

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF WATER AND SEWER COMMISSIONERS
APRIL 16, 2026 AT 8:30 A.M.,
IN THE PLANNING ROOM AT THE MUNICIPAL BUILDING, 101 N. HALAGUENO
STREET, CARLSBAD, NM**

VOTING MEMBERS PRESENT:	Craig Stephens Fred Beard John Bowen Robert Chavez	Chairman Member Member Member
VOTING MEMBERS ABSENT:	Dennis Miehls	Member
EX-OFFICIO MEMBERS PRESENT:	Eddie Rodriguez Wendy Austin	Ex-Officio Ex-Officio/City Manager/ Secretary
EX-OFFICIO MEMBERS ABSENT:	Richard D. Lopez	Mayor
OTHERS PRESENT:	Ken Ahrens Ivan "Mike" Abell Melissa Salcido Matt Warner Richard Aguilar Anthony Hernandez Olga Ramirez Dave Romero	Deputy City Manager Director of Utilities Finance Director WWTP Superintendent Environmental Services Superintendent Water Superintendent Assistant to City Manager Balleau Groundwater (via telephone)

1. Roll Call and Determination of Quorum

C. Stephens called roll and it was determined that there was a quorum of voting members.

2. Consider Approval of Minutes of the Board of Water and Sewer Commissioners Regular Meeting held March 19, 2026

The motion was made by F. Beard and seconded by J. Bowen to approve the Minutes of the Regular Board of Water and Sewer Commissioners meeting held on March 19, 2026. The vote was as follows: Yes: F. Beard, J. Bowen, C. Stephens No: None Abstained: R. Chavez Absent: D. Miehls. The Motion passed.

3. Final Review of NMOCD Incident Reports within the Sheep Draw Wellhead Protection Area

D. Romero said there were questions regarding what the undefined releases meant. He said sometimes the Oil Conservation Division (OCD) gets long descriptions and they just put them in an undefined category. All the information will be there, it doesn't mean they are trying to hide something, they are just unable to describe it with a few words. D. Romero stated there is some new information that is listed in the Appendix. He mentioned in 2023 the OCD changed the way they handle and setup the C141 forms that the Operator fills out to report a release. With this new

system there is an electronic form that the Operator fills out and it's reported immediately. He stated there are a series of questions listed on the form, and those questions relate to certain features in the area. D. Romero said it would be great if the OCD added a question, "Are you within a defined municipal freshwater Wellhead Protection Area." He suggested the City reaching out to the OCD to get that question added to the form. W. Austin mentioned she has been in contact with M. O'Brien to have a discussion with the OCD.

C. Stephens stated after reviewing the report he had one minor problem with a company that had six releases in a ten year span. He asked if there was something the City could do. D. Romero responded he wasn't sure if there was anything the City could do. C. Stephens asked if there was a penalty for not reporting. D. Romero stated he would have to get back to the board. Councilor Rodriguez said he just looked it up and said the penalty could go from \$2,500 up to \$10,000 per day, for every day it goes unreported, maximum penalty is \$200,000 then it goes to court. R. Chavez asked if the C141 form included the latitude/longitude or is it just a legal description. D. Romero stated the form does have the location listed. C. Stephens asked who follows up after there has been a spill. D. Romero responded the OCD coordinates with the Environmental Company who comes in to do the cleanup, who then reports back to the OCD. C. Stephens asked if anyone visually verifies. D. Romero stated yes they do.

W. Austin mentioned to the board, D. Romero would be updating this report annually. C. Stephens said due to the increase of drilling is it possible to review the report semi-annually.

4. Utilities Department Monthly Reports presented by Ivan "Mike" Abell

I. Abell reported for the month of March the Water department pumped approximately 778.70 acre-feet from the Sheep's Draw, which is 8.46 million gallons a day. This is 122.57 acre-feet more than this time last year. This is due to the lack of rainfall for the month of March. The City is at 19% of their Water Rights. In the Double Eagle Water System, the Double Eagle department pumped about 99.58 acre-feet or about 32.45 million gallons. He reported they pumped 267.17 acre feet of the 7648 acre feet that is available at Double Eagle. They have used about 4% of their Water Rights. They delivered 21.74 acre feet to the City which is about 7.08 million gallons a day. I. Abell mentioned they have installed the new inlet meter on the Double Eagle 5 million gallon tank. Customers on the Double Eagle water system used approximately 3.12 million gallons. The WWTP treated about 2.32 million gallons of sewage and treated about 303 thousand gallons of septage. They delivered 14.3 million gallons of Effluent to the Municipal Golf Course and had no Effluent sales for the month of March.

Precipitation for the month of March was zero.

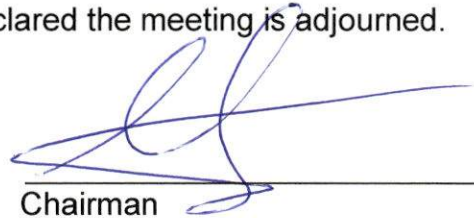
C. Stephens said he noticed the meters continue to increase. I. Abell responded yes, there is an increase in the meters. He mentioned there are 42 cut-offs for this month. R. Chavez asked if Effluent is available for purchase. I. Abell stated yes, through contract. Currently the City has a contract with Select Energy. C. Stephens asked if there was anything in place that prevents the City from not having an exclusive contract with someone. I. Abell stated Select does want to purchase the Effluent, they have just run into a few issues getting the water to where they want it.

5. Financial Reports presented by Melissa Salcido

M. Salcido gave a summary of the February 2026 Financials. The Water & Sewer Fund had a beginning fund balance of \$17 million. Revenues budget had a balance of \$12.1 million and were

\$20.8 million unfavorable to the \$32.9 million budget. This unfavorable variance is related to the timing of the grants and the Water and Sewer loans. If the grants and loans were to be removed the Water and Sewer fund would still be unfavorable by only \$300 thousand in revenues. Labor costs of \$3.5 million were \$600 thousand favorable to the \$4.1 million budget. Operating costs of \$2.4 million were \$500 thousand favorable to the \$2.9 million budget. Capital Investment of \$5 million was \$33.1 million favorable to the \$38.1 million budget.

With no further business to discuss, C. Stephens declared the meeting is adjourned.



Chairman