

**LINKED MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE
CITY OF CARLSBAD, NEW MEXICO, HELD IN THE JANELL WHITLOCK
MUNICIPAL COMPLEX BUILDING ON MAY 12, 2026, AT 6:00 P.M.**

Present:	Richard D. Lopez	Mayor
	Lisa A. Anaya Flores	Councilor
	Edward T. Rodriguez	Councilor
	Anthony Foreman	Councilor
	Mark C. Walterscheid	Councilor
	Jason O. Chavez	Councilor
	Jeff Forrest	Councilor
	Mary Garwood	Councilor
Absent:	Karla Niemeier	Councilor
Also Present:	Wendy Austin	City Manager
	K.C. Cass	Chief of Operations
	Barbara Hodgson	City Attorney
	Nadine Mireles	City Clerk
	Jalynn Dominguez	Open Meetings Act Manager
	Dina Navarrette	Community Services Director
	Angie Barrios-Testa	Director of Grant Programs
	Mike Abell	Director of Utilities
	Melissa Salcido	Finance Director
	Tony Souza	Fire Chief
	Kyla Gonzales	HR Director
	Wayne Hatfield	IT Director
	Allan Henriksen	IT Technician
	Jeff Patterson	Planning Director
	Adrian Rivera	Captain
	Randy Galindo	Safety and Compliance Director
	Patrick Brownfield	Police Officer
	Michael Wagner	Powerlifting Coach
	Ben Tobin	National Cave and Karst
	Kristen Gamboa	Department of Development
	Lindsey White	Permian Resources

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

0:00:21 Invocation – Pledge of Allegiance

0:00:59 Mayor Lopez recognized the Carlsbad High School powerlifting team for their outstanding achievements as 5A State Champions in powerlifting. Michael Wagner, Powerlifting Coach, said the team is honored to be presented awards for their achievements. He noted that this is the 2nd year for the Carlsbad High School to have powerlifting.

0:14:16 **1. NATIONAL CAVE AND KARST RESEARCH INSTITUTE (NCKRI) PRESENTATION BY BEN TOBIN**

Ben Tobin, Director of the National Cave and Karst Research Institute, said the institute's focus is on caves and karst, the landscape in which caves are formed. He noted that the institute is focused on developing the next generation of Science Technology Engineering and Mathematics (STEM) experts in cave and karst studies, while more broadly helping people better understand the world around them. He said researchers are studying groundwater and the life that exists within subsurface systems, while also working to reduce damage to infrastructure caused by sinkhole collapses and flooding in karst landscapes. Mr. Tobin said on the outskirts of town, there is a cave system managed by the Bureau of Land Management called Parks Ranch Cave. He said the institute received a grant from the State of New Mexico to develop the site into a recreational area featuring a self-guided cave tour. Mr. Tobin added that Cave Week will take place June 1-7, during which caves are celebrated nationally, and that Carlsbad Caverns National Park plans to host activities throughout the week.

Mayor Lopez expressed appreciation to Mr. Tobin for continuing to move the mission forward.

0:22:44 **2. CONSIDER APPROVAL OF RESOLUTION 2026-30, A RESOLUTION MAKING CERTAIN BUDGETARY ADJUSTMENTS TO THE 2025-2026 FISCAL YEAR BUDGET**

Mrs. Salcido reviewed the revenue and expenditures making certain Budgetary Adjustments to the 2025-2026 Fiscal Year Budget highlighting the Fire Fighter Recruitment Fund.

0:23:38 **MOTION**

The motion was made by Councilor Chavez and seconded by Councilor Rodriguez to approve of Resolution 2026-30, a Resolution making certain budgetary adjustments to the 2025-2026 Fiscal Year Budget

0:24:09 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

0:24:26 **3. CONSIDER APPROVAL OF RESOLUTION 2026-31, A RESOLUTION ADOPTING THE 2026-2027 FISCAL YEAR INTERIM BUDGET**

Mrs. Salcido provided a brief summary of the FY27 Budget, including projected revenues, labor costs, operating costs, and capital projects. She thanked Budget Committee Chairman Chavez and Committee Members Councilor Rodriguez, Councilor Walterscheid, and Councilor Forrest for their expertise and guidance in developing the FY27 Budget. She also thanked the Directors for all of their hard work in preparing the budget.

0:26:06 **MOTION**

The motion was made by Councilor Chavez and seconded by Councilor Forrest to approve of Resolution 2026-31, a Resolution adopting the 2026-2027 Fiscal Year Interim Budget

0:26:32 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

0:27:14 **4. ROUTINE AND REGULAR BUSINESS**

A. Minutes of the City Council Meeting held on April 28, 2026

B. City Personnel Report

C. Purchasing

1) Consider Approval to Award RFP 2026-06 to Enriched Communities, LLC for Affordable Housing Development Project

D. Monthly Reports

1) Human Resources Department April 2026

0:27:32 **Mayor Lopez asked Mr. Abell to briefly discuss item C1, Consider Approval to Award RFP 2026-06 to Enriched Communities, LLC for Affordable Housing Development Project**

Mr. Abell said the City is seeking approval to award the Request for Proposal (RFP) for the affordable housing project on Kircher Street to Enrich Communities, LLC. He explained that the project encompasses approximately 10 acres and that the City received three proposals, which were evaluated by a five-member panel consisting of City staff and community members.

Councilor Walterscheid asked where the company is located. **Mr. Abell** said he was not part of the panel that reviewed the applications, but noted that the company is currently developing similar infrastructure projects within the state. He said Enrich Communities, LLC recently completed a multifamily housing facility in Ruidoso. He added that the company would not only construct the development, but also manage the affordable housing property.

Mayor Lopez said Enrich Communities, LLC has also completed projects in Arizona and is familiar with New Mexico laws and the management of grant funding.

Councilor Walterscheid said the original goal of the project was to build homes in the \$220,000 price range. **Mayor Lopez** clarified that this proposal pertains to the multifamily housing development and not the separate affordable housing project.

Mrs. Austin stated that the approval would authorize the City to begin negotiations with Enrich Communities, LLC, and that the final agreement will return to the council for consideration.

0:33:15 **MOTION**

The motion was made by Councilor Rodriguez and seconded by Councilor Forrest to approve Routine and Regular Business

0:33:24 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

0:33:35 **5. CONSIDER APPROVAL TO ACCEPT A MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF CARLSBAD AND THE STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT, STATE PARKS DIVISION FOR THE CARLSBAD SHORTHORN PARK REHABILITATION PROJECT**

Mrs. Barrios-Testa said the City applied and was awarded \$500,000 from the New Mexico Energy, Minerals and Natural Resources Department for the Shorthorn Park Rehabilitation Project. She explained that the grant funding will support the construction of a dog park, pickleball courts, new playground equipment, parking improvements, restroom facilities, lighting, shade pavilions, batting cages, seating areas, and landscaping. She said in anticipation of receiving the award, the City had already budgeted the funding and also received a contingency award from the New Mexico Department of Finance and Administration to provide matching funds for federal grants. She noted this is the City's second successful Land and Water Conservation Fund grant award.

Councilor Forrest asked when construction would begin. **Mrs. Barrios-Testa** said a groundbreaking date has not yet been set. She explained that the plans have already been designed and, if approved, the City will move forward with construction.

Councilor Chavez thanked **Mrs. Barrios-Testa** for her work on the project and said it would be a great addition to the community.

Councilor Rodriguez asked whether the matching grant from the New Mexico Department of Finance and Administration had begun. **Mrs. Barrios-Testa** said it was a contingent award and that the City is waiting for the current grant agreement to be approved and finalized.

Councilor Garwood asked whether the area surrounding the park belongs to the Carlsbad Irrigation District and whether the district would work with the City to beautify the surrounding area. **Mrs. Barrios-Testa** explained that the surrounding property is not part of the current project and belongs to the Carlsbad Irrigation District. She said the City's work will be limited to its existing right-of-way. She noted that the City received trail funding from the New Mexico Department of Transportation, which will support another portion of the overall project.

Mayor Lopez said the project map was revised to reduce the size of the park so it would remain within the City's right-of-way. **Mrs. Barrios-Testa** added that a survey was conducted and the project boundaries were clearly outlined.

0:40:16 **MOTION**

The motion was made by Councilor Chavez and seconded by Councilor Anaya-Flores to approve to accept a Memorandum of Agreement between the City of Carlsbad and the State of New Mexico Energy, Minerals, and Natural Resources Department, State Parks Division for the Carlsbad Shorthorn Park Rehabilitation Project

0:40:32 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

0:40:45 **6. CONSIDER APPROVAL OF RESOLUTION 2026-32, A RESOLUTION TO ADOPT AND ALLOCATE FUNDS FOR AN OUTDOOR FITNESS COURT AS PART OF THE 2026 NATIONAL FITNESS CAMPAIGN FOR THE BOB FORREST YOUTH SPORTS COMPLEX**

Mrs. Barrios-Testa said the City applied for and was awarded \$80,000 for an outdoor fitness court at the Bob Forrest Youth Sports Complex. She explained that the Resolution would authorize the adoption and allocation of the funds for the project and that, once approved, the City will be required to implement the funding cycle associated with the grant. She said the City has already budgeted the funding in the FY 2027 budget year, with the funds expected to be available in July. **Mrs. Barrios-Testa** noted that the City received a Destination Forward grant to help offset project costs.

Mayor Lopez said the National Fitness Campaign approached the City about the project. He noted that the fitness court near the Riverwalk Recreation Center is frequently used, which prompted interest in adding an additional fitness facility.

Mrs. Barrios-Testa stated that the City's \$80,000 award is the largest grant amount awarded through the program.

0:44:01 **MOTION**

The motion was made by Councilor Garwood and seconded by Councilor Walterscheid to approve of Resolution 2026-32, a Resolution to adopt and allocate funds for an

Outdoor Fitness Court as part of the 2026 National Fitness Campaign for the Bob Forrest Youth Sports Complex

0:44:12 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

0:44:24 **7. CONSIDER APPROVAL OF RESOLUTION 2026-33, A RESOLUTION RECOGNIZING THE CRITICAL ROLE OF THE WASTE ISOLATION PILOT PLANT (WIPP) IN THE CLEANUP OF NATIONAL DEFENSE SITES AND ACKNOWLEDGING THAT THE STATE OF NEW MEXICO'S PROPOSED RESTRICTIONS ON SHIPMENTS TO WIPP WILL SLOW THE CLEANUP OF THE NATION'S NATIONAL DEFENSE SITES**

Mrs. Austin said the Resolution reaffirmed the City of Carlsbad's continued support for the mission, success, and safety of the Waste Isolation Pilot Plant (WIPP), recognizing its critical role in the nation's environmental cleanup efforts and its contribution to the remediation of 22 national defense sites across the country. She said the Resolution emphasized the City's longstanding support for accelerating waste shipments from all national defense sites and acknowledged the State of New Mexico's participation in the WIPP mission. **Mrs. Austin** explained that discussions surrounding the Resolution focused on the 2024 permit modification, which prioritized legacy transuranic (TRU) waste, established a legacy transuranic (TRU) Waste Disposal Plan, and reserved Panel 12 for legacy waste shipments from national defense sites throughout the country. She said concerns were raised regarding a proposed 2026 permit modification by the New Mexico Environment Department that would delay mining operations and reserve Panel 12 primarily for shipments from Los Alamos National Laboratory. **Mrs. Austin** said it was noted that the proposal could create operational and financial burdens for WIPP, increase national safety concerns due to shipping delays, and negatively impact cleanup efforts at other national defense sites, despite sufficient disposal space currently being available at WIPP.

Mayor Lopez said the proposed permit modification is using WIPP as a bargaining tactic to increase waste intake from Los Alamos National Laboratory. He stated that, if implemented, the proposal could cut production at WIPP in half, potentially resulting in job losses.

Councilor Chavez said the proposed modification would slow waste shipments and hinder operations at WIPP, including delaying development of the new Panel 12. He described the issue as a safety concern, explaining that slower waste disposal operations would require additional safety precautions and extended roof bolting to keep storage rooms open longer. He said these measures would be time-consuming and require additional funding. **Councilor Chavez** added that facilities across the country could also be negatively impacted if the modification is approved. He stated that an

estimated 20,000 to 30,000 jobs nationwide could be affected because of impacts on related job sites and cleanup operations.

Councilor Rodriguez emphasized that one of WIPP's most important accomplishments is its strong safety record, noting that the facility has achieved millions of man-hours without an injury. He stated if the permit modification is approved, safety standards could be compromised because workers would be expected to perform significantly more work with fewer personnel over a much longer operational timeline.

Mayor Lopez stated that WIPP has maintained an excellent safety record and said the proposed permit modification is neither safety-driven nor capacity-driven.

0:52:41 **Mayor Lopez asked if anyone would like to address council.**

Kristen Gamboa, representing the Carlsbad Department of Development, said that from an economic development perspective, the proposed permit modification could have a significant impact on hiring, business expansion decisions, housing investment, and long-term business confidence in Carlsbad and Eddy County. She noted that for rural communities such as Carlsbad, uncertainty created by the New Mexico Environment Department and its permitting decisions can have ripple effects throughout the local economy. **Ms. Gamboa** said the community is actively working to expand housing opportunities, recruit businesses, attract workforce talent, and diversify the local economy, and that WIPP has played a major role in providing the stability needed to support and promote future growth in the region. **Ms. Gamboa** stated that she believes the proposed permit modification appears to be more of a political positioning issue than an operational necessity.

0:55:20 **MOTION**

The motion was made by Councilor Rodriguez and seconded by Councilor Garwood to approve of Resolution 2026-33, a Resolution recognizing the critical role of the Waste Isolation Pilot Plant (WIPP) in the cleanup of National Defense Sites and acknowledging that the State of New Mexico's proposed restrictions on shipments to WIPP will slow the cleanup of the Nation's National Defense Sites

0:55:37 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

0:55:47 **8. CONSIDER APPROVAL OF RESOLUTION 2026-34, A RESOLUTION IN SUPPORT OF H.R. 7882 - TO PROVIDE FOR THE LEASING OF CERTAIN DEPOSITS OF MINERALS LOCATED WITHIN THE CITY OF CARLSBAD, NEW MEXICO – INTRODUCED DURING THE 119TH CONGRESS**

Mrs. Austin said the Resolution supports H.R. 7882, which was introduced during the 119th Congress. She explained that the legislation would amend the Mineral Leasing Act of 1920, specifically the federal oil and gas leasing regulations under Section 3100.3,

to allow the Bureau of Land Management (BLM) to lease federal minerals underlying incorporated cities, towns, and villages. **Mrs. Austin** said the Bureau of Land Management is currently prohibited from leasing those minerals beneath incorporated municipalities. She noted, in most cases, the minerals would be extracted through horizontal drilling operations. She explained that current federal regulations do not allow the BLM to lease mineral rights beneath the Carlsbad.

Mayor Lopez said that when the law was originally enacted, drilling operations were conducted vertically, but advances in technology have significantly changed the industry. He explained that the Bureau of Land Management can currently lease surface lands, but not the minerals beneath the City. **Mayor Lopez** clarified that the proposed change would apply specifically to Carlsbad and not to the entire State of New Mexico.

Councilor Chavez said that during a recent trip to Washington, City representatives introduced the legislation to members of Congress and met with the House Natural Resources Committee.

Councilor Forrest asked whether the City would receive direct revenue if drilling were to occur beneath the City. **Mayor Lopez** responded that the City would not directly profit from the drilling itself. **Mrs. Austin** said the City would benefit from the economic activity generated by development in the area.

Councilor Rodriguez noted that the proposal involves changes to the Mineral Leasing Act of 1920.

1:04:06 **MOTION**

The motion was made by Councilor Rodriguez and seconded by Councilor Foreman to approve of Resolution 2026-34, a Resolution in support of H.R. 7882 - To provide for the Leasing of Certain Deposits of Minerals Located Within the City of Carlsbad, New Mexico – Introduced During the 119th Congress

1:04:21 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

1:04:32 **9. CONSIDER APPROVAL OF ORDINANCE 2026-21, AN ORDINANCE REZONING PART OF "C-2" COMMERCIAL 2 DISTRICT TO "R-1" RESIDENTIAL 1 DISTRICT FOR APPROXIMATELY 0.28 ACRES FOR PROPERTY LOCATED AT 2305 JACKSON STREET OWNER: LUPE ORNELAS**

Mr. Patterson said this is a request to change the zoning at 2305 Jackson Street from "C-2" Commercial 2 District to "R-1" Residential 1 District. He said the properties to the west are "R-1" Residential 1 District and this would not create a spot zone. He said the

applicant brought this to the Planning and Zoning Commission and they recommended approval of this request.

1:06:07 **A. Public Hearing**

1:06:11 **Mayor Lopez asked if anyone would like to speak regarding the Ordinance. No one appeared.**

1:06:19 **Mayor Lopez asked if anyone would like to speak regarding the Ordinance. No one appeared and the Mayor declared the public hearing closed and reconvened the Council into regular session**

1:06:26 **B. Consider Approval of Ordinance 2026-21**

1:06:33 **MOTION**

The motion was made by Councilor Rodriguez and seconded by Councilor Forrest to approve of Ordinance 2026-21, an Ordinance rezoning part of "C-2" Commercial 2 District to "R-1" Residential 1 District for approximately 0.28 acres for property located at 2305 Jackson Street Owner: Lupe Ornelas

1:06:43 **VOTE**

The vote was as follows: Yes - Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - Niemeier; the motion carried.

1:06:54 **10. PUBLIC COMMENTS AND ANNOUNCEMENTS. ALL COMMENTS MUST BE RESPECTFUL AND COURTEOUS (THREE-MINUTE TIME LIMIT PER PERSON)**

Lindsey White, Community Engagement Advisor for Permian Resources, thanked the Mayor and City Council for approving Resolution 2026-36 in support of H.R. 7882. She said Permian Resources is a leading independent oil and natural gas company focused in the core of the Delaware Basin and that the company values its partnership with the City of Carlsbad. **Ms. White** said the company invests locally in public safety, infrastructure, community events, workforce development, and volunteer initiatives. She noted that in 2026, Permian Resources has provided more than \$230,000 in philanthropic support to organizations in Carlsbad. She also said the company awarded Permian Resources scholarships to four Carlsbad High School seniors who plan to pursue careers in STEM fields. **Ms. White** said that in April, the company completed its annual tree-planting project at Troy Young Park and Spring Park in partnership with Keep Carlsbad Beautiful. She said through a community enhancement project, the company helped complete the Lake Carlsbad Tennis and Pickleball court, including a mural designed and painted by Permian Resources employee. **Ms. White** also said the company installed cattle guards at the La Cueva Ridge Trail, allowing for an additional 15 miles of trail access. She noted that Permian Resources partnered with six other oil and gas companies to provide the Carlsbad Fire

Department with \$35,000 for improvements to its hazardous materials gas monitoring system. She stated that the company funded the Literacy Coalition of the Permian Basin Power Bag literacy packs, which will be distributed to the parents of approximately 800 babies expected to be born at Carlsbad Medical Center. **Ms. White** said that, to date, Permian Resources employees have logged 184 volunteer hours in Carlsbad, with additional volunteer projects and community drives planned throughout the remainder of the year.

Councilor Forrest said the mural at the tennis and pickleball complex looks great and thanked Ms. White for the company's contributions.

Councilor Garwood said she appreciated Ms. White's enthusiasm and community involvement efforts.

Councilor Chavez added that Permian Resources serves as a title sponsor for the Cavern City Christmas Classic, which brings approximately 60 teams from across New Mexico and Texas to the community each year.

1:11:12 **11. COUNCIL COMMITTEE REPORTS**

Councilor Chavez said the Energy Communities Alliance will host a conference in Carlsbad in August.


Mayor Lopez stated that early voting has begun and encouraged residents to participate in the election process by casting their votes.


Mayor Lopez also expressed his condolences to the Forrest family on the passing of former Mayor, Bob Forrest.

1:12:11 **Adjourned**

With no further business to discuss, the Mayor declared the meeting adjourned at 7:12 PM.




Richard D. Lopez, Mayor


Nadine Mireles, City Clerk