

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF WATER AND
SEWER COMMISSIONERS JUNE 20, 2019, AT 8:30 A.M., IN THE PLANNING
ROOM AT THE MUNICIPAL BUILDING, 101 N. HALAGUENO STREET,
CARLSBAD, NM**

VOTING MEMBERS PRESENT:

Criag Stephens	Chairman
Fred Beard	Member
Larry Henderson	Member
Dennis Miehl	Member
Gary Perkowski	Member

VOTING MEMBERS ABSENT:

EX-OFFICIO MEMBERS PRESENT:

Michael A. Hernandez	Ex-Officio/City
Administrator/	
Eddie Rodriguez	Secretary
	Ex-Officio/Mayor Pro-Tem/
	Member

EX-OFFICIO MEMBERS ABSENT:

OTHERS PRESENT:

John Lowe	Deputy City Administrator
Ron Myers	Utilities Director
Eileen Riordan	City Attorney
Wendy Austin	Director of Finance & Investments
Wes Nichols	Utilities Deputy Director
Joe Harvey	WWTP Superintendent
Richard Aguilar	Environmental Services Superintendent
Olga Ramirez	Assistant to City Administrator
Scott Goodale	Mosaic

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

0:00:03 1. Roll Call and Determination of Quorum

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

0:00:18 2. Approval of Agenda

The motion was made G. Perkowski and seconded by L. Henderson to Approve the Agenda. The vote was as follows, Yes: C. Stephens, G. Perkowski, D. Miehl, L. Henderson, F. Beard
No: None Absent: None The Motion passed.

0:00:34 3. Approval of Minutes of the Board of Water and Sewer Commissioners Regular Meeting held May 16, 2019

The motion was made by F. Beard and seconded by L. Henderson to approve the minutes of May 16, 2019. The vote was as follows, Yes: C. Stephens, G. Perkowski, D. Miehl, F. Beard, L. Henderson No: None Absent: None The Motion passed.

0:00:59 4. Utilities Department Monthly Reports and Project Updates presented by Ron Myers

R. Myers stated nothing unusual everything is going well. He stated more water was pumped out of Sheep's Draw last month. R. Myers reported that Well 6 was down for a while it is back on-line, it's been back on-line about a week and a half. He stated they are having some issues with the VFD, but they are exploring some different options to get that fixed. He stated there is a problem with Well 9, when they tried to reinstall a pump, there seems to be some debris that got jammed in there at about 450/500 feet range. They had to take the pump out; they are exploring some options to remove that blockage.

C. Stephens asked if they know how the debris got jammed in there. R. Myers stated they are unsure, he mentioned it is an open hole. M. Hernandez stated Well 6 is the only one with a generator as of now, after July 1 they will order another generator. R. Myers said as long as Well 6 is running it's ok, if Well 6 goes down it could be problematic. M. Hernandez stated if Well 6 goes down, they will have to pump Well 1 and Well 2 and those are the ones with chloride.

J. Harvey reported the WWTP is still getting a lot of haulers, he said every month seems to go up a little more than the previous month. He stated they raised the price on June 1, should see the monetary go up. He reported they are taking about 40 haulers a day and they get about 3 to 4 a week trying to sign up. J. Harvey said traffic wise and capacity wise they are at their limits. M. Hernandez asked if there were any complaints about the rate increase. J. Harvey replied no.

L. Henderson asked if they had any other buyers for Effluent Water besides Rockhouse. R. Myers stated they are the only ones they are selling to. F. Beard asked how long the contract was for. J. Harvey said it's for 5 years. E. Riordan gave a brief explanation on the Rockhouse Contract.

L. Henderson asked if there were discussions on the Water Rights for Sunset Gardens Cemetery. E. Riordan stated the city is looking at moving some additional water rights. She said Mosaic has granted the city the right to move them away from their site and place them out at Sunset Gardens to allow the city to have greater capacity. M. Hernandez said the city does have an Otis water meter but it's just for the facility.

C. Stephens asked how long it would take to get those Water Rights transferred. S. Goodale stated if it's done before July 1 it can be expedited if it's done after July 1st it could take up to 120 days. E. Riordan said it is in the process.

L. Henderson asked if there is a problem with trash in the sewer lines and if that was an increasing problem or existing problem. W. Nichols stated that is a very common problem.

W. Nichols stated they do send notices if it becomes a very big problem in a certain area. L. Henderson told the board the number of meters is up.

M. Hernandez told the board that city staff would be providing a handout of the history of pumping. City Staff will be able to compare from year to year how much is pumped. This gives them a rolling number to compare and will help the city stay in compliance.

D. Miehl asked if there is a restriction of how much you can pump. E. Riordan stated there is a penalty from the State Engineering office if you pump over your water rights. They will make you pump less the next year in order to make that up. E. Rodriguez explained it's the limit of water rights the city has that you can pump. If you exceed that then you have to repay them the following year.

0:13:41 5. Financial Reports for April 2019 presented by Wendy Austin

W. Austin reported on the Financials. She stated the fund is favorable to budget; she reminded the board the fund balance will be coming down once Double Eagle Phase III starts.

She told the board she has been working with RBC Capital to refund city bonds. The city has the 2009 General Obligation Bonds and the 2009 Water & Sewer Bonds. W. Austin went over the interest rates of those bonds. She stated she has been working with the budget committee on this. There is an opportunity to refund these bonds and bring that debt service down significantly. In addition there is some excess general fund money that can be used to supplement this refunding and hopefully get back in line with the debt covenants. She mentioned the RBC Capital works with DFA so they are aware the city is trying to work things out.

G. Perkowski asked who she was working with at RBC Capital. W. Austin stated his name is Eric. C. Stephens asked if the city was still working on the rate restructuring. M. Hernandez said they are looking at it, Stantec is currently working on that and they are looking at it real close. He stated the rates will go up in October, that's the yearly increase.

W. Austin said they are looking at restructuring the way the city bills. C. Stephens asked if the city is looking at a Tiered base billing. W. Austin said with the new system they will be able to start billing correctly. C. Stephens asked when that would go into effect. W. Austin responded starting July 1 the city will go live on financials and then maybe about 2 or 3 months they will start with the billing portion of the program.

0:23:15 6. Adjourn

The motion was made by F. Beard and seconded by D. Miehl to adjourn. The vote was as follows, Yes: C. Stephens, D. Miehl, F. Beard, L. Henderson, G. Perkowski No: None, Absent: None. The Motion passed.


Chairman