

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF WATER AND SEWER COMMISSIONERS
MAY 21, 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 Dennis Miehls	Chairman Member Member Member Member
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VOTING MEMBERS ABSENT:

EX-OFFICIO MEMBERS PRESENT:	Eddie Rodriguez Wendy Austin	Ex-Officio Ex-Officio/City Manager/ Secretary
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EX-OFFICIO MEMBERS ABSENT:	Richard D. Lopez	Mayor
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OTHERS PRESENT:	Ken Ahrens Ivan "Mike" Abell KC Cass Barbara Hodgson Melissa Salcido Richard Aguilar Anthony Hernandez Olga Ramirez Clay Bradley Carlie Anderson Brad Koonce Tripp Powell Seth Marsh Derek James	Deputy City Manager Director of Utilities Director of Operations City Attorney Finance Director Environmental Services Superintendent Water Superintendent Assistant to City Manager Bradley Law Office Bradley Law Office Plains/Oryx Delaware Oil Plains/Oryx Delaware Oil Plains/Oryx Delaware Oil Plains/Oryx Delaware Oil
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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 April 16, 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 April 16, 2026. The vote was as follows: Yes: F. Beard J. Bowen, R. Chavez, D. Miehls, C. Stephens No: None Absent: None. The Motion passed.

3. Consider Approval of request for a permit to construct an Oil pipeline within the City limits and the Significant Impact Zone of the Wellhead Protection Area from Plains Oryx Delaware Oil Transport

W. Austin stated the city received an application for a pipeline from Plains Oryx Delaware Oil Transport to construct a 6" oil pipeline within both the City Limits and the Significant Impact Zone of the Wellhead Protection Area. She stated this pipeline would be servicing the Water Buffalo drilling activity which has already been approved by City Council. The line will run approximately 4.2 miles within the City limits and 1.36 miles will be constructed within the Significant Impact Zone of the Wellhead Protection Area.

C. Bradley stated he has reviewed the application and all the requirements have been met. They have submitted the requirement insurance and all the waterline crossing permit applications. C. Stephens asked what the length of the pipeline was. C. Bradley stated the portion relevant to the City is under two miles. C. Stephens asked what the total length of the pipeline was. S. Marsh stated the total length of the pipeline is 28,000 feet, roughly five miles. C. Bradley stated he does recommend approval based on the applicant meeting all the requirements. R. Chavez asked if any easements were involved. C. Bradley responded they will be easements for property owners. C. Stephens asked if the application could be transferred to another company. C. Bradley responded if it is transferred the new owner must meet all the requirements.

R. Chavez stated his concern was the portion adjoining the Sports Complex. Councilor Rodriguez asked where the pipeline would be from the Sports Complex. S. Marsh stated it would be west of the ballpark. D. Miehlis asked what kind of inspector the City hires. I. Abell stated an inspector is hired through Mr. Bradley's office to go do the inspections. C. Bradley stated they hire a third party inspector who will coordinate with Plains and their contractor to conduct a preconstruction inspection, and they will perform various inspections throughout the construction process.

The motion was made by D. Miehlis and seconded by F. Beard to approve the permit to construct an oil pipeline. The vote was as follows: Yes: F. Beard, J. Bowen, R. Chavez, D. Miehlis, C. Stephens No: None Absent: None. The Motion passed.

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

I. Abell reported for the month of April the Water department pumped approximately 911.78 acre-feet from the Sheep's Draw, which is 9.9 million gallons a day. This is 114.3 acre-feet more than this time last year. The City is at 28% of their Water Rights. In the Double Eagle Water System, the Double Eagle department pumped about 73.38 acre-feet or about 23.91 million gallons. He reported they pumped 340.55 acre feet of the 7648 acre feet that is available at Double Eagle. They have used about 5% of their Water Rights. They delivered 20.75 acre feet to the City which is about 6.75 million gallons a day. Customers on the Double Eagle water system used approximately 2.83 million gallons. The WWTP treated about 2.26 million gallons of sewage and treated about 382 thousand gallons of septage. They delivered 16.4 million gallons of Effluent to the Municipal Golf Course and had no Effluent sales for the month of April. There are approximately 13,230 water meters which is increase of 19 meters.

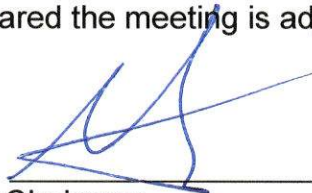
Precipitation for the month of April was 0.47 inches. C. Stephens asked about the water levels at Sheep's Draw. I. Abell stated they have not seen an increase yet.

5. Financial Reports presented by Melissa Salcido

M. Salcido gave a summary of the April 2026 Financials. The Water & Sewer Fund had a beginning fund balance of \$17 million. Revenues budget had a balance of \$14.5 million and was \$26.5 million unfavorable to the \$41.1 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 \$800 thousand in revenues. Labor costs of \$4.3 million were \$700 thousand favorable to the \$5 million budget. Operating costs of \$2.9 million were \$700 thousand favorable to the \$3.6 million budget. Capital Investment of \$5.6 million was \$42.1 million favorable to the \$47.7 million budget.

W. Austin stated under the Revenues, the unfavorable balance of about \$1.4 million that is due to the County contribution for the Kircher Street affordable housing project. She said in the Capital the City is \$42 million favorable, which is extreme, but that is the loan and grant the City received for the Double Eagle/Tatum connection project.

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



Chairman