

**MINUTES OF THE CITY OF CARLSBAD BUDGET COMMITTEE MEETING HELD
IN THE CITY HALL PLANNING ROOM ON MARCH 27, 2026, AT 9:00 A.M.**

Present:	Jason O. Chavez	Chairman/Councilor
	Edward T. Rodriguez	Councilor
	Mark C. Walterscheid	Councilor
	Jeff Forrest	Councilor
Absent:		
Also Present:	Wendy Austin	City Manager
	K.C. Cass	Chief Operating Officer
	Melissa Salcido	Finance Director
	Jessica Ponce	Budget/Grants Analyst
	Brittany Aragon	Fixed Asset and Inventory Accountant
	Jalynn Dominguez	Open Meetings Act Manager
	Collis Johnson	Municipal Judge
	Kyla Gonzales	HR Director
	Wayne Hatfield	IT Director
	Nadine Mireles	City Clerk
	Randy Galindo	Safety and Compliance Director
	Angie Barrios-Testa	Director of Grant Programs
	Jeff Patterson	Planning Director
	Frank Fierro	Project Specialist
	Dina Navarrette	Director of Community Development
	Pat Cass	Director of Public Works
	Tony Souza	Fire Chief
	Jessie Rodriguez	Chief of Police
	Eddie Duarte	Assistant Chief of Police
	Mike Abell	Director of Utilities

Time Stamps and headings below correspond to recording of meeting and the recording is hereby made a part of the official record.

0:00:19 **1. ROLL CALL AND DETERMINATION OF QUORUM**

Roll was called determining the presence of a quorum.

0:00:33 **2. APPROVAL OF MEETING MINUTES – MARCH 20, 2026**

0:00:39

MOTION

The motion was made by Councilor Rodriguez and seconded by Councilor Walterscheid to approve the meeting minutes for March 20, 2026

0:00:46

VOTE

The vote was as follows; Yes - Chavez, Rodriguez, Walterscheid, Forrest; No - None; Absent - None; the motion carried.

0:00:54

3. CONSIDER APPROVAL OF BUDGET ADJUSTMENT REQUESTS

K.C. Cass presented the budget adjustment requests to the Budget Committee. He stated that the first request is to replenish the funds for the North Mesa Remodel project fund that were borrowed for the Friendship Park docks project. He said that the next request is for the Land & Water Conservation fund grant for the Shorthorn Rehabilitation project. He stated that the next request is the Department of Finance and Administration (DFA) match grant for the Shorthorn Rehabilitation project. **Mr. Cass** said the next request is for the New Mexico Department of Transportation (NMDOT) Tribal/Local Public Agency (TLPA) Highway Infrastructure funds for the Dark Canyon Bridge design phase. He stated that preliminary design on the bridge is almost complete, and construction funds have been applied for. He said the request for the Fire Protection Fund is to purchase a new fire engine. He stated that the last request is to increase operating due to claims coming in higher than budget.

- **Capital Projects Fund** – Replenish funds for the North Mesa Remodel project that were borrowed for the Friendship Park docks project.
- **Capital Projects Fund** – Land & Water Conservation fund grant for the Shorthorn Rehabilitation project.
- **Capital Projects Fund** – DFA match grant for the Shorthorn Rehabilitation project.
- **Capital Projects Fund** – NMDOT TLPA Highway Infrastructure funds for the Dark Canyon Bridge design phase.
- **Fire Protection Fund** – Purchase a Fire Engine.
- **Insurance Fund** – Increase operating due to claims coming in higher than budget.

0:06:36

MOTION

The motion was made by Councilor Rodriguez and seconded by Councilor Walterscheid to approve the Budget Adjustment Requests

0:06:43

VOTE

The vote was as follows; Yes - Chavez, Rodriguez, Walterscheid, Forrest; No - None; Absent - None; the motion carried.

0:06:50 **4. BUDGET ADJUSTMENT INCREASE AND DECREASE**

Ms. Salcido reviewed the FY 25/26 Increase/Decrease Budget adjustments with the Budget Committee.

0:11:30 **5. DIRECTOR BUDGET PRESENTATIONS FOR FY 27**

0:11:35 **A. Municipal Court**

Collis Johnson reported that there are currently five attorneys providing indigent representation. She said there is one local attorney, three from within the state, and one from out of state.

Councilor Chavez asked whether indigent representation is required by law. **Judge Johnson** said yes.

Judge Johnson stated that the court continues to use Perdue Collection Agency, based in Lubbock, Texas, to handle outstanding failure-to-pay bench warrants. She reported that the first phase of the Tyler software transition, including data extraction and system setup, has been completed. She stated a Project Manager is expected to be assigned to oversee training and implementation, which will continue into the 2026-2027 fiscal year. She said staff has completed a training with Global Carnegie Master, with additional training planned throughout the fiscal year. **Judge Johnson** stated that Municipal Court will continue to use Certified Language Interpreters (CLI) when bilingual clerks are not available.

Councilor Rodriguez asked who would be responsible for transferring data to the new Tyler system. **Judge Johnson** responded that Tyler Technologies, along with the City's IT Department, will assist with the data transfer.

0:17:53 **B. Human Resources**

Kyla Gonzales stated that the primary goal for the upcoming fiscal year is to implement a new comprehensive human resources platform. She said the current human resources processes are paper-based, and adopting a human resources software system would allow the City of Carlsbad to transition to an online platform.

Councilor Chavez asked whether this system would be included in the software that was recently purchased. **Mr. Cass** clarified that the requested software is specifically intended to streamline human resources processes. **Ms. Gonzales** added that the proposed software is designed for the government sector and aligns with applicable laws, rules, and regulations. She noted that it is compatible with Tyler software and can be configured to upload updates into the Tyler human resources platform.

Councilor Walterscheid asked whether the software would require replacement or updates over time. **Ms. Gonzales** responded that the system can be used for as long as

the city chooses to maintain. She also highlighted the inclusion of an employee portal to simplify access and navigation.

Councilor Chavez asked whether the cost would be a one-time fee or subscription-based. **Ms. Gonzales** stated that the software operates on a subscription basis with a three-year contract, adding that the City may exit the agreement without penalty if necessary.

Councilor Rodriguez asked whether employee records would remain in paper form or be converted to digital files. **Ms. Gonzales** explained that both physical and digital copies will be maintained. She stated that the system includes an onboarding feature, allowing new employees to complete required paperwork prior to their start date.

0:29:04 **C. Information Technology**

Wayne Hatfield stated the Adobe licensing was upgraded this year. He said that, because the licensing is subscription-based, costs have increased. He stated that copier leases are set to expire at the end of the year and will be subject to a 12% tariff increase. He said there is a significant increase in website costs, rising from \$10,000 to \$45,000. Regarding capital improvements for the Council Chambers, **Mr. Hatfield** stated that upgrades will include new microphones and touchscreens at all of the councilor's stations, as well as an additional unit at the podium. He said cameras will be installed to allow for the recording of City Council meetings if needed.

0:40:53 **D. City Clerk**

Nadine Mireles stated that over the past year, the City Clerk Department has successfully implemented Tyler Content Manager Enterprise and CivicPlus Agenda and Meeting Management systems. She said all boards and committees are currently in transition, with 15 boards already successfully migrated and the final phase of implementation scheduled for June of this year. **Ms. Mireles** stated that while these improvements have increased efficiency, the office has also experienced a significant rise in IPRA activity, with requests increasing by 52.9% from 2024 to 2025. Due to the higher volume, particularly video requests, the Clerk's office is requesting one additional full-time IPRA Specialist. She said that this position would help maintain compliance, reduce backlog, and keep pace with continued growth.

Councilor Forrest asked who primarily submits video requests. **Ms. Mireles** said that most requests come from members of the public.

Councilor Chavez asked whether police reports are redacted through the City Clerk Department. **Ms. Mireles** said yes.

Councilor Forrest asked whether members of the public must go to the Police Department or the Clerk's office to request police video. **Ms. Mireles** stated that the public can make a request in the Clerk's office or online.

0:51:43

E. Safety

Randy Galindo stated that no additional labor or capital is being requested for the upcoming fiscal year. He said the Safety Department will be relocating to a new facility within the coming weeks. He stated a computer lab and a dedicated training room will be established at the new location.

0:56:00

F. Finance

Melissa Salcido stated that no additional labor or capital is being requested for the upcoming fiscal year. She said the implementation of OpenGov for procurement, along with ClearGov, is expected to be fully complete by Fiscal Year 28.

0:58:20

G. Grant Programs

Angie Barrios-Testa stated that the Grant Programs Department has completed its first full year operating as a standalone department. She said that in Fiscal Year 2026, the City of Carlsbad has secured \$16,000,000 in grant funding, with an additional \$2,000,000 expected in the coming weeks. She stated the department aims to improve tracking, reporting, and training in fiscal year 2027. She said the proposed budget is flat, with no requests for additional labor or capital.

Councilor Forrest asked about the Shorthorn Grant. **Ms. Barrios-Testa** stated the grant is expected to be received within the next week from the Land and Water Conservation Program.

1:10:43

H. Planning & Regulation

Jeff Patterson stated the majority of the department's request is allocated toward renovating office space. He explained that plans include closing off the front of the office and installing payment windows to improve safety for staff and the public. He added that the redesign will be unified with the Water Department's remodel at City Hall.

Councilor Walterscheid asked whether there is sufficient space upstairs in the Planning and Zoning Building. **Mr. Patterson** responded that space is currently limited.

Councilor Walterscheid asked when the remodel is expected to begin. **Mr. Patterson** said once the request for proposals is completed, plans are selected, and the fiscal year budget is approved, the project will move forward.

Councilor Chavez asked whether Code Enforcement Officers are now assigned by district. **Mr. Patterson** confirmed that they are, noting that one officer is specifically assigned to commercial properties.

1:24:34

I. Projects/Facility Maintenance

K.C. Cass stated that the roof drain system at the Riverwalk Recreation Center is failing, and a roof drain improvement project has been designed to address ongoing leaks. He said a new roof is needed for the facility located at 201 S. Halagueno. He stated an

addition to the floating bridge docks is being proposed to improve safety and structural stability. **Mr. Cass** introduced **Mr. Fierro** to discuss additional requests. **Mr. Fierro** said the former San Jose Senior Recreation Center has been demolished, and plans are moving forward to expand space for Facility Maintenance. **Mr. Cass** stated outlining further proposed projects, including the installation of a shade structure over the fitness court at the Riverwalk Recreation Center. He also mentioned a request for Total Roof Management services, which would provide ongoing maintenance and evaluation of City roofs. He said requests include electrical upgrades to Halagueno Arts Park and the construction of a roundabout on Callaway Drive. **Mr. Cass** said with the upcoming development of the Flumes subdivision and continued growth in that area of town, the roundabout is intended to help manage increased traffic, particularly during school dismissal times.

1:47:07

J. Community Development

Dina Navarrette stated the Library has one capital request replacement of the fire alarm system. She said the current system is obsolete, cannot be upgraded, and must be fully replaced. She discussed Airport needs, noting that winter weather challenges, particularly during snowfall, highlighted the need for a snowplow. She stated that any equipment purchased must meet Federal Aviation Administration requirements to ensure runway markings are not damaged during snow removal. Additionally, she said a utility vehicle (gator) equipped with a boom sprayer is needed to expand weed control efforts. **Ms. Navarrette** said two windsocks have been identified for replacement during the most recent inspection and the current budget will cover both. She said current efforts at the Riverwalk Recreation Center are centered on repairing the stucco and repainting the facility. She said there was an issue on the east side of the building where wasps and bees have been nesting, including a recent incident in which a citizen was stung. She stated staff will be provided with EpiPens following proper training. **Ms. Navarrette** then addressed Golf Course projects, stating the first phase of the netting project is expected to begin soon. She stated the netting is designed as breakaway material to prevent structural damage if pulled. She said that full swing launch monitors are being used regularly and that an equipment lift for a new mechanic is scheduled for installation. She stated a walk-in cooler is needed to store concession supplies, particularly with the upcoming opening of a new concession area and the pro shop remodel, which will eliminate existing storage space.

Councilor Chavez asked whether the walk-in cooler would be secured. **Ms. Navarrette** said yes.

Ms. Navarrette next discussed the Water Park. **Councilor Walterscheid** asked about issues with the showers. **Ms. Navarrette** explained there are upgrades planned to install automatic shut-off features. She added that for the upcoming fiscal year, requests include repairs to handicap lifts, inline strainers, and safety valves.

Ms. Navarrette stated no requests are being made at this time for the North Mesa Center.

Ms. Navarrette stated that Phase 3 of the Alejandro Ruiz Senior Center remodel will begin soon. She explained that planned additions including a walking path, pickleball courts, canopy structures, and turf grass will enhance the facility.

Ms. Navarrette stated the Bob Forrest Youth Sports Complex, will be conducting an evaluation of turf conditions and the drainage system. She added that estimates are currently being gathered for a PA system and camera system.

Councilor Chavez asked whether plans for the camera system would be presented to City Council. **Ms. Navarrette** confirmed that the system will be presented once completed.

2:21:15

K. Public Works

Pat Cass stated the first request is for the Streets Department. He said it includes an increase in funding for street signs and pavement markings. He stated the most critical capital request is for a new water truck, explaining that the current unit is obsolete and replacement parts are increasingly difficult to obtain. He added that the requested snowplows for the loader and dump truck are intended for the Streets Department, noting that the equipment requested for the Airport is specifically designed for airport conditions. **Mr. Cass** also highlighted the need for an asphalt burner to assist with repairing potholes and cracks, as well as a boom mower to maintain embankments and drainage areas within rights-of-way.

Councilor Rodriguez asked whether the cost of the water truck was based on a formal quote. **Mr. Cass** said yes.

Mr. Cass then outlined additional departmental requests for the Parks Department, stating that an increase in vehicle maintenance is requested in the operating budget and that capital requests are primarily for reoccurring maintenance needs. He stated the Remote-Control Airport located at the Shooting Range is heavily utilized and may require ongoing repairs to remain in good condition. He stated that Community Services is not requesting any changes.

He further reported that the Garage Department is experiencing increased vehicle maintenance costs and requires upgrades to the wash bay. **Mr. Cass** stated the Electrical Department is requesting a new Field Maintenance Superintendent position. He added that the Construction Department is requesting two new pickup trucks, and the Cemetery Department is requesting the installation of two automatic gates. He stated the Transit Department is requesting the installation of security cameras and an additional vehicle canopy.

2:46:05

L. Fire

Tony Souza reviewed the Fire Department's strategic accomplishments, stating that several grant-funded projects such as LifePak 35 cardiac monitors, the Early Warning System, and associated monitoring systems have been successfully implemented or are near full implementation. He stated no increase in labor is being requested at this time and confirmed that the Fire Department is currently fully staffed. He said the operating budget includes funding for the Stryker ProCare extended warranty program, which covers preventative maintenance and necessary repairs for ambulance costs, power loaders, and mechanical CPR devices. He explained that equipment covered under the warranty is repaired at no cost, and if an item cannot be repaired, a discounted replacement fee is applied. He added that even older equipment is included under the program. **Mr. Souza** said the Ambulance Supplemental Payment Program supports Medicaid reimbursements. He noted several agencies across the state, including Artesia, currently utilize the program to offset costs.

Councilor Forrest asked how long Artesia has participated in the program. **Mr. Souza** said they have been involved since 2021.

Councilor Rodriguez asked about reimbursement turnaround time. **Mr. Souza** stated reimbursements are typically received within the quarter following submission.

Mr. Souza then outlined capital project requests, including the purchase of a Type 1 ambulance funded through a capital outlay grant, as well as badge reader systems to replace outdated keypad access at fire stations. He stated Fire Station 7 requires generator relocation and replacement to ensure uninterrupted power during emergencies. He added that a bathroom remodel at Station 2 is planned to improve privacy and provide separate facilities for male and female personnel. He further described the Rapid Extraction Module (REM) project, which supports emergency response for out-of-city wildland deployments. **Mr. Souza** stated a new UTV and specialized upfitting are needed to enhance off-road rescue capabilities. He also noted the need to replace aging portable radios with modern digital units, which would allow direct communication with Eddy County Fire Rescue.

Councilor Walterscheid asked whether the communication upgrades would improve coordination with Eddy County Fire. **Mr. Souza** said yes, explaining that the digital radio system would enable direct communication compatibility.

Mr. Souza stated the last request is for new Toughbook computers for all frontline ambulances. He explained that due to the transition to a new computer aided dispatch system, the current laptops are no longer compatible and cannot be upgraded to Windows 10, which is required for system functionality.

3:18:35

M. Police

Jessie Rodriguez stated that no new labor positions are being requested this year. He said the Police Department was recently granted an additional Animal Control Officer position, bringing the Animal Control staff to a total of three. He said the department continues to face recruitment and retention challenges, and emphasized that maintaining full staffing levels is critical to ensuring effective service delivery and officer safety. **Mr. Rodriguez** stated the department is currently working to fill existing vacant positions that have already been approved by the board. He said the Police Department continues to grow, noting that over the past three years, 25 positions have been added. He then discussed operating budget priorities, stating the department is focused on maintaining effective day-to-day operations while supporting the needs of officers and support staff. He identified key funding areas including professional and technical services, essential police equipment, ongoing maintenance for facilities, and fleet maintenance. **Mr. Rodriguez** added the budget also supports training and recruitment efforts. He then outlined capital project requests, stating that funding will support equipment, fleet, and technology needs. He said this year's requests include three Security Trailer Camera Systems, which can be accessed remotely or through subscriber identity module card connectivity. He stated that over the past year, 13 vehicles were retired due to age or because repair costs exceeded their value. **Mr. Rodriguez** stated the department is requesting four new patrol vehicles, as well as two Crime Scene Investigation (CSI) vehicles. He explained the current CSI vehicles are outdated and in need of replacement, and the two new Ford F-150s would be outfitted specifically for crime scene investigation needs. He stated an additional Ford F-150 4x4 with an investigative upfit package is being requested to support investigative personnel and other departmental uses. He noted a request for thermal surveillance equipment, describing it as a binocular system capable of detecting heat signatures in low-visibility or nighttime conditions. **Mr. Rodriguez** stated the department has a recurring annual request for replacement K-9 units, noting that K-9 Echo retired in 2025. He said the department typically maintains four K-9 teams, but currently only has three.

3:34:21

N. Utilities

Mike Abell stated the first request is for the Water Department. He said no labor changes are being requested at this time, though minor budget adjustments are needed to cover recurring costs. For capital, the Water Department is requesting two electric pallet jack/forklifts for the Central Warehouse, as the current unit is too large for the space. He stated that engineering work for several water line projects, including upgrades in the Tree Street area and the Dark Canyon waterline crossing between Boyd Drive and Standpipe Road. **Mr. Abell** stated the Wastewater Treatment Department, has no labor changes being requested. He said there are minor budget adjustments for recurring costs, along with requests for a new lawn mower and yard equipment, and funding to replace variable frequency drives. He stated the Double Eagle Department is not requesting any labor changes and is only requesting small budget adjustments to cover reoccurring expenses. He reported a request for Supervisory Control and Data

Acquisition (SCADA) upgrades for the wellfield. **Mr. Abell** stated financing has been secured for the Tatum to Double Eagle water line connection. He said the Sewer Collections Department is requesting no labor changes and minor budget adjustments are needed for recurring costs. Capital requests include a new manhole camera for inspecting manholes and a small sewer line jetting machine for use in narrow easements and alleys. He stated that a new lift station on West Shaw is being requested, which would be located under the CID Canal. He said funding is being requested for the installation of a second wet well at the Primary Lift Station, estimated at \$9,000,000. He stated that the current lift station is undergoing repairs, with emergency repair costs already reaching approximately \$1,000,000.

Councilor Walterscheid asked how old the lift station is. **Mr. Abell** stated that it was installed in 2001 and has had no major maintenance due to lack of backup capacity. He said that a recent failure caused a football-sized hole in the discharge piping, which was temporarily repaired with a clamp. He stated that the piping is original to the system and is deteriorating after approximately 25 years of service. **Councilor Walterscheid** asked where the primary lift station is located. **Mr. Abell** stated it is in the lower Tansill area, where all city sewage is collected before being sent to the wastewater treatment plant.

Mr. Abell stated the Environmental Services are requesting no labor changes and requested only minor budget adjustments for recurring costs. He requested additional portable samplers for the Industrial Pollution Prevention (IPP) program, explaining that these devices are placed in manholes to discreetly sample wastewater. **Mr. Abell** stated the Solid Waste Department is requesting no labor changes and requested minor budget adjustments for recurring costs. He said requests include equipment and replacement vehicles, as well as the implementation of the Rubicon route software system. He stated all trucks are equipped with cameras, allowing staff to document missed pickups and improve accountability. He said the system will help optimize routes and improve safety for both staff and the public. He said requests include roll-off container replacements, a towing body for disabled refuse trucks, and vehicle replacements including a front-load ARC truck, a sideload barrel truck, and a sideload container truck. **Mr. Abell** requested a new telehandler forklift to move containers in the container yard, with potential use across other City departments.

Councilor Walterscheid asked whether the Solid Waste Department intends to transition to front-load trucks or continue using sideload trucks. **Mr. Abell** stated that routes were originally designed for right-side loading and that most commercial properties along Pierce Street, National Parks Highway, and Canal use front-load containers.

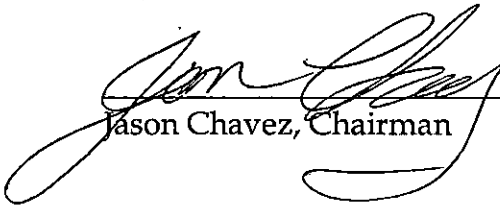
Councilor Chavez asked whether sideload barrel trucks still cost around \$600,000, and **Mr. Abell** said yes. **Councilor Chavez** also asked about reducing damage to containers, noting public complaints. **Mr. Abell** stated sideload barrel trucks are designed to lift

containers up to about 400 pounds, but issues occur when overweight containers, sometimes up to 1,000 pounds are lifted, causing damage. He said approximately \$36,000 in replacement containers were purchased in the last half of the year, with about \$70,000 spent annually on replacements.

4:04:42

Adjourn

With no further business Chairman Chavez adjourned the meeting at 2:54 PM.



Jason Chavez, Chairman

05-01-2026
Date