

**MINUTES OF THE CITY OF CARLSBAD SPECIAL BUDGET COMMITTEE
MEETING HELD AT 114 S. HALAGUENO ST. ON MARCH 20, 2026, AT 1:00 P.M.**

Present:	Jason O. Chavez Edward T. Rodriguez Mark C. Walterscheid Jeff Forrest	Chairman/Councilor Councilor Councilor Councilor
Absent:		
Also Present:	Wendy Austin Melissa Salcido Jessica Ponce Brittany Aragon Jalynn Dominguez Stephan Brown Michelle Martinez Erika Wright Chad Ingram Joana Wells Robert Jacquez Susan Crockett Denise Green Larry Gregory Danielle Hernandez Luis Ortega Pansy Moffitt Kristy Crockett Gary Washburn	City Manager Finance Director Budget/Grants Analyst Fixed Asset and Inventory Accountant Open Meetings Act Manager Compliance Clerk Boys & Girls Club Carlsbad Battered Families Shelter Carlsbad Chamber of Commerce Carlsbad Community Anti-Drug/Gang Coalition Carlsbad Community of Hope Center CDOD Carlsbad MainStreet Carlsbad Transitional Housing & Homeless Shelter MyPower Pecos Valley Drug Taskforce SENMEDD SNMCAC Carlsbad Municipal Schools

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

0:04:44 **1. ROLL CALL AND DETERMINATION OF QUORUM**

Roll was called determining the presence of a quorum.

0:04:57 **2. APPROVAL OF MEETING MINUTES - FEBRUARY 27, 2026**

0:05:03

MOTION

The motion was made by Councilor Rodriguez and seconded by Councilor Walterscheid to approve the meeting minutes for February 27, 2026

0:05:04

VOTE

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

0:05:22

3. PRESENTATION AND DISCUSSION REGARDING ANNUAL FUNDING REQUESTS FROM OUTSIDE AGENCIES

0:06:09

A. Affirming Heart Victim Services

No one appeared.

0:06:27

B. Boys & Girls Club

Michelle Martinez stated that the Boys & Girls Club has experienced significant growth this year. She said that the organization has recently obtained state licensure and expects enrollment to increase to 300 children by the end of May. **Ms. Martinez** noted that building improvements are their primary focus this year. One of the most critical upgrades is the roof, with an estimated cost of approximately \$430,000 to install skylights.

Councilor Forrest asked why skylights are required. **Ms. Martinez** explained that, as part of state licensing requirements, each room must have at least 20% ambient lighting. She stated that the main building currently has no windows, making the roof upgrade essential. She also noted that the state requires an accessible playground. She said in the meantime, the playground at Alta Vista may be used until a new one is constructed at the Boys & Girls Club.

Councilor Chavez asked whether the additional \$50,000 in the request was solely for the roof. **Ms. Martinez** confirmed that it was. **Councilor Chavez** also asked whether the state would provide reimbursement of \$540 per child per month upon licensure. **Ms. Martinez** said yes.

Councilor Rodriguez raised concerns about space, noting that the building is landlocked and asked where the playground would be located. **Ms. Martinez** responded that an alleyway was granted to the Boys & Girls Club last year, and she has coordinated with a nearby storage company, which has agreed to allow a playground to be built behind their business. She stated that the entire back portion would be used for this purpose.

Councilor Rodriguez asked about staff training and certification. **Ms. Martinez** explained that staff without a degree must obtain Early Childhood Development Center

(ECDC) certification through the state. She added that all program directors have already completed this certification and are state licensed.

0:14:50 **C. Carlsbad Battered Families Shelter**

Erika Wright stated that the Battered Families Shelter provides temporary housing for most families. She explained that the shelter supplies everything clients need to help them get back on their feet before transitioning out. **Ms. Wright** added that if an individual is not safe remaining in town but has support elsewhere, the Carlsbad Battered Families Shelter will assist in arranging transportation to a safer location. She stated that, over the past year, transportation and translation services have been the shelter's most significant expenses.

0:19:01 **D. Carlsbad Chamber - Retirement Division**

Chad Ingram stated that this request is in support of the age-friendly community initiative that the city has partnered with for several years. He explained that the funding will help advance efforts related to making Carlsbad more supportive and accommodating for retirees. He also noted that Carlsbad was the first age-friendly community established in New Mexico.

0:20:13 **E. Carlsbad Chamber of Commerce**

Mr. Ingram stated that over the past several years, the Chamber has established an operating partnership with the City. He explained that the Chamber provides oversight of the Mayor's Development Fund, hosts Eddy County receptions, organizes the Energy Summit, and assists with planning the annual Fourth of July celebration. He also noted that efforts are being made to better distinguish Chamber volunteers by providing identifiable attire.

0:21:58 **F. Carlsbad Chamber of Commerce - City Economic Fund**

Mr. Ingram stated that this request is for \$40,000 to support the City's Development Fund. He explained that these funds would be used for travel expenses for City officials, as well as for hosting visitors coming into the community.

0:23:09 **G. Carlsbad Community Anti-Drug/Gang Coalition**

Joana Wells stated that since the organization's inception, it has partnered with the city and has received funding for the Teen Court of Eddy County program since its launch in 2010. She explained that the organization's primary focus is on prevention efforts, and as a result, the Teen Court program will be transferred to the Eddy County Driving While Intoxicated (DWI) program. **Ms. Wells** stated that the organization hosts events that are free for all youth to attend. She also highlighted positive outcomes from the program, stating that alcohol use among high school students in Carlsbad has decreased by 61.6%, marijuana use has decreased by 54%, and e-cigarette use and vaping have decreased by 60%. She noted that such significant changes over a short period of time are uncommon.

Councilor Rodriguez asked how these percentages were determined. **Ms. Wells** explained that annual surveys are conducted among students in grades 6 through 12, including all available participants. She added that results are typically received within two months, allowing the organization to monitor emerging drug trends and implement timely prevention strategies.

0:36:10 **H. Carlsbad Community of Hope Center**

Robert Jacquez stated that the \$40,000 funding request will be used to continue providing essential services to the community. He explained that the partnership with the city has helped restore hope, dignity, and stability for many individuals. He noted that the Carlsbad Community of Hope Center has proudly served the community for over 10 years. **Mr. Jacquez** stated that both immediate and long-term needs are addressed through the organization's support services.

0:51:23 **I. Carlsbad Department of Development**

Susan Crockett stated that this request is for \$200,000 to continue coordinating economic development services on behalf of the city. She explained that over the past year, the Carlsbad Department of Development (CDOD) has undergone significant transformation and progress. She noted that the organization has strengthened its financial controls, improved transparency, and implemented more robust reporting practices. She reported that the CDOD is actively managing more than 120 projects across retail, housing, and industrial sectors. Over the past two years, the CDOD has helped advance projects representing more than \$46,000,000 in retail capital investment, contributing to nearly \$750,000,000 in total public-private investment to date. **Ms. Crockett** noted that the organization has undergone many changes and is currently in the midst of implementing its strategic plan.

Councilor Walterscheid asked whether economic development has become stagnant or if progress is continuing. **Ms. Crockett** responded that progress is ongoing, noting that three groundbreaking have already taken place this month, with another scheduled before the end of the month.

0:59:05 **J. Carlsbad MainStreet**

Denise Green stated that this request is for \$100,000 to continue supporting and driving revitalization efforts in the heart of the community. She explained that over the past year, Carlsbad MainStreet has taken on oversight and management of the Cavern Theater, and a three-year business plan for the theater is currently underway. **Ms. Green** stated that in fiscal years 2025 and 2026, the Farmers and Makers Market was expanded into a full-time, year-round operation. She also highlighted their signature event, CavernFest will be held in the beach parking lot rather than in the downtown area. She said MainStreet has worked closely with the city on events such as the Fourth of July Parade, the Light Parade, and the Halagueno Arts Park light show held during the holiday season. **Ms. Green** stated that for fiscal years 2026 and 2027, Carlsbad

MainStreet plans to continue working with a New Mexico MainStreet Revitalization Specialist to support local businesses.

Councilor Walterscheid asked which businesses are expected to move into the downtown area. **Ms. Green** responded that anticipated additions include a children's business, an office space, and a destination-style establishment.

Councilor Forrest asked about the status of the Cavern Theater. **Ms. Green** stated that operations are going well and that they are currently in the process of hiring a manager.

1:04:00 **K. Carlsbad Transitional Housing & Homeless Shelter**

Larry Gregory stated that the Carlsbad Transitional Housing and Homeless Shelter is currently housing eight families across six transitional homes. He noted that the program is at 100% occupancy and has remained at full capacity for several years.

Mr. Gregory stated that the organization is seeking to purchase an additional home in order to house one of the six qualified families currently waiting. He added that no homes are expected to become available until the end of the second quarter. He also noted that their emergency shelter is at full capacity. In 2024, the organization provided housing assistance to 92 clients.

Councilor Forrest asked whether the request to purchase another home is due to continued full occupancy. **Mr. Gregory** said yes.

1:09:21 **L. Eddy Lea Energy Alliance**

Ms. Austin stated that the City contributes \$25,000 annually to the Eddy-Lea Energy Alliance (ELEA) fund, along with contributions from the City of Hobbs, Eddy County, and Lea County. She noted that the City of Carlsbad currently serves as the fiscal agent for these funds.

1:11:19 **M. MyPower Mentoring Circles**

Daniell Hernandez stated that last year MyPower operated in one school, Cottonwood Elementary, and this year has expanded into a second school, Desert Willow Elementary. She explained that the request for \$75,000 is intended to support this growth and expansion. She noted that serving just two schools in Carlsbad is almost equivalent in scale to the original Lea County program, which started in 2010. Participation rates are high, with 90% at Cottonwood and 86% at Desert Willow.

Councilor Chavez asked how MyPower could expand to another school in Carlsbad. **Ms. Hernandez** stated that, given the high participation at the elementary level, she plans to continue focusing on elementary schools.

Councilor Walterscheid asked if there had been any public pushback against the program. **Ms. Hernandez** said no.

1:24:34 **N. Pecos Valley Drug Taskforce**

Luis Ortega stated that this request is intended to continue providing the Drug Taskforce with equipment, training, and maintenance support. He explained that funding from the High Intensity Drug Trafficking Area (HIDTA) program is limited and primarily used for overtime, training, and purchasing information to support investigations. He also noted that new personnel have been hired, while some staff members have left due to promotions or transfers to other departments.

1:31:30 **O. SENMDD**

Pansy Moffitt stated that this request is for \$7,641. She explained that the Southeastern New Mexico Economic Development District (SENMDD) continues to provide support for state and local governments. SENMDD serves five counties Lea, Chavez, Eddy, Lincoln, and Otero and 21 municipalities within those counties. She noted that SENMDD assists with capital outlay requests and is currently administering grants for the city, including projects for the Alejandro Ruiz Senior Center.

Councilor Walterscheid asked whether SENMDD has specialized employees working on the City's projects. **Ms. Moffitt** replied that there are two consultants, one who is working specifically on a city project, and that the director is highly knowledgeable about all ongoing projects.

1:35:40 **P. Southeast NM Community Action Corporation**

Kristy Crockett stated that this request is intended to support meals delivered to senior citizens in need. She explained that the Southeast New Mexico Community Action Corporation (SNMCAC) prepares approximately 120,000 meals annually, with about 70% of these delivered directly to seniors' homes. She noted that fuel and a recent 30% increase in insurance have made home deliveries more costly. **Ms. Crockett** stated that SNMCAC plans to add two additional delivery routes in Carlsbad to expand meal availability to more seniors. She also highlighted partnerships with the community to install ramps to help clients reach medical appointments and collaborations with United Way and Intrepid to provide lawn care and yardwork for seniors unable to manage these tasks themselves. She added that SNMCAC has emergency procedures in place to ensure meals are delivered before storms. She said during inclement weather, the organization contacts seniors to inform them of what meals will be served, the duration of service, and the number of days meals will be delivered.

Councilor Walterscheid noted that 121,000 meals are delivered annually and asked how many seniors are served. **Ms. Crockett** responded that there are many seniors on the program and that the two additional routes would likely reach full capacity within a week.

Ms. Austin asked how many of the meals are delivered specifically in Carlsbad. **Ms. Crockett** stated that 55% of the meals are served in the city.

1:46:50

Q. Carlsbad Municipal Schools

Gary Washburn stated that this request is larger than in past years, with \$45,000 requested for the natatorium. He noted that while swims remain consistent, annual expenses for the natatorium have increased to \$265,000. He added that over \$500,000 was spent this year on pool repairs. He said currently, the schools are considering replacing the natatorium with a new facility estimated at approximately \$52,000,000.

Dr. Washburn stated that during the summer, he will work on forming a Carlsbad Quality of Life Committee with the goal of raising funds and developing partnerships with the community and government to build a facility similar to the Center of Recreational Excellence (CORE) on the north side of Carlsbad. He also noted that crossing guards were organized by the schools a few years ago, but the associated costs should be shared with the city.

Councilor Chavez asked about the STEM after-school program. **Dr. Washburn** responded that it will remain unchanged.

1:53:05

Recommended amounts to the interim budget

- A. Affirming Heart Victim Services - \$0
- B. Boys & Girls Club - \$100,000 for operating with a one-time \$50,000 increase
- C. Carlsbad Battered Families Shelter - \$30,000
- D. Carlsbad Chamber - Retirement Division - \$46,462
- E. Carlsbad Chamber of Commerce - \$95,000
- F. Carlsbad Chamber of Commerce - City Economic Fund - \$40,000
- G. Carlsbad Community Anti-Drug/Gang Coalition - \$44,000
- H. Carlsbad Community of Hope Center - \$40,000
- I. Carlsbad Department of Development - \$50,000 every quarter when presented to council
- J. Carlsbad MainStreet - \$100,000
- K. Carlsbad Transitional Housing & Homeless Shelter - \$100,000
- L. Eddy Lea Energy Alliance - \$25,000
- M. MyPower Mentoring Circles - \$75,000
- N. Pecos Valley Drug Taskforce - \$25,000
- O. SENMEDD - \$7,641
- P. Southeast NM Community Action Corporation - \$60,000 with documentation
- Q. Carlsbad Municipal Schools - \$197,000

2:22:50

Adjourn

With no further business Chairman Chavez adjourned the meeting at 3:28 PM.



Jason Chavez, Chairman

03-27-2026

Date