> --Attach supporting documentation/memo				\$ 134,946	\$ -	

To transfer funding from SWMA Equipment Replacement Reserve fund to SWMA operating fund to purchase Pemberton Loader Rake Grapple Attachment

Cash is available in the Equipment Replacement Reserve Fund (811.100700)

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
Fund(s) Affected	Fund Balance Increase/(Decrease)
811	(134,946)
<b>TOTAL:</b>	
	<b>(134,946)</b>

Emily Pisula	2/15/2021	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i>	
Prepared By <i>{print name}</i>	Date	<b>CITY COUNCIL APPROVAL</b>  City Council Approval Date      2/18/2021  Agenda Item #:      4	Budget Officer _____ Date
Division Director Signature <i>{optional}</i>	Date		Finance Director <i>{≤ \$5,000}</i> _____ Date
Department Director Signature	Date		City Manager <i>{≤ \$60,000}</i> _____ Date

**ATTACHMENT 2**

**Wagner Cost Estimate for Unit 1309**

**February 2, 2021**



# Repair Estimate - Special Instructions, Taxes

**Date:** Feb/2/2021 8:59:33 AM  
**Customer Number:** 77956  
**Customer Name:** SANTA FE SOLID WASTE MGT CST  
**Customer Contact:** RICKY TAPIA  
**Customer Contact Phone:** 5052318764  
**Wagner Contact:** MIKE FIELDS  
**Wagner Contact Phone:** 505-350-3672

**Make:** AA  
**Model:** D8R  
**Serial Number:** 07XM75008  
**Customer Equipment No:** 1309  
**Last Known SMU:** 0  
**Work Order Number:** AK40889  
**Purchase Order Number**

**Comments:**

Segment No	Qty	Description	*	Part \$	Labor \$	Misc \$	Total \$
01	1	TRANSPORT MACHINE TRANSPORT PER ITB NO. 20/27/B		0.00	0.00	2,300.00	2,300.00
02	1	REMOVE & INSTALL BULLDOZER		6.92	846.00	25.00	877.92
03	1	LOAD/UNLOAD MACHINE		0.00	151.80	0.00	151.80
04	1	CLEAN MACHINE		0.00	2,430.00	14.63	2,444.63
05	1	REMOVE & INSTALL TRANSMISSION		840.52	4,228.50	45.00	5,114.02
06	1	RECONDITION TRANSMISSION		5,877.14	5,746.20	275.00	11,898.34
07	1	ADD PARTS TRANSMISSION ESTIMATE ONLY.... AVERAGE ADD PARTS ON TRANSMISSION RECONDITION. CUSTOMER WILL BE NOTIFIED IN ADVANCE FOR APPROVAL TO PROCEED ANY AMOUNT EXCEEDING THIS ESTIMATE.		4,743.00	0.00	0.00	4,743.00
08	1	RECONDITION DRIVE TRAIN OIL LINES		1,811.41	1,691.40	40.00	3,542.81
09	1	REMOVE & INSTALL TRANSMISSION OIL PUMP		29.21	1,691.40	25.00	1,745.61
10	1	R/I REPLACE WITH REMAN TRANSMISSION OIL PUMP		2,514.79	1,691.40	130.00	4,336.19
11	1	RECONDITION TRANSMISSION OIL FILTER		316.50	281.90	25.00	623.40
16	1	RECONDITION DRIVE SHAFT		252.05	281.90	25.00	558.95
17	1	REMOVE & INSTALL FINAL DR, STRG CL & BRAKE		374.17	3,523.75	25.00	3,922.92
18	1	SEPARATE & CONNECT FINAL DR, STRG CL & BRAKE		25.60	845.70	25.00	896.30
19	1	RECONDITION FINAL DRIVE		4,817.24	5,074.20	210.00	10,101.44
20	1	ADD PARTS FINAL DRIVE ESTIMATE ONLY.... AVERAGE ADD PARTS ON FINAL DRIVE, STRG CL AND BRAKE RECONDITION. CUSTOMER WILL BE NOTIFIED IN ADVANCE FOR APPROVAL TO PROCEED ANY AMOUNT EXCEEDING THIS ESTIMATE.		8,967.84	0.00	0.00	8,967.84
21	1	RECONDITION STEERING CL OIL/FILTER		315.95	281.90	25.00	622.85
22	1	RECONDITION DIFF STEERING DR & BRAKE		2,496.23	2,114.25	115.00	4,725.48
23	1	RECONDITION DIFF STRG PLAN & BRAKE		1,463.65	2,114.25	70.00	3,647.90
24	1	REMOVE & INSTALL DIFF STEERING PUMP		36.16	1,268.55	25.00	1,329.71
25	1	RECONDITION DIFF STEERING PUMP		1,585.70	1,745.50	55.00	3,386.20
26	1	REMOVE & INSTALL DIFF STEERING MOTOR		47.63	845.70	25.00	918.33
27	1	RECONDITION DIFF STEERING MOTOR		525.47	1,463.60	25.00	2,014.07



## Repair Estimate - Special Instructions, Taxes


Segment No	Qty	Description	*	Part \$	Labor \$	Misc \$	Total \$
28	1	ADD PARTS DIFF STEERING DR & BRAKE ESTIMATE ONLY.... AVERAGE ADD PARTS ON DIFF STEERING DR AND BRAKE. CUSTOMER WILL BE NOTIFIED IN ADVANCE FOR APPROVAL TO PROCEED ANY AMOUNT EXCEEDING THIS ESTIMATE.		4,637.94	0.00	0.00	4,637.94
29	1	RECONDITION STEERING LINES/HOSES		2,131.08	845.70	45.00	3,021.78
30	1	REPAIR OPERATOR'S COMPARTMENT		9,078.00	5,400.00	0.00	14,478.00
31	1	REMOVE & INSTALL HYDRAULIC CONTROL VALVE CAT CERTIFIED REBUILD		0.00	2,819.00	25.00	2,844.00
32	1	RECONDITION HYDRAULIC CONTROL VALVE CAT CERTIFIED REBUILD		1,705.71	4,228.50	65.00	5,999.21
33	1	RECONDITION HYDRAULIC HOSES/LINES CAT CERTIFIED REBUILD		2,290.71	2,819.00	85.00	5,194.71
34	1	REPLACE WITH CAT REMAN IMPLEMENT PUMP CAT CERTIFIED REBUILD		3,479.20	140.95	165.00	3,785.15
35	1	RECONDITION PRESSURE CONT/RELIEF VLV CAT CERTIFIED REBUILD		279.93	1,409.50	25.00	1,714.43
36	1	RECONDITION FLYWHEEL HOUSING WE RECOMMEND THAT THE BEARINGS BE REPLACED ON PUMP DRIVE AT FLYWHEEL HOUSING AS THEY ARE THE LAST IN LINE TO GET OIL.		784.61	1,890.00	20.00	2,694.61
45	1	PAINT MACHINE		801.32	4,087.55	728.00	5,616.87
46	1	PRE-DELIVER MACHINE		0.00	563.80	0.00	563.80
47	1	TEST MACHINE		0.00	1,127.60	0.00	1,127.60
48	1	WAGNER WARRANTY @ NO COST MACHINE WAGNER REBUILD WARRANTY 3 YEAR/6000 HOURS PRORATED AFTER FIRST 12 MONTHS		0.00	0.00	0.00	0.00
<b>Grand Total</b>				<b>62,235.68</b>	<b>63,649.50</b>	<b>4,662.63</b>	<b>130,547.81</b>
<b>Tax</b>							<b>4,397.93</b>
<b>Total with Tax</b>							<b>134,945.74</b>

<b>Estimate Approval</b>		
Name _____	Title _____	Date _____

**This is a preliminary estimate based on information available at time of estimate. A firm quote will be provided after the machine is disassembled and inspected. This estimate is valid for 90 days.**

# MEMORANDUM

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**To:** SFSWMA Joint Powers Board Members  
**From:** Randall Kippenbrock, P.E., Executive Director   
**Date:** February 15, 2021  
**Subject:** Request for Approval of Amendment No. 1 to the Service Agreements for Scrap Tire Recycling Services (RFB No. '20/10/B)

## SUMMARY

The Agency is requesting the Board approve Amendment No. 1 to the Service Agreements for scrap tire recycling services with:

- State Rubber & Environmental Solutions, LLC, Denver City, TX (State Rubber)
- Enchantment Transport, Inc., Albuquerque, NM

Per the Amendment, State Rubber and Enchantment Transport have agreed to extend the terms of the Agreements for a second year through February 20, 2022, at the same price and conditions. Per Article 8, the Agreements can be renewed annually not to exceed four years, upon Board approval.

The Amendment increases the compensation for State Rubber by \$24,000 for a not-to-exceed total of \$54,000. The Amendment increases the compensation for Enchantment Transport by \$30,000 for a not-to-exceed total of \$69,000.

Funding is available in 8100854.510310 (Service Contracts).

## BACKGROUND

On February 20, 2020, the Board awarded RFB No. '20/10/B to State Rubber for scrap tire recycling services and Enchantment Transport for scrap tire hauling services.

The RFB does not commit the Agency to a definite quantity or specific dollar value of scrap tire hauling and recycling; instead, the RFB allows the Agency to procure the service on an as-needed basis from State Rubber and Enchantment Transport.

State Rubber recycles (processes) scrap tires at its crumb rubber processing facility in Denver City, TX. State Rubber's fee for processing scrap tires is \$80.00 per ton. State Rubber accepts rimmed tires and oversized tires. The Agency has used State Rubber since 2014.

Enchantment Transport hauls scrap tires to State Rubber. Enchantment Transport's fee for transporting scrap tires is \$1,300 per semi-trailer load (128 cubic yard capacity). A load in an open-top semi-trailer carries approximately 1,200 passenger tires or 280 truck tires, or any combination thereof.

The Agency receives scrap tires from various customers at the Buckman Road Recycling and Transfer Station (BuRRT). The scrap tires handled by the Agency are predominantly passenger tires; however, the Agency accepts all tires, regardless of size. The following table summarizes the tire generation for the past three years:

Description	Calendar Year		
	2018	2019	2020
Total (pounds)	546,340	568,810	542,660
Ave Weight/Load (pounds)	26,016	24,731	24,666
No. of Passenger Tires	11,669	13,662	12,018
No. of Truck Tires	2,658	2,363	2,586
No. of Loads to State Rubber	21	23	22

State Rubber's processing facility produces crumb rubber, steel and fibers. Crumb rubber is primarily used in rubberized asphalt pavements; it is also used for molded rubber products, athletic surfaces, playground materials, landscape products, and oil industry products. The steel in tires is recycled at steel mills. The fiber from the tires is used as a soil amendment, absorbent material and in molded rubber products.

#### **ACTION REQUESTED**

The Agency requests the Board approve Amendment No. 1 to the Service Agreements for scrap tire recycling services with State Rubber and Enchantment Transport.

The Agency also requests:

- Approval to extend the term of the Agreements through February 20, 2022.
- Increase the compensation for State Rubber by \$24,000 for a not-to-exceed total amount of \$54,000.
- Increase the compensation for Enchantment Transport by \$24,000 for a not-to-exceed total amount of \$69,000.

Attachments:

- 1) Amendment No. 1 to the Services Agreement – State Rubber
- 2) Amendment No. 1 to the Services Agreement – Enchantment Transport
- 3) Services Agreement (RFB No. '20/10/B) – State Rubber
- 4) Services Agreement (RFB No. '20/10/B) – Enchantment Transport

**ATTACHMENT 1**

**Amendment No. 1 to the Services Agreement – State Rubber**

**SANTA FE SOLID WASTE MANAGEMENT AGENCY  
AMENDMENT No. 1  
SERVICES AGREEMENT WITH  
STATE RUBBER & ENVIRONMENTAL SOLUTIONS, LLC  
(Scrap Tire Recycling - 2020)**

This AMENDMENT No. 1 (“Amendment”) to the SERVICES AGREEMENT, dated February 20, 2020 (“Agreement”), is made and entered into between the Santa Fe Solid Waste Management Agency (“Agency”) and State Rubber & Environmental Solutions, LLC (“Contractor”). The date of this Amendment shall be the date this Amendment is executed by the Agency.

**RECITALS**

Under the terms of the Agreement, Contractor has agreed to provide scrap tire recycling services of scrap tires delivered from the Buckman Road Recycling and Transfer Station to Contractor’s scrap tire recycling plant in Denver City, TX (RFB No. '20/10/B).

Pursuant to Article 18, Amendment of the Agreement, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the Agency and Contractor agree as follows:

**1. COMPENSATION**

Article 3, Compensation of the Agreement is hereby amended to increase the compensation by a total of Twenty-Four Thousand Dollars and No Cents (\$24,000.00) so that Article 3 reads in its entirety as follows:

- A. The Agency shall pay to Contractor a sum not to exceed a total Fifty-Four Thousand Dollars and No Cents (\$54,000.00), including applicable New Mexico gross receipts taxes, in accordance with the fee schedule below.

DESCRIPTION	AMOUNT
ORIGINAL CONTRACT	\$30,000.00
AMENDMENT NO. 1	\$24,000.00
CONTRACT TO DATE	\$54,000.00

B. The Agency shall pay Contractor a processing fee of \$80.00 per ton for recycling scrap tires delivered by a third-party hauling transportation company to Contractor's scrap tire recycling plant in Denver City, TX.

C. The Agency shall pay Contractor additional processing fee for these tires as follows:

- 1) \$35.00 per tire for oversized tires.
- 2) \$15.00 per tire for rimmed truck tires.
- 3) \$5.00 per tire for rimmed passenger tires.

D. Contractor shall be responsible for payment of all taxes due for its services including any gross receipts taxes levied by the State of New Mexico on the sums payable under this Agreement.

E. Payment shall be made upon receipt and approval by the Agency of reasonably detailed invoices describing the services performed. Compensation shall be paid only for services performed.

F. Invoices containing reimbursable expenses, if any, shall be itemized.

**2. TERM AND EFFECTIVE DATE**

Article 5, Term and Effective Date of the Agreement is amended to extend the term of the Agreement, so that Article 5 reads in its entirety as follows:

A. This Agreement shall be effective when signed by the Agency and terminate on February 20, 2022, unless it is terminated sooner pursuant to Article 4 or Article 6 of this Agreement.

B. Pursuant to the limitations on multi-term contracts for services codified in NMSA 1978 § 13-1-150, this Agreement may not exceed four years, including all extensions and renewals. Subject to that limitation, this Agreement can be renewed annually, if agreed upon by the Agency and Contractor.

**3. AGREEMENT IN FULL FORCE**

Except as specifically provided in this Amendment, the Agreement remains and shall remain in full force and effect in accordance with its terms.

**IN WITNESS WHEREOF**, the parties have executed this AMENDMENT No. 1 to the Services Agreement as of the dates set forth below.

**SANTA FE SOLID WASTE MANAGEMENT AGENCY:**

\_\_\_\_\_  
Anna Hansen  
Chairperson

\_\_\_\_\_  
Date:

**ATTEST:**

\_\_\_\_\_  
Katharine E. Clark  
Santa Fe County Clerk

**CONTRACTOR:**

\_\_\_\_\_  
Daniel J. Swanson  
Plant Manager  
State Rubber & Environmental Solutions, LLC

\_\_\_\_\_  
Date:

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Nancy R. Long  
Agency Attorney

\_\_\_\_\_  
Date:

**ATTACHMENT 2**

**Amendment No. 1 to the Services Agreement – Enchantment Transport**

**SANTA FE SOLID WASTE MANAGEMENT AGENCY  
AMENDMENT No. 1  
SERVICES AGREEMENT WITH  
ENCHANTMENT TRANSPORT, INC.  
(Scrap Tire Hauling - 2020)**

This AMENDMENT No. 1 (“Amendment”) to the SERVICES AGREEMENT, dated February 20, 2020 (“Agreement”), is made and entered into between the Santa Fe Solid Waste Management Agency (“Agency”) and Enchantment Transport, Inc. (“Contractor”). The date of this Amendment shall be the date this Amendment is executed by the Agency.

**RECITALS**

Under the terms of the Agreement, Contractor has agreed to provide scrap tire hauling services from the Buckman Road Recycling and Transfer Station to State Rubber & Environmental Solutions scrap tire recycling plant in Denver City, TX (RFB No. '20/10/B).

Pursuant to Article 18, Amendment of the Agreement, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the Agency and Contractor agree as follows:

**1. COMPENSATION**

Article 3, Compensation of the Agreement is hereby amended to increase the compensation by a total of Thirty Thousand Dollars and No Cents (\$30,000.00) so that Article 3 reads in its entirety as follows:

- A. The Agency shall pay to Contractor a sum not to exceed a total of Sixty-Nine Thousand Dollars and No Cents (\$69,000.00), including applicable New Mexico gross receipts taxes, in accordance with the fee schedule below.

DESCRIPTION	AMOUNT
ORIGINAL CONTRACT	\$39,000.00
AMENDMENT NO. 1	\$30,000.00
CONTRACT TO DATE	\$69,000.00

B. The Agency shall pay Contractor a fee of \$1,300.00 per semi-trailer load of scrap tires hauled to State Rubber & Environmental Solutions scrap tire recycling plant in Denver City, TX.

C. Contractor shall be responsible for payment of all taxes due for its services including any gross receipts taxes levied by the State of New Mexico on the sums payable under this Agreement.

D. Payment shall be made upon receipt and approval by the Agency of reasonably detailed invoices describing the services performed. Compensation shall be paid only for services performed.

E. Invoices containing reimbursable expenses, if any, shall be itemized.

**2. TERM AND EFFECTIVE DATE**

Article 5, Term and Effective Date of the Agreement is amended to extend the term of the Agreement, so that Article 5 reads in its entirety as follows:

A. This Agreement shall be effective when signed by the Agency and terminate on February 20, 2022, unless it is terminated sooner pursuant to Article 4 or Article 6 of this Agreement.

B. Pursuant to the limitations on multi-term contracts for services codified in NMSA 1978 § 13-1-150, this Agreement may not exceed four years, including all extensions and renewals. Subject to that limitation, this Agreement can be renewed annually, if agreed upon by the Agency and Contractor.

3. **AGREEMENT IN FULL FORCE**

Except as specifically provided in this Amendment, the Agreement remains and shall remain in full force and effect in accordance with its terms.

**IN WITNESS WHEREOF**, the parties have executed this AMENDMENT No. 1 to the Services Agreement as of the dates set forth below.

**SANTA FE SOLID WASTE MANAGEMENT AGENCY:**

\_\_\_\_\_  
Anna Hansen  
Chairperson

\_\_\_\_\_  
Date:

**ATTEST:**

\_\_\_\_\_  
Katharine E. Clark  
Santa Fe County Clerk

**CONTRACTOR:**

\_\_\_\_\_  
Stephen Carrico  
President  
Enchantment Transport, Inc.

\_\_\_\_\_  
Date:

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Nancy R. Long  
Agency Attorney

\_\_\_\_\_  
Date:

**ATTACHMENT 3**

**Services Agreement (RFB No. '20/10/B) – State Rubber**

**SANTA FE SOLID WASTE MANAGEMENT AGENCY  
SERVICES AGREEMENT WITH  
STATE RUBBER & ENVIRONMENTAL SOLUTIONS, LLC  
(Scrap Tire Recycling - 2020)**

This SERVICES AGREEMENT (“Agreement”) is made and entered into by and between the Santa Fe Solid Waste Management Agency (“the Agency”) and State Rubber & Environmental Solutions, LLC. (the “Contractor”) to provide recycling services of scrap tires (RFB ‘20/10/B), as described in Exhibit A and below. The Agreement shall be effective as of the date this Agreement is executed by the Agency.

**1. SCOPE OF SERVICES**

The services subject to this Agreement are set forth in the Scope of Services hereto attached in Exhibit A. Contractor shall provide scrap tire recycling services for scrap tires delivered from the Buckman Road Recycling and Transfer Station in Santa Fe, NM to Contractor’s scrap tire recycling plant in Denver City, TX. It shall be the responsibility of Contractor to perform according to the terms of this Agreement, those established in Exhibit A, and in the other Contract Documents, including Contractor’s Bid for RFB No. ’20/10/B; to comply with all federal, state, and local laws and regulations; to obtain and comply with any permitting or licensing requirements, including but not limited to requirements imposed by environmental regulatory entities.

**2. STANDARDS OF PERFORMANCE; LICENSES**

A. Contractor represents that it possesses the experience and knowledge necessary to perform the services described in this Agreement.

B. Contractor agrees to obtain and maintain throughout the term of this Agreement all

applicable professional and business licenses required by law for itself and its employees, agents, representatives and subcontractors.

3. **COMPENSATION**

A. The Agency shall pay to Contractor in full payment for services rendered, including applicable gross receipts taxes, a sum not to exceed Thirty Thousand Dollars and No Cents (\$30,000.00).

B. The Agency shall pay Contractor a processing fee of \$80.00 per ton for processing scrap tires delivered by a 3<sup>rd</sup> party transportation company to Contractor's scrap tire recycling plant in Denver City, TX.

C. The Agency shall pay Contractor additional processing fee for these tires:

- 1) \$35.00 per tire for oversized tires.
- 2) \$15.00 per tire for rimmed truck tires.
- 3) \$5.00 per tire for rimmed passenger tires.

D. Contractor shall be responsible for payment of gross receipts taxes levied by the State of New Mexico on the sums payable under this Agreement.

C. Payment shall be made upon receipt and approval by the Agency of detailed statements containing a report of services completed. Compensation shall be paid only for services actually performed in accordance with the fee schedule set forth in the Scope of Services hereto attached in Exhibit A.

D. Detailed statements containing reimbursement expenses, if any, shall be itemized.

4. **APPROPRIATIONS**

The terms of this Agreement are contingent upon sufficient appropriations to and authorization from the Joint Powers Board for the Agency for the performance of this Agreement. If

sufficient appropriations are not made or authorization provided, this Agreement shall terminate upon written notice from the Agency to Contractor. The Agency shall be responsible for charges incurred up to the date of notification under this Section per Section 6 of this Agreement. The Agency's decision as to whether sufficient appropriations are available shall be accepted by Contractor and shall be final.

**5. TERM AND EFFECTIVE DATE**

This Agreement shall be effective when signed by the Agency and terminate on February 20, 2021, unless it is terminated sooner pursuant to Article 4 or Article 6 of this Agreement.

**6. TERMINATION**

A. The Agency may terminate this Agreement at any time and for any reason by giving ten (10) days written notice to Contractor. If the Agency terminates the Agreement:

1) Contractor shall render a final report of the services performed up to the date of termination and shall turn over to the Agency original copies of all work product, research, or papers prepared for the services covered by this Agreement. The Agency shall pay Contractor for services rendered and expenses incurred under this Section, including for preparation of the final report.

2) If compensation is not based upon hourly rates for services rendered, the Agency shall pay Contractor for the reasonable value of services satisfactorily performed through the date Contractor receives notice of such termination for which compensation has not already been paid.

3) If compensation is based upon hourly rates and expenses, Contractor shall be paid for services rendered and expenses incurred through the date Contractor receives notice of such termination.

B. The Agency further reserves the right to cancel all or any part of this Agreement without cost to the Agency if the Contractor fails to meet the provisions of this Agreement and to hold the Contractor liable for any excess costs associated with the Contractor's default. The rights and remedies of the Agency are not limited to those provided for in this paragraph and are in addition to any other rights provided for by law.

7. **STATUS OF CONTRACTOR; RESPONSIBILITY FOR PAYMENT OF EMPLOYEES AND SUBCONTRACTORS**

A. Contractor, its agents, and its employees are independent contractors performing construction services for the Agency and are not employees of the Agency.

B. Contractor, its agents, and its employees shall not accrue leave, retirement, insurance, bonding, or any other benefits afforded to employees of the Agency, and shall not be permitted to use Agency vehicles in the performance of this Agreement.

C. Contractor shall be solely responsible for payment of wages, salaries, and benefits to any and all employees or subcontractors Contractor retains to perform any of its obligations pursuant to this Agreement.

8. **CONFIDENTIALITY**

Any confidential information provided to or developed by Contractor in the performance of this Agreement shall be kept confidential, and shall not be made available to any individual or organization by Contractor without the Agency's prior written approval.

9. **CONFLICT OF INTEREST**

Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with its performance of its obligations pursuant to this Agreement. Contractor further agrees that it shall not employ or contract with anyone in the performance of this Agreement that has any such conflict of interest.

10. ASSIGNMENT; SUBCONTRACTING

Contractor shall not assign or transfer any rights, privileges, obligations or other interests under this Agreement, including any claims for money due, without the Agency's prior written consent. Contractor shall not subcontract any portion of the services to be performed under this Agreement without the Agency's prior written approval.

11. RELEASE

Contractor, upon acceptance of final payment of the amount due under this Agreement, releases the Agency, its officers, and its employees from all liabilities, claims, and obligations whatsoever arising from or under this Agreement. Contractor agrees not to purport to bind the Agency to any obligation not assumed herein by the Agency unless Contractor has express written authority to do so, and then only within the strict limits of that authority.

12. INSURANCE

A. Contractor, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement comprehensive general liability insurance of \$1,000,000 for each occurrence and \$2,000,000 in general aggregate coverage for bodily injury and property damage liability, in a form and with an insurance company acceptable to the Agency. The required limits may be provided by a combination of general liability insurance and commercial umbrella liability insurance. The Agency shall be named as an additional insured under the insurance policy, and the policy shall provide that the Agency will be notified no less than 30 days before the policy is cancelled for any reason. Contractor has furnished the Agency with a copy of a Certificate of Insurance or other evidence of Contractor's compliance with the provisions of this section as a condition of entering into this Agreement.

B. Contractor shall carry and maintain Workers' Compensation insurance in accordance with New Mexico law to provide coverage for Contractor's employees throughout the term of this Agreement. Contractor shall provide the Agency with evidence demonstrating that appropriate Workers' Compensation insurance has been obtained.

C. Contractor shall also carry and maintain sufficient automobile liability insurance throughout the term of this Agreement to cover no less than \$1,000,000 combined single limit for each accident. The required limits may be provided by a combination of automotive liability insurance and commercial umbrella liability insurance.

**13. INDEMNIFICATION**

Contractor shall indemnify, hold harmless and defend the Agency from all losses, damages, claims or judgments, including payment of all attorneys' fees and costs on account of any suit, judgment, execution, claim, action, or demand whatsoever to the extent arising from the negligent acts, errors, or omissions, or willful and reckless disregard of obligations under this Agreement, in the performance of any services covered by this Agreement, whether occurring on Agency managed or owned property or otherwise, by Contractor or its employees, agents, representatives, or subcontractors, excepting only such liability that arises out of the Agency's negligence.

**14. NEW MEXICO TORT CLAIMS ACT**

Any liability incurred by the Agency in connection with this Agreement is subject to the immunities and limitations set forth in the New Mexico Tort Claims Act, NMSA 1978 §§ 41-4-1 to 41-4-27. The Agency and its employees do not waive sovereign immunity, any available defense, or any limitation of liability recognized by law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

15. **THIRD PARTY BENEFICIARIES**

By entering into this Agreement, the parties do not intend to create any right, title, or interest in, or for the benefit of, any person other than the Agency and Contractor. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary.

16. **RECORDS AND AUDIT**

Contractor shall maintain throughout the term of this Agreement and for a period of three years thereafter detailed records that indicate the date, time, and nature of services rendered. These records shall be subject to inspection by the Agency, the City of Santa Fe Finance Department, and the State Auditor. The Agency shall have the right to audit the billing both before and after payment. Payment under this Agreement shall not foreclose the right of the Agency to recover excessive or illegal payments.

17. **APPLICABLE LAW; CHOICE OF LAW; VENUE**

Contractor shall abide by all applicable federal and state laws and regulations, and all ordinances, rules and regulations of the Agency. In any action, suit, or legal dispute arising from this Agreement, Contractor agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

18. **AMENDMENT**

This Agreement shall not be altered, changed, or modified except by an amendment in writing executed by the parties.

**19. SCOPE OF AGREEMENT**

This Agreement expresses the entire agreement and understanding between the parties with respect to the services set forth in the Scope of Services attached hereto as Exhibit A. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

**20. NON-DISCRIMINATION**

During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the services Contractor undertakes pursuant to this Agreement on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

**21. SEVERABILITY**

If one or more of the provisions of this Agreement or any application thereof is found to be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of the Agreement and any other application thereof shall not in any way be affected or impaired.

**22. NOTICES**

A. Any notices required to be given under this Agreement shall be in writing and served to the parties at the following addresses:

**AGENCY:** Mr. Randall Kippenbrock, P.E.  
Executive Director  
Santa Fe Solid Waste Management Agency  
149 Wildlife Way  
Santa Fe, NM 87506  
Fax: (505) 424-1839  
Email: rkippenbrock@sfswma.org

**CONTRACTOR:** Mr. Daniel J. Swanson  
Plant Manager  
State Rubber & Environmental Solutions, LLC.  
1390 County Road 344  
P.O. Box 732  
Denver City, TX 79323  
Fax: (806) 592-3806  
Email: Dan@staterubber.net

B. Any such notice sent by registered or certified mail, return receipt, shall be deemed to have been duly given and received seventy-two (72) hours after the same is so addressed and mailed with postage prepaid. Notice sent by recognized overnight delivery service shall be effective only upon actual receipt thereof at the office of the addressee set forth above, and any such notice delivered at a time outside of normal business hours shall be deemed effective at the opening of business on the next business day. Notice sent by facsimile or email shall be effective only upon actual receipt of the original unless written confirmation is sent by the recipient of the facsimile stating that the notice has been received, in which case the notice shall be deemed effective as of the date specified in the confirmation. Any party may change its address for purposes of this paragraph by giving notice to the other party as herein provided. Delivery of any copies as provided herein shall not constitute delivery of notice hereunder.

23. **COMPLIANCE WITH LAWS AND REGULATIONS; PROHIBITION OF BRIBES, GRATUITIES, AND KICKBACKS**

Contractor shall comply with all applicable federal, state, and local laws and regulations throughout the term of this Agreement. Contractor expressly acknowledges that the New Mexico Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation, and New Mexico criminal statutes impose penalties for bribes, gratuities, and kick-backs.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth below.

**SANTA FE SOLID WASTE MANAGEMENT AGENCY:**

Anna Hansen  
Anna Hansen  
Vice Chairperson

2-20-2020  
Date:



**ATTEST:**

Geraldine Salazar  
Geraldine Salazar  
Santa Fe County Clerk

**CONTRACTOR:**

Daniel J. Swanson  
Daniel J. Swanson  
Plant Manager  
State Rubber & Environmental Solutions, LLC.

2/25/2020  
Date:

**APPROVED AS TO FORM:**

Nancy R. Long  
Nancy R. Long  
Agency Attorney

2-20-2020  
Date:

**EXHIBIT A**  
**Scope of Services**  
**for**  
**State Rubber & Environmental Solutions**

The parties agree as follows as to the services to be delivered under this Agreement:

- The Agency shall act as scale master for all loads of scrap tires. The Agency retains the right to enforce weight limits as described herein. The Agency scale facilities shall also serve as recordkeeping for loads and material quantities delivered to State Rubber & Environmental Solutions' scrap tire recycling plant in Denver City, TX.
- The Agency shall pay State Rubber & Environmental Solutions a processing fee of \$80.00 per ton for processing scrap tires delivered by a 3rd party transportation company to State Rubber & Environmental Solutions' scrap tire recycling plant in Denver City, TX.
- The Agency shall pay State Rubber & Environmental Solutions additional processing fee for these types of tires:
  - \$35.00 per tire for oversized tires.
  - \$15.00 per tire for rimmed truck tires.
  - \$5.00 per tire for rimmed passenger tires

State Rubber & Environmental Solutions agrees to provide these services:

- State Rubber & Environmental Solutions shall process scrap tires at its total tire recycling plant in Denver City, TX.

State Rubber & Environmental Solutions shall comply with 20.9.20 NMAC and 30 TAC Chapter 328, Subchapter F for transporting, processing, storage, recycling, use, abatement, and generation of scrap tires.

- State Rubber & Environmental Solutions shall submit to the Agency invoices accompanying with manifests and scale tickets.

SANTA FE SOLID WASTE MANAGEMENT AGENCY

BID SUBMITTAL FORM

RFB No. '20/10/B

EXCEPTIONS TO SPECIFICATIONS

Bidder is required to return two (2) complete copies of these specifications, completely furnishing all information requested. All requested information, data, literature, drawings, etc. must be included with the bid submitted.

Bidder must check one of the following:

- a.  All specifications, terms and conditions are met.
- b.  Exceptions have been taken and noted on attached sheet(s).

All variations and/or exceptions to the specifications must be documented, referencing applicable paragraph (s) and explained in detail. Attach as many pages as necessary. If no exceptions are taken, it will be assumed that the bid meets all specifications and terms and conditions as stated in this complete bid package. Failure to list exceptions may disqualify bid. Delivery of non-conforming goods is at the expense of the Bidder and/or other penalties.

All other specifications not detailed herein shall be as listed in the manufacturer's printed literature for the current standard model. Manufacturer's printed literature and specifications sheets shall be submitted with the bid.

Exceptions will not necessarily eliminate the bid. Agency staff shall determine acceptance or non-acceptance of exceptions. Unless otherwise noted and approved, it is assumed that delivery of the unit shall be as stated.

Signed submission of this bid represents that the Bidder has accepted all terms, conditions and requirements of the bid unless a written exception is made and, if awarded, the bid will represent the agreement between the parties. Additionally, by signing this bid, the Bidder warrants that there was no collusion of any kind in submission of this bid.

State name, address and phone number of nearest authorized representative:

State Rubber & Environmental Solutions L.L.C.  
1390 County Road 344 (P.O. Box 982) Denver City, TX 79323  
806-592-3803 - Daniel J. Swanson

**Specifications and Qualifications**

- Capacity to handle all scrap tires (passenger, commercial and off road).
- Fully licensed and permitted scrap tire processing facility (please attach relevant permits and licenses).
- New Mexico scrap tire hauler registration (please attach current registration, if applicable).
- Out-of-state scrap tire hauler registration (please attach current registration, if applicable).
- Documented end use market (please provide details regarding end use markets).

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RFD FORM

RFB No. '20/10/B

All Bidders MUST use the format provided. Costs included with this bid will be held for four (4) years.

Item	Description	Final Destination	Unit	Trailer Size (cyd)	Cost (\$)
1	Processing Fee Only	N/A	Per load	--	N/A
2	Processing Fee Only	STATE RUBBER & ENVIRONMENTAL SOLUTIONS, LLC	Per ton	--	\$ 80.00
3	Turn-key: Hauling - Open Top Semi-Trailer and Processing Fee	N/A	Per load	N/A	N/A
4	Turn-key: Hauling - Open Top Semi-Trailer and Processing Fee	N/A	Per ton	N/A	N/A
5	Oversized Tires (23.5" x 25" or larger)	STATE RUBBER & ENVIRONMENTAL SOLUTIONS, LLC	Per tire	--	\$ 20.00 per ton \$ 18.00 per tire
6	Rimmed Passenger Tires	STATE RUBBER & ENVIRONMENTAL SOLUTIONS, LLC	Per tire	--	\$ 6.00 per ton \$ 1.00 per tire
7	Rimmed Truck Tires	STATE RUBBER & ENVIRONMENTAL SOLUTIONS, LLC	Per tire	--	\$ 8.00 per ton \$ 1.00 per tire
Option	N/A	N/A	N/A	N/A	N/A

The Santa Fe Solid Waste Management Agency reserves the right to alter quantities based on availability of budget. If this will alter the bid amount, the Bidder must note the percent increase for lesser quantities.

BIDDER'S INFORMATION

State Rubber and Environmental Solutions, LLC  
 Firm

1890 County Road 394 (P.O. Box 952) Denver City, TX 79823  
 Address

  
 Authorized Signature

DANIEL J. SUMNER  
 Print Name

Plant Manager  
 Title

806-592-3803  
 Phone Number

12 December 2019  
 Date

DAN@STATERUBBER.NET  
 E-Mail Address

806-592-3806  
 Fax Number

TWO COMPLETE COPIES OF THE BID SUBMITTAL IS REQUIRED

**ATTACHMENT 4**

**Services Agreement (RFB No. '20/10/B) – Enchantment Transport**

**SANTA FE SOLID WASTE MANAGEMENT AGENCY**  
**SERVICES AGREEMENT WITH**  
**ENCHANTMENT TRANSPORT, INC.**  
**(Scrap Tire Hauling - 2020)**

This SERVICES AGREEMENT (“Agreement”) is made and entered into by and between the Santa Fe Solid Waste Management Agency (“the Agency”) and Enchantment Transport, Inc. (the “Contractor”) for the transportation of scrap tires from the Buckman Road Recycling and Transfer Station to State Rubber & Environmental Solutions scrap tire recycling plant in Denver City, TX, as described in Exhibit A and below. The Agreement shall be effective as of the date this Agreement is executed by the Agency.

**1. SCOPE OF SERVICES**

The services subject to this Agreement are set forth in the Scope of Services hereto attached in Exhibit A.

**2. STANDARDS OF PERFORMANCE; LICENSES**

A. Contractor represents that it possesses the experience and knowledge necessary to perform the services described in this Agreement.

B. Contractor agrees to obtain and maintain throughout the term of this Agreement all applicable professional and business licenses required by law for itself and its employees, agents, representatives and subcontractors.

**3. COMPENSATION**

A. The Agency shall pay to Contractor in full payment for services rendered, including applicable gross receipts taxes, a sum not to exceed Thirty-Nine Thousand Dollars and No Cents (\$39,000.00).

B. The Agency shall pay Contractor a fee of \$1,300.00 per semi-trailer load for the transportation of scrap tires delivered to State Rubber & Environmental Solutions scrap tire recycling plant in Denver City, TX.

C. Contractor shall be responsible for payment of gross receipts taxes levied by the State of New Mexico on the sums payable under this Agreement.

C. Payment shall be made upon receipt and approval by the Agency of detailed statements containing a report of services completed. Compensation shall be paid only for services actually performed in accordance with the fee schedule set forth in the Scope of Services hereto attached in Exhibit A.

D. Detailed statements containing reimbursement expenses, if any, shall be itemized.

#### 4. APPROPRIATIONS

The terms of this Agreement are contingent upon sufficient appropriations to and authorization from the Joint Powers Board for the Agency for the performance of this Agreement. If sufficient appropriations are not made or authorization provided, this Agreement shall terminate upon written notice from the Agency to Contractor. The Agency shall be responsible for charges incurred up to the date of notification under this Section per Section 6 of this Agreement. The Agency's decision as to whether sufficient appropriations are available shall be accepted by Contractor and shall be final.

#### 5. TERM AND EFFECTIVE DATE

This Agreement shall be effective when signed by the Agency and terminate on February 20, 2021, unless it is terminated sooner pursuant to Article 4 or Article 6 of this Agreement.

#### 6. TERMINATION

A. The Agency may terminate this Agreement at any time and for any reason by giving

ten (10) days written notice to Contractor. If the Agency terminates the Agreement:

1) Contractor shall render a final report of the services performed up to the date of termination and shall turn over to the Agency original copies of all work product, research, or papers prepared for the services covered by this Agreement. The Agency shall pay Contractor for services rendered and expenses incurred under this Section, including for preparation of the final report.

2) If compensation is not based upon hourly rates for services rendered, the Agency shall pay Contractor for the reasonable value of services satisfactorily performed through the date Contractor receives notice of such termination for which compensation has not already been paid.

3) If compensation is based upon hourly rates and expenses, Contractor shall be paid for services rendered and expenses incurred through the date Contractor receives notice of such termination.

B. The Agency further reserves the right to cancel all or any part of this Agreement without cost to the Agency if the Contractor fails to meet the provisions of this Agreement and to hold the Contractor liable for any excess costs associated with the Contractor's default. The rights and remedies of the Agency are not limited to those provided for in this paragraph and are in addition to any other rights provided for by law.

7. **STATUS OF CONTRACTOR; RESPONSIBILITY FOR PAYMENT OF EMPLOYEES AND SUBCONTRACTORS**

A. Contractor, its agents, and its employees are independent contractors performing construction services for the Agency and are not employees of the Agency.

B. Contractor, its agents, and its employees shall not accrue leave, retirement, insurance, bonding, or any other benefits afforded to employees of the Agency, and shall not be permitted

to use Agency vehicles in the performance of this Agreement.

C. Contractor shall be solely responsible for payment of wages, salaries, and benefits to any and all employees or subcontractors Contractor retains to perform any of its obligations pursuant to this Agreement.

8. **CONFIDENTIALITY**

Any confidential information provided to or developed by Contractor in the performance of this Agreement shall be kept confidential, and shall not be made available to any individual or organization by Contractor without the Agency's prior written approval.

9. **CONFLICT OF INTEREST**

Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with its performance of its obligations pursuant to this Agreement. Contractor further agrees that it shall not employ or contract with anyone in the performance of this Agreement that has any such conflict of interest.

10. **ASSIGNMENT; SUBCONTRACTING**

Contractor shall not assign or transfer any rights, privileges, obligations or other interests under this Agreement, including any claims for money due, without the Agency's prior written consent. Contractor shall not subcontract any portion of the services to be performed under this Agreement without the Agency's prior written approval.

11. **RELEASE**

Contractor, upon acceptance of final payment of the amount due under this Agreement, releases the Agency, its officers, and its employees from all liabilities, claims, and obligations whatsoever arising from or under this Agreement. Contractor agrees not to purport to bind the Agency to any obligation not assumed herein by the Agency unless Contractor has express written authority

to do so, and then only within the strict limits of that authority.

**12. INSURANCE**

A. Contractor, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement comprehensive general liability insurance of \$1,000,000 for each occurrence and \$2,000,000 in general aggregate coverage for bodily injury and property damage liability, in a form and with an insurance company acceptable to the Agency. The required limits may be provided by a combination of general liability insurance and commercial umbrella liability insurance. The Agency shall be named as an additional insured under the insurance policy, and the policy shall provide that the Agency will be notified no less than 30 days before the policy is cancelled for any reason. Contractor has furnished the Agency with a copy of a Certificate of Insurance or other evidence of Contractor's compliance with the provisions of this section as a condition of entering into this Agreement.

B. Contractor shall carry and maintain Workers' Compensation insurance in accordance with New Mexico law to provide coverage for Contractor's employees throughout the term of this Agreement. Contractor shall provide the Agency with evidence demonstrating that appropriate Workers' Compensation insurance has been obtained.

C. Contractor shall also carry and maintain sufficient automobile liability insurance throughout the term of this Agreement to cover no less than \$1,000,000 combined single limit for each accident. The required limits may be provided by a combination of automotive liability insurance and commercial umbrella liability insurance.

**13. INDEMNIFICATION**

Contractor shall indemnify, hold harmless and defend the Agency from all losses, damages,

claims or judgments, including payment of all attorneys' fees and costs on account of any suit, judgment, execution, claim, action, or demand whatsoever to the extent arising from the negligent acts, errors, or omissions, or willful and reckless disregard of obligations under this Agreement, in the performance of any services covered by this Agreement, whether occurring on Agency managed or owned property or otherwise, by Contractor or its employees, agents, representatives, or subcontractors, excepting only such liability that arises out of the Agency's negligence.

**14. NEW MEXICO TORT CLAIMS ACT**

Any liability incurred by the Agency in connection with this Agreement is subject to the immunities and limitations set forth in the New Mexico Tort Claims Act, NMSA 1978 §§ 41-4-1 to 41-4-27. The Agency and its employees do not waive sovereign immunity, any available defense, or any limitation of liability recognized by law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

**15. THIRD PARTY BENEFICIARIES**

By entering into this Agreement, the parties do not intend to create any right, title, or interest in, or for the benefit of, any person other than the Agency and Contractor. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary.

**16. RECORDS AND AUDIT**

Contractor shall maintain throughout the term of this Agreement and for a period of three years thereafter detailed records that indicate the date, time, and nature of services rendered. These records shall be subject to inspection by the Agency, the City of Santa Fe Finance Department, and the State Auditor. The Agency shall have the right to audit the billing both before and after payment. Payment under this Agreement shall not foreclose the right of the Agency to recover excessive or

illegal payments.

**17. APPLICABLE LAW; CHOICE OF LAW; VENUE**

Contractor shall abide by all applicable federal and state laws and regulations, and all ordinances, rules and regulations of the Agency. In any action, suit, or legal dispute arising from this Agreement, Contractor agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

**18. AMENDMENT**

This Agreement shall not be altered, changed, or modified except by an amendment in writing executed by the parties.

**19. SCOPE OF AGREEMENT**

This Agreement expresses the entire agreement and understanding between the parties with respect to the services set forth in the Scope of Services attached hereto as Exhibit A. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

**20. NON-DISCRIMINATION**

During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the services Contractor undertakes pursuant to this Agreement on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

21. **SEVERABILITY**

If one or more of the provisions of this Agreement or any application thereof is found to be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of the Agreement and any other application thereof shall not in any way be affected or impaired.

22. **NOTICES**

A. Any notices required to be given under this Agreement shall be in writing and served to the parties at the following addresses:

**AGENCY:** Mr. Randall Kippenbrock, P.E.  
Executive Director  
Santa Fe Solid Waste Management Agency  
149 Wildlife Way  
Santa Fe, NM 87506  
Fax: (505) 424-1839  
Email: rkippenbrock@sfswma.org

**CONTRACTOR:** Mr. Stephen Carrico  
President  
Enchantment Transport, Inc.  
6117 Alvis Cir SW  
Albuquerque, NM 87105  
Fax: (505) 873-1445  
Email: steve.enchantment@gmail.com

B. Any such notice sent by registered or certified mail, return receipt, shall be deemed to have been duly given and received seventy-two (72) hours after the same is so addressed and mailed with postage prepaid. Notice sent by recognized overnight delivery service shall be effective only upon actual receipt thereof at the office of the addressee set forth above, and any such notice delivered at a time outside of normal business hours shall be deemed effective at the opening of business on the next business day. Notice sent by facsimile or email shall be effective only upon actual receipt of the original unless written confirmation is sent by the

recipient of the facsimile stating that the notice has been received, in which case the notice shall be deemed effective as of the date specified in the confirmation. Any party may change its address for purposes of this paragraph by giving notice to the other party as herein provided. Delivery of any copies as provided herein shall not constitute delivery of notice hereunder.

**23. COMPLIANCE WITH LAWS AND REGULATIONS; PROHIBITION OF BRIBES, GRATUITIES, AND KICKBACKS**

Contractor shall comply with all applicable federal, state, and local laws and regulations throughout the term of this Agreement. Contractor expressly acknowledges that the New Mexico Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation, and New Mexico criminal statutes impose penalties for bribes, gratuities, and kick-backs.

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IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth below.

**SANTA FE SOLID WASTE MANAGEMENT AGENCY:**

Anna Hansen  
Anna Hansen  
Vice Chairperson

2-20-2020  
Date:



**ATTEST:**

Geraldine Salazar  
Geraldine Salazar  
Santa County Fe Clerk

**CONTRACTOR:**

Stephen Carrico  
Steven Carrico  
President  
Enchantment Transport, Inc.

2/24/2020  
Date:

**APPROVED AS TO FORM:**

Nancy R. Long  
Nancy R. Long  
Agency Attorney

2-20-2020  
Date:

**EXHIBIT A**  
**Scope of Services**  
**for**  
**Enchantment Transport**

The parties agree as follows as to the services to be delivered under this Agreement:

- When requested by the Agency, Enchantment Transport shall transport scrap tires from the Buckman Road Recycling and Transfer Station to State Rubber & Environmental Solutions scrap tire recycling plant located in Denver City, TX.
- The Agency shall load scrap tires onto Enchantment Transport' open-top trailers when the Agency has sufficient staff to operate its daily operations without interruption.
- The Agency shall act as scale master for all loads of scrap tires. As such, the Agency retains the right to enforce weight limits as described herein. The Agency scale facilities shall also serve as recordkeeping for loads and material quantities delivered to State Rubber & Environmental Solutions scrap tire recycling plant.
- The Agency shall pay Enchantment Transport \$1,300.00 for each load transported to State Rubber & Environmental Solutions scrap tire recycling plant.

Enchantment Transport agrees to provide the following services:

- Enchantment Transport shall provide semi-trucks with open-top trailers for the transportation of scrap tires to State Rubber & Environmental Solutions scrap tire recycling plant. The maximum gross vehicle weight of a standard semi-truck and open-top trailer combination is 80,000 pounds.
- Enchantment Transport' staff will be on site to ensure that the Agency has properly loaded the trailers with scrap tires for the purposes of transporting the scrap tires to State Rubber & Environmental Solutions scrap tire recycling plant.
- Enchantment Transport shall comply with 20.9.20 NMAC and 30 TAC Chapter 328, Subchapter F for transporting, processing, storage, recycling, use, abatement, and generation of scrap tires.
- Enchantment Transport shall transports each load of scrap tires with a Whole Used or Scrap Tire Manifest in a format approved by the New Mexico Environmental Department and Texas Commission on Environmental Quality to State Rubber & Environmental Solutions scrap tire recycling plant. Enchantment Transport shall return the original manifest ("Generator white copy") to the Agency within 60 days of the date of transportation.
- Enchantment Transport shall be responsible for maintaining all necessary licenses, permits and insurances for transporting scrap tires to Enchantment Transport' scrap tire recycling plant. These licenses, permits and insurances shall be subject to inspection by the Agency. Enchantment Transport shall also notify the Agency of any non-compliance.
- Enchantment Transport shall be responsible for maintaining proper working and safety conditions for its semi-trucks and open-top trailers. Enchantment Transport agrees to hold the Agency harmless for all fines from federal, state, or local agencies. Enchantment

Transport shall be responsible for paying all fines and judgments levied by these agencies resulting from activities performed under this Agreement.

- Enchantment Transport shall submit to the Agency invoices accompanying with manifests and scale tickets.

SANTA FE SOLID WASTE MANAGEMENT AGENCY

BID SUBMITTAL FORM

RFB No. '20/10/H

EXCEPTIONS TO SPECIFICATIONS

Bidder is required to return two (2) complete copies of these specifications, completely furnishing all information requested. All requested information, data, literature, drawings, etc. must be included with the bid submitted.

Bidder must check one of the following:

- a.  All specifications, terms and conditions are met.  
b.  Exceptions have been taken and noted on attached sheet(s).

All variations and/or exceptions to the specifications must be documented, referencing applicable paragraph (s) and explained in detail. Attach as many pages as necessary. If no exceptions are taken, it will be assumed that the bid meets all specifications and terms and conditions as stated in this complete bid package. Failure to list exceptions may disqualify bid. Delivery of non-conforming goods is at the expense of the Bidder and/or other penalties.

All other specifications not detailed herein shall be as listed in the manufacturer's printed literature for the current standard model. Manufacturer's printed literature and specifications sheets shall be submitted with the bid.

Exceptions will not necessarily eliminate the bid. Agency staff shall determine acceptance or non-acceptance of exceptions. Unless otherwise noted and approved, it is assumed that delivery of the unit shall be as stated.

Signed submission of this bid represents that the Bidder has accepted all terms, conditions and requirements of the bid unless a written exception is made and, if awarded, the bid will represent the agreement between the parties. Additionally, by signing this bid, the Bidder warrants that there was no collusion of any kind in submission of this bid.

State name, address and phone number of nearest authorized representative:

STEPHEN W. CARRILLO  
6117 ALVIZ CO. S.W. ALBUQUERQUE, N.M. 87105  
505-873-3124 505-269-2823

---

**Specifications and Qualifications**

- Y  N  Capacity to handle all scrap tires (passenger, commercial and off road).
- Y  N  Fully licensed and permitted scrap tire processing facility (please attach relevant permits and licenses).
- Y  N  New Mexico scrap tire hauler registration (please attach current registration, if applicable).
- Y  N  Out-of-state scrap tire hauler registration (please attach current registration, if applicable).
- Y  N  Documented end use market (please provide details regarding end use markets).

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**BID FORM**

RFB No. '20/10/B

*All Bidders MUST use the format provided. Costs included with this bid will be held for four (4) years.*

Item	Description	Final Destination	Unit	Trailer Size (cyd)	Cost (\$)
1	Processing Fee Only		Per load	--	
2	Processing Fee Only		Per ton	--	
3	Turn-key: Hauling - Open Top Semi-Trailer and Processing Fee		Per load	128	\$1300 <sup>00</sup>
4	Turn-key: Hauling - Open Top Semi-Trailer and Processing Fee		Per ton		
5	Oversized Tires (23.5" x 25" or larger)		Per tire	--	
6	Rimmed Passenger Tires		Per tire	--	
7	Rimmed Truck Tires		Per tire	--	
Option					

The Santa Fe Solid Waste Management Agency reserves the right to alter quantities based on availability of budget. If this will alter the bid amount, the Bidder must note the percent increase for lesser quantities.

**BIDDER'S INFORMATION**

Enchantment Transport Inc.

6117 ALVIS Ct SW ALBUQUERQUE, NM 87105

Stephen Canino

STEPHEN CANINO

PRESIDENT

STEVE.ENCHANTMENT@GMAIL.COM

505-873-3124 505-269-2823

505-873-1445

1/13/2020

**TWO COMPLETE COPIES OF THE BID SUBMITTAL IS REQUIRED**

# MEMORANDUM

---

**To:** SFSWMA Joint Powers Board  
**From:** Randall Kippenbrock, P.E., Executive Director RLK  
**Date:** February 15, 2021  
**Subject:** Request for Approval of Cost of Living Adjustment (COLA) for AFSCME Union Employees for Fiscal Year 2021

## SUMMARY

The Agency is requesting a Cost of Living Adjustment (COLA) increase of 2.9% for 28 AFSCME union employees, effective January 9, 2021.

The fiscal impact of the COLA for FY-21 is approximately \$20,000.

Funding is available in 810.100700 (Operating Fund Cash Balance).

## BACKGROUND

At the May 21, 2020 Board meeting, the Board approved the FY-21 budget. The budget did not contain cost of living adjustments (COLA) or merit pay increases. The Agency stated in the proposed budget memo that COLA may be requested at mid-year if revenues meet or exceed projections.

COLA is specified in the union contract. COLA is calculated as a percent change in the consumer price index (CPI) as computed by the U.S. Department of Labor – Bureau of Labor Statistics (BLS) using the Consumer Price Index for Urban Wage Earnings and Clerical Workers for the West Urban Area for All Items. Specifically, the CPI is calculated using the annual rate of the previous calendar year for the upcoming budget (i.e., the calendar year 2019 for FY-21 budget). CPI for calendar year 2019 is 2.6%.

Non-union employees will not receive COLA.

## ACTION REQUESTED

The Agency recommends approval of a Cost of Living Adjustment (COLA) increase of 2.9% for FY-21 for 28 AFSCME employees, effective January 9, 2021.

# MEMORANDUM

**To:** SFSWMA Joint Powers Board  
**From:** Randall Kippenbrock, P.E., Executive Director RLK  
**Date:** February 15, 2021  
**Subject:** Presentation, Discussion and Possible Action Regarding Municipal Solid Waste Cost of Service and Rate Design Study

## SUMMARY

David Yanke with NewGen Strategies and Solutions (NewGen) of Austin, TX, will present the Municipal Solid Waste Cost of Service and Rate Design Study.

In the study, using current rates, NewGen projects a cumulative deficit of approximately \$14.5M over five years. Forecasted rate revenues will under-recover the revenue requirements with deficits starting at \$1.5M in FY2021 and increasing annually to \$4.4M in FY2025. Table 3-1 shows the forecasted revenue recovery from current rates.

**Table 3-1**  
**Revenue Recovery from Current Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Revenue Requirement	\$8,512,245	\$9,012,057	\$10,151,976	\$10,899,747	\$11,714,100
Revenue from Rates	7,021,001	7,091,235	7,162,115	7,233,622	7,305,870
Over/(Under) Recovery <sup>1</sup>	(\$1,491,244)	(\$1,920,822)	(\$2,989,861)	(\$3,666,125)	(\$4,408,230)
Cumulative Over/(Under) <sup>1</sup>	(\$1,491,244)	(\$3,412,066)	(\$6,401,927)	(\$10,068,052)	(\$14,476,282)

1. Any minor arithmetic deviation is due to rounding.

NewGen projects that by implementing the proposed rates the Agency will realize a positive cash flow in FY 2022 and FY 2023, assuming rates are implemented in FY 2022. Table 3-6 shows forecasted revenue recovery from the proposed rates.

**Table 3-6**  
**Revenue Recovery from Proposed Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Revenue Requirement	\$8,512,245	\$9,012,057	\$10,151,976	\$10,899,747	\$11,714,100
Revenue from Rates	7,021,001	9,165,241	10,214,850	10,859,259	11,515,591
Over/(Under) Recovery <sup>1</sup>	(\$1,491,244)	\$153,183	\$62,874	(\$40,488)	(\$198,509)
Cumulative Over/(Under) <sup>1</sup>	(\$1,491,244)	(\$1,338,061)	(\$1,275,187)	(\$1,315,675)	(\$1,514,185)

1. Any minor arithmetic deviation is due to rounding.

Included in the study were the funding requirements for equipment replacement - the largest component of the Agency's project funding - and capital improvement projects related to landfill gas collection, cell development and other miscellaneous projects. Funding for equipment and capital improvement projects is summarized in Table ES-1.

**Table ES-1**  
**Equipment and Capital Improvement Projects Funding**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Equipment Replacement	\$825,000	\$1,000,000	\$2,000,000	\$2,500,000	\$3,000,000
Landfill Gas Collection	200,000	200,000	200,000	200,000	200,000
Cell Development	200,000	150,000	-	-	-
Major Capital Improvement Projects	-	100,000	100,000	50,000	50,000
<b>Total Cash Funding</b>	<b>\$1,225,000</b>	<b>\$1,450,000</b>	<b>\$2,300,000</b>	<b>\$2,750,000</b>	<b>\$3,250,000</b>

NewGen recommends the following:

*Over the past eight years, the Agency has experienced increases in operation and maintenance costs while avoiding any rate increases at the landfill or BuRRT. In general, reserves have been utilized to manage annual under-recoveries, and with reserves being rapidly depleted, it is vital that the Agency implement rate increases in FY 2022. The last time the Agency increased rates was in FY 2012. Delaying rate increases, even by a year, will result in significant under-recoveries over the five-year forecast and the need to delay equipment replacements. NewGen recommends that the Agency implement rate increases beginning in FY 2022, which are further summarized in Table ES-3, Table ES-4, and Table ES-5.*

*In addition to the recommended rate increases identified in Table ES-3 and Table ES-4, NewGen recommends that the Agency adopt the rate increases summarized in Table ES-5 for materials recycled at BuRRT.*

*NewGen recommends that the Agency begin charging a processing fee on all incoming recyclables to support operations at the MRF. NewGen recommends that the Agency implement the processing fees summarized in Table ES-6 over the five-year planning horizon. The processing fee is projected to increase revenues for the Agency by approximately \$1.4 million in FY 2022.*

**Table ES-3  
Proposed Landfill Rates (per ton)**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Tip Fee <sup>1</sup>	\$40.00	\$40.00	\$42.50	\$47.50	\$50.00	\$52.50
WWTP & WTP Sludge <sup>1</sup>	\$40.00	\$40.00	\$52.50	\$57.50	\$60.00	\$62.50

1. The tip fee is assessed for the following tonnage/customer types: construction and demolition, commercial solid waste, residential solid waste, and other miscellaneous waste (e.g., dead animals, sweeper, etc.). The tipping fees reflected here exclude the New Mexico Gross Receipts Tax (GRT).

**Table ES-4  
Proposed BuRRT Rates**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Tip Fee (per ton) <sup>1</sup>	\$50.00	\$50.00	\$52.50	\$57.50	\$60.00	\$62.50
Vehicles <4500 lbs. <sup>1</sup>	\$6.00	\$6.00	\$7.00	\$7.50	\$8.00	\$8.50
Vehicles between 4500 lbs. and 5500 lbs. <sup>1</sup>	\$9.00	\$9.00	\$10.00	\$10.50	\$11.00	\$11.50
Vehicles between 5500 lbs. and 6500 lbs. <sup>1</sup>	\$12.00	\$12.00	\$13.00	\$13.50	\$14.00	\$14.50

1. The tipping fees reflected here exclude the New Mexico Gross Receipts Tax (GRT).

**Table ES-5  
Proposed Rates for Miscellaneous Services at BuRRT**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Glass (per ton)	\$15.00	\$15.00	\$42.50	\$47.50	\$50.00	\$52.50
Green Waste (per ton)	\$20.00	\$20.00	\$42.50	\$47.50	\$50.00	\$52.50
Tires						
Price per Ton	\$160.00	\$160.00	\$250.00	\$250.00	\$250.00	\$250.00
T6 Tires (per Unit)	\$6.00	\$6.00	\$8.00	\$8.00	\$8.00	\$8.00
T2 Tires (per Unit)	\$2.00	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00

**Table ES-6  
Proposed Processing Fees**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Processing Fee (per ton)	N/A	N/A	\$150.00	\$160.00	\$170.00	\$180.00

1. The processing fees reflected in this table exclude the New Mexico Gross Receipts Tax (GRT).

NewGen also recommends the Agency maintain current rates for these miscellaneous services through FY25:

- HHW and E-Waste at \$50 per ton
- Scrap metal at \$15 per ton
- Appliances without CFCs at \$5 per unit
- Appliances with CFCs at \$10 per unit

## **BACKGROUND**

A cost of service study is recommended once every five years. NewGen and Louis Berger Group completed the last cost of service study in December 2014, as part of the Solid Waste Assessment and Management Study. That study recommended no rate increase.

On August 18, 2018, the Board approved a Professional Services Agreement with NewGen to provide a cost of service and rate design study under the Houston-Galveston Area Council (H-GAC) Contract No. HP10-17. Amendment No. 1 extended the term of the Agreement through August 16, 2020.

On July 16, 2020, the Board approved Amendment No. 2 to extend the term through August 16, 2021 and to increase the compensation by \$8,673 for a total amount not to exceed \$63,615.

The study commenced in the fall of 2018 with the expectation that it would be completed within a year. However, the study has taken longer due to the need to update the equipment replacement list and capital improvement plan, the continuing volatility in the recycling market, and the economic conditions triggered by the COVID-19 pandemic.

## **ACTION REQUESTED**

The matter is before the Board for discussion and possible action on the recommendations contained in the NewGen study.

Attachments:

- 1) NewGen PowerPoint Presentation for February 18, 2021 JPB Meeting.
- 2) NewGen Municipal Solid Waste Cost of Service and Rate Design Study, dated February 10, 2021.

**ATTACHMENT 1**

**NewGen PowerPoint Presentation for February 18, 2021 JPB Meeting**



February 18, 2021 | Santa Fe Solid Waste Management Agency

# SOLID WASTE COST OF SERVICE AND RATE DESIGN STUDY





DAVE YANKE

- President
- Project Role: Project Manager
- Over 25 years of experience

**Areas of Expertise:**

- Full Cost Accounting
- Cost of Service and Rate Design
- Financial Feasibility
- Operations Reviews and Solid Waste Management Plans
- Procurement Assistance

**Range of Experience:**

- Developed MSW full cost accounting workbooks
- Developed environmental enforcement manuals
- Frequent speaker at conferences

# SCOPE OF ANALYSIS

---

- 1 • Conduct a comprehensive cost of service study that allocates costs to each specific solid waste service
- 2 • Develop a five-year revenue requirement forecast (FY 2021 – FY 2025)
- 3 • Calculate the revenues realized under current rates for the projected five-year revenue requirement
- 4 • Design rates for customers by type of service provided
- 5 • Present findings to Santa Fe Solid Waste Management Agency (Agency)

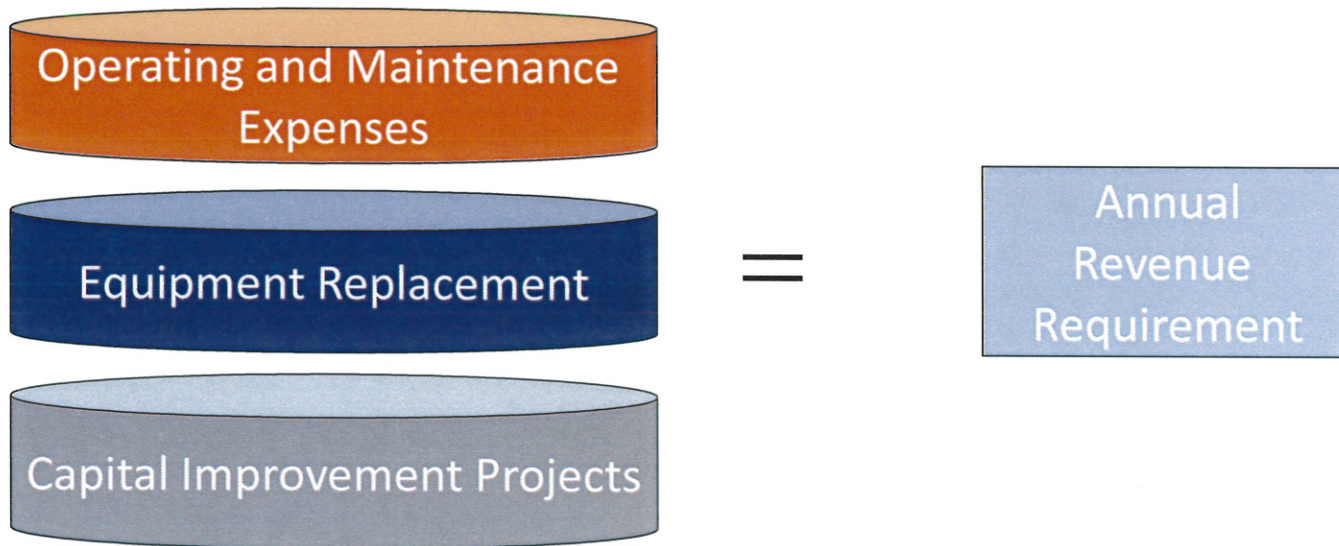
## COST OF SERVICE METHODOLOGY

---

- 1 • Develop the “Test Year”
- 2 • Develop a revenue requirement forecast
- 3 • Allocate costs to service categories
- 4 • Determination of billing units
- 5 • Cost of service calculation

# WHAT IS THE “REVENUE REQUIREMENT”

---



# CURRENT RATES<sup>1</sup>

Facilities	Gate Rates	Facilities	Gate Rates
Caja del Rio Landfill (\$/ton)	\$40.00	Buckman Road Recycling & Transfer Station (BuRRT) <i>(continued)</i>	
<b>Buckman Road Recycling &amp; Transfer Station (BuRRT)</b>		Electronic Waste (\$/ton)	\$50.00
Disposal (\$/ton)	\$50.00	Household Hazardous Waste (\$/ton)	\$50.00
Vehicles <4,500 pounds (\$/load)	\$6.00	Tires	
Vehicles between 4,500 and 5,500 pounds (\$/load)	\$9.00	Scrap Tires (\$/ton)	\$160.00
Vehicles between 5,500 and 6,500 pounds (\$/load)	\$12.00	Passenger Car Tire (\$/tire)	\$2.00
Glass (\$/ton)	\$15.00	Commercial Truck Tire (\$/tire)	\$6.00
Green Waste (\$/ton)	\$20.00	Freon Bearing Appliance (\$/unit)	\$10.00
Scrap Metal (\$/ton)	\$15.00	Non-Freon Bearing Appliance (\$/unit)	\$5.00

**Notes:**

1. Excludes the New Mexico Gross Receipts Tax (GRT).

## DEVELOPMENT OF REVENUE REQUIREMENT

---

**The development of the revenue requirement forecast includes the following items:**

- Cash funding strategy for the purchase of new equipment.
- Cash funding and reserve draw-downs for significant infrastructure needs:
  - Transfer Station Roof Replacement
  - Outbound Scale Replacement
  - Cell Development

## SERVICE CATEGORIES

---

- **Buckman Road Recycling and Transfer Station (BuRRT)**
  - Transfer Station
  - Material Recovery Facility (MRF)
  - HHW Collection
  - Green Waste Processing
  - Glass Recycling
  - White Goods
  - Tires
  - E-Waste
  - Administration
  - Operation & Maintenance

- **Caja del Rio Landfill**
  - Disposal
  - Cell Development
  - Composting
  - Administration
  - Operation and Maintenance

**Notes:**

- **Administrative Costs:** Includes management personnel costs, office supplies, as well as professional and legal services fees.
- **Operation and Maintenance Costs:** Includes water and electric utility costs, buildings and grounds maintenance, and expenses for operation and safety supplies.

## REVENUE REQUIREMENT

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Expenses	\$8,830,445	\$9,330,257	\$10,470,176	\$11,217,947	\$12,032,300
Total Revenue Offsets	(318,200)	(318,200)	(318,200)	(318,200)	(318,200)
<b>Total Net Revenue Requirement</b>	<b>\$8,512,245</b>	<b>\$9,012,057</b>	<b>\$10,151,976</b>	<b>\$10,899,747</b>	<b>\$11,714,100</b>

**Notes:**

The development of the revenue requirement forecast includes a cash funding strategy for the purchase of the new equipment and major capital improvement projects, combined with a drawdown of reserves.

## OVER / (UNDER) RECOVERY – CURRENT RATES

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Net Revenue Requirement	\$8,512,245	\$9,012,057	\$10,151,976	\$10,899,747	\$11,714,100
Total Revenues	7,021,001	7,091,235	7,162,115	7,233,622	7,305,870
Over / (Under)	<b>(\$1,491,244)</b>	<b>(\$1,920,822)</b>	<b>(\$2,989,861)</b>	<b>(\$3,666,125)</b>	<b>(\$4,408,230)</b>
Cumulative Over / (Under)	<b>(\$1,491,244)</b>	<b>(\$3,412,066)</b>	<b>(\$6,401,927)</b>	<b>(\$10,068,052)</b>	<b>(\$14,476,282)</b>

**Notes:**

Any minor arithmetic deviation is due to rounding.

## PROPOSED RATES <sup>1</sup>

	Current	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Caja del Rio Landfill (\$/ton)</b>	\$40.00	\$40.00	\$42.50	\$47.50	\$50.00	\$52.50
<b>Buckman Road Recycling &amp; Transfer Station (BuRRT)</b>						
Transfer Station (\$/ton)	\$50.00	\$50.00	\$52.50	\$57.50	\$60.00	\$62.50
<4,500 pounds (\$/load)	\$6.00	\$6.00	\$7.00	\$7.50	\$8.00	\$8.50
4,500 to 5500 pounds (\$/unit)	\$9.00	\$9.00	\$10.00	\$10.50	\$11.00	\$11.50
5,500 to 6500 pounds (\$/unit)	\$12.00	\$12.00	\$13.00	\$13.50	\$14.00	\$14.50
Glass (\$/ton)	\$15.00	\$15.00	\$42.50	\$47.50	\$50.00	\$52.50

**Notes:**

1. Excludes the New Mexico Gross Receipts Tax (GRT).

## PROPOSED RATES <sup>1</sup> (CONTINUED)

	Current	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>Buckman Road Recycling &amp; Transfer Station (BuRRT)</b>						
Green Waste (\$/ton)	\$20.00	\$20.00	\$42.50	\$47.50	\$50.00	\$52.50
<b>Tires</b>						
T-160 (\$/ton)	\$160.00	\$160.00	\$250.00	\$250.00	\$250.00	\$250.00
T6 (\$/unit)	\$6.00	\$6.00	\$8.00	\$8.00	\$8.00	\$8.00
T2 (\$/unit)	\$2.00	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00
Recycling Processing (\$/ton)	-	-	\$150.00	\$160.00	\$170.00	\$180.00

**Notes:**

1. Excludes the New Mexico Gross Receipts Tax (GRT).

## PROPOSED RATES

---

- NewGen recommends that the Agency implement a processing fee on all incoming recyclables to support operations at the MRF beginning in FY2022. The processing fee is projected to increase revenues for the Agency by approximately \$1.4 million in FY2022.
- Assuming that recommended rates are implemented in FY2022, then the Agency will realize positive cash flows in FY2022 and FY2023 and minor under-recoveries in FY2024 and FY2025. Delaying rate increases even by a year will result in significant under-recoveries over the five-year forecast and slow equipment replacements.

## OVER / (UNDER) RECOVERY – PROPOSED RATES

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Net Revenue Requirement	\$8,512,245	\$9,012,057	\$10,151,976	\$10,899,747	\$11,714,100
Total Revenues	7,021,001	9,165,241	10,214,850	10,859,259	11,515,591
Over / (Under)	<b>(\$1,491,244)</b>	<b>\$153,183</b>	<b>\$62,874</b>	<b>(\$40,488)</b>	<b>(\$198,509)</b>
Cumulative Over / (Under)	<b>(\$1,491,244)</b>	<b>(\$1,338,061)</b>	<b>(\$1,275,187)</b>	<b>(\$1,315,675)</b>	<b>(\$1,514,185)</b>

**Notes:**

Any minor arithmetic deviation is due to rounding.

## PROJECTED RESERVE BALANCES – PROPOSED RATES

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Beginning Cash Fund Balance	\$5,700,150	\$3,873,255	\$4,319,465	\$4,003,134	\$4,215,423
Capital Contributions & Withdrawals					
Reserve Contributions	1,225,000	1,450,000	2,300,000	2,750,000	3,250,000
Reserve Withdrawals	(1,599,000)	(1,199,740)	(2,718,840)	(2,538,960)	(4,471,883)
Revenue Requirement Over/(Under) Recovery	(1,491,244)	153,183	62,874	(40,488)	(198,509)
Interest Income	38,349	42,767	39,635	41,737	27,950
<b>Total Ending Balance</b>	<b>\$3,873,255</b>	<b>\$4,319,465</b>	<b>\$4,003,134</b>	<b>\$4,215,423</b>	<b>\$2,822,981</b>

# QUESTIONS?

---

Dave Yanke  
President  
NewGen Strategies and Solutions, LLC  
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(512) 649-1254

Randall Kippenbrock, P.E.  
Executive Director  
Santa Fe Solid Waste Management Agency  
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(505) 424-1850 x100

**ATTACHMENT 2**

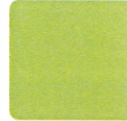
**NewGen Municipal Solid Waste Cost of Service and Rate Design Study,  
dated February 10, 2021**

FINAL REPORT | February 2021



# MUNICIPAL SOLID WASTE COST OF SERVICE AND RATE DESIGN STUDY

Santa Fe Solid Waste Management Agency



PREPARED BY:

**NewGen  
Strategies & Solutions**

ECONOMICS

STRATEGY

STAKEHOLDERS

SUSTAINABILITY

[www.newgenstrategies.net](http://www.newgenstrategies.net)

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8140 North Mopac Expressway  
Suite 1-240  
Austin, TX 78759  
Phone: (512) 806-7713

February 10, 2021  
via email to: [rkippenbrock@sfswma.org](mailto:rkippenbrock@sfswma.org)

Mr. Randall Kippenbrock, P.E.  
Executive Director  
Santa Fe Solid Waste Management Agency (SFSWMA)  
149 Wildlife Way  
Santa Fe, New Mexico 87506

**Subject: Solid Waste Cost of Service and Rate Design Study – Final Report**

Dear Mr. Kippenbrock:

NewGen Strategies and Solutions, LLC (NewGen) is pleased to present the enclosed report regarding the Solid Waste Cost of Service and Rate Design Study (Study or Report) completed for the Santa Fe Solid Waste Management Agency (Agency).

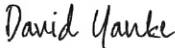
NewGen was retained to conduct this Study with the purpose of providing the Agency with a comprehensive report that details the Agency's cost of providing solid waste services to its customers and provide guidance with regard to establishing cost of service based rates for the solid waste services provided by the Agency. The Study equitably allocates costs to the various services provided by the Agency to ensure the rate structures are fair and equitable to all customers.

NewGen would like to express its appreciation to the Agency staff who contributed to the development of this Report. We appreciate the time and effort taken by these individuals to provide information, input, and feedback over the period this Study was undertaken.

If there are any questions concerning the Report, please feel free to contact me by phone at (512) 649-1254 or email at [dyanke@newgenstrategies.net](mailto:dyanke@newgenstrategies.net).

Sincerely,

**NewGen Strategies and Solutions, LLC**

DocuSigned by:  
  
CE5CFF5DD30B4CA...

Dave Yanke  
President

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## Table of Contents

<b>Executive Summary</b> .....	<b>ES-1</b>
<b>Section 1 Introduction</b> .....	<b>1-1</b>
Current Solid Waste Services and Rates .....	1-1
Landfill Services and Fees .....	1-1
Buckman Road Recycling & Transfer Station (BuRRT).....	1-1
Project Approach.....	1-2
Data Request.....	1-2
Project Meetings.....	1-2
Terminology/Definition .....	1-3
<b>Section 2 Cost of Service Analysis</b> .....	<b>2-1</b>
Methodology Overview.....	2-1
Development of the Revenue Requirement .....	2-1
Selection of the Test Year .....	2-1
Development of the Revenue Requirement Forecast.....	2-2
Allocation to Customer Classes .....	2-5
Determination of Billing Units.....	2-6
Caja del Rio Landfill.....	2-6
Buckman Road Recycling & Transfer Station .....	2-6
Calculation of the Cost of Service .....	2-7
Caja del Rio Landfill.....	2-7
Transfer Station .....	2-8
Material Recovery Facility.....	2-9
Miscellaneous Services at Buckman Road Recycling & Transfer Station (BuRRT).....	2-9
<b>Section 3 Key Findings and Recommendations</b> .....	<b>3-1</b>
Revenue Reconciliation from Current Rates .....	3-1
Rate Recommendations .....	3-1
Proposed Caja del Rio Landfill & BuRRT Rates.....	3-1
Rates for Miscellaneous Services at Buckman Road Recycling & Transfer Station (BuRRT).....	3-2
Other Rate & Policy Recommendations .....	3-3
Revenue Recovery from Proposed Rates .....	3-3
Other Issues.....	3-4

### List of Tables

Table ES-1 Equipment and Capital Improvement Projects Funding.....	ES-2
Table ES-2 Revenue Requirement by Service Category.....	ES-2
Table ES-3 Proposed Landfill Rates (per ton) .....	ES-4
Table ES-4 Proposed BuRRT Rates.....	ES-4



## Table of Contents

---

Table ES-5 Proposed Rates for Miscellaneous Services at BuRRT .....	ES-4
Table ES-6 Proposed Processing Fees .....	ES-5
Table ES-7 Revenue Recovery from Proposed Rates .....	ES-5
Table ES-8 Projected Reserve Balances Under Proposed Rates Scenario .....	ES-5
Table 2-1 Inflation Factors .....	2-2
Table 2-2 Equipment and Capital Improvement Projects Funding.....	2-3
Table 2-3 Solid Waste Net Revenue Requirement.....	2-3
Table 2-4 Revenue Requirement by Service Category.....	2-4
Table 2-5 Recovery Basis for Service Categories .....	2-5
Table 2-6 Projected Tonnage by Year, Caja del Rio Landfill.....	2-6
Table 2-7 Tonnage & Unit Forecast, BuRRT .....	2-7
Table 2-8 Caja del Rio Cost of Service .....	2-7
Table 2-9 Transfer Station Cost of Service .....	2-8
Table 2-10 Material Recovery Facility Cost of Service .....	2-9
Table 2-11 Household Hazardous Waste Cost of Service .....	2-10
Table 2-12 Tire Recycling Cost of Service.....	2-10
Table 2-13 E-Waste Recycling Cost of Service .....	2-11
Table 2-14 White Goods Recycling Cost of Service.....	2-11
Table 2-15 Green Waste Processing Cost of Service .....	2-11
Table 2-16 Glass Recycling Cost of Service .....	2-12
Table 3-1 Revenue Recovery from Current Rates.....	3-1
Table 3-2 Proposed Landfill Rates (per ton) .....	3-2
Table 3-3 Proposed BuRRT Rates.....	3-2
Table 3-4 Proposed Rates for Miscellaneous Services at BuRRT .....	3-3
Table 3-5 Proposed Processing Fees .....	3-3
Table 3-6 Revenue Recovery from Proposed Rates.....	3-4
Table 3-7 Projected Reserve Balances Under Proposed Rates Scenario .....	3-4

## Appendix

### List of Schedules

- Schedule 1: Test Year
- Schedule 2: Five-Year Revenue Requirement
- Schedule 3: Five-Year Revenue Requirement Summary
- Schedule 4: Caja del Rio Cost of Service
- Schedule 5: BuRRT Cost of Service & Indirect Cost Allocations
- Schedule 6: Transfer Station & Material Recovery Facility (MRF) Cost of Service
- Schedule 7: Miscellaneous COS: HHW, Tires, E-Waste, White Goods, Glass Recycling, Green Waste
- Schedule 8: Over / (Under) – Current Rates
- Schedule 9: Revenue Realized Under Proposed Rates
- Schedule 10: Over / (Under) – Proposed Rates

## EXECUTIVE SUMMARY

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The Santa Fe Solid Waste Management Agency (Agency) retained NewGen Strategies and Solutions, LLC (NewGen) to conduct a Municipal Solid Waste Cost of Service and Rate Design (Study or Report) for the Agency. The Agency was created by means of a duly approved Joint Powers Agreement between the City of Santa Fe and Santa Fe County. The governing body of the Agency is a Board of Directors designated in accordance with the Joint Powers Agreement. The purpose of this Report is to determine the cost of providing solid waste services, equitably distribute the costs to the appropriate customer classes, and design rates to safeguard the financial integrity of the Agency.

The Agency owns and operates the Caja del Rio Landfill (Landfill), which received 166,996 tons of waste in FY 2020. Approximately 57 percent of disposal at this site is from residential and commercial collection services; 26 percent of disposal comes from construction and demolition waste; 14 percent of disposal comes from the Buckman Road Recycling & Transfer Station (BuRRT); the remaining 2 percent of disposal is related to sludge and other miscellaneous waste. Municipal solid waste (MSW) is currently growing at an annual rate of one-percent.

The Agency also owns and operates the Buckman Road Recycling & Transfer Station (BuRRT). In FY 2020, BuRRT received approximately 25,315 tons of MSW and 10,185 tons of single-stream recyclables. Based on discussions with staff, NewGen assumed a one-percent annual growth rate throughout the five-year forecast.

### Municipal Solid Waste Cost of Service Analysis

The purpose of a cost of service analysis is to determine the cost of providing solid waste services, equitably distribute the costs to the appropriate customer classes, and design rates to safeguard the financial integrity of the utility.

NewGen submitted a detailed data request to the Agency to collect historical and background information on operations and practices. The information requested included:

- Detailed Financial Reports and Budgets
- Solid Waste Policies and Ordinances
- Personnel Rosters
- Solid Waste and Recycling Tonnage Reports
- Fleet Inventory Operating Costs

NewGen also held numerous meetings with the Agency staff throughout the course of the project to discuss, plan, and finalize the cost of service analysis.

### Equipment & Capital Improvement Projects Funding

The revenue requirement incorporates funding for equipment replacements scheduled to occur during the FY 2021 – FY 2025 forecast. Currently, equipment is funded via cash funding (i.e., cash generated by user fees) and reserves. The Agency should closely monitor the age of their equipment/fleet and assess whether the current cash funding amounts for replacement are sufficient. Equipment replacement is currently the largest component the Agency's project funding, however the Agency also sets aside funding



## Executive Summary

for capital improvement projects related to landfill gas collection, cell development, and other miscellaneous projects. Funding for equipment and capital improvement projects is summarized in Table ES-1.

**Table ES-1  
Equipment and Capital Improvement Projects Funding**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Equipment Replacement	\$825,000	\$1,000,000	\$2,000,000	\$2,500,000	\$3,000,000
Landfill Gas Collection	200,000	200,000	200,000	200,000	200,000
Cell Development	200,000	150,000	-	-	-
Major Capital Improvement Projects	-	100,000	100,000	50,000	50,000
<b>Total Cash Funding</b>	<b>\$1,225,000</b>	<b>\$1,450,000</b>	<b>\$2,300,000</b>	<b>\$2,750,000</b>	<b>\$3,250,000</b>

## Revenue Requirement

In developing the Test Year revenue requirement for the Agency, NewGen used the FY 2020 adopted budget as the basis for the Test Year. NewGen compared the FY 2020 budget to historical expenses for FY 2017, FY 2018, and FY 2019. Through this comparison and with input from Agency staff, NewGen made adjustments to ensure that the Test Year would reflect expenses that occur on a regular basis. In addition to developing the Test Year revenue requirement, NewGen forecast the annual revenue requirement for FY 2021 through FY 2025. In order to develop this forecast, NewGen projected how costs would change over the years due to a variety of different inflation factors.

NewGen developed rate recommendations for the revenue requirement forecast summarized below in Table ES-2.

**Table ES-2  
Revenue Requirement by Service Category**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Caja del Rio Landfill</b>					
Disposal	\$1,774,975	\$1,934,862	\$2,581,390	\$2,934,252	\$3,290,589
Cell Development	358,935	326,843	256,582	299,314	342,414
Composting	3,765	3,954	4,156	4,372	4,603
Administration	932,401	969,268	1,011,748	1,054,540	1,099,907
Operation & Maintenance	1,238,446	1,276,124	1,346,011	1,398,964	1,453,737
<b>Total Caja del Rio Landfill<sup>1</sup></b>	<b>\$4,308,522</b>	<b>\$4,511,051</b>	<b>\$5,199,888</b>	<b>\$5,691,442</b>	<b>\$6,191,250</b>
<b>Buckman Road Recycling and Transfer Station (BuRRT)</b>					
Transfer Station	885,219	1,013,302	1,149,246	1,200,837	1,292,555
Material Recovery Facility	1,006,556	1,063,567	1,142,966	1,181,687	1,233,569
HHW Collection	244,932	252,981	263,776	273,389	283,406

**Table ES-2**  
**Revenue Requirement by Service Category**

<b>Service Category</b>	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Green Waste Processing	636,257	676,940	792,112	862,044	933,459
Glass Recycling	194,249	202,657	229,091	244,611	260,291
White Goods	26,794	28,341	31,029	33,168	35,412
Tires	86,143	88,371	90,684	93,087	95,586
E-Waste	64,942	66,917	69,659	72,043	74,514
Administration	277,177	284,862	297,144	306,985	317,085
Operation & Maintenance	1,099,653	1,141,268	1,204,581	1,258,654	1,315,172
<b>Total BuRRT<sup>1</sup></b>	<b>\$4,521,923</b>	<b>\$4,819,206</b>	<b>\$5,270,288</b>	<b>\$5,526,506</b>	<b>\$5,841,050</b>
<b>Total Expenses<sup>1</sup></b>	<b>\$8,830,445</b>	<b>\$9,330,257</b>	<b>\$10,470,176</b>	<b>\$11,217,947</b>	<b>\$12,032,300</b>
<b>Revenue Offsets<sup>2</sup></b>					
Mulch Sales	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)
Sales – Basalt (Del Hur)	(131,000)	(131,000)	(131,000)	(131,000)	(131,000)
Sales – Glass	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Uncovered Loads	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Scrap Metal	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)
Miscellaneous Landfill Revenues	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
<b>Total Revenue Offsets</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$8,512,245</b>	<b>\$9,012,057</b>	<b>\$10,151,976</b>	<b>\$10,899,747</b>	<b>\$11,714,100</b>

1. Any minor arithmetic deviation is due to rounding.

2. Revenue offsets are applied to their corresponding service categories in Table 2-4 to calculate the net revenue requirement for each service. For instance, mulch sales revenues are applied to green waste processing expenses for a net revenue requirement of \$943,039 (this excludes any indirect cost allocation, e.g. administration). As shown on Schedule 7.

## Rate Recommendations

Over the past eight years, the Agency has experienced increases in operation and maintenance costs while avoiding any rate increases at the landfill or BuRRT. In general, reserves have been utilized to manage annual under-recoveries, and with reserves being rapidly depleted, it is vital that the Agency implement rate increases in FY 2022. The last time the Agency increased rates was in FY 2012. Delaying rate increases, even by a year, will result in significant under-recoveries over the five-year forecast and the need to delay equipment replacements. NewGen recommends that the Agency implement rate increases beginning in FY 2022, which are further summarized in Table ES-3, Table ES-4, and Table ES-5.

## Executive Summary

**Table ES-3**  
**Proposed Landfill Rates (per ton)**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Tip Fee <sup>1</sup>	\$40.00	\$40.00	\$42.50	\$47.50	\$50.00	\$52.50
WWTP & WTP Sludge <sup>1</sup>	\$40.00	\$40.00	\$52.50	\$57.50	\$60.00	\$62.50

1. The tip fee is assessed for the following tonnage/customer types: construction and demolition, commercial solid waste, residential solid waste, and other miscellaneous waste (e.g., dead animals, sweeper, etc.). The tipping fees reflected here exclude the New Mexico Gross Receipts Tax (GRT).

Table ES-4 summarizes NewGen's proposed rates for waste brought to BuRRT.

**Table ES-4**  
**Proposed BuRRT Rates**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Tip Fee (per ton) <sup>1</sup>	\$50.00	\$50.00	\$52.50	\$57.50	\$60.00	\$62.50
Vehicles <4500 lbs. <sup>1</sup>	\$6.00	\$6.00	\$7.00	\$7.50	\$8.00	\$8.50
Vehicles between 4500 lbs. and 5500 lbs. <sup>1</sup>	\$9.00	\$9.00	\$10.00	\$10.50	\$11.00	\$11.50
Vehicles between 5500 lbs. and 6500 lbs. <sup>1</sup>	\$12.00	\$12.00	\$13.00	\$13.50	\$14.00	\$14.50

1. The tipping fees reflected here exclude the New Mexico Gross Receipts Tax (GRT).

In addition to the recommended rate increases identified in Table ES-3 and Table ES-4, NewGen recommends that the Agency adopt the rate increases summarized in Table ES-5 for materials recycled at BuRRT.

**Table ES-5**  
**Proposed Rates for Miscellaneous Services at BuRRT**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Glass (per ton)	\$15.00	\$15.00	\$42.50	\$47.50	\$50.00	\$52.50
Green Waste (per ton)	\$20.00	\$20.00	\$42.50	\$47.50	\$50.00	\$52.50
Tires						
Price per Ton	\$160.00	\$160.00	\$250.00	\$250.00	\$250.00	\$250.00
T6 Tires (per Unit)	\$6.00	\$6.00	\$8.00	\$8.00	\$8.00	\$8.00
T2 Tires (per Unit)	\$2.00	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00

## Other Rate & Policy Recommendations

In addition to the proposed rate increases highlighted above, NewGen recommends that the Agency begin charging a processing fee on all incoming recyclables to support operations at the MRF. NewGen recommends that the Agency implement the processing fees summarized in Table ES-6 over the five-year planning horizon. The processing fee is projected to increase revenues for the Agency by approximately \$1.4 million in FY 2022.

**Table ES-6**  
**Proposed Processing Fees**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Processing Fee (per ton)	N/A	N/A	\$150.00	\$160.00	\$170.00	\$180.00

1. The processing fees reflected in this table exclude the New Mexico Gross Receipts Tax (GRT).

## Revenue Recovery from Proposed Rates

Table ES-7 shows the forecasted revenue recovery from proposed rates.

**Table ES-7**  
**Revenue Recovery from Proposed Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Revenue Requirement	\$8,512,245	\$9,012,057	\$10,151,976	\$10,899,747	\$11,714,100
Revenue from Rates	7,021,001	9,165,241	10,214,850	10,859,259	11,515,591
Over/(Under) Recovery <sup>1</sup>	(\$1,491,244)	\$153,183	\$62,874	(\$40,488)	(\$198,509)
Cumulative Over/(Under) <sup>1</sup>	(\$1,491,244)	(\$1,338,061)	(\$1,275,187)	(\$1,315,675)	(\$1,514,185)

1. Any minor arithmetic deviation is due to rounding.

## Projected Reserve Balances

If the proposed rates are adopted in FY 2022, the reserve balance for FY 2025 is projected to end at approximately \$2.8 million. However, NewGen performed a sensitivity analysis and assumed a scenario in which the proposed rates outlined above are delayed by a year and adopted in FY 2023. This scenario also assumes that a processing fee is not adopted during the five-year forecast. Under this scenario, a forecasted under-recovery of approximately \$10.2 million is projected over the five-year forecast, which will deplete all unrestricted reserves and result in the need to eliminate scheduled capital expenditures and/or a reduction in operating costs. It is therefore necessary that the Agency seriously consider the adoption of NewGen's proposed rates to ensure the financial integrity of the Agency.

**Table ES-8**  
**Projected Reserve Balances Under Proposed Rates Scenario**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Beginning Unrestricted Fund Balance <sup>1</sup>	\$5,700,150	\$3,873,255	\$4,319,465	\$4,003,134	\$4,215,423
Capital Contributions & Withdrawals					
Reserve Contributions <sup>2</sup>	1,225,000	1,450,000	2,300,000	2,750,000	3,250,000
Reserve Withdrawals <sup>3</sup>	(1,599,000)	(1,199,740)	(2,718,840)	(2,538,960)	(4,471,883)
Revenue Requirement Over/(Under) Recovery <sup>4</sup>	(1,491,244)	153,183	62,874	(40,488)	(198,509)

## Executive Summary

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**Table ES-8**  
**Projected Reserve Balances Under Proposed Rates Scenario**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Interest Income <sup>5</sup>	38,349	42,767	39,635	41,737	27,950
<b>Total Ending Balance<sup>6</sup></b>	<b>\$3,873,255</b>	<b>\$4,319,465</b>	<b>\$4,003,134</b>	<b>\$4,215,423</b>	<b>\$2,822,981</b>

1. Includes total balance for all unrestricted reserve funds (Equipment Replacement Reserve Fund, Landfill Gas Collection System Reserve Fund, Cell Development Reserve Fund, Capital Improvements Reserve Fund, Operating Account Reserve Fund, Emergency Cash Reserve Fund). Excludes Closure/Post-Closure Reserve Fund (FY 2021 Beginning Balance = \$7,701,753).
2. Includes cash funding for equipment/vehicle replacement, as well as other capital improvement projects.
3. Includes costs associated with equipment/vehicle replacement and capital improvement projects.
4. See Over/(Under) Recovery in Table 3-6.
5. Analysis assumes interest income of 1.00% per year.
6. Any minor arithmetic deviation is due to rounding.

## Section 1 INTRODUCTION

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The Santa Fe Solid Waste Management Agency (Agency) retained NewGen Strategies and Solutions, LLC, to conduct a Municipal Solid Waste Cost of Service and Rate Design Study (Study or Report) for the Agency. The Agency was created by means of a duly approved Joint Powers Agreement between the City of Santa Fe and Santa Fe County. The governing body of the Agency is a Board of Directors designated in accordance with the Joint Powers Agreement. The purpose of this Report is to determine the cost of providing solid waste services, equitably distribute the costs to the appropriate customer classes, and design rates to safeguard the financial integrity of the Agency.

This section of the Report describes the solid waste services provided by the Agency. For each of these services (also called service categories), NewGen identified a cost of providing each of these services.

### Current Solid Waste Services and Rates

Solid waste services provided by the Agency include the following:

#### Landfill Services and Fees

The Caja del Rio Landfill (Landfill) is owned and operated by the Santa Fe Solid Waste Management Agency. The Landfill currently operates between 7:00 am and 5:00 pm, Monday through Saturday. Approximately 166,996 tons of waste were received at the Landfill in FY 2020 which is forecasted to grow to 175,513 tons by FY 2025. Approximately 57 percent of disposal at this site is from residential and commercial collection services; 26 percent of disposal comes from construction and demolition waste; 14 percent of disposal comes from the Buckman Road Recycling & Transfer Station (BuRRT); the remaining 2 percent of disposal is related to sludge and other miscellaneous waste. The current tipping fee ranges between \$40.00 and \$50.00 per ton, depending upon the type of customer and/or material being disposed.

- Caja del Rio Landfill Tipping Fees: \$40.00 per ton<sup>1</sup>

#### Buckman Road Recycling & Transfer Station (BuRRT)

The Agency also owns and operates the Buckman Road Recycling & Transfer Station (BuRRT). BuRRT currently operates between 8:00 am and 4:45 pm, Monday through Sunday, and includes both a material recovery facility (MRF) and a transfer station on site. BuRRT received approximately 25,315 tons of solid waste and an additional 10,185 tons of single-stream recyclables in FY 2020. The current tipping fees vary between customer and material type, which are outlined below.

- BuRRT Trash and Recycling Fees:
  - Disposal (\$ per ton): \$50.00 per ton

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<sup>1</sup> Includes disposal for the following types of waste/customers at the Caja del Rio Landfill: Construction & Demolition, Commercial, Residential, Sludge, and other Miscellaneous (Dead Animals, Sweeper Waste, Items for Immediate Burial).

## Section 1

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- Vehicles less than 4,500 pounds: \$6.00 per load
- Vehicles between 4,500 and 5,500 pounds: \$9.00 per load
- Vehicles between 5,500 and 6,500 pounds: \$12.00 per load
- Glass: \$15.00 per ton
- Green Waste: \$20.00 per ton
- Scrap Metal: \$15.00 per ton
- Electronic Waste (E-Waste): \$50.00 per ton
- Household Hazardous Waste (HHW): \$50.00 per ton
- Tires:
  - Scrap Tires: \$160.00 per ton
  - Passenger Car Tire: \$2.00 per tire
  - Commercial Truck Tire: \$6.00 per tire
- Freon Bearing Appliance (contains CFC's): \$10.00 per unit
- Non-Freon Bearing Appliance (White Goods): \$5.00 per unit

## Project Approach

The goal of a cost of service and rate design study is to determine the solid waste fees required to adequately recover the costs of providing services. NewGen developed a series of key tasks that provided the foundation for the conduct of the Study. The methodology is discussed in Section 2 of this Report. NewGen utilized the following sources of information regarding the Agency's current system and financial requirements.

## Data Request

NewGen submitted a detailed data request to the Agency to collect historical and background information on operations and practices. The information requested included:

- Detailed Financial Reports and Budgets
- Solid Waste Policies and Ordinances
- Personnel Rosters
- Solid Waste Tonnage Reports
- Fleet Inventory Operating Costs

## Project Meetings

NewGen held a kick-off meeting with Agency staff to initiate the Study. This meeting served as a forum to confirm the scope of services, discuss the data already collected, and finalize the solid waste and recycling service categories to be analyzed during the cost of service analysis.

NewGen also held numerous meetings with the Agency staff throughout the course of the project to discuss, plan, and finalize the cost of service analysis.

### **Terminology/Definition**

The following terms are used throughout the Report and are therefore defined in this section.

- **Direct Costs:** Costs that are directly allocated to the following service categories: Disposal, Cell Development, Composting, Transfer Station, Material Recovery Facility (MRF), HHW, Green Waste Processing, Glass Recycling, White Goods, Tires, and E-Waste. Direct costs reflect wages, benefits, equipment purchases, repair, and fuel expenses that can be directly assigned to one of the service categories listed above.
- **Indirect Costs:** Costs that are not directly assigned to one of the service categories listed above. These costs are typically assigned to administrative and operation & maintenance overhead.
- **Administrative Costs:** Includes management personnel costs, office supplies, as well as professional and legal services.
- **Operation and Maintenance Costs:** Includes water and electric utility costs, buildings and grounds maintenance, and operation and safety supplies.

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## Section 2

# COST OF SERVICE ANALYSIS

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This section describes the tasks involved in conducting the Municipal Solid Waste Cost of Service and Rate Design Study for the Agency. Before describing each of the tasks in detail, NewGen has provided below a brief overview of the overall cost of service analysis methodology. This section of the Report also quantifies the cost of service-based rates for solid waste services.

### Methodology Overview

This overview provides the background necessary to understand how data compiled in each task provides the information required to determine the cost of service and fees required to recover the cost of service.

- **Development of the “Test Year”** – The first task in conducting the cost of service analysis is the development of an annual revenue requirement for a Test Year. The revenue requirement represents the total revenue that the solid waste operation will need to recover during a year in order to fund all expenses incurred in providing solid waste services. NewGen worked with Agency staff to select a period (FY 2020) that reflected the typical operation of the solid waste system.
- **Development of the Revenue Requirement Forecast** – After developing the revenue requirement for the Test Year, NewGen worked with Agency staff to project changes in costs due to inflation, salary increases, new equipment, new customers, etc. This resulted in the five-year revenue requirement forecast. NewGen’s cost of service and rate design forecast was focused on a five-year period (FY 2021 – FY 2025).
- **Allocation of Costs to Service Categories** – NewGen worked with Agency staff to assign and allocate costs to the appropriate service categories. The service categories represent the primary solid waste services provided by the Agency and are listed in this section of the Report, titled Allocation of Costs to Service Categories.
- **Allocation to Customer Classes** – NewGen grouped the service categories based on the customer classes that will recover each category’s costs. The two primary classes include the Caja del Rio Landfill and the Buckman Road Recycling & Transfer Station (BuRRT).
- **Determination of Billing Units** – NewGen identified the appropriate billing units for each customer class. For example, the projected tonnage figures for FY 2021 – FY 2025 were used to calculate the cost per ton at the Caja del Rio Landfill.
- **Calculation of the Cost of Service** – NewGen distributed the costs for each service category across the appropriate number of billing units to determine the cost of service for each customer class.

### Development of the Revenue Requirement

#### Selection of the Test Year

In developing the Test Year revenue requirement for the Agency, NewGen used the FY 2020 adopted budget as the basis for the Test Year. NewGen compared the FY 2020 adopted budget to historical expenses for FY 2017, FY 2018 and FY 2019. Through this comparison and with input from Agency staff,



## Section 2

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NewGen made adjustments to ensure that the Test Year would reflect expenses that occur on a regular basis. All adjustments to the FY 2020 adopted budget made in developing the Test Year are detailed in Appendix, Schedule 1.

### Development of the Revenue Requirement Forecast

In addition to developing the Test Year revenue requirement, NewGen forecast the annual revenue requirement for FY 2021 through FY 2025. In order to develop this forecast, NewGen projected how costs would change over the years due to a variety of different inflation factors. The assumptions used to develop the five-year forecast include the annual inflation factors shown in Table 2-1. These factors were developed based on NewGen's experience in the conduct of financial forecasts, along with input from Agency staff.

**Table 2-1  
Inflation Factors**

<b>Inflation Factor</b>	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Salary	3.0%	3.0%	3.0%	3.0%	3.0%
Benefits	9.0%	9.0%	9.0%	9.0%	9.0%
Fuel	2.0%	2.0%	2.0%	2.0%	2.0%
Equipment Maintenance	5.0%	5.0%	5.0%	5.0%	5.0%
Supplies	2.0%	2.0%	2.0%	2.0%	2.0%
Capital Equipment	3.0%	3.0%	3.0%	3.0%	3.0%
Professional Services	2.0%	2.0%	2.0%	2.0%	2.0%
General	2.0%	2.0%	2.0%	2.0%	2.0%
Disposal	2.0%	2.0%	2.0%	2.0%	2.0%

### Equipment & Capital Improvement Projects Funding

The revenue requirement incorporates funding for equipment replacements scheduled to occur during the FY 2021 – FY 2025 forecast. Currently, equipment is funded via cash funding (i.e., cash generated by user fees) and reserves. The Agency should closely monitor the age of their equipment/fleet and assess whether the current cash funding amounts for replacement are sufficient. To the extent that funding should be increased to maintain the appropriate number of front-line and back-up equipment pieces, the proposed rates may need to be increased beyond NewGen's recommendations in Section 3.

Table 2-2 summarizes the annual cash funding forecasted for FY 2021 – FY 2025, which includes equipment, major capital improvement projects, and funding for other miscellaneous items. Although it is not listed below in Table 2-2, the revenue requirement also incorporates closure/post-closure funding in the amount of \$75,000 per year. State and federal regulations require that the Agency place a final cover on the landfill site and perform maintenance and monitoring at the site for thirty years following closure.

**Table 2-2  
Equipment and Capital Improvement Projects Funding**

	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Equipment Replacement	\$825,000	\$1,000,000	\$2,000,000	\$2,500,000	\$3,000,000
Landfill Gas Collection	200,000	200,000	200,000	200,000	200,000
Cell Development	200,000	150,000	-	-	-
Major Capital Improvement Projects	-	100,000	100,000	50,000	50,000
<b>Total Cash Funding</b>	<b>\$1,225,000</b>	<b>\$1,450,000</b>	<b>\$2,300,000</b>	<b>\$2,750,000</b>	<b>\$3,250,000</b>

### Revenue Requirement

Table 2-3 shows the revenue requirement for the five-year forecast. The detailed composition of the forecast is provided in Appendix, Schedule 2.

**Table 2-3  
Solid Waste Net Revenue Requirement**

	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Total Expenses	\$8,830,445	\$9,330,257	\$10,470,176	\$11,217,947	\$12,032,300
Total Revenue Offsets	(318,200)	(318,200)	(318,200)	(318,200)	(318,200)
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$8,512,245</b>	<b>\$9,012,057</b>	<b>\$10,151,976</b>	<b>\$10,899,747</b>	<b>\$11,714,100</b>

1. The revenue requirement amount nets out miscellaneous revenues, which total approximately \$318,200 annually.

The Agency provides a wide variety of solid waste services to its customers. To determine the costs for each service, there is a need to allocate costs to service categories that represent the primary solid waste services provided. These categories were determined through a detailed series of discussions with Agency staff and are shown below.

- Caja del Rio Landfill
  - Disposal
  - Cell Development
  - Composting
  - Administration
  - Operation & Maintenance
- Buckman Road Recycling and Transfer Station (BuRRT)
  - Transfer Station
  - Material Recovery Facility (MRF)
  - HHW Collection

## Section 2

- Green Waste Processing
- Glass Recycling
- White Goods
- Tires
- E-Waste
- Administration
- Operation & Maintenance

Identification of the total costs for each service category was a critical step in determining adequate rates that reflect the cost of providing the various services. These costs were isolated by service category in order to fully recover the total revenue requirement by matching those customers that utilize the service with the actual cost for that service. Table 2-4 identifies the cost of providing each service for FY 2021 through FY 2025. The revenue requirement by service category is also provided in Appendix, Schedule 3.

**Table 2-4**  
**Revenue Requirement by Service Category**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Caja del Rio Landfill</b>					
Disposal	\$1,774,975	\$1,934,862	\$2,581,390	\$2,934,252	\$3,290,589
Cell Development	358,935	326,843	256,582	299,314	342,414
Composting	3,765	3,954	4,156	4,372	4,603
Administration	932,401	969,268	1,011,748	1,054,540	1,099,907
Operation & Maintenance	1,238,446	1,276,124	1,346,011	1,398,964	1,453,737
<b>Total Caja del Rio Landfill<sup>1</sup></b>	<b>\$4,308,522</b>	<b>\$4,511,051</b>	<b>\$5,199,888</b>	<b>\$5,691,442</b>	<b>\$6,191,250</b>
<b>Buckman Road Recycling and Transfer Station (BuRRT)</b>					
Transfer Station	\$885,219	\$1,013,302	\$1,149,246	\$1,200,837	\$1,292,555
Material Recovery Facility	1,006,556	1,063,567	1,142,966	1,181,687	1,233,569
HHW Collection	244,932	252,981	263,776	273,389	283,406
Green Waste Processing	636,257	676,940	792,112	862,044	933,459
Glass Recycling	194,249	202,657	229,091	244,611	260,291
White Goods	26,794	28,341	31,029	33,168	35,412
Tires	86,143	88,371	90,684	93,087	95,586
E-Waste	64,942	66,917	69,659	72,043	74,514
Administration	277,177	284,862	297,144	306,985	317,085
Operation & Maintenance	1,099,653	1,141,268	1,204,581	1,258,654	1,315,172
<b>Total BuRRT<sup>1</sup></b>	<b>\$4,521,923</b>	<b>\$4,819,206</b>	<b>\$5,270,288</b>	<b>\$5,526,506</b>	<b>\$5,841,050</b>
<b>Total Expenses</b>	<b>\$8,830,445</b>	<b>\$9,330,257</b>	<b>\$10,470,176</b>	<b>\$11,217,947</b>	<b>\$12,032,300</b>
<b>Revenue Offsets<sup>2</sup></b>					
Mulch Sales	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)
Sales – Basalt (Del Hur)	(131,000)	(131,000)	(131,000)	(131,000)	(131,000)

**Table 2-4**  
**Revenue Requirement by Service Category**

<b>Service Category</b>	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Sales – Glass	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Uncovered Loads	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Scrap Metal	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)
Miscellaneous Landfill Revenues	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
<b>Total Revenue Offsets</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>	<b>(\$318,200)</b>
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$8,512,245</b>	<b>\$9,012,057</b>	<b>\$10,151,976</b>	<b>\$10,899,747</b>	<b>\$11,714,100</b>

1. Any minor arithmetic deviation is due to rounding.

2. Revenue offsets are applied to their corresponding service categories in Table 2-4 to calculate the net revenue requirement for each service. For instance, mulch sales revenues are applied to green waste processing expenses for a net revenue requirement of \$943,039 (this excludes any indirect cost allocation, e.g., administration). As shown on Schedule 7.

## Allocation to Customer Classes

After calculating the costs for each service category over the five-year period, NewGen allocated the costs for the various service categories to each respective customer class. This process identifies the appropriate customers to be charged for each service provided. Table 2-5 identifies how the service categories were grouped and the cost recovery basis for each service category.

**Table 2-5**  
**Recovery Basis for Service Categories**

<b>Service Category</b>	<b>Recovery Basis</b>
<b>Caja del Rio Landfill</b>	
Disposal	Allocated to the Caja del Rio Landfill
Cell Development	Allocated to the Caja del Rio Landfill
Composting	Allocated to the Caja del Rio Landfill
Administration <sup>1</sup>	Allocated to the Caja del Rio Landfill
Operation & Maintenance <sup>1</sup>	Allocated to the Caja del Rio Landfill
<b>Buckman Road Recycling and Transfer Station (BuRRT)</b>	
Transfer Station	Allocated to the Transfer Station
Material Recovery Facility (MRF)	Allocated to the Material Recovery Facility
HHW Collection	Allocated to Household Hazardous Waste Recycling
Green Waste Processing	Allocated to Green Waste Processing
Glass Recycling	Allocated to Glass Recycling
White Goods	Allocated to White Goods Recycling
Tires	Allocated to Tires Recycling
E-Waste	Allocated to Electronic Waste Recycling
Administration <sup>1</sup>	Redistributed based on a percent of the revenue requirement
Operation & Maintenance <sup>1</sup>	Redistributed based on a percent of the revenue requirement

1. Costs are distributed proportionally based on the customer classes respective portion of the revenue requirement.

## Section 2

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### Determination of Billing Units

In order to calculate the appropriate rates, NewGen determined the number of annual billing units for the various customer classes. NewGen received billing data for each customer class from Agency staff and determined the cost of service by dividing the revenue requirement for each service category by the appropriate number of billing units. In general, billing unit (i.e., tonnage) forecasts were provided by Agency staff.

### Caja del Rio Landfill

Based on historical data provided by Agency staff, NewGen estimates that in FY 2021, the Agency will receive approximately 168,666 tons of solid waste for disposal. Based on discussions with staff, NewGen assumed a conservative one-percent annual growth rate throughout the five-year forecast. The billing units are shown in Table 2-6.

**Table 2-6**  
**Projected Tonnage by Year, Caja del Rio Landfill**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
BuRRT	25,568	25,824	26,082	26,343	26,606
Commercial, C&D, Others	95,654	96,611	97,577	98,552	99,537
Residential	45,569	46,025	46,486	46,950	47,419
WWTP & WTP Sludge	1,875	1,894	1,913	1,932	1,951
<b>Total Tonnage</b>	<b>168,666</b>	<b>170,354</b>	<b>172,058</b>	<b>173,777</b>	<b>175,513</b>

### Buckman Road Recycling & Transfer Station

Based on historical data provided by Agency staff, NewGen estimates that in FY 2021, the Agency will receive approximately 44,839 tons of solid waste and recyclables at BuRRT. Based on discussions with staff, NewGen assumed a one-percent annual growth rate throughout the five-year forecast for materials accepted at BuRRT. The billing units for BuRRT are shown in Table 2-7.

**Table 2-7  
Tonnage & Unit Forecast, BuRRT**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Tonnage</b>					
Disposal Waste at BuRRT	25,568	25,824	26,082	26,343	26,606
Recycling Tonnage at MRF <sup>1</sup>	10,280	10,383	10,487	10,592	10,698
Glass Recycling	1,775	1,793	1,811	1,829	1,848
Green Waste	6,762	6,830	6,898	6,967	7,037
E-Waste	108	109	110	111	112
Scrap Metal	280	283	286	289	292
HHW	66	67	68	69	70
Total Tons <sup>2</sup>	44,839	45,289	45,742	46,200	46,663
<b>Units</b>					
Tires	28,688	28,944	29,201	29,458	29,716
White Goods	1,093	1,104	1,115	1,126	1,137

1. Includes recycling inside and outside of Santa Fe County; excludes glass recycling.
2. Any minor arithmetic deviation is due to rounding.

## Calculation of the Cost of Service

NewGen determined the cost of service for each of the solid waste services provided by the Agency. It is important to note that the cost of service-based rates are not necessarily the rates NewGen recommends be adopted by the Agency. In Section 3 of this Report, NewGen provides its rate guidelines and recommendations based on the following factors: NewGen's cost of service analysis, the Agency's policies, and NewGen's solid waste rate experience.

### Caja del Rio Landfill

The total Caja del Rio Landfill cost of service for the five-year forecast is shown in Table 2-8. The revenue requirement includes the costs of disposal, cell development, and composting, in addition to the indirect costs associated with administration and operation and maintenance. A detailed examination of the Caja del Rio revenue requirement in each year of the forecast is provided in Appendix, Schedule 4.

**Table 2-8  
Caja del Rio Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Caja del Rio Landfill – Direct Costs</b>					
Disposal	\$1,774,975	\$1,934,862	\$2,581,390	\$2,934,252	\$3,290,589
Cell Development	358,935	326,843	256,582	299,314	342,414
Composting	3,765	3,954	4,156	4,372	4,603
Administration	932,401	969,268	1,011,748	1,054,540	1,099,907

## Section 2

**Table 2-8**  
**Caja del Rio Cost of Service**

<b>Service Category</b>	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Operation & Maintenance	1,238,446	1,276,124	1,346,011	1,398,964	1,453,737
<b>Total Caja del Rio Landfill<sup>1</sup></b>	<b>\$4,308,522</b>	<b>\$4,511,051</b>	<b>\$5,199,888</b>	<b>\$5,691,442</b>	<b>\$6,191,250</b>
<b>Miscellaneous Revenues</b>					
Sales – Basalt (Del Hur)	(131,000)	(131,000)	(131,000)	(131,000)	(131,000)
Uncovered Loads	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)
Miscellaneous Landfill Revenues	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
<b>Total Miscellaneous Revenues</b>	<b>(\$234,750)</b>	<b>(\$234,750)</b>	<b>(\$234,750)</b>	<b>(\$234,750)</b>	<b>(\$234,750)</b>
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$4,073,772</b>	<b>\$4,276,301</b>	<b>\$4,965,138</b>	<b>\$5,456,692</b>	<b>\$5,956,500</b>
<b>Billing Units</b>					
Total Tonnage	168,666	170,354	172,058	173,777	175,513
Total Tonnage, Less BuRRT Tonnage	143,098	144,530	145,976	147,434	148,907
Cost per Ton (excludes BuRRT tonnage) <sup>1</sup>	<b>\$28.47</b>	<b>\$29.59</b>	<b>\$34.01</b>	<b>\$37.01</b>	<b>\$40.00</b>
Cost per Ton (inclusive of all tonnage) <sup>1</sup>	<b>\$24.15</b>	<b>\$25.10</b>	<b>\$28.86</b>	<b>\$31.40</b>	<b>\$33.94</b>

1. Any minor arithmetic deviation is due to rounding.

## Transfer Station

The total Transfer Station cost of service for the five-year forecast is shown in Table 2-9. The revenue requirement includes the direct cost of operating the Transfer Station, and a proportional share of the indirect costs (i.e., administration, operation and maintenance.). A detailed examination of the Transfer Station revenue requirement in each year of the forecast is provided in Appendix, Schedule 6. Appendix, Schedule 5 summarizes the revenue requirement at BuRRT, and it additionally provides a detailed examination for the indirect cost allocations (e.g., administration).

**Table 2-9**  
**Transfer Station Cost of Service**

<b>Service Category</b>	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
<b>Direct Costs</b>					
Transfer Station	\$885,219	\$1,013,302	\$1,149,246	\$1,200,837	\$1,292,555
<b>Indirect Costs</b>					
Administration	78,014	85,071	90,616	93,070	97,380
Operation & Maintenance	354,095	387,445	413,928	429,100	452,677
<b>Total Transfer Station Costs<sup>1</sup></b>	<b>\$1,317,329</b>	<b>\$1,485,818</b>	<b>\$1,653,789</b>	<b>\$1,723,007</b>	<b>\$1,842,612</b>
<b>Miscellaneous Revenues</b>					
Uncovered Loads	(11,250)	(11,250)	(11,250)	(11,250)	(11,250)

## Cost of Service Analysis

**Table 2-9**  
**Transfer Station Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Scrap Metal Sales	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)
<b>Total Miscellaneous Revenues</b>	<b>(\$39,650)</b>	<b>(\$39,650)</b>	<b>(\$39,650)</b>	<b>(\$39,650)</b>	<b>(\$39,650)</b>
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$1,277,679</b>	<b>\$1,446,168</b>	<b>\$1,614,139</b>	<b>\$1,683,357</b>	<b>\$1,802,962</b>
Total Tonnage	25,568	25,824	26,082	26,343	26,606
<b>Cost per Ton<sup>1</sup></b>	<b>\$49.97</b>	<b>\$56.00</b>	<b>\$61.89</b>	<b>\$63.90</b>	<b>\$67.77</b>

1. Any minor arithmetic deviation is due to rounding.

### Material Recovery Facility

The total Material Recovery Facility cost of service for the five-year forecast is shown in Table 2-10. The revenue requirement includes the direct cost of operating the material recovery facility, and a proportional share of the indirect costs (i.e., administration, operation and maintenance.). A detailed examination of the cost of service and the corresponding cost components for each year of the forecast is provided in Appendix A, Schedule 6.

**Table 2-10**  
**Material Recovery Facility Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Direct Costs</b>					
Material Recovery Facility	\$1,006,556	\$1,063,567	\$1,142,966	\$1,181,687	\$1,233,569
<b>Indirect Costs</b>					
Administration	88,708	89,291	90,121	91,586	92,936
Operation & Maintenance	402,631	406,664	411,666	422,257	432,019
<b>Total MRF Costs<sup>1</sup></b>	<b>\$1,497,895</b>	<b>\$1,559,522</b>	<b>\$1,644,753</b>	<b>\$1,695,531</b>	<b>\$1,758,524</b>
Total Tonnage	10,280	10,383	10,487	10,593	10,698
<b>Cost per Ton<sup>1</sup></b>	<b>\$145.71</b>	<b>\$150.20</b>	<b>\$156.84</b>	<b>\$160.08</b>	<b>\$164.38</b>

1. Any minor arithmetic deviation is due to rounding.

### Miscellaneous Services at Buckman Road Recycling & Transfer Station (BuRRT)

The tables below list the projected cost of service for the disposal and/or recycling for the following services at the Buckman Road Recycling & Transfer Station: household hazardous waste (HHW), electronic waste (E-Waste), tire disposal, white goods, green waste processing, and glass recycling. The revenue requirement includes the direct cost of providing these services, and a proportional share of the indirect costs (i.e., administration, operation and maintenance.) where applicable. A detailed examination of the cost of service and the corresponding cost components for each year of the forecast is provided in Appendix A, Schedule 7.

## Section 2

Table 2-11 lists the cost of service for household hazardous waste. The Agency provides the HHW service at a rate of \$50.00 per ton, or \$0.50 per every 20 pounds of HHW. It is not uncommon across the industry for the cost of service for household hazardous waste to exceed the fee charged to the customer to discourage illegal dumping and encourage the proper disposal of this material.

**Table 2-11**  
**Household Hazardous Waste Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Direct Costs</b>					
Household Hazardous Waste (HHW)	\$244,932	\$252,981	\$263,776	\$273,389	\$283,406
<b>Indirect Costs</b>					
Administration	21,586	21,239	20,798	21,189	21,351
Operation & Maintenance	-	-	-	-	-
<b>Total HHW Costs<sup>1</sup></b>	<b>\$266,518</b>	<b>\$274,220</b>	<b>\$284,574</b>	<b>\$294,578</b>	<b>\$304,757</b>
Total Pounds	132,000	134,000	136,000	138,000	140,000
<b>Cost per Pound<sup>1</sup></b>	<b>\$2.02</b>	<b>\$2.05</b>	<b>\$2.09</b>	<b>\$2.13</b>	<b>\$2.18</b>

1. Any minor arithmetic deviation is due to rounding.

Table 2-12 lists the cost of service for tire recycling over the five-year period.

**Table 2-12**  
**Tire Recycling Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Direct Costs</b>					
Tire Recycling	\$86,143	\$88,371	\$90,684	\$93,087	\$95,586
<b>Indirect Costs</b>					
Administration	7,592	7,419	7,150	7,215	7,201
Operation & Maintenance	-	-	-	-	-
<b>Total Tire Recycling Costs<sup>1</sup></b>	<b>\$93,735</b>	<b>\$95,790</b>	<b>\$97,834</b>	<b>\$100,302</b>	<b>\$102,788</b>
Total Number of Tires	28,688	28,944	29,201	29,458	29,716
<b>Cost per Tire<sup>1</sup></b>	<b>\$3.27</b>	<b>\$3.31</b>	<b>\$3.35</b>	<b>\$3.40</b>	<b>\$3.46</b>

1. Any minor arithmetic deviation is due to rounding.

## Cost of Service Analysis

Table 2-13 indicates the cost of service for E-Waste recycling.

**Table 2-13  
E-Waste Recycling Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Direct Costs</b>					
E-Waste Recycling	\$64,942	\$66,917	\$69,659	\$72,043	\$74,514
<b>Indirect Costs</b>					
Administration	5,723	5,618	5,492	5,584	5,614
Operation & Maintenance	-	-	-	-	-
<b>Total E-Waste Recycling Costs<sup>1</sup></b>	<b>\$70,666</b>	<b>\$72,535</b>	<b>\$75,152</b>	<b>\$77,626</b>	<b>\$80,127</b>
Total Tons	108	109	110	111	112
<b>Cost per Ton<sup>1</sup></b>	<b>\$654.31</b>	<b>\$665.46</b>	<b>\$683.20</b>	<b>\$699.34</b>	<b>\$715.42</b>

1. Any minor arithmetic deviation is due to rounding.

Table 2-14 indicates the cost of service for white goods recycling.

**Table 2-14  
White Goods Recycling Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Direct Costs</b>					
White Goods	\$26,794	\$28,341	\$31,029	\$33,168	\$35,412
<b>Indirect Costs</b>					
Administration	2,361	2,379	2,447	2,571	2,668
Operation & Maintenance	10,718	10,837	11,176	11,852	12,402
<b>Total White Goods Costs<sup>1</sup></b>	<b>\$39,874</b>	<b>\$41,557</b>	<b>\$44,652</b>	<b>\$47,591</b>	<b>\$50,482</b>
Total Number of Units	1,093	1,104	1,115	1,126	1,137
<b>Cost per Unit<sup>1</sup></b>	<b>\$36.48</b>	<b>\$37.64</b>	<b>\$40.05</b>	<b>\$42.27</b>	<b>\$44.40</b>

1. Any minor arithmetic deviation is due to rounding.

Table 2-15 indicates the cost of service for green waste processing.

**Table 2-15  
Green Waste Processing Cost of Service**

Service Category	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Direct Costs</b>					
Green Waste	\$636,257	\$676,940	\$792,112	\$862,044	\$933,459
<b>Indirect Costs</b>					
Administration	56,073	56,832	62,457	66,812	70,326

## Section 2

**Table 2-15  
Green Waste Processing Cost of Service**

<b>Service Category</b>	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Operation & Maintenance	254,508	258,834	285,298	308,038	326,915
<b>Total Green Waste Processing Costs<sup>1</sup></b>	<b>\$946,839</b>	<b>\$992,605</b>	<b>\$1,139,867</b>	<b>\$1,236,894</b>	<b>\$1,330,700</b>
<b>Revenue Offsets</b>					
Mulch Sales and Compost Sales	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$943,039</b>	<b>\$988,805</b>	<b>\$1,136,067</b>	<b>\$1,233,094</b>	<b>\$1,326,900</b>
Green Waste Tonnage	6,762	6,830	6,898	6,967	7,037
<b>Cost per Ton<sup>1</sup></b>	<b>\$139.46</b>	<b>\$144.77</b>	<b>\$164.70</b>	<b>\$176.99</b>	<b>\$188.56</b>

1. Any minor arithmetic deviation is due to rounding.

Table 2-16 indicates the cost of service for glass recycling.

**Table 2-16  
Glass Recycling Cost of Service**

<b>Service Category</b>	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
<b>Direct Costs</b>					
Glass Recycling	\$194,249	\$202,657	\$229,091	\$244,611	\$260,291
<b>Indirect Costs</b>					
Administration	17,119	17,014	18,063	18,958	19,610
Operation & Maintenance	77,701	77,488	82,513	87,408	91,159
<b>Total Glass Recycling Costs<sup>1</sup></b>	<b>\$289,069</b>	<b>\$297,159</b>	<b>\$329,667</b>	<b>\$350,977</b>	<b>\$371,060</b>
<b>Revenue Offsets</b>					
Glass Sales	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$249,069</b>	<b>\$257,159</b>	<b>\$289,667</b>	<b>\$310,977</b>	<b>\$331,060</b>
Glass Tonnage	1,775	1,793	1,811	1,829	1,848
<b>Cost per Ton<sup>1</sup></b>	<b>\$140.32</b>	<b>\$143.42</b>	<b>\$159.95</b>	<b>\$170.03</b>	<b>\$179.14</b>

1. Any minor arithmetic deviation is due to rounding.

## Section 3

### KEY FINDINGS AND RECOMMENDATIONS

This section provides NewGen’s FY 2021 – FY 2025 rate guidelines and recommendations for the solid waste services provided by the Agency. It also includes a discussion regarding other issues that NewGen identified during the conduct of the Municipal Solid Waste Cost of Service and Rate Design Study.

#### Revenue Reconciliation from Current Rates

Prior to considering any rate changes, it is beneficial to evaluate the revenue projected under the current rates for the five-year forecast. Table 3-1 shows the forecasted revenue recovery from current rates, which is projected to under-recover the revenue requirement by approximately \$1.5 million in FY 2021. A detailed examination of the revenue recovery from current rates is provided in Appendix, Schedule 8.

Based on this projected under-recovery, it is critical that the Agency put in place a rate strategy that systematically addresses the Agency’s primary solid waste user fee mechanisms. The following section provides NewGen’s recommended approach regarding what rate increases should be made over the next five years to place the Agency on a path to secure financial sustainability.

**Table 3-1**  
**Revenue Recovery from Current Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Revenue Requirement	\$8,512,245	\$9,012,057	\$10,151,976	\$10,899,747	\$11,714,100
Revenue from Rates	7,021,001	7,091,235	7,162,115	7,233,622	7,305,870
Over/(Under) Recovery <sup>1</sup>	(\$1,491,244)	(\$1,920,822)	(\$2,989,861)	(\$3,666,125)	(\$4,408,230)
Cumulative Over/(Under) <sup>1</sup>	(\$1,491,244)	(\$3,412,066)	(\$6,401,927)	(\$10,068,052)	(\$14,476,282)

1. Any minor arithmetic deviation is due to rounding.

#### Rate Recommendations

##### Proposed Caja del Rio Landfill & BuRRT Rates

NewGen recommends that the Agency implement rate increases beginning in FY 2022, which are further described in Table 3-2 and Table 3-3. The implementation of these proposed rates will minimize the Agency’s overall under-recovery over the five-year forecast. A detailed summary of NewGen’s rate recommendations is further provided in Appendix, Schedule 9.

### Section 3

**Table 3-2  
Proposed Landfill Rates (per ton)**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Tip Fee <sup>1</sup>	\$40.00	\$40.00	\$42.50	\$47.50	\$50.00	\$52.50
WWTP & WTP Sludge	\$40.00	\$40.00	\$52.50	\$57.50	\$60.00	\$62.50

1. The tip fee is assessed for the following tonnage/customer types: construction and demolition, commercial solid waste, residential solid waste, and other miscellaneous waste (e.g., dead animals, sweeper, etc.). The tipping fees reflected here exclude the New Mexico Gross Receipts Tax (GRT).

Table 3-3 summarizes NewGen's proposed rates for waste brought to BuRRT.

**Table 3-3  
Proposed BuRRT Rates**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Tip Fee (per ton)	\$50.00	\$50.00	\$52.50	\$57.50	\$60.00	\$62.50
Vehicles <4500 lbs.	\$6.00	\$6.00	\$7.00	\$7.50	\$8.00	\$8.50
Vehicles between 4500 lbs. and 5500 lbs.	\$9.00	\$9.00	\$10.00	\$10.50	\$11.00	\$11.50
Vehicles between 5500 lbs. and 6500 lbs.	\$12.00	\$12.00	\$13.00	\$13.50	\$14.00	\$14.50

1. The tipping fees reflected here exclude the New Mexico Gross Receipts Tax (GRT).

### **Rates for Miscellaneous Services at Buckman Road Recycling & Transfer Station (BuRRT)**

NewGen recommends that the Agency maintain the following fees through FY 2025:

- **HHW and E-Waste** disposal is currently charged at a rate of \$50 per ton.
- **Scrap Metal** is charged a rate of \$15 per ton.
- **White Goods** are currently charged a fee of \$5.00 for appliances without CFCs or \$10.00 for appliances retaining CFCs.

The current rates in place encourage the proper disposal of these hazardous materials and incentivize citizens to dispose of these materials properly by bringing them to BuRRT. Furthermore, NewGen recommends that the Agency maintain the current scrap metal rate of \$15 per ton through FY 2025 because scrap metal currently generates additional revenue for the Agency. Table 3-4 summarizes NewGen's proposed rates for other miscellaneous services at BuRRT to minimize the Agency's cumulative under-recovery.

**Table 3-4  
Proposed Rates for Miscellaneous Services at BuRRT**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Glass (per ton)	\$15.00	\$15.00	\$42.50	\$47.50	\$50.00	\$52.50
Green Waste (per ton)	\$20.00	\$20.00	\$42.50	\$47.50	\$50.00	\$52.50
Tires						
Price per Ton	\$160.00	\$160.00	\$250.00	\$250.00	\$250.00	\$250.00
T6 Tires (per Unit)	\$6.00	\$6.00	\$8.00	\$8.00	\$8.00	\$8.00
T2 Tires (per Unit)	\$2.00	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00

### Other Rate & Policy Recommendations

In addition to the proposed rate increases highlighted above, NewGen recommends that the Agency begin charging a processing fee on all incoming recyclables to support operations at the MRF. Based on NewGen's cost of service assessment, the cost to process recyclables varies between \$145.71 per ton in FY 2021 and \$164.38 per ton in FY 2025, and in order to maintain the financial integrity of the Agency, NewGen recommends that the Agency implement this fee no later than FY 2022. Table 3-5 summarizes the implementation of a processing fee over the five-year planning horizon.

**Table 3-5  
Proposed Processing Fees**

	Current	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
Processing Fee (per ton)	N/A	N/A	\$150.00	\$160.00	\$170.00	\$180.00

The processing fee is projected to increase revenues for the Agency by approximately \$1.4 million in FY 2022.

### Revenue Recovery from Proposed Rates

Table 3-6 shows the forecasted revenue recovery from proposed rates, which will allow the Agency to realize a positive cash flow in FY 2022 and FY 2023, assuming that rates are implemented in FY 2022. If, however, rate increases are delayed, then the Agency will exacerbate an already significant cumulative under-recovery. A detailed examination of the revenue recovery from proposed rates is provided in Appendix, Schedule 10.

### Section 3

**Table 3-6**  
**Revenue Recovery from Proposed Rates**

	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Revenue Requirement	\$8,512,245	\$9,012,057	\$10,151,976	\$10,899,747	\$11,714,100
Revenue from Rates	7,021,001	9,165,241	10,214,850	10,859,259	11,515,591
Over/(Under) Recovery <sup>1</sup>	(\$1,491,244)	\$153,183	\$62,874	(\$40,488)	(\$198,509)
Cumulative Over/(Under) <sup>1</sup>	(\$1,491,244)	(\$1,338,061)	(\$1,275,187)	(\$1,315,675)	(\$1,514,185)

1. Any minor arithmetic deviation is due to rounding.

### Other Issues

Over the past eight years, the Agency has experienced increases in operation and maintenance costs while avoiding any rate increases at the landfill or BuRRT. In general, reserves have been utilized to manage annual under-recoveries, and with reserves being rapidly depleted, it is vital that the Agency implement rate increases in FY 2022. The last time the Agency increased rates was in FY 2012. If the Agency adopts the proposed rates, the cumulative ending reserve balance in FY 2025 is projected to total \$2.8 million (which excludes the restricted closure/post-closure reserve). The beginning cumulative reserve balance in FY 2021 is approximately \$5.7 million (excluding restricted closure/post-closure reserves), however the projected under-recovery of approximately \$1.5 million in FY 2021 results in a FY 2021 ending balance of approximately \$3.9 million. Table 3-7 summarizes the projected cumulative reserve balances under the proposed rates scenario.

**Table 3-7**  
**Projected Reserve Balances Under Proposed Rates Scenario**

	<b>Year 1 FY 2021</b>	<b>Year 2 FY 2022</b>	<b>Year 3 FY 2023</b>	<b>Year 4 FY 2024</b>	<b>Year 5 FY 2025</b>
Beginning Unrestricted Fund Balance <sup>1</sup>	\$5,700,150	\$3,873,255	\$4,319,465	\$4,003,134	\$4,215,423
Capital Contributions & Withdrawals					
Reserve Contributions <sup>2</sup>	1,225,000	1,450,000	2,300,000	2,750,000	3,250,000
Reserve Withdrawals <sup>3</sup>	(1,599,000)	(1,199,740)	(2,718,840)	(2,538,960)	(4,471,883)
Revenue Requirement Over/(Under) Recovery <sup>4</sup>	(1,491,244)	153,183	62,874	(40,488)	(198,509)
Interest Income <sup>5</sup>	38,349	42,767	39,635	41,737	27,950
<b>Total Ending Balance<sup>6</sup></b>	<b>\$3,873,255</b>	<b>\$4,319,465</b>	<b>\$4,003,134</b>	<b>\$4,215,423</b>	<b>\$2,822,981</b>

1. Includes total balance for all unrestricted reserve funds (Equipment Replacement Reserve Fund, Landfill Gas Collection System Reserve Fund, Cell Development Reserve Fund, Capital Improvements Reserve Fund, Operating Account Reserve Fund, Emergency Cash Reserve Fund). Excludes Closure/Post-Closure Reserve Fund (FY 2021 Beginning Balance = \$7,701,753).
2. Includes cash funding for equipment/vehicle replacement, as well as other capital improvement projects.
3. Includes costs associated with equipment/vehicle replacement and capital improvement projects.
4. See Over/(Under) Recovery in Table 3-6.
5. Analysis assumes interest income of 1.00% per year.
6. Any minor arithmetic deviation is due to rounding.

## **Key Findings and Recommendations**

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NewGen performed a sensitivity analysis and assumed a scenario in which the proposed rates outlined above are delayed by a year and adopted in FY 2023. This scenario also assumed that a processing fee is not adopted during the five-year forecast. Under this scenario, a forecasted under-recovery of approximately \$10.2 million is projected over the five-year forecast, which will deplete all unrestricted reserves and result in the need to eliminate scheduled capital expenditures and/or a reduction in operating costs. It is therefore necessary that the Agency seriously consider the adoption of NewGen's proposed rates to ensure the financial integrity of the Agency.

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## APPENDIX A

### COST OF SERVICE SCHEDULES

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#### List of Schedules

- Schedule 1: Test Year
- Schedule 2: Five-Year Revenue Requirement
- Schedule 3: Five-Year Revenue Requirement Summary
- Schedule 4: Caja del Rio Cost of Service
- Schedule 5: BuRRT Cost of Service & Indirect Cost Allocations
- Schedule 6: Transfer Station & Material Recovery Facility (MRF) Cost of Service
- Schedule 7: Miscellaneous COS: HHW, Tires, E-Waste, White Goods, Glass Recycling, Green Waste
- Schedule 8: Over / (Under) – Current Rates
- Schedule 9: Revenue Realized Under Proposed Rates
- Schedule 10: Over / (Under) – Proposed Rates

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Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
Test Year

OBJECT CODE	DESCRIPTION	2018		2019		2020		ADJUSTMENTS	TEST YEAR	Inflation Factor
		Budget	Actual	Budget	Actual	Budget	Actual			
<b>Landfill Operations</b>										
1	500710	\$1,211,573	\$941,050	\$1,242,649	\$1,008,769	\$1,242,742	\$1,242,742		\$1,242,742	Salaries
2	500750	-	-	-	-	96,822	96,822		96,822	Salaries
3	501400	28,000	34,334	28,000	37,525	28,000	28,000	7,000	35,000	Overtime
4	501510	-	7,595	-	6,895	-	-	-	-	Salaries
5	502000	-	130,112	-	178,679	-	-	-	-	Overtime
6	502010	-	4,156	-	4,410	-	-	-	-	Salaries
7	502015	-	19,268	-	10,028	-	-	-	-	Salaries
8	502050	-	6,024	-	9,890	-	-	-	-	Salaries
9	502100	-	64,036	-	66,172	-	-	-	-	Salaries
10	502200	4,200	1,912	4,200	2,197	4,200	4,200		4,200	Salaries
11	503100	95,148	87,333	97,526	91,907	101,873	101,873		101,873	Benefits
12	503150	235,226	223,692	241,374	238,550	259,508	259,508		259,508	Benefits
13	503160	-	34,345	-	-	-	-		-	Salaries
14	503200	277,746	231,886	294,505	258,354	316,037	316,037		316,037	Benefits
15	503250	22,914	21,784	23,514	23,231	23,985	23,985		23,985	Benefits
16	503300	-	-	-	-	-	-		-	Salaries
17	503350	35,039	35,251	36,071	36,287	48,709	48,709		48,709	Salaries
18	503400	10,495	9,183	11,241	10,275	12,188	12,188		12,188	Benefits
19	510200	64,558	22,161	55,300	22,350	40,300	40,300		40,300	General
20	510250	366,618	129,606	270,493	110,861	45,000	45,000		45,000	Prof. Services
21	510300	3,706	1,495	77,442	13,128	22,500	22,500		22,500	Prof. Services
22	510310	143,412	106,615	150,111	103,388	144,700	144,700		144,700	Prof. Services
23	510320	170,490	91,918	201,456	57,320	30,000	30,000		30,000	Prof. Services
24	510330	25,000	19,155	25,000	19,641	25,000	25,000		25,000	Prof. Services
25	510600	75,000	84,251	75,000	59,830	86,000	86,000		86,000	General
26	513950	15,750	12,865	21,000	17,816	21,000	21,000		21,000	Fuel
27	514000	21,000	24,130	21,000	27,012	23,000	23,000		23,000	General
28	514050	15,000	18,571	15,000	15,970	15,000	15,000		15,000	General
29	514100	40,634	33,448	35,000	30,630	35,000	35,000		35,000	General Maintenance
30	520100	45,135	20,992	45,135	7,782	40,000	40,000		40,000	General Maintenance
31	520200	-	-	250,258	-	5,000	5,000		5,000	General Maintenance
32	520300	23,036	9,841	17,297	10,922	14,000	14,000		14,000	General Maintenance
33	520400	315,020	205,559	315,946	261,106	250,000	250,000	50,000	300,000	Equipment Maintenance
34	520500	13,000	5,937	13,000	5,333	13,000	13,000		13,000	Equipment Maintenance
35	530100	6,000	6,351	8,000	12,589	5,000	5,000		5,000	General
36	530200	23,731	20,686	26,000	46,344	26,000	26,000		26,000	General
37	530800	15,000	9,361	15,000	7,013	15,000	15,000		15,000	Supplies
38	530400	1,000	683	1,000	-	-	-		-	General
39	530500	13,000	14,084	16,000	15,277	16,000	16,000		16,000	General

Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
Test Year

OBJECT CODE	DESCRIPTION	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2020 Budget	ADJUSTMENTS	TEST YEAR	Inflation Factor
40 530600	Software	1,000	-	4,965	3,843	1,000	-	1,000	General
41 530700	Books/Subscrip/Periodicals	2,000	204	1,500	294	1,500	-	1,500	General
42 530710	Software Subscriptions	8,000	6,024	10,000	10,152	5,000	-	5,000	General
43 530900	Tires	30,000	4,318	30,000	10,154	30,000	-	30,000	General
44 531000	Gasoline	15,000	15,951	15,000	14,250	15,000	-	15,000	Fuel
45 531050	Diesel	190,000	162,926	190,000	179,338	195,000	-	195,000	Fuel
46 540010	Depreciation Expense	-	719,538	-	826,063	-	-	-	General
47 545010	Bad Debt Expense	-	989	-	-	-	-	-	General
48 55250	Gen Liab Dept Assessment	98,860	98,860	80,672	80,672	80,672	-	80,672	General
49 55260	Benefits Dept. Assessments	10,882	10,882	11,426	11,426	11,426	-	11,426	General
50 555300	Gen Liab-Third Party Admin	65,000	35,416	65,000	35,416	96,976	-	96,976	General
51 555400	Bond Expense	2,000	100	2,000	100	2,000	-	2,000	General
52 555600	Property Coverage	31,976	-	31,976	-	-	-	-	General
53 560200	Out of State Per Diem	2,000	636	2,000	-	2,000	-	2,000	General
54 560250	In State Per Diem	2,000	2,068	2,000	2,728	3,000	-	3,000	General
55 560500	Out of State Transportation	-	-	2,000	-	2,000	-	2,000	General
56 560550	In State Transportation	2,000	29	2,000	53	2,000	-	2,000	General
57 560700	Registration	-	-	3,000	3,924	3,500	-	3,500	General
58 561000	Postage and Mail Service	1,000	642	1,000	1,308	1,200	-	1,200	General
59 561200	Employee Training/Tuition	12,000	9,873	12,000	3,812	10,000	-	10,000	General
60 561350	Penalty Expense	-	-	-	-	-	-	-	General
61 561400	Gross Receipt Taxes	350,000	352,497	360,750	322,063	360,750	(360,750)	-	General
62 561700	Credit Card Fees	-	57	-	-	-	-	-	General
63 561750	Bank Charges & Fees	5,985	6,019	5,200	4,703	5,200	-	5,200	General
64 561800	Print/Publish	5,000	-	-	-	5,000	-	5,000	General
65 561850	Advertising	10,000	13,430	13,000	6,044	13,000	-	13,000	General
66 561900	Dues	3,000	5,022	3,000	4,816	3,000	-	3,000	General
67 562550	Land/Building Rental	200	150	200	(25)	200	-	200	General
68 562600	Equipment/Machinery Rental	5,000	2,604	3,000	713	5,000	-	5,000	General
69 563100	Svcs of other City Depts	94,834	94,834	93,693	93,693	93,693	-	93,693	General
70 570400	Building & Structures	10,123	-	-	-	-	-	-	General
71 570500	Equipmnt & Machinery NonExempt	1,364,629	-	1,712,765	3,777	-	-	-	Other
72 570800	Data Processing Eq NonExempt	-	-	2,697	2,696	-	-	-	General
73 571000	Vehicles > 1.5 Tons	-	-	30,398	-	-	-	-	Other
74 571900	Equipment & Machinery	9,766	-	-	-	-	-	-	Other
75 572400	Inventory Exempt Equipment	21,043	10,857	139,840	110,022	20,000	-	20,000	General
76 572800	Data Processing Eq InvExempt	6,184	6,183	4,725	4,658	-	-	-	General
77 755811	Interfund Transfer Out To 811 (Equip fund)	2,597,716	2,597,716	2,250,000	2,250,000	-	-	-	Other
78 755812	Interfund Transfer Out To 812 (Gas Collection)	300,000	300,000	-	-	-	200,000	200,000	Other
79 755815	Interfund Transfer Out To 815 (Closure/Post-Closure)	-	-	-	-	-	75,000	75,000	Other
80	Cell Development	-	-	-	-	-	-	-	Other
81	Total Landfill Operations Budget	\$8,575,791	\$7,147,493	\$8,717,325	\$6,814,169	\$3,973,681	200,000	\$4,144,931	Other
82									

Santa Fe Solid Waste Management Agency  
 Solid Waste Cost of Service and Rate Design Study  
 Test Year

OBJECT CODE	DESCRIPTION	2018		2019		2020		ADJUSTMENTS	TEST YEAR	Inflation Factor
		Budget	Actual	Budget	Actual	Budget	Actual			
83	Recycling Operations									
84	500110	\$654,459	\$500,246	\$684,883	\$489,377	\$698,298			698,298	Salaries
85	500110	-	-	-	-	38,255			38,255	Salaries
86	501400	35,000	19,971	35,000	33,323	35,000	5,000		40,000	Overtime
87	501510	-	6,040	-	5,824	-			-	Overtime
88	501512	-	-	-	59	-			-	Overtime
89	502000	-	112,118	-	26,610	-			-	Salaries
90	502015	-	1,923	-	2,574	-			-	Salaries
91	502115	-	(38,290)	-	1,786	-			-	Salaries
92	502050	-	8,813	-	7,102	-			-	Salaries
93	502100	-	26,993	-	27,551	-			-	Salaries
94	502115	-	652	-	-	-			-	Benefits
95	502200	4,200	4,353	4,200	4,557	4,200			4,200	Benefits
96	503100	53,065	44,603	55,394	45,846	56,419			56,419	Benefits
97	503150	132,040	123,688	141,469	119,862	151,201			151,201	Benefits
98	503200	205,362	161,701	190,479	138,655	192,964			192,964	Benefits
99	503250	12,862	12,045	13,782	11,673	14,050			14,050	Benefits
100	503300	-	-	-	-	-			-	Benefits
101	503350	30,860	30,996	32,625	32,752	35,785			35,785	Benefits
102	503400	6,926	6,543	7,938	6,051	8,652			8,652	Benefits
103	510250	6,725	1,868	5,000	-	5,000			5,000	General
104	510300	22,500	652	17,500	198	2,500			2,500	Prof. Services
105	510310	614,412	567,471	1,414,233	1,111,914	1,074,300	293,000		1,367,300	Prof. Services
106	510320	8,282	3,708	36,329	1,960	4,000			4,000	General
107	513950	3,750	4,920	4,000	3,208	4,000			4,000	General
108	514000	4,000	4,920	4,000	3,208	4,000			4,000	General
109	514050	50,000	37,517	50,000	25,949	50,000			50,000	Fuel
110	514100	25,465	24,303	29,000	25,978	29,000			29,000	General
111	520100	410,257	375,257	604,693	582,297	600,000			60,000	General Maintenance
112	520200	29,412	-	29,412	-	5,000			5,000	General Maintenance
113	520300	18,402	1,988	17,965	10,401	13,000			13,000	General Maintenance
114	520400	375,776	309,188	222,350	177,449	230,000			230,000	Equipment Maintenance
115	520500	10,000	149	10,000	957	10,000			10,000	Equipment Maintenance
116	530100	1,000	1,000	1,000	18	4,000			4,000	Supplies
117	530200	13,500	13,474	13,500	33,559	15,000			15,000	Supplies
118	530300	20,050	6,443	25,000	7,168	25,000			25,000	Supplies
119	530400	-	28	-	730	1,000			1,000	Supplies
120	530500	9,375	8,927	11,875	10,042	11,875			11,875	General
121	530600	1,000	-	2,900	762	1,000			1,000	General
122	530700	1,500	445	1,500	445	6,000			6,000	General
123	530900	35,000	30,757	35,000	20,162	35,000			35,000	General
124	531000	4,000	1,959	4,000	2,337	4,000			4,000	Fuel
125	531050	135,000	126,290	135,000	124,660	135,000			135,000	Fuel
126	560200	1,000	896	1,000	-	1,000			1,000	General
127	560250	2,000	1,070	2,000	3,070	2,500			2,500	General
128	560500	1,000	-	1,000	-	1,000			1,000	General
129	560550	1,000	-	1,000	183	1,000			1,000	General
130	560700	1,000	450	1,000	695	1,000			1,000	General
131	561000	-	-	-	9	-			-	General
132	561200	12,000	5,412	12,000	7,375	12,000			12,000	General
133	561750	8,400	11,698	8,400	16,189	11,800			11,800	General

Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
Test Year

OBJECT CODE	DESCRIPTION	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2020 Budget	ADJUSTMENTS	TEST YEAR	Inflation Factor
134	561850	30,000	13,833	30,000	7,893	30,000		30,000	General
135	561900	1,000	787	1,000	223	1,000		1,000	General
136	562550	266,000	266,000	266,000	266,000	266,000		266,000	General
137	562600	5,000	764	5,000	1,955	5,000		5,000	General
138	570400	-	-	-	-	-		-	General
139	570500	154,478	-	36,333	36,333	-		-	Other
140	570800	-	-	2,697	2,696	-		-	General
141	570950	4,950	-	-	-	-		-	Other
142	571000	-	-	-	-	-		-	Other
143	572400	5,000	5,333	12,250	7,311	10,000		10,000	General
144	572800	-	-	803	-	-		-	General
145	Capital Improvements	-	-	-	-	-		-	Other
146	<b>Total BuRRT Budget</b>	<b>\$3,471,868</b>	<b>\$2,853,264</b>	<b>\$4,219,710</b>	<b>\$2,960,402</b>	<b>\$3,301,799</b>		<b>\$3,599,799</b>	
147	<b>TOTAL OPERATING BUDGET</b>	<b>\$12,047,659</b>	<b>\$10,000,757</b>	<b>\$12,937,035</b>	<b>\$9,774,571</b>	<b>\$7,275,480</b>		<b>\$7,744,730</b>	
148									
149									
150	<b>Revenues</b>								
151									
152	<b>Budgeted Revenues</b>								
153	438613	Recycle-Compost & Mulch	(2,000)	(1,848)	(2,000)	(2,725)	(3,800)	(3,800)	Other
154	438615	Recycle-Miscellaneous	(100,000)	(127,669)	(30,000)	(108,894)	(120,000)	(120,000)	Other
155	438710	Transfer Station	(1,200,000)	(1,097,297)	(1,253,203)	(1,112,331)	(1,253,203)	(1,253,203)	Other
156	438750	Landfill Tipping-City	(5,798,000)	(2,948,042)	(5,961,864)	(3,065,334)	(5,962,666)	(5,962,666)	Other
157	438760	Miscellaneous Landfill Revenues	-	(407,868)	-	(480,603)	(100,000)	(100,000)	Other
158	438770	Landfill Tipping- Roll off	-	(2,743,738)	-	(2,768,887)	-	-	Other
159	470400	Reimbursements/Refunds	-	(1,620)	-	(3,622)	-	-	Other
160	470510	Sales- Basalt (Del Hur)	(100,000)	(168,518)	(130,000)	(119,654)	(163,000)	(163,000)	Other
161	470700	Sales - Glass Sales	-	(26,166)	-	(43,987)	(40,000)	(40,000)	Other
162	Uncovered Loads	-	-	-	-	-	(15,000)	(15,000)	Other
163	Scrap Metal Sales	-	-	-	-	-	(28,400)	(28,400)	Other
164									
165	<b>Total Budgeted Revenues</b>	<b>\$(7,200,000)</b>	<b>\$(7,522,765)</b>	<b>\$(7,377,067)</b>	<b>\$(7,706,037)</b>	<b>\$(7,542,669)</b>		<b>\$(318,200)</b>	
166	<b>Non-Budgeted Revenues</b>								
167	471400	Miscellaneous Revenues	-	205	-	3,670	-	-	Other
168	479900	NSF/Stop Payments	-	(11,263)	-	(38,347)	-	-	Other
169	480020	Interest on Investments	(24,517)	(100,819)	(215,647)	(459,014)	(210,447)	(210,447)	Other
170	655811	Interfund Transfer in From 811 (Equip Reserve Fund)	(2,013,832)	(2,013,832)	(1,838,224)	(1,662,733)	1,662,733	1,662,733	Other
171	655810	Interfund Transfer in From 810 (Operating Fund)	-	-	-	-	-	-	Other
172	655810	Interfund Transfer in From 810 (Operating Fund)	-	-	-	-	-	-	Other
173	600300	Unrealized Gains/Losses	-	-	-	(272,248)	-	-	Other
174		<b>Total Non-Budgeted Revenues</b>	<b>\$(2,038,349)</b>	<b>\$(2,125,709)</b>	<b>\$(2,053,871)</b>	<b>\$(2,604,162)</b>		<b>\$(1,873,180)</b>	
175		<b>Total Revenues</b>	<b>\$(9,238,349)</b>	<b>\$(9,648,474)</b>	<b>\$(9,430,938)</b>	<b>\$(10,310,199)</b>		<b>\$(9,415,849)</b>	
176		<b>Revenue Requirement</b>	<b>2,809,310</b>	<b>352,283</b>	<b>3,506,097</b>	<b>(535,628)</b>		<b>7,426,530</b>	
177									

**Santa Fe Solid Waste Management Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**5-Year Revenue Requirement**

OBJECT CODE	DESCRIPTION	TEST YEAR	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>Landfill Operations</b>							
1 500110	Salaries (General)	\$1,242,742	\$1,280,024	\$1,318,425	\$1,357,978	\$1,398,717	\$1,440,679
2 500750	Salaries (Temporary)	96,822	99,727	102,718	105,800	108,974	112,243
3 501400	Overtime	35,000	35,000	35,000	35,000	35,000	35,000
4 501510	Worked Holiday @ 1.5	-	-	-	-	-	-
5 502000	Annual Leave	-	-	-	-	-	-
6 502010	Personal Day	-	-	-	-	-	-
7 502015	Miscellaneous Leave	-	-	-	-	-	-
8 502050	Comp-time	-	-	-	-	-	-
9 502100	Sick Leave	-	-	-	-	-	-
10 502200	Incentives	4,200	4,326	4,456	4,589	4,727	4,869
11 503100	FICA	101,873	111,042	121,035	131,928	143,802	156,744
12 503150	Retirement (PERA)	259,508	282,864	308,321	336,070	366,317	399,285
13 503160	OPEB Expense GASB 75	-	-	-	-	-	-
14 503200	Employee Health Insurance	316,037	344,480	375,484	409,277	446,112	486,262
15 503250	Retiree Health Care	23,985	26,144	28,497	31,061	33,857	36,904
16 503300	Unemployment Insurance	-	-	-	-	-	-
17 503350	Workers' Comp	48,709	50,170	51,675	53,226	54,822	56,467
18 503400	City Share Dental Insurance	12,188	13,285	14,481	15,784	17,204	18,753
19 510200	Legal Contract	40,300	41,106	41,928	42,767	43,622	44,494
20 510250	Compliance Services	45,000	45,900	46,818	47,754	48,709	49,684
21 510300	Professional Contracts	22,500	22,950	23,409	23,877	24,355	24,842
22 510310	Service Contracts	144,700	147,594	150,546	153,557	156,628	159,760
23 510320	Engineering Services	30,000	30,600	31,212	31,836	32,473	33,122
24 510330	Audit Services	25,000	25,500	26,010	26,530	27,061	27,602
25 510600	Reim. Share of Sales	86,000	87,720	89,474	91,264	93,089	94,951
26 513950	Gas Service	21,000	21,420	21,848	22,285	22,954	23,643
27 514000	Water Service	23,000	23,460	23,929	24,408	24,896	25,394
28 514050	Electric Service	15,000	15,300	15,606	15,918	16,236	16,561
29 514100	Communications Service	35,000	35,000	35,000	35,000	35,000	35,000
30 520100	Rep and Maint Build/Struct	40,000	40,000	40,000	40,000	40,000	40,000
31 520200	Rep & Maint Grounds/Rd	5,000	5,000	5,000	5,000	5,000	5,000
32 520300	Rep & Maint Furn/Fix/Equip	14,000	14,000	14,000	14,000	14,000	14,000
33 520400	Rep & Maint Machin & Equip	300,000	315,000	330,750	347,288	357,706	368,437
34 520500	Rep & Maint Vehicles	13,000	13,650	14,333	15,049	15,501	15,966
35 530100	Office Supplies	5,000	5,100	5,202	5,306	5,412	5,520
36 530200	Operating Supplies	26,000	26,520	27,050	27,591	28,143	28,706
37 530300	Safety Supplies	15,000	15,300	15,606	15,918	16,236	16,561
38 530400	Food	-	-	-	-	-	-
39 530500	Uniform Clothing & Linen	16,000	16,320	16,646	16,979	17,319	17,665
40 530600	Software	1,000	1,020	1,040	1,061	1,082	1,104
41 530700	Books/Subscrpts/Periodicals	1,500	1,530	1,561	1,592	1,624	1,656
42 530710	Software Subscriptions	5,000	5,100	5,202	5,306	5,412	5,520
43 530900	Tires	30,000	30,600	31,212	31,836	32,473	33,122
44 531000	Gasoline	15,000	15,300	15,606	15,918	16,396	16,888
45 531050	Diesel	195,000	198,900	202,878	206,936	213,144	219,538
46 540010	Depreciation Expense	-	-	-	-	-	-
47 545010	Bad Debt Expense	-	-	-	-	-	-
48 555250	Gen Liab Dept Assessment	80,672	82,285	83,931	85,610	87,322	89,068
49 555260	Benefits Dept. Assessments	11,426	11,655	11,888	12,125	12,368	12,615
50 555300	Gen Liab-Third Party Admin	96,976	98,916	100,894	102,912	104,970	107,069
51 555400	Bond Expense	2,000	2,040	2,081	2,122	2,165	2,208
52 555600	Property Coverage	-	-	-	-	-	-
53 560200	Out of State Per Diem	2,000	2,040	2,081	2,122	2,165	2,208
54 560250	In State Per Diem	3,000	3,060	3,121	3,184	3,247	3,312
55 560500	Out of State Transportation	2,000	2,040	2,081	2,122	2,165	2,208
56 560550	In State Transportation	2,000	2,040	2,081	2,122	2,165	2,208
57 560700	Registration	3,500	3,570	3,641	3,714	3,789	3,864
58 561000	Postage and Mail Service	1,200	1,224	1,248	1,273	1,299	1,325
59 561200	Employee Training/Tuition	10,000	10,200	10,404	10,612	10,824	11,041
60 561350	Penalty Expense	-	-	-	-	-	-
61 561400	Gross Receipt Taxes	-	-	-	-	-	-
62 561700	Credit Card Fees	-	-	-	-	-	-
63 561750	Bank Charges & Fees	-	-	-	-	-	-
64 561800	Print/Publish	5,200	5,304	5,410	5,518	5,629	5,741
65 561850	Advertising	13,000	13,260	13,525	13,796	14,072	14,353
66 561900	Dues	3,000	3,060	3,121	3,184	3,247	3,312
67 562550	Land/Building Rental	200	204	208	212	216	221
68 562600	Equipment/Machinery Rental	5,000	5,100	5,202	5,306	5,412	5,520
69 563100	Svcs of other City Depts	93,693	95,567	97,478	99,428	101,416	103,445
70 570400	Building & Structures	-	-	-	-	-	-
71 570500	Equipmnt & Machinery NonExempt	-	598,201	725,093	1,450,185	1,812,731	2,175,278
72 570800	Data Processing Eqp NonExempt	-	-	-	-	-	-
73 571000	Vehicles > 1.5 Tons	-	-	-	-	-	-
74 571900	Equipment & Machinery	-	-	-	-	-	-
75 572400	Inventory Exempt Equipment	20,000	20,400	20,808	21,224	21,649	22,082
76 572800	Data Processing Eqp InvExempt	-	-	-	-	-	-

**Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
5-Year Revenue Requirement**

OBJECT CODE	DESCRIPTION	TEST YEAR	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
77 755811	Interfund Transfer Out To 811 (Equip fund)	-	-	-	-	-	-
78 755812	Interfund Transfer Out To 812 (Gas Collection)	200,000	200,000	200,000	200,000	200,000	200,000
79 755815	Interfund Transfer Out To 815 (Closure/Post-Closure)	75,000	75,000	75,000	75,000	75,000	75,000
80	Cell Development	200,000	200,000	150,000	-	-	-
81	<b>Total Landfill Operations Budget</b>	<b>\$4,144,931</b>	<b>\$4,887,217</b>	<b>\$5,116,458</b>	<b>\$5,852,770</b>	<b>\$6,381,267</b>	<b>\$6,919,544</b>
82							
83	<b>Recycling Operations</b>						
84							
85 500110	Salaries (General)	\$ 698,298	\$ 719,247	\$ 740,824	\$ 763,049	\$ 785,941	\$ 809,519
86 500110	Proposed raises	38,255	39,403	40,585	41,802	43,056	44,348
87 501400	Overtime	40,000	40,000	40,000	40,000	40,000	40,000
88 501510	Worked Holiday @ 1.5	-	-	-	-	-	-
89 501512	Worked Holiday @ 2.5	-	-	-	-	-	-
90 502000	Annual Leave	-	-	-	-	-	-
91 502015	Personal Day	-	-	-	-	-	-
92 502115	Miscellaneous Leave	-	-	-	-	-	-
92 502050	Comp-time	-	-	-	-	-	-
93 502100	Sick Leave	-	-	-	-	-	-
94 502115	Union Business	-	-	-	-	-	-
95 502200	Incentives	4,200	4,578	4,990	5,439	5,929	6,462
96 503100	FICA	56,419	61,497	67,031	73,064	79,640	86,808
97 503150	Retirement (PERA)	151,201	164,809	179,642	195,810	213,433	232,641
98 503200	Employee Health Insurance	192,964	210,331	229,261	249,894	272,384	296,899
99 503250	Retiree Health Care	14,050	15,315	16,693	18,195	19,833	21,618
100 503300	Unemployment Insurance	-	-	-	-	-	-
101 503350	Workers' Comp	35,785	39,006	42,516	46,343	50,513	55,060
102 503400	City Share Dental Insurance	8,652	9,431	10,279	11,205	12,213	13,312
103 510250	Compliance Services	5,000	5,100	5,202	5,306	5,412	5,520
104 510300	Professional Contracts	2,500	2,550	2,601	2,653	2,706	2,760
105 510310	Service Contracts	1,367,300	1,394,646	1,422,539	1,450,990	1,480,009	1,509,610
106 510320	Engineering Svcs	-	-	-	-	-	-
107 513950	Gas Service	4,000	4,080	4,162	4,245	4,330	4,416
108 514000	Water Service	4,000	4,080	4,162	4,245	4,330	4,416
109 514050	Electric Service	50,000	51,000	52,020	53,060	54,652	56,292
110 514100	Communications Service	29,000	29,580	30,172	30,775	31,391	32,018
111 520100	Rep and Maint Build/Struct	60,000	60,000	60,000	60,000	60,000	60,000
112 520200	Rep & Maint Grounds/Rd	5,000	5,000	5,000	5,000	5,000	5,000
113 520300	Rep & Maint Furn/Fix/Equip	13,000	13,000	13,000	13,000	13,000	13,000
114 520400	Rep & Maint Machin & Equip	230,000	241,500	253,575	266,254	274,241	282,469
115 520500	Rep & Maint Vehicles	10,000	10,500	11,025	11,576	11,924	12,281
116 530100	Office Supplies	4,000	4,080	4,162	4,245	4,330	4,416
117 530200	Operating Supplies	15,000	15,300	15,606	15,918	16,236	16,561
118 530300	Safety Supplies	25,000	25,500	26,010	26,530	27,061	27,602
119 530400	Food	1,000	1,020	1,040	1,061	1,082	1,104
120 530500	Uniform Clothing & Linen	11,875	12,113	12,355	12,602	12,854	13,111
121 530600	Software	1,000	1,020	1,040	1,061	1,082	1,104
122 530700	Books/Subspts/Periodicals	6,000	6,120	6,242	6,367	6,495	6,624
123 530900	Tires	35,000	35,700	36,414	37,142	37,885	38,643
124 531000	Gasoline	4,000	4,080	4,162	4,245	4,372	4,503
125 531050	Diesel	135,000	137,700	140,454	143,263	147,561	151,988
126 560200	Out of State Per Diem	1,000	1,020	1,040	1,061	1,082	1,104
127 560250	In State Per Diem	2,500	2,550	2,601	2,653	2,706	2,760
128 560500	Out of State Transportation	1,000	1,020	1,040	1,061	1,082	1,104
129 560550	In State Transportation	1,000	1,020	1,040	1,061	1,082	1,104
130 560700	Registration	1,000	1,020	1,040	1,061	1,082	1,104
131 561000	Postage and Mail Service	-	-	-	-	-	-
132 561200	Employee Training/Tuition	12,000	12,240	12,485	12,734	12,989	13,249
133 561750	Bank Charges & Fees	11,800	12,036	12,277	12,522	12,773	13,028
134 561850	Advertising	30,000	30,600	31,212	31,836	32,473	33,122
135 561900	Dues	1,000	1,020	1,040	1,061	1,082	1,104
136 562550	Land/Building Rental	266,000	271,320	276,746	282,281	287,927	293,685
137 562600	Equipment/Machinery Rental	5,000	5,100	5,202	5,306	5,412	5,520
138 570400	Building & Structure NonExempt	-	-	-	-	-	-
139 570500	Equipmnt & Machinery NonExempt	-	226,799	274,907	549,815	687,269	824,722
140 570800	Data Processing Eqp NonExempt	-	-	-	-	-	-
141 570950	Vehicles < 1.5	-	-	-	-	-	-
142 571000	Vehicles > 1.5 Tons	-	-	-	-	-	-
143 572400	Inventory Exempt Equipment	10,000	10,200	10,404	10,612	10,824	11,041
144 572800	Data Processing Eqp InvExempt	-	-	-	-	-	-
145	Capital Improvements	-	-	100,000	100,000	50,000	50,000
146	<b>Total BuRRT Budget</b>	<b>\$3,599,799</b>	<b>\$3,943,228</b>	<b>\$4,213,800</b>	<b>\$4,617,406</b>	<b>\$4,836,680</b>	<b>\$5,112,756</b>
147	<b>TOTAL OPERATING BUDGET</b>	<b>\$7,744,730</b>	<b>\$8,830,445</b>	<b>\$9,330,257</b>	<b>\$10,470,176</b>	<b>\$11,217,947</b>	<b>\$12,032,300</b>
148							
149							

**Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
5-Year Revenue Requirement**

OBJECT CODE	DESCRIPTION	TEST YEAR	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
150	<b>Revenues</b>						
151							
152	<b>Budgeted Revenues</b>						
153 438613	Recycle-Compost & Mulch	\$ (3,800)	\$ (3,800)	\$ (3,800)	\$ (3,800)	\$ (3,800)	\$ (3,800)
154 438615	Recycle-Miscellaneous	-	-	-	-	-	-
155 438710	Transfer Station	-	-	-	-	-	-
156 438750	Landfill Tipping-City	-	-	-	-	-	-
157 438760	Miscellaneous Landfill Revenues	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
158 438770	Landfill Tipping- Roll off	-	-	-	-	-	-
159 470400	Reimbursements/Refunds	-	-	-	-	-	-
160 470510	Sales- Basalt (Del Hur)	(131,000)	(131,000)	(131,000)	(131,000)	(131,000)	(131,000)
161 470700	Sales - Glass Sales	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
162	Uncovered Loads	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
163	Scrap Metal Sales	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)
164	<b>Total Budgeted Revenues</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>
165							
166	<b>Non-Budgeted Revenues</b>						
167 471400	Miscellaneous Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
168 479900	NSF/Stop Payments	-	-	-	-	-	-
169 480020	Interest on Investments	-	-	-	-	-	-
170 655811	Interfund Transfer In From 811 (Equip Reserve Fund)	-	-	-	-	-	-
171 655810	Interfund Transfer In From 810 (Operating Fund)	-	-	-	-	-	-
172 655810	Interfund Transfer In From 810 (Operating Fund)	-	-	-	-	-	-
173 600300	Unrealized Gains/Losses	-	-	-	-	-	-
174	<b>Total Non-Budgeted Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
175	<b>Total Revenues</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>	<b>\$ (318,200)</b>
176	<b>Revenue Requirement</b>	<b>\$ 7,426,530</b>	<b>\$ 8,512,245</b>	<b>\$ 9,012,057</b>	<b>\$ 10,151,976</b>	<b>\$ 10,899,747</b>	<b>\$ 11,714,100</b>

**Santa Fe Solid Waste Mangement Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**5-Year Revenue Requirement Summary**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>1 Caja del Rio Landfill</b>					
2 Disposal	\$ 1,774,975	\$ 1,934,862	\$ 2,581,390	\$ 2,934,252	\$ 3,290,589
3 Cell Development	358,935	326,843	256,582	299,314	342,414
4 Composting	3,765	3,954	4,156	4,372	4,603
5 Administration	932,401	969,268	1,011,748	1,054,540	1,099,907
6 Operation & Maintenance	1,238,446	1,276,124	1,346,011	1,398,964	1,453,737
	<u>\$ 4,308,522</u>	<u>\$ 4,511,051</u>	<u>\$ 5,199,888</u>	<u>\$ 5,691,442</u>	<u>\$ 6,191,250</u>
<b>7 Buckman Road Recycling and Transfer Station (BuRRT)</b>					
8 Transfer Station	\$ 885,219	\$ 1,013,302	\$ 1,149,246	\$ 1,200,837	\$ 1,292,555
9 Material Recovery Facility	1,006,556	1,063,567	1,142,966	1,181,687	1,233,569
10 HHW Collection	244,932	252,981	263,776	273,389	283,406
11 Green waste processing	636,257	676,940	792,112	862,044	933,459
12 Glass recycling	194,249	202,657	229,091	244,611	260,291
13 White goods	26,794	28,341	31,029	33,168	35,412
14 Tires	86,143	88,371	90,684	93,087	95,586
15 E-waste	64,942	66,917	69,659	72,043	74,514
16 Administration	277,177	284,862	297,144	306,985	317,085
17 Operation & Maintenance	1,099,653	1,141,268	1,204,581	1,258,654	1,315,172
	<u>\$ 4,521,923</u>	<u>\$ 4,819,206</u>	<u>\$ 5,270,288</u>	<u>\$ 5,526,506</u>	<u>\$ 5,841,050</u>
<b>18 Total Expenses</b>	<u>\$ 8,830,445</u>	<u>\$ 9,330,257</u>	<u>\$ 10,470,176</u>	<u>\$ 11,217,947</u>	<u>\$ 12,032,300</u>
<b>19 Total Miscellaneous Revenues</b>					
20 Mulch Sales and Compost Sales	(\$3,800)	(3,800)	(3,800)	(3,800)	(3,800)
21 Sales- Basalt (Del Hur)	(131,000)	(131,000)	(131,000)	(131,000)	(131,000)
22 Sales - Glass Sales	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
23 Uncovered Loads	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
24 Scrap Metal Sales	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)
Miscellaneous Landfill Revenues	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
25 <b>Total Revenues</b>	<u>\$ (318,200)</u>	<u>\$ (318,200)</u>	<u>\$ (318,200)</u>	<u>\$ (318,200)</u>	<u>\$ (318,200)</u>
26 <b>Net Revenue Requirement</b>	<u>\$ 8,512,245</u>	<u>\$ 9,012,057</u>	<u>\$ 10,151,976</u>	<u>\$ 10,899,747</u>	<u>\$ 11,714,100</u>

**Santa Fe Solid Waste Management Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**Caja del Rio Cost of Service**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>1 Caja del Rio Landfill</b>					
<b>2 Disposal Cost Allocation</b>					
3 Disposal	\$ 1,774,975	\$ 1,934,862	\$ 2,581,390	\$ 2,934,252	\$ 3,290,589
4 Cell Development	358,935	326,843	256,582	299,314	342,414
5 Composting	3,765	3,954	4,156	4,372	4,603
6 Administration	932,401	969,268	1,011,748	1,054,540	1,099,907
7 Operation & Maintenance	1,238,446	1,276,124	1,346,011	1,398,964	1,453,737
	<b>\$ 4,308,522</b>	<b>\$ 4,511,051</b>	<b>\$ 5,199,888</b>	<b>\$ 5,691,442</b>	<b>\$ 6,191,250</b>
<b>8 Caja del Rio Miscellaneous Revenues</b>					
9 Sales- Basalt (Del Hur)	\$ (131,000)	\$ (131,000)	\$ (131,000)	\$ (131,000)	\$ (131,000)
10 Uncovered Loads	(3,750)	(3,750)	(3,750)	(3,750)	(3,750)
11 Miscellaneous Landfill Revenues	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
12 Total Miscellaneous Revenues	<b>\$ (234,750)</b>	<b>\$ (234,750)</b>	<b>\$ (234,750)</b>	<b>\$ (234,750)</b>	<b>\$ (234,750)</b>
<b>13 Net Revenue Requirement</b>	<b>\$ 4,073,772</b>	<b>\$ 4,276,301</b>	<b>\$ 4,965,138</b>	<b>\$ 5,456,692</b>	<b>\$ 5,956,500</b>
<b>14 Caja del Rio Landfill Tonnage</b>					
15 BuRRT	25,568	25,824	26,082	26,343	26,606
16 Commercial, C&D, Others	95,654	96,611	97,577	98,552	99,537
17 Residential	45,569	46,025	46,486	46,950	47,419
18 WWTP & WTP Sludge	1,875	1,894	1,913	1,932	1,951
19 Total	168,666	170,354	172,058	173,777	175,513
<b>20 Cost per Ton (Excluding BuRRT Tonnage)</b>	<b>\$ 28.47</b>	<b>\$ 29.59</b>	<b>\$ 34.01</b>	<b>\$ 37.01</b>	<b>\$ 40.00</b>
<b>21 Cost per Ton (Including BuRRT Tonnage)</b>	<b>\$ 24.15</b>	<b>\$ 25.10</b>	<b>\$ 28.86</b>	<b>\$ 31.40</b>	<b>\$ 33.94</b>

Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
BuRRT Cost of Service & Indirect Cost Allocations

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>1 Buckman Road Recycling and Transfer Station (BuRRT)</b>					
<b>2 Expenses</b>					
3 Transfer Station	\$ 885,219	\$ 1,013,302	\$ 1,149,246	\$ 1,200,837	\$ 1,292,555
4 Material Recovery facility	1,006,556	1,063,567	1,142,966	1,181,687	1,233,569
5 HHW Collection	244,932	252,981	263,776	273,389	283,406
6 Green waste processing	636,257	676,940	792,112	862,044	933,459
7 Glass recycling	194,249	202,657	229,091	244,611	260,291
8 White goods	26,794	28,341	31,029	33,168	35,412
9 Tires	86,143	88,371	90,684	93,087	95,586
10 E-waste	64,942	66,917	69,659	72,043	74,514
11 Administration	277,177	284,862	297,144	306,985	317,085
12 Operation & Maintenance	1,099,653	1,141,268	1,204,581	1,258,654	1,315,172
	<b>\$ 4,521,923</b>	<b>\$ 4,819,206</b>	<b>\$ 5,270,288</b>	<b>\$ 5,526,506</b>	<b>\$ 5,841,050</b>
<b>13 Miscellaneous Revenue Offsets</b>					
14 Mulch Sales and Compost Sales	(\$3,800)	(\$3,800)	(\$3,800)	(\$3,800)	(\$3,800)
15 Sales - Glass Sales	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
16 Uncovered Loads	(11,250)	(11,250)	(11,250)	(11,250)	(11,250)
17 Scrap Metal Sales	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)
	<b>\$ (83,450)</b>	<b>\$ (83,450)</b>	<b>\$ (83,450)</b>	<b>\$ (83,450)</b>	<b>\$ (83,450)</b>
<b>18 Net Revenue Requirement</b>	<b>\$ 4,438,473</b>	<b>\$ 4,735,756</b>	<b>\$ 5,186,838</b>	<b>\$ 5,443,056</b>	<b>\$ 5,757,600</b>
<b>19 Indirect Cost Allocation</b>					
20 Administration	277,177	284,862	297,144	306,985	317,085
21 Operation & Maintenance	1,099,653	1,141,268	1,204,581	1,258,654	1,315,172
<b>22 Administration</b>					
23 Transfer Station	\$ 78,014	\$ 85,071	\$ 90,616	\$ 93,070	\$ 97,380
24 Material Recovery facility	88,708	89,291	90,121	91,586	92,936
25 HHW Collection	21,586	21,239	20,798	21,189	21,351
26 Green waste processing	56,073	56,832	62,457	66,812	70,326
27 Glass recycling	17,119	17,014	18,063	18,958	19,610
28 White goods	2,361	2,379	2,447	2,571	2,668
29 Tires	7,592	7,419	7,150	7,215	7,201
30 E-waste	5,723	5,618	5,492	5,584	5,614
31 Total Administration	<b>\$ 277,177</b>	<b>\$ 284,862</b>	<b>\$ 297,144</b>	<b>\$ 306,985</b>	<b>\$ 317,085</b>
<b>32 Operation &amp; Maintenance</b>					
33 Transfer Station	\$ 354,095	\$ 387,445	\$ 413,928	\$ 429,100	\$ 452,677
34 Material Recovery facility	402,631	406,664	411,666	422,257	432,019
35 HHW Collection					
36 Green waste processing	254,508	258,834	285,298	308,038	326,915
37 Glass recycling	77,701	77,488	82,513	87,408	91,159
38 White goods	10,718	10,837	11,176	11,852	12,402
39 Tires					
40 E-waste					
41 Total Operation & Maintenance	<b>\$ 1,099,653</b>	<b>\$ 1,141,268</b>	<b>\$ 1,204,581</b>	<b>\$ 1,258,654</b>	<b>\$ 1,315,172</b>

**Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
Transfer Station & Material Recovery Facility (MRF) Cost of Service**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>1 Buckman Road Recycling and Transfer Station (BuRRT)</b>					
<b>2 Expenses</b>					
3 Transfer Station	\$ 885,219	\$ 1,013,302	\$ 1,149,246	\$ 1,200,837	\$ 1,292,555
4 Administration	78,014	85,071	90,616	93,070	97,380
5 Operation & Maintenance	354,095	387,445	413,928	429,100	452,677
	<b>\$ 1,317,329</b>	<b>\$ 1,485,818</b>	<b>\$ 1,653,789</b>	<b>\$ 1,723,007</b>	<b>\$ 1,842,612</b>
<b>6 Miscellaneous Revenue Offsets</b>					
7 Uncovered Loads	(11,250)	(11,250)	(11,250)	(11,250)	(11,250)
8 Scrap Metal Sales	(28,400)	(28,400)	(28,400)	(28,400)	(28,400)
	<b>\$ (39,650)</b>	<b>\$ (39,650)</b>	<b>\$ (39,650)</b>	<b>\$ (39,650)</b>	<b>\$ (39,650)</b>
<b>9 Net Revenue Requirement</b>	<b>\$ 1,277,679</b>	<b>\$ 1,446,168</b>	<b>\$ 1,614,139</b>	<b>\$ 1,683,357</b>	<b>\$ 1,802,962</b>
<b>10 Disposal Tonnage Accepted at Transfer Station</b>	25,568	25,824	26,082	26,343	26,606
<b>11 Cost per Ton</b>	<b>\$ 49.97</b>	<b>\$ 56.00</b>	<b>\$ 61.89</b>	<b>\$ 63.90</b>	<b>\$ 67.77</b>
<b>12 Material Recovery Facility</b>					
<b>13 Expenses</b>					
14 Direct MRF Cost	\$ 1,006,556	\$ 1,063,567	\$ 1,142,966	\$ 1,181,687	\$ 1,233,569
15 Administration	88,708	89,291	90,121	91,586	92,936
16 Operation & Maintenance	402,631	406,664	411,666	422,257	432,019
	<b>\$ 1,497,895</b>	<b>\$ 1,559,522</b>	<b>\$ 1,644,753</b>	<b>\$ 1,695,531</b>	<b>\$ 1,758,524</b>
<b>17 Miscellaneous Revenue Offsets</b>					
<b>18 Net Revenue Requirement</b>	<b>\$ 1,497,895</b>	<b>\$ 1,559,522</b>	<b>\$ 1,644,753</b>	<b>\$ 1,695,531</b>	<b>\$ 1,758,524</b>
<b>19 Recycling Tonnage*</b>	10,280	10,383	10,487	10,592	10,698
<b>20 Cost per Ton</b>	<b>\$ 145.71</b>	<b>\$ 150.20</b>	<b>\$ 156.84</b>	<b>\$ 160.08</b>	<b>\$ 164.38</b>

\*Excludes glass recycling

\*\*Approximately 10% of recycling tons are coming from the BuRRT drop-off center

**Santa Fe Solid Waste Management Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**Miscellaneous COS: HHW, Tires, E-Waste, White Goods, Glass Recycling, Green Waste**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>1 Household Hazardous Waste (HHW)</b>					
<b>2 Expenses</b>					
3 HHW	\$ 244,932	\$ 252,981	\$ 263,776	\$ 273,389	\$ 283,406
4 Administration	21,586	21,239	20,798	21,189	21,351
5 Operation & Maintenance	-	-	-	-	-
<b>6 Net Revenue Requirement</b>	<b>\$ 266,518</b>	<b>\$ 274,220</b>	<b>\$ 284,574</b>	<b>\$ 294,578</b>	<b>\$ 304,757</b>
<b>7 HHW Pounds</b>	132,000	134,000	136,000	138,000	140,000
<b>8 Cost per Pound</b>	<b>\$ 2.02</b>	<b>\$ 2.05</b>	<b>\$ 2.09</b>	<b>\$ 2.13</b>	<b>\$ 2.18</b>
<b>9 Tires Cost of Service</b>					
<b>10 Expenses</b>					
11 Tires	\$ 86,143	\$ 88,371	\$ 90,684	\$ 93,087	\$ 95,586
12 Administration	7,592	7,419	7,150	7,215	7,201
13 Operation & Maintenance	-	-	-	-	-
<b>14 Net Revenue Requirement</b>	<b>\$ 93,735</b>	<b>\$ 95,790</b>	<b>\$ 97,834</b>	<b>\$ 100,302</b>	<b>\$ 102,788</b>
<b>15 Tire Tonnage</b>	28,688	28,944	29,201	29,458	29,716
<b>16 Cost per Ton</b>	<b>\$ 3.27</b>	<b>\$ 3.31</b>	<b>\$ 3.35</b>	<b>\$ 3.40</b>	<b>\$ 3.46</b>
<b>17 E-Waste Cost of Service</b>					
<b>18 Expenses</b>					
19 E-Waste	\$ 64,942	\$ 66,917	\$ 69,659	\$ 72,043	\$ 74,514
20 Administration	5,723	5,618	5,492	5,584	5,614
21 Operation & Maintenance	-	-	-	-	-
<b>22 Net Revenue Requirement</b>	<b>\$ 70,666</b>	<b>\$ 72,535</b>	<b>\$ 75,152</b>	<b>\$ 77,626</b>	<b>\$ 80,127</b>
<b>23 E-Waste Tonnage</b>	108	109	110	111	112
<b>24 Cost per Ton</b>	<b>\$ 654.31</b>	<b>\$ 665.46</b>	<b>\$ 683.20</b>	<b>\$ 699.34</b>	<b>\$ 715.42</b>
<b>25 White Goods Cost of Service</b>					
<b>26 Expenses</b>					
27 White Goods	\$ 26,794	\$ 28,341	\$ 31,029	\$ 33,168	\$ 35,412
28 Administration	2,361	2,379	2,447	2,571	2,668
29 Operation & Maintenance	10,718	10,837	11,176	11,852	12,402
<b>30 Net Revenue Requirement</b>	<b>\$ 39,874</b>	<b>\$ 41,557</b>	<b>\$ 44,652</b>	<b>\$ 47,591</b>	<b>\$ 50,482</b>
<b>31 White Goods Tonnage</b>	1,093	1,104	1,115	1,126	1,137
<b>32 Cost per Ton</b>	<b>\$ 36.48</b>	<b>\$ 37.64</b>	<b>\$ 40.05</b>	<b>\$ 42.27</b>	<b>\$ 44.40</b>
<b>33 Green Waste Processing Cost of Service</b>					
<b>34 Expenses</b>					
35 Green Waste	\$ 636,257	\$ 676,940	\$ 792,112	\$ 862,044	\$ 933,459
36 Administration	56,073	56,832	62,457	66,812	70,326
37 Operation & Maintenance	254,508	258,834	285,298	308,038	326,915
<b>38 Revenue Requirement</b>	<b>\$ 946,839</b>	<b>\$ 992,605</b>	<b>\$ 1,139,867</b>	<b>\$ 1,236,894</b>	<b>\$ 1,330,700</b>
<b>39 Revenue Offsets</b>					
40 Mulch Sales and Compost Sales	(\$3,800)	(\$3,800)	(\$3,800)	(\$3,800)	(\$3,800)
<b>41 Net Revenue Requirement</b>	<b>\$ 943,039</b>	<b>\$ 988,805</b>	<b>\$ 1,136,067</b>	<b>\$ 1,233,094</b>	<b>\$ 1,326,900</b>
<b>42 Green Waste Tonnage</b>	6,762	6,830	6,898	6,967	7,037
<b>43 Cost per Ton</b>	<b>\$ 139.46</b>	<b>\$ 144.77</b>	<b>\$ 164.70</b>	<b>\$ 176.99</b>	<b>\$ 188.56</b>

**Santa Fe Solid Waste Management Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**Miscellaneous COS: HHW, Tires, E-Waste, White Goods, Glass Recycling, Green Waste**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>44 Glass Recycling Cost of Service</b>					
<b>45 Expenses</b>					
46 Glass Recycling	\$ 194,249	\$ 202,657	\$ 229,091	\$ 244,611	\$ 260,291
47 Administration	17,119	17,014	18,063	18,958	19,610
48 Operation & Maintenance	77,701	77,488	82,513	87,408	91,159
<b>49 Revenue Requirement</b>	<b>\$ 289,069</b>	<b>\$ 297,159</b>	<b>\$ 329,667</b>	<b>\$ 350,977</b>	<b>\$ 371,060</b>
<b>50 Revenue Offsets</b>					
51 Sales - Glass Sales	(\$40,000)	(\$40,000)	(\$40,000)	(\$40,000)	(\$40,000)
<b>52 Net Revenue Requirement</b>	<b>\$ 249,069</b>	<b>\$ 257,159</b>	<b>\$ 289,667</b>	<b>\$ 310,977</b>	<b>\$ 331,060</b>
<b>53 Glass Tonnage</b>	1,775	1,793	1,811	1,829	1,848
<b>54 Cost per Ton</b>	<b>\$ 140.32</b>	<b>\$ 143.42</b>	<b>\$ 159.95</b>	<b>\$ 170.03</b>	<b>\$ 179.14</b>

**Santa Fe Solid Waste Management Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**Over / (Under) - Current Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>1 Revenues Realized Under Current Rates</b>					
2 Caja del Rio Landfill Revenues	\$ 5,723,920	\$ 5,781,200	\$ 5,839,040	\$ 5,897,360	\$ 5,956,280
3 BuRRT Revenues					
4 Total BuRRT Disposal Revenues	\$ 1,078,444	\$ 1,089,237	\$ 1,100,116	\$ 1,111,122	\$ 1,122,232
5 Total Glass Revenues from Incoming Tonnage	19,695	19,890	20,085	20,280	20,490
6 Total Green Waste Revenues from Incoming Tonnage	135,240	136,600	137,960	139,340	140,740
7 Total Scrap Metal Revenues from Incoming Tonnage	4,200	4,245	4,290	4,335	4,380
8 Total E-Waste Revenues	5,400	5,450	5,500	5,550	5,600
9 Total HHW Revenues	3,300	3,350	3,400	3,450	3,500
10 Total Tire Revenues	43,392	43,778	44,164	44,550	44,938
11 Total White Goods Revenues	7,410	7,485	7,560	7,635	7,710
12 <b>Total Transfer Station Revenues</b>	<b>\$ 1,297,081</b>	<b>\$ 1,310,035</b>	<b>\$ 1,323,075</b>	<b>\$ 1,336,262</b>	<b>\$ 1,349,590</b>
<b>13 Total Revenues</b>	<b>\$ 7,021,001</b>	<b>\$ 7,091,235</b>	<b>\$ 7,162,115</b>	<b>\$ 7,233,622</b>	<b>\$ 7,305,870</b>
<b>14 Caja del Rio Landfill</b>					
15 Caja del Rio Net Revenue Requirement	\$ 4,073,772	\$ 4,276,301	\$ 4,965,138	\$ 5,456,692	\$ 5,956,500
16 Caja del Rio Landfill Revenues	5,723,920	5,781,200	5,839,040	5,897,360	5,956,280
17 Over/(Under)	\$ 1,650,148	\$ 1,504,899	\$ 873,902	\$ 440,668	\$ (220)
18 Cumulative Over / (Under)	\$ 1,650,148	\$ 3,155,046	\$ 4,028,949	\$ 4,469,617	\$ 4,469,397
<b>19 BuRRT</b>					
20 Transfer Station Net Revenue Requirement	\$ 1,277,679	\$ 1,446,168	\$ 1,614,139	\$ 1,683,357	\$ 1,802,962
21 MRF Net Revenue Requirement	1,497,895	1,559,522	1,644,753	1,695,531	1,758,524
22 Transfer Station Disposal Revenues	1,078,444	1,089,237	1,100,116	1,111,122	1,122,232
23 Scrap Metal Revenues from Incoming Tonnage	4,200	4,245	4,290	4,335	4,380
24 Over/(Under)	\$ (1,692,930)	\$ (1,912,208)	\$ (2,154,486)	\$ (2,263,430)	\$ (2,434,873)
25 Cumulative Over / (Under)	\$ (1,692,930)	\$ (3,605,137)	\$ (5,759,623)	\$ (8,023,054)	\$ (10,457,927)
<b>26 Glass Revenue Requirement</b>	\$ 289,069	\$ 297,159	\$ 329,667	\$ 350,977	\$ 371,060
27 Glass Revenues from Incoming Tonnage	19,695	19,890	20,085	20,280	20,490
28 Glass Sales	40,000	40,000	40,000	40,000	40,000
29 Over/(Under)	\$ (229,374)	\$ (237,269)	\$ (269,582)	\$ (290,697)	\$ (310,570)
30 Cumulative Over / (Under)	\$ (229,374)	\$ (466,643)	\$ (736,225)	\$ (1,026,922)	\$ (1,337,492)
<b>31 Green Waste Revenue Requirement</b>	\$ 946,839	\$ 992,605	\$ 1,139,867	\$ 1,236,894	\$ 1,330,700
32 Green Waste Revenues from Incoming Tonnage	135,240	136,600	137,960	139,340	140,740
33 Mulch Sales and Compost Sales	3,800	3,800	3,800	3,800	3,800
34 Over/(Under)	\$ (807,799)	\$ (852,205)	\$ (998,107)	\$ (1,093,754)	\$ (1,186,160)
35 Cumulative Over / (Under)	\$ (807,799)	\$ (1,660,004)	\$ (2,658,111)	\$ (3,751,865)	\$ (4,938,024)
<b>36 E-Waste Revenue Requirement</b>	\$ 70,666	\$ 72,535	\$ 75,152	\$ 77,626	\$ 80,127
37 E-Waste Revenues from Incoming Tonnage	5,400	5,450	5,500	5,550	5,600
38 Over/(Under)	\$ (65,266)	\$ (67,085)	\$ (69,652)	\$ (72,076)	\$ (74,527)
39 Cumulative Over / (Under)	\$ (65,266)	\$ (132,351)	\$ (202,002)	\$ (274,079)	\$ (348,606)
<b>40 HHW Revenue Requirement</b>	\$ 266,518	\$ 274,220	\$ 284,574	\$ 294,578	\$ 304,757
41 HHW Revenues from Incoming Tonnage	3,300	3,350	3,400	3,450	3,500
42 Over/(Under)	\$ (263,218)	\$ (270,870)	\$ (281,174)	\$ (291,128)	\$ (301,257)
43 Cumulative Over / (Under)	\$ (263,218)	\$ (534,088)	\$ (815,262)	\$ (1,106,390)	\$ (1,407,647)
<b>44 Tire Revenue Requirement</b>	\$ 93,735	\$ 95,790	\$ 97,834	\$ 100,302	\$ 102,788
45 Tire Revenues from Incoming Tonnage	43,392	43,778	44,164	44,550	44,938
46 Over/(Under)	\$ (50,343)	\$ (52,012)	\$ (53,670)	\$ (55,752)	\$ (57,850)
47 Cumulative Over / (Under)	\$ (50,343)	\$ (102,355)	\$ (156,025)	\$ (211,777)	\$ (269,627)
<b>48 White Goods Revenue Requirement</b>	\$ 39,874	\$ 41,557	\$ 44,652	\$ 47,591	\$ 50,482
49 White Good Revenues from Incoming Tonnage	7,410	7,485	7,560	7,635	7,710
50 Over/(Under)	\$ (32,464)	\$ (34,072)	\$ (37,092)	\$ (39,956)	\$ (42,772)
51 Cumulative Over / (Under)	\$ (32,464)	\$ (66,536)	\$ (103,628)	\$ (143,583)	\$ (186,356)
<b>52 Total Net Revenue Requirement</b>	<b>\$ 8,512,245</b>	<b>\$ 9,012,057</b>	<b>\$ 10,151,976</b>	<b>\$ 10,899,747</b>	<b>\$ 11,714,100</b>
53 Total Revenues	\$ 7,021,001	\$ 7,091,235	\$ 7,162,115	\$ 7,233,622	\$ 7,305,870
54 Over/(Under)	\$ (1,491,244)	\$ (1,920,822)	\$ (2,989,861)	\$ (3,666,125)	\$ (4,408,230)
55 Cumulative Over / (Under)	\$ (1,491,244)	\$ (3,412,066)	\$ (6,401,927)	\$ (10,068,052)	\$ (14,476,282)

**Santa Fe Solid Waste Management Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**Revenue Realized Under Proposed Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025	
<b>1</b>	<b><u>Caja del Rio Landfill Tonnage</u></b>					
2	BuRRT	25,568	25,824	26,082	26,343	26,606
3	Commercial, C&D, Others	95,654	96,611	97,577	98,552	99,537
4	Residential	45,569	46,025	46,486	46,950	47,419
5	WWTP & WTP Sludge	1,875	1,894	1,913	1,932	1,951
<b>6</b>	<b>Total Caja de Rio Tons</b>	<b>168,666</b>	<b>170,354</b>	<b>172,058</b>	<b>173,777</b>	<b>175,513</b>
<b>7</b>	<b><u>Caja del Rio Landfill Rates</u></b>					
8	BuRRT	\$ -	\$ -	\$ -	\$ -	\$ -
9	Commercial, C&D, Others	\$ 40.00	\$ 42.50	\$ 47.50	\$ 50.00	\$ 52.50
10	Residential	\$ 40.00	\$ 42.50	\$ 47.50	\$ 50.00	\$ 52.50
11	WWTP & WTP Sludge	\$ 40.00	\$ 52.50	\$ 57.50	\$ 60.00	\$ 62.50
<b>12</b>	<b><u>Caja del Rio Landfill Revenues</u></b>					
13	BuRRT	\$ -	\$ -	\$ -	\$ -	\$ -
14	Commercial, C&D, Others	3,826,160	4,105,968	4,634,908	4,927,600	5,225,693
15	Residential	1,822,760	1,956,063	2,208,085	2,347,500	2,489,498
16	WWTP & WTP Sludge	75,000	99,435	109,998	115,920	121,938
<b>17</b>	<b>Caja del Rio Landfill Revenues</b>	<b>\$ 5,723,920</b>	<b>\$ 6,161,465</b>	<b>\$ 6,952,990</b>	<b>\$ 7,391,020</b>	<b>\$ 7,837,128</b>
<b>18</b>	<b><u>BuRRT Tonnage &amp; Rates</u></b>					
19	Disposal at Transfer Station Tonnage	25,568	25,824	26,082	26,343	26,606
20	Weight - Ton	13,892	14,031	14,171	14,313	14,456
21	4500 - \$6 Unit	14,161	14,303	14,446	14,590	14,736
22	4500 - \$9 Unit	13,942	14,081	14,222	14,364	14,508
23	6500 - \$9 Unit	14,450	14,595	14,741	14,888	15,037
24	Disposal at Transfer Station Rates					
25	Weight - Ton	\$ 50.00	\$ 52.50	\$ 57.50	\$ 60.00	\$ 62.50
26	4500 - \$6 Unit	\$ 6.00	\$ 7.00	\$ 7.50	\$ 8.00	\$ 8.50
27	5500 - \$9 Unit	\$ 9.00	\$ 10.00	\$ 10.50	\$ 11.00	\$ 11.50
28	6500 - \$12 Unit	\$ 12.00	\$ 13.00	\$ 13.50	\$ 14.00	\$ 14.50
29	Disposal at Transfer Station Revenues					
30	Weight - Ton	\$ 694,600	\$ 736,628	\$ 814,833	\$ 858,780	\$ 903,500
31	4500 - \$6 Unit	84,966	100,121	108,345	116,720	125,256
32	5500 - \$9 Unit	125,478	140,810	149,331	158,004	166,842
33	6500 - \$12 Unit	173,400	189,735	199,004	208,432	218,037
<b>34</b>	<b>Total BuRRT Disposal Revenues</b>	<b>\$ 1,078,444</b>	<b>\$ 1,167,294</b>	<b>\$ 1,271,512</b>	<b>\$ 1,341,936</b>	<b>\$ 1,413,635</b>

**Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
Revenue Realized Under Proposed Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
35 <b>Single-Stream &amp; Glass Recycling</b>					
36 Recycling Tonnage					
37 Curbside Recycling	9,568	9,664	9,761	9,859	9,958
38 BuRRT Recycling	712	719	726	733	740
39 Single-Stream Recycling	10,280	10,383	10,487	10,592	10,698
40 Glass Recycling					
41 Charged Glass	1,313	1,326	1,339	1,352	1,366
42 Non-Charged Glass	462	467	472	477	482
43 Glass Recycling	1,775	1,793	1,811	1,829	1,848
44 Recycling Rates					
45 Curbside Recycling	\$ -	\$ -	\$ -	\$ -	\$ -
46 BuRRT Recycling	\$ -	\$ -	\$ -	\$ -	\$ -
47 Charged Glass	\$ 15.00	\$ 42.50	\$ 47.50	\$ 50.00	\$ 52.50
48 Non-Charged Glass	\$ -	\$ -	\$ -	\$ -	\$ -
49 Recycling Revenues					
50 Curbside Recycling	\$ -	\$ -	\$ -	\$ -	\$ -
51 BuRRT Recycling	-	-	-	-	-
52 Charged Glass	19,695	56,355	63,603	67,600	71,715
53 Non-Charged Glass	-	-	-	-	-
54 <b>Total Glass Revenues from Incoming Tonnage</b>	<b>\$ 19,695</b>	<b>\$ 56,355</b>	<b>\$ 63,603</b>	<b>\$ 67,600</b>	<b>\$ 71,715</b>
55 <b>Green Waste</b>					
56 Green Waste Tonnage	6,762	6,830	6,898	6,967	7,037
57 Green Waste Rates	\$ 20.00	\$ 42.50	\$ 47.50	\$ 50.00	\$ 52.50
58 <b>Total Green Waste Revenues from Incoming Tonnage</b>	<b>\$ 135,240</b>	<b>\$ 290,275</b>	<b>\$ 327,655</b>	<b>\$ 348,350</b>	<b>\$ 369,443</b>
59 <b>Scrap Metal</b>					
60 Scrap Metal Tonnage	280	283	286	289	292
61 Scrap Metal Rates	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
62 <b>Total Scrap Metal Revenues from Incoming Tonnage</b>	<b>\$ 4,200</b>	<b>\$ 4,245</b>	<b>\$ 4,290</b>	<b>\$ 4,335</b>	<b>\$ 4,380</b>
63 <b>E-Waste</b>					
64 E-Waste Tonnage	108	109	110	111	112
65 E-Waste Rates	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
66 <b>Total E-Waste Revenues</b>	<b>\$ 5,400</b>	<b>\$ 5,450</b>	<b>\$ 5,500</b>	<b>\$ 5,550</b>	<b>\$ 5,600</b>
67 <b>HHW</b>					
68 HHW Tonnage	66	67	68	69	70
69 HHW Rates	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
70 <b>Total HHW Revenues</b>	<b>\$ 3,300</b>	<b>\$ 3,350</b>	<b>\$ 3,400</b>	<b>\$ 3,450</b>	<b>\$ 3,500</b>

**Santa Fe Solid Waste Management Agency  
Solid Waste Cost of Service and Rate Design Study  
Revenue Realized Under Proposed Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
71 <b>Tires</b>					
72 Tonnage/Units					
73 T-160 - Tons	231	233	235	237	239
74 T6 - Unit	376	380	384	388	392
75 T2 - Unit	2,088	2,109	2,130	2,151	2,173
76 Amnesty Tires - Unit	3,124	3,155	3,187	3,219	3,251
77 Rates					
78 T-160 - Tons	\$ 160.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00
79 T6 - Unit	\$ 6.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00
80 T2 - Unit	\$ 2.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
81 Amnesty Tires - Unit	\$ -	\$ -	\$ -	\$ -	\$ -
82 Tire Revenues					
83 T-160 - Tons	\$ 36,960	\$ 58,250	\$ 58,750	\$ 59,250	\$ 59,750
84 T6 - Unit	2,256	3,040	3,072	3,104	3,136
85 T2 - Unit	4,176	6,327	6,390	6,453	6,519
86 Amnesty Tires - Unit	-	-	-	-	-
87 <b>Total Tire Revenues</b>	<b>\$ 43,392</b>	<b>\$ 67,617</b>	<b>\$ 68,212</b>	<b>\$ 68,807</b>	<b>\$ 69,405</b>
88 <b>White Goods</b>					
89 Tonnage					
90 Appliances	684	691	698	705	712
91 CFC	399	403	407	411	415
92 Free White Goods	10	10	10	10	10
93 Rates					
94 Appliances	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
95 CFC	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
96 Free White Goods	\$ -	\$ -	\$ -	\$ -	\$ -
97 Rates					
98 Appliances	\$ 3,420	\$ 3,455	\$ 3,490	\$ 3,525	\$ 3,560
99 CFC	3,990	4,030	4,070	4,110	4,150
100 Free White Goods	-	-	-	-	-
101 <b>Total White Goods Revenues</b>	<b>\$ 7,410</b>	<b>\$ 7,485</b>	<b>\$ 7,560</b>	<b>\$ 7,635</b>	<b>\$ 7,710</b>
102 <b>Processing Tonnage</b>					
103 Rate	\$ -	\$ 150.00	\$ 160.00	\$ 170.00	\$ 180.00
104 Tonnage	9,252	9,345	9,438	9,533	9,628
105 Revenues	\$ -	\$ 1,401,705	\$ 1,510,128	\$ 1,620,576	\$ 1,733,076
106 <b>Summary of Revenues</b>					
107 Caja del Rio Landfill Revenues	\$ 5,723,920	\$ 6,161,465	\$ 6,952,990	\$ 7,391,020	\$ 7,837,128
108 Transfer Station Revenues					
109 Total BuRRT Disposal Revenues	1,078,444	1,167,294	1,271,512	1,341,936	1,413,635
110 Total Glass Revenues from Incoming Tonnage	19,695	56,355	63,603	67,600	71,715
111 Total Green Waste Revenues from Incoming Tonnage	135,240	290,275	327,655	348,350	369,443
112 Total Scrap Metal Revenues from Incoming Tonnage	4,200	4,245	4,290	4,335	4,380
113 Total E-Waste Revenues	5,400	5,450	5,500	5,550	5,600
114 Total HHW Revenues	3,300	3,350	3,400	3,450	3,500
115 Total Tire Revenues	43,392	67,617	68,212	68,807	69,405
116 Total White Goods Revenues	7,410	7,485	7,560	7,635	7,710
117 <b>Total Transfer Station Revenues</b>	<b>\$ 1,297,081</b>	<b>\$ 1,602,071</b>	<b>\$ 1,751,732</b>	<b>\$ 1,847,663</b>	<b>\$ 1,945,387</b>
118 Processing Revenues	\$ -	\$ 1,401,705	\$ 1,510,128	\$ 1,620,576	\$ 1,733,076
119 <b>Total Revenues</b>	<b>\$ 7,021,001</b>	<b>\$ 9,165,241</b>	<b>\$ 10,214,850</b>	<b>\$ 10,859,259</b>	<b>\$ 11,515,591</b>

**Santa Fe Solid Waste Management Agency**  
**Solid Waste Cost of Service and Rate Design Study**  
**Over / (Under) - Proposed Rates**

	Year 1 FY 2021	Year 2 FY 2022	Year 3 FY 2023	Year 4 FY 2024	Year 5 FY 2025
<b>1 Revenues Realized Under Current Rates</b>					
2 Caja del Rio Landfill Revenues	\$ 5,723,920	\$ 6,161,465	\$ 6,952,990	\$ 7,391,020	\$ 7,837,128
3 BuRRT Revenues					
4 Total BuRRT Disposal Revenues	\$ 1,078,444	\$ 1,167,294	\$ 1,271,512	\$ 1,341,936	\$ 1,413,635
5 Total Glass Revenues from Incoming Tonnage	19,695	56,355	63,603	67,600	71,715
6 Total Green Waste Revenues from Incoming Tonnage	135,240	290,275	327,655	348,350	369,443
7 Total Scrap Metal Revenues from Incoming Tonnage	4,200	4,245	4,290	4,335	4,380
8 Total E-Waste Revenues	5,400	5,450	5,500	5,550	5,600
9 Total HHW Revenues	3,300	3,350	3,400	3,450	3,500
10 Total Tire Revenues	43,392	67,617	68,212	68,807	69,405
11 Total White Goods Revenues	7,410	7,485	7,560	7,635	7,710
12 <b>Total Transfer Station Revenues</b>	<b>\$ 1,297,081</b>	<b>\$ 1,602,071</b>	<b>\$ 1,751,732</b>	<b>\$ 1,847,663</b>	<b>\$ 1,945,387</b>
13 <b>Processing Revenues</b>	\$ -	\$ 1,401,705	\$ 1,510,128	\$ 1,620,576	\$ 1,733,076
14 <b>Total Revenues</b>	<b>\$ 7,021,001</b>	<b>\$ 9,165,241</b>	<b>\$ 10,214,850</b>	<b>\$ 10,859,259</b>	<b>\$ 11,515,591</b>
<b>15 Caja del Rio Landfill</b>					
16 Caja del Rio Net Revenue Requirement	\$ 4,073,772	\$ 4,276,301	\$ 4,965,138	\$ 5,456,692	\$ 5,956,500
17 Caja del Rio Landfill Revenues	5,723,920	6,161,465	6,952,990	7,391,020	7,837,128
18 Over/(Under)	\$ 1,650,148	\$ 1,885,164	\$ 1,987,852	\$ 1,934,328	\$ 1,880,627
19 Cumulative Over / (Under)	\$ 1,650,148	\$ 3,535,311	\$ 5,523,164	\$ 7,457,492	\$ 9,338,120
<b>20 BuRRT</b>					
21 Transfer Station Net Revenue Requirement	\$ 1,277,679	\$ 1,446,168	\$ 1,614,139	\$ 1,683,357	\$ 1,802,962
22 MRF Net Revenue Requirement	1,497,895	1,559,522	1,644,753	1,695,531	1,758,524
23 Transfer Station Disposal Revenues	1,078,444	1,167,294	1,271,512	1,341,936	1,413,635
24 Scrap Metal Revenues from Incoming Tonnage	4,200	4,245	4,290	4,335	4,380
25 Over/(Under)	\$ (1,692,930)	\$ (1,834,151)	\$ (1,983,090)	\$ (2,032,616)	\$ (2,143,471)
26 Cumulative Over / (Under)	\$ (1,692,930)	\$ (3,527,081)	\$ (5,510,171)	\$ (7,542,787)	\$ (9,686,258)
<b>27 Glass Revenue Requirement</b>	\$ 289,069	\$ 297,159	\$ 329,667	\$ 350,977	\$ 371,060
28 Glass Revenues from Incoming Tonnage	19,695	56,355	63,603	67,600	71,715
29 Glass Sales	40,000	40,000	40,000	40,000	40,000
30 Over/(Under)	\$ (229,374)	\$ (200,804)	\$ (226,065)	\$ (243,377)	\$ (259,345)
31 Cumulative Over / (Under)	\$ (229,374)	\$ (430,178)	\$ (656,242)	\$ (899,620)	\$ (1,158,964)
<b>32 Green Waste Revenue Requirement</b>	\$ 946,839	\$ 992,605	\$ 1,139,867	\$ 1,236,894	\$ 1,330,700
33 Green Waste Revenues from Incoming Tonnage	135,240	290,275	327,655	348,350	369,443
34 Mulch Sales and Compost Sales	3,800	3,800	3,800	3,800	3,800
35 Over/(Under)	\$ (807,799)	\$ (698,530)	\$ (808,412)	\$ (884,744)	\$ (957,457)
36 Cumulative Over / (Under)	\$ (807,799)	\$ (1,506,329)	\$ (2,314,741)	\$ (3,199,485)	\$ (4,156,942)
<b>37 E-Waste Revenue Requirement</b>	\$ 70,666	\$ 72,535	\$ 75,152	\$ 77,626	\$ 80,127
38 E-Waste Revenues from Incoming Tonnage	5,400	5,450	5,500	5,550	5,600
39 Over/(Under)	\$ (65,266)	\$ (67,085)	\$ (69,652)	\$ (72,076)	\$ (74,527)
40 Cumulative Over / (Under)	\$ (65,266)	\$ (132,351)	\$ (202,002)	\$ (274,079)	\$ (348,606)
<b>41 HHW Revenue Requirement</b>	\$ 266,518	\$ 274,220	\$ 284,574	\$ 294,578	\$ 304,757
42 HHW Revenues from Incoming Tonnage	3,300	3,350	3,400	3,450	3,500
43 Over/(Under)	\$ (263,218)	\$ (270,870)	\$ (281,174)	\$ (291,128)	\$ (301,257)
44 Cumulative Over / (Under)	\$ (263,218)	\$ (534,088)	\$ (815,262)	\$ (1,106,390)	\$ (1,407,647)
<b>45 Tire Revenue Requirement</b>	\$ 93,735	\$ 95,790	\$ 97,834	\$ 100,302	\$ 102,788
46 Tire Revenues from Incoming Tonnage	43,392	67,617	68,212	68,807	69,405
47 Over/(Under)	\$ (50,343)	\$ (28,173)	\$ (29,622)	\$ (31,495)	\$ (33,383)
48 Cumulative Over / (Under)	\$ (50,343)	\$ (78,516)	\$ (108,138)	\$ (139,633)	\$ (173,016)
<b>49 White Goods Revenue Requirement</b>	\$ 39,874	\$ 41,557	\$ 44,652	\$ 47,591	\$ 50,482
50 White Good Revenues from Incoming Tonnage	7,410	7,485	7,560	7,635	7,710
51 Over/(Under)	\$ (32,464)	\$ (34,072)	\$ (37,092)	\$ (39,956)	\$ (42,772)
52 Cumulative Over / (Under)	\$ (32,464)	\$ (66,536)	\$ (103,628)	\$ (143,583)	\$ (186,356)
<b>53 Total Net Revenue Requirement</b>	\$ 8,512,245	\$ 9,012,057	\$ 10,151,976	\$ 10,899,747	\$ 11,714,100
54 Total Revenues	\$ 7,021,001	\$ 9,165,241	\$ 10,214,850	\$ 10,859,259	\$ 11,515,591
55 Over/(Under)	\$ (1,491,244)	\$ (153,183)	\$ 62,874	\$ (40,488)	\$ (198,509)
56 Cumulative Over / (Under)	\$ (1,491,244)	\$ (1,338,061)	\$ (1,275,187)	\$ (1,315,675)	\$ (1,514,185)

# MEMORANDUM

**To:** SFSWMA Joint Powers Board Members  
**From:** Randall Kippenbrock, P.E., Executive Director  
**Date:** February 15, 2021  
**Subject:** Election of Chair and Vice Chair

RLK

Below are the past chair and vice-chair for the Board. Generally, the city and county members of the Board alternate the chair and vice-chair positions. The matter is before the Board for discussion and possible action.

Term	Chair	Vice-Chair
Mar 2020 - Feb 2021	Commissioner Anna Hansen	Councilor JoAnne Vigil Coppler
Mar 2019 - Feb 2020	Councilor Renee Villarreal	Commissioner Anna Hansen
Mar 2018 - Mar 2019	Commissioner Anna Hamilton	Councilor Renee Villarreal
Mar 2017 - Mar 2018	Councilor Mike Harris	Commissioner Anna Hamilton
Mar 2016 - Feb 2017	Commissioner Kathy Holian	Councilor Mike Harris
Jan 2015 - Mar 2016	Councilor Joseph Maestas	Commissioner Kathy Holian
Jan 2014 - Jan 2015	Commissioner Miguel Chavez	Councilor Joseph Maestas
Jan 2013 - Jan 2014	Councilor Peter Ives	Commissioner Miguel Chavez
Mar 2012 - Dec 2012	Commissioner Virginia Vigil	Councilor Peter Ives
Mar 2011 - Feb 2012	Councilor Rosemary Romero	Commissioner Virginia Vigil
Feb 2009 - Feb 2011	Councilor Rosemary Romero	Commissioner Liz Stefanics Commissioner Harry Montoya
Mar 2008 - Jan 2009	Commissioner Virginia Vigil	Councilor Chris Calvert Councilor Rosemary Romero
Feb 2007 - Feb 2008	Councilor Ron Trujillo	Commissioner Paul Campos
Jul 2006 - Jan 2007	Commissioner Virginia Vigil	Councilor Ron Trujillo