

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF WATER AND SEWER COMMISSIONERS
AUGUST 17, 2023, 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 Dennis Miehls	Chairman Member Member Member
VOTING MEMBERS ABSENT:	Gary Perkowski	Member
EX-OFFICIO MEMBERS PRESENT:	Eddie Rodriguez John Lowe	Ex-Officio/Mayor Pro-Tem/ Member Ex-Officio/City Administrator/Secretary
EX-OFFICIO MEMBERS ABSENT:		
OTHERS PRESENT:	K.C. Cass Ivan Abell Denise Madrid-Boyea Melissa Salcido Wes Nichols Matt Warner Olga Ramirez Richard Aguilar Maria O'Brien Steve McCutcheon	Deputy City Administrator Director of Utilities City Attorney Director of Finance Deputy Director of Utilities WWTP Superintendent Assistant to City Administrator Environmental Services Superintendent Modrall Sperling Citizen

1. Roll Call and Determination of Quorum

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

2. Approval of Agenda

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

3. Approval of Minutes of the Board of Water and Sewer Commissioners Regular Meeting held July 20, 2023

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 July 20, 2023. The vote was as follows, Yes: F. Beard, J. Bowen, D. Miehls, C. Stephens. No: None. Absent: G. Perkowski. The Motion passed.

4. Consider Approval to recommend to Council approval of Agreement between the City of Carlsbad and Select Energy, LIC

J. Lowe said this has been an ongoing project the Water Board requested city staff to work on. Before the board is the Agreement for their consideration.

M. O'Brien stated to the board the agreement with Select will allow the city to implement a long-standing goal to integrate the Tatum Wellfield and Water Supply. This is from three different water supplies, the Double Eagle System, Sheep's Draw and Tatum Water Supply. The city applied for and acquired a permit for the Tatum Wellfield Water Supply. The applications were for appropriations since there were no infrastructure or developed wells. M. O'Brien stated there were five different Water Rights and 35 permitted wells. The city has not fully developed the Tatum Wellfield. The city has drilled three wells; in 2019, discussions were held to get revenue and to support operational data. The city went out for RPF, Select was the only respondent. The city has been working with Select on an agreement for some time now. M. O'Brien clarified this agreement is for the sale of water not the sale of the City's Water Rights.

D. Miehl asked how long the agreement was. M. O'Brien stated it's for five years with an option to renew for an additional five years. She stated the agreement can be terminated without cause by either party with a 90-day notice.

M. O'Brien mentioned Select could pump subject to city demand 2736 acre feet. S. McCutcheon mentioned to the board Select has a recycle facility about 20 miles from the wellfield. Select will take any water they can get; they are putting in a big investment to move that water and they are very committed.

F. Beard said basically, this is a test of the wells. M. O'Brien stated if the Board approves of the agreement and council approves the agreement, Select is ready to go.

C. Stephens asked how long it was going to take to upgrade the pipeline from Double Eagle and then the pipeline from Tatum to Double Eagle. J. Lowe said the city would have two options. Invest in additional wells or investing in a pipeline connecting the Tatum Wells to the Double Eagle Water System. He said once they receive the data, they can start looking at their options.

J. Bowen asked if Select had other options to purchase water. M. O'Brien stated yes they do have other opportunities to get water but are limited. C. Stephens asked if additional wells are developed, is the city required to sell to Select. M. O'Brien stated no, they have the exclusive to 2736 acre feet the first five years.

The motion was made by D. Miehl and seconded by J. Bowen. The vote was as follows, Yes: F. Beard, J. Bowen, D. Miehl, C. Stephens. No: None, Absent: G. Perkowski. The motion passed.

Councilor Rodriguez left the meeting at 9:03.

5. Utilities Department Monthly Reports presented by Ivan Abell

I. Abell reported they pumped about 1232 acre-feet from the Sheep Draw wellfield, which is about 13 million gallons a day. In the Double Eagle Water System, they pumped about 86.57 acre-feet. They delivered about 50 acre-feet to the city. The WWTP treated about 68.4 million gallons of sewage and 330,000 gallons of septage at the WWTP. They delivered about 91 acre-feet of Effluent to the Municipal Golf Course and they sold about 82 acre-feet of Effluent to Select.

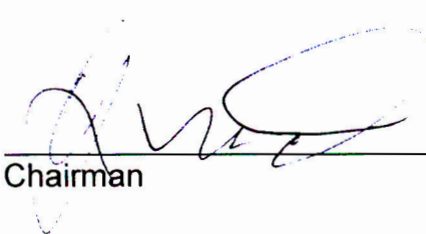
C. Stephens asked how the Stage I water restrictions were going. M. Abell stated they are going good, they have not had any issues.

6. June Financial Report presented by Melissa Salcido

M. Salcido gave a summary of the June 2023 Financials. The Water & Sewer Fund had a beginning fund balance of \$13.7 million. Revenues budget has a balance of \$14.5 million, which is \$1.8 million favorable to the \$12.7 million budget and 13% above target. Labor costs of \$5 million were \$440K favorable to the \$5.5 million budget and 9% below target. Operating costs of \$3.1 million were \$540K favorable to the \$3.7 million budget and 15% below target. Capital Investment of \$4.2 million was \$14.7 million favorable to the \$18.9 million budget and 78% below target.

7. Adjourn

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



Chairman