

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF WATER AND SEWER COMMISSIONERS
AUGUST 20, 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	Chairman
Fred Beard	Member
John Bowen	Member
Robert Chavez	Member
Dennis Miehl	Member

VOTING MEMBERS ABSENT:

EX-OFFICIO MEMBERS PRESENT:

Eddie Rodriguez	Ex-Officio
Wendy Austin	Ex-Officio/City Manager/ Secretary

EX-OFFICIO MEMBERS ABSENT:

Richard D. Lopez	Mayor
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OTHERS PRESENT:

Ken Ahrens	Deputy City Manager
Ivan "Mike" Abell	Director of Utilities
KC Cass	Director of Operations
Barbara Hodgson	City Attorney
Melissa Salcido	Finance Director
Matt Warner	WWTP Superintendent
Richard Aguilar	Environmental Services Superintendent
Anthony Hernandez	Water Superintendent
Olga Ramirez	Assistant to City Manager
Jeff Patterson	Planning Director
Ron Myers	Environmental Permitting Manager
Marissa Estrada	Environmental Permitting Tech
Carly Anderson	Bradley Law Office
Riley Neatherlin	NGL Water Solutions
Clay Wilson	NGL Water Solutions
Kristin Deal	Select Water
Matt W.	Select Water

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 July 16, 2026**

The motion was made by J. Bowen and seconded by D. Miehl to approve the Minutes of the Regular Board of Water and Sewer Commissioners meeting held on July 16, 2026. The vote was as follows: Yes: F. Beard, J. Bowen, R. Chavez, D. Miehl, C. Stephens No: None Absent: None. The Motion passed.

3. Utilities Department Monthly Reports presented by Ivan “Mike” Abell

I. Abell reported for the month of July the Water department pumped approximately 1037.36 acre-feet from the Sheep’s Draw, which is 11.26 million gallons a day. This is 110 acre-feet more than this time last year. The City is at 58% of their Water Rights. In the Double Eagle Water System, the Double Eagle department pumped about 44.91 acre-feet or about 14.6 million gallons. He reported they pumped 548.70 acre feet of the 7648 acre feet that is available at Double Eagle. They have used about 8% of their Water Rights. They delivered 24.96 acre feet to the City which is about 8.17 million gallons a day. Customers on the Double Eagle water system used approximately 2.03 million gallons. The WWTP treated about 2.96 million gallons of sewage and treated about 363 thousand gallons of septage. They delivered 10.77 million gallons of Effluent to the Municipal Golf Course. He stated they had some issues at the WWTP and were unable to meet the discharge permit requirements, therefore there were no Effluent sales for the month of July. There are approximately 13,250 water meters which is a decrease of 373 meters from last month.

Precipitation for the month of July was 2.74 inches. W. Austin asked if the decreased Water Rights pumped from Double Eagle was due to the discontinuation of the West Line. I. Abell stated yes, it is.

4. Consider Approval of request from BTS Management, LLC for Outside City Limits Water Service for property located at 4405 Hackberry Lane

There was no one in attendance for BTS Management, therefore the motion was made by J. Bowen and seconded by F. Beard to deny the request for Outside City Limits Water Service. The vote was as follows: Yes: F. Beard, J. Bowen, R. Chavez, D. Miehl, C. Stephens No: None Absent: None. The Motion passed.

5. Consider Approval of request from NGL Water Solutions Permian, LLC for a permit to construct and operate a produced water pipeline within the Wellhead Protection Area

W. Austin stated this pipeline briefly crosses into the Wellhead Protection Area and runs along the perimeter of the Airport. She stated a brief discussion was held at City Council to get an idea of their stand on pipelines at the Airport, without an official vote a majority of the Council didn’t see an issue with pipelines as long as pipelines do not cross the runways. Councilor Rodriguez stated the issue was brought up about the pressure and NGL would be running the pressure well within the requirement. C. Stephens asked roughly how much of the pipeline would be crossing into the Wellhead Protection Area. R. Neatherlin stated roughly 2000 linear feet. C. Stephens mentioned he also noticed there was no pollution liability listed on the insurance certificate. R. Neatherlin stated they do have it, he would get that turned in. C. Anderson stated the application does meet all the code requirements. She stated it does cross about ten waterlines, Mr. Bradley did verify that every one of those waterlines have been applied and approved through the City. She also stated the insurance exceeds the maximum amount required. C. Anderson stated this application complies with City policy.

The motion was made by F. Beard to approve the permit with the condition NGL provide a revised Certificate of Insurance with the pollution liability included the motion was seconded by D. Miehl. The vote was as follows: Yes: F. Beard, J. Bowen, R. Chavez, D. Miehl, C. Stephens No: None Absent: None. The Motion passed.

6. Consider Approval of request from Select Water Solutions, LLC for a 2nd permit application to construct and operate a 2nd produced water line for the Water Buffalo project

W. Austin stated this a request to run an additional line parallel to the produced water line that Select already has that services the Water Buffalo project. K. Deal stated Select amended the application to add an additional line due to them having a greater need for the 2nd waterline. She said everything is exactly the same as the first line, this is just an additional line. Councilor Rodriguez asked if the right-of-ways would be overlapping. K. Deal stated she did not believe the right-of-ways would be effected. C. Stephens asked if this would be the last line or would they be requesting another one later. K. Deal stated this will be the last one for this project. C. Anderson stated this line is similar to the first waterline, everything complies with City code, it does go about 3.15 miles into the Wellhead Protection Area. The permit does exceed the insurance requirement.

The motion was made by J. Bowen and seconded by D. Miehl to approve the request for a permit for a 2nd produced water line for the Water Buffalo project. The vote was as follows: Yes: J. Bowen, R. Chavez, D. Miehl, C. Stephens No: None Abstain: F. Beard Absent: None. The Motion passed.

7. Discussion regarding the creation and purpose of Water and Sewer Critical Maintenance Fund

W. Austin stated City staff have had discussions regarding the need to set up a Critical Maintenance fund for the Water and Sewer to fund large maintenance repairs. She said the City would like to set up the Critical Maintenance Fund, which has been approved in the FY2027 budget by City Council. She said there will be a primary fund, the Critical Maintenance fund and the permanent fund. W. Austin said a process would be put in place to use the fund. Before any funds are spent, the Water and Sewer Board and City Council will have to approve any expenditures from the Critical Maintenance fund. D. Miehl asked if there was a criteria for using the funds. W. Austin stated the Resolution states it's for emergency repairs, major rehabilitation projects and critical upgrades. She mentioned in certain emergencies, crisis or life-and-death situations, the City Manager or the Director of Utilities can request immediate disbursements from the fund.

8. Financial Reports presented by Melissa Salcido

M. Salcido gave a summary of the June 2026 Financials. The Water and Sewer Fund had a beginning fund balance of \$17 million. Revenues budget had a balance of \$17.6 million and was \$31.7 million unfavorable to the \$49.3 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 \$600 thousand in revenues. W. Austin mentioned the \$1.6 million listed under miscellaneous Revenues is the amount the County owes to the City for affordable housing, this has been paid, expect it wasn't paid until this fiscal year. Labor costs of \$5.3 million were \$900 thousand favorable to the \$6.2 million budget. Operating costs of \$3.7 million were \$700 thousand favorable to the \$4.4 million budget. Capital Investment of \$6.6 million was \$50.6 million favorable to the \$57.2 million budget.

C. Stephens asked how many cut-offs there were for the month of July. I. Abell stated they had about 315 turn-offs out of that they had approximately 91 stop locks.

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

Chairman