

**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 JUNE 9, 2026, AT 6:00 P.M.**

Present:	Richard D. Lopez	Mayor
	Lisa A. Anaya Flores	Councilor
	Edward T. Rodriguez	Councilor
	Karla Niemeier	Councilor
	Anthony Foreman	Councilor
	Mark C. Walterscheid	Councilor
	Jason O. Chavez	Councilor
	Jeff Forrest	Councilor
	Mary Garwood	Councilor

Absent:

Also Present:	Wendy Austin	City Manager
	Ken Ahrens	Deputy City Manager
	K.C. Cass	Chief of Operations
	Barbara Hodgson	City Attorney
	Yamileth Dorado	Legal Administrative Coordinator
	Nadine Mireles	City Clerk
	Stephan Brown	Compliance Clerk
	Patrick Cass	Public Works Director
	Dina Navarrette	Community Services Director
	Angie Barrios-Testa	Director of Grant Programs
	Jayden Whitzel	Grants Compliance Accountant
	Mike Abell	Director of Utilities
	Melissa Salcido	Finance Director
	Tony Souza	Fire Chief
	Kyla Gonzales	HR Director
	Justin Wenner	Deputy HR Director
	Wayne Hatfield	IT Director
	Christian Diaz	IT Technician
	Jeff Patterson	Planning Director
	Jessie Rodriguez	Police Chief
	Randy Galindo	Safety and Compliance Director
	Patrick Brownfield	Police Officer
	Kristen Gamboa	CDOD
	Kevin Beardmore	Southeast New Mexico College
	Clint McAnally	Citizen
	Christina Mann	Citizen

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

0:00:00 **Call Meeting to Order**

0:00:57 Invocation - Pledge of Allegiance

0:01:34 **1. CARLSBAD DEPARTMENT OF DEVELOPMENT PRESENTATION**

Kristen Gamboa stated the last few months have been very active, with the first part of the year already celebrating three major groundbreaking ceremonies. She said the first was for the River View Apartments at the Cascades, the second was for Discount Tire on the south side of town, and the third was for Red Rocket Media, also located at the Cascades. She stated last month, Mayor Lopez joined the Carlsbad Department of Development (CDOD) at the International Council of Shopping Centers (ICSC), where they met with retailers, restaurant representatives, and developers. She said retail recruitment will help grow business opportunities, as New Mexico is regularly left off many initial target lists. **Ms. Gamboa** stated by building relationships, their efforts are paying off, and many opportunities are moving through the active project pipeline. She said within the last three months, the CDOD has hosted significant site visits for projects, with a fifth visit scheduled later this month. She stated these efforts are exactly what create future jobs and opportunities for the community. She said housing remains one of the highest priorities, and both on-site and off-site visits have been conducted with developers. **Ms. Gamboa** stated additional residential options are being discussed with developers for current and future residents. She said the CDOD is currently tracking more than 158 active projects, with more than \$32.5 million completed or underway at the River View Apartments at the Cascades. She stated the City of Carlsbad, as a community, is working toward \$1 billion in public and private investment. She said more than half a billion dollars has already been invested, with another \$240 million currently moving through the active project pipeline.

Councilor Garwood thanked Ms. Gamboa and the CDOD for their recent partnership in welcoming Noisy Water Winery to the downtown district.

0:08:16 **2. PROJECT UPDATE - GREENE STREET/CANAL STREET STORM DRAIN PROJECT**

K.C. Cass reported they recently broke ground on the Storm Drain Project. He said within the first few days of construction, it was discovered that Windstream remains in conflict with the utilities project. He stated staff is currently working with Windstream to find a solution.

Councilor Chavez asked if a five-year contract had recently been signed with Windstream. **Mayor Lopez** said yes.

0:13:30 **3. ROUTINE AND REGULAR BUSINESS**

A. Minutes of the City Council Meeting held on May 26, 2026

B. City Personnel Report

C. Monthly Reports

1) Building Department Monthly Report - April 2026

2) Public Works Monthly Report - April 2026

3) Utilities Department Monthly Report- April 2026

D. Set the Date: July 14, 2026

1) Ordinance rezoning part of "C-2" Commercial 2 District to "R-2" Residential 2 District for an approximately 0.092 acre property located at 103 S. Cypress Street

2) Ordinance rezoning part of "R-1" Residential 1 District to "C-1" Commercial 1 District for an approximately 0.78 acre property located at 302 W. Pierce Street

3) Ordinance rezoning part of "R-1" Residential 1 District to "R-2" Residential 2 District for an approximately 0.21 acre property located at 922 Rex Street

0:13:54 **MOTION**

The motion was made by Councilor Niemeier and seconded by Councilor Garwood to approve Routine and Regular Business

0:14:01 **VOTE**

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

0:14:16 **4. CONSIDER APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARLSBAD AND SOUTHEAST NEW MEXICO COLLEGE**

Mrs. Austin stated the agreement would allow the City of Carlsbad to serve as the fiscal agent for two grants that have been awarded to Southeast New Mexico College. She said both grants have an expiration date of June 30, 2028. She stated both grants are related to the construction of the Trades and Technology Building project, noting that the first grant is for \$5,000,000 and the second grant is for \$600,000. She said Southeast New Mexico College will pay a flat fee of \$5,000 for the city to serve as the fiscal agent for both grants.

Kevin Beardmore with Southeast New Mexico College stated when the College became independent, it was operating under a Memorandum of Understanding with New Mexico State University. He said the Memorandum of Understanding covered the period from April 10, 2022, through December 19, 2023. He stated because this time frame spanned three fiscal years, all three audits were submitted late, noting that all past-due audits have since been completed and brought up to date. He said due to the delay in the audits, the State is requiring a fiscal agent for both grants.

0:17:05

MOTION

The motion was made by Councilor Niemeier and seconded by Councilor Anaya-Flores to approve a Memorandum of Understanding between the City of Carlsbad and Southeast New Mexico College

0:17:13

VOTE

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

0:17:27

5. INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN

PRELIMINARY LIST PRESENTATION FOR FY2028- 2032 FOR COUNCIL REVIEW AND RECOMMENDATIONS

Mrs. Barrios-Testa stated the State of New Mexico requires the development of a five year Capital Improvement Plan. She said local governments are required to participate, the City of Carlsbad actively participates in the process. She said many state funding programs require projects to be included on the Infrastructure Capital Improvement Plan (ICIP). She stated the program also helps meet federal requirements by providing opportunities for public participation in project planning. She said the first phase is the project development phase, which includes a schedule designed to ensure that the submission deadline is met. **Mrs. Barrios-Testa** stated the deadline has been moved up to July 1, 2026, which is earlier than last year. She said staff reviewed last year's FY 2027-2031 ICIP, which included 67 municipal projects and 5 senior projects. She stated following the review, a public participation process was conducted. She said a list of updated projects was presented during the City's public input period from March 15, 2026, through April 17, 2026, as well as at the public meeting held on April 16, 2026.

Mrs. Barrios-Testa stated this year's public participation efforts proved more successful than in past years, which appears to be due to radio advertising. She said 8 projects were removed, reprioritized, or funded. She stated 24 new projects have been added to the ICIP, resulting in a total of 83 municipal projects and 9 senior projects.

0:23:14

6. CONSIDER APPROVAL OF ANNUAL CITY LIQUOR LICENSE RENEWALS

Councilor Foreman recused himself from this item due to a potential conflict of interest and left the room. Councilor Forrest recused himself from this item due to the Stevens Inn owning the Blue Cactus Lounge and left the room.

Mrs. Mireles stated annually the city clerk's office requests the City Councils approval of all city liquor licenses. She said they are renewed upon receipt of \$250 and proof of a valid New Mexico State Liquor license. She stated there are currently 55 liquor licenses operating in the City of Carlsbad. She said approval of these renewals ensures establishments remain in compliance with city licensing requirements.

0:24:49

MOTION

The motion was made by Councilor Niemeier and seconded by Councilor Anaya-Flores to approve Annual City Liquor License Renewals

0:24:58

VOTE

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

0:25:15

7. CONSIDER APPROVAL OF ANNUAL CITY CANNABIS LICENSE RENEWALS

Mrs. Mireles stated annually the city clerk's office requests the City Councils approval of all city cannabis licenses. She said they are renewed upon receipt of \$250 and proof of a valid New Mexico State Cannabis license. She stated there are currently 23 cannabis licenses operating in the City of Carlsbad. She said approval of these renewals ensures establishments remain in compliance with city licensing requirements.

Councilor Walterscheid asked if there is any restriction for anyone to obtain a cannabis license. **Mrs. Mireles** stated the cities authority is generally limited to a reasonable time, place, and manner of regulations and everything else is regulated by the state. She said any violations or complaints through the State it is regulated by the New Mexico Cannabis Control Division.

0:27:45

MOTION

The motion was made by Councilor Anaya-Flores and seconded by Councilor Foreman to approve Annual City Cannabis License Renewals

0:27:49

VOTE

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

0:28:11

8. CONSIDER APPROVAL OF THE PURCHASE AND SALE AGREEMENT FOR THE PURCHASE OF THE CARLSBAD EVENT CENTER, ADJACENT LAND, AND FURNITURE & EQUIPMENT

Mrs. Austin stated the City was approached by the owners of the Carlsbad Event Center regarding the purchase of the Event Center and the adjacent property. She said the Event Center is located at 4017 National Parks Highway, and the adjacent property to the east is located at 4015 National Parks Highway. She stated City administration previously met with the Carlsbad City Council in a closed session to discuss the potential purchase of the property, and the Council directed City administration to further assess its value. She said during the closed session, it was agreed that the Event Center could generate additional revenue for the City. She stated it was determined that the City needs a larger, more modern facility to host its own meetings and events. **Mrs. Austin** stated pursuant to Section 2-48, Acquisition and Disposition of Real Property, of

the Carlsbad City Code, City administration commissioned an appraisal of the property. She said SMS Appraisals and Environmental Services, Inc. appraised the property at \$3,020,000. She said the owners initially sought to sell the property to the City for \$3.5 million; however, they have since agreed to sell the property for \$3,418,179. She stated the appraised value of \$3,020,000 does not include the furniture and equipment the owner has agreed to sell to the city, including, but not limited to, the audiovisual system, surveillance system, dance floor, portable stage, tables, chairs, commercial ice machine, commercial refrigerator, and commercial freezer. She said in addition, there are value-added items not included in the appraisal, including an acoustical partition that divides the facility in half, concrete pavement, and the additional costs associated with the electrical and plumbing systems. **Mrs. Austin** stated after reviewing the appraisal, construction records, and furniture and equipment invoices provided by the owner, and after applying depreciation to those items, the City believes that \$3,418,179 is a fair purchase price for the Event Center, the adjacent property, and the included furniture and equipment.

Councilor Forrest asked whether there is a commercial kitchen located within the facility. **Mrs. Austin** said there is a catering kitchen. She stated there is no stove, but the facility includes warming units, very large refrigerators, and large preparation tables for catering purposes. **Mayor Lopez** stated all food would need to be cooked and prepared off-site and could not be prepared at the facility.

0:32:34 **MOTION**

The motion was made by Councilor Niemeier and seconded by Councilor Garwood to approve the Purchase and Sale Agreement for the Purchas of the Carlsbad Event Center, Adjacent Land, and Furniture & Equipment

0:32:43 **VOTE**

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

0:33:01 **9. CONSIDER APPROVAL OF RESOLUTION 2026-36 A RESOLUTION REQUIRING THE REMOVAL OF THE RUINS, RUBBISH, WRECKAGE, DEBRIS, AND/OR WEEDS AT 5217 SIERRA VISTA DRIVE OWNER: MARKWEST ENERGY CO LLC**

Ms. Hodgson stated the property located at 5217 Sierra Vista Drive is situated in a commercial area at the intersection of Sierra Vista Drive and Industrial Drive. She stated the property consists of four vacant land parcels, one of which contains a cell phone tower. She said the property has been inspected by the Code Enforcement Office on various occasions throughout 2025 and cited for violations of the International Property Maintenance Code, which has been adopted by the City under Section 8.1 of the City Code. **Ms. Hodgson** stated the property has been cited for overgrown weeds, junk, trash, debris, and the accumulation of combustible vegetation. She said the Fire Marshal inspected the property on March 24, 2026, and determined it presents an extreme fire

hazard due to the accumulation of combustible waste materials, weeds, and other vegetation. She stated Code Enforcement mailed a final Notice of Violation, dated September 29, 2025. She said if adopted, the Resolution would require the owner to remove all ruins, dilapidated structures, rubbish, wreckage, debris, and weeds from the property within 30 days of service of the Resolution.

Councilor Rodriguez asked whether, when the property was purchased during the development of the industrial park and if there was a required timeline for construction to begin. **Ms. Hodgson** stated she was unsure.

Mayor Lopez asked if anyone wished to speak regarding the Resolution.

Clint McAnally stated he is the current Senior Operations Manager for Southeast New Mexico and West Texas Gas. He said MarkWest Energy had been acquired by the company he works for and that the property had previously been occupied by several office buildings. He stated he had already met with a contractor and assured the City Council quotes and purchase orders would be completed by Wednesday, June 10, 2026.

0:39:22 **MOTION**

The motion was made by Councilor Niemeier and seconded by Councilor Garwood to approve Resolution 2026-36 a Resolution requiring the removal of the ruins, rubbish, wreckage, debris, and/or weeds at 5217 Sierra Vista Drive

0:41:07 **VOTE**

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

0:41:23 **10. PUBLIC COMMENTS AND ANNOUNCEMENTS. ALL COMMENTS MUST BE RESPECTFUL AND COURTEOUS (THREE-MINUTE TIME LIMIT PER PERSON)**

Christina Mann stated the recent rainfall received last week has contributed to the start of mosquito season. She said draining standing water can help reduce mosquito populations, noting that mosquito larvae can hatch within five days and that as little as a cup of standing water can produce up to 100 mosquitoes. She stated only female mosquitoes bite, as they require blood to produce and lay eggs. She said she has recently been adding mosquito dunks to the water sources in her aviaries, which kill mosquito larvae without affecting the bees.

0:44:36 **11. COUNCIL COMMITTEE REPORTS**

Councilor Rodriguez stated an audit was complete for the Department of Development. He said the audit reported good reviews and they received a very good recommendation from the auditing company.

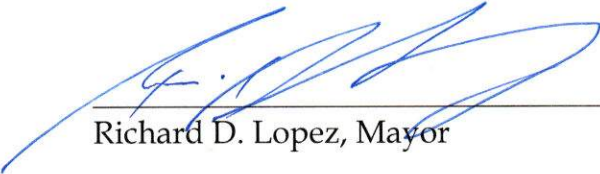
Councilor Garwood stated this weekend on Friday June 12, 2026 and Saturday June 13, 2026, CavernFest will be held at the Lake Carlsbad beach area. She said Denise Green with Carlsbad MainStreet along with her team did amazing work putting everything together.

0:45:59

Adjourned

With no further business to discuss, the Mayor declared the meeting adjourned at 6:45




Richard D. Lopez, Mayor


JoAnne Jaure, Deputy City Clerk