

**LINKED MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE  
CITY OF CARLSBAD, NEW MEXICO, HELD IN THE MUNICIPAL ANNEX  
BUILDING ON OCTOBER 10, 2017 AT 6:00 P.M.**

Present:	Dale Janway	Mayor
	Lisa A. Anaya Flores	Councilor
	Edward T. Rodriguez	Councilor
	Leo B. Estrada	Councilor
	J. R. Doporto	Councilor
	Jason Shirley	Councilor
	Richard Doss	Councilor
	Wanda Durham	Councilor
Absent:	Wesley A. Carter	Councilor
Also Present:	Steve McCutcheon	City Administrator
	Michael Hernandez	Deputy City Administrator
	Eileen P. Riordan	City Attorney
	Annette Barrick	City Clerk
	Patsy Jackson-Christopher	Director of Arts & Culture
	Luis Camero	Director of Engineering Services
	Steve Hendley	Director of Parks & Recreation
	Ron Myers	Director of Utilities
	Wendy Hammett	Finance Director
	Richard Lopez	Fire Chief
	Jeff Patterson	Planning Director
	Kent D. Waller	Police Chief
	Patrick Cass	Public Works Director

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**

0:00:01      Invocation - Pledge of Allegiance

0:00:28      **Mayor Janway asked Chief Lopez for an update on the Combat Challenge Team.**

**Chief Lopez** explained the Team competed in Tyler, Texas and took first place in the team category. He explained the Team also placed first in the Relay and KC Collins and Geronimo Ontiveros won the Tandem Challenge. He said the next challenge will be in Worlds in Louisville, Kentucky, October 23 through October 28.

0:01:44      **1. APPROVAL OF AGENDA**

0:01:48      **Motion**

The motion was made by Councilor Doporto and seconded by Councilor Durham to approve the Agenda

0:01:52      **Vote**

The vote was as follows: Yes - Rodriguez, Shirley, Durham, Anaya Flores, Doporto, Doss, Estrada; No - None; Absent- Carter; the motion carried.

0:02:19      **2. CONSIDER APPROVAL OF RESOLUTION NO. 2017-44, 2ND QUARTER BUDGET ADJUSTMENTS TO THE FY 2017- 2018 FY BUDGET**

**Mrs. Gonzales** reviewed the revenue and expenditures making certain Budgetary Adjustments to the 2017-2018 Fiscal Year Budget highlighting the General Fund, the Municipal Transit Fund, the Lodgers' Tax Non-Promotional Fund, the Lodgers' Tax Promotional Fund, the Solid Waste Fund, the Cemetery Fund, the Sports Complex Fund, the Water & Sewer Fund, and the Health Insurance Fund.

0:05:17      **Motion**

The motion was made by Councilor Doss and seconded by Councilor Shirley to approve Resolution No. 2017-44, 2nd Quarter Budget Adjustments to the FY 2017-2018 FY Budget

0:05:28      **Vote**

The vote was as follows: Yes - Rodriguez, Shirley, Durham, Anaya Flores, Doporto, Doss, Estrada; No - None; Absent- Carter; the motion carried.

0:05:44      **3. ROUTINE AND REGULAR BUSINESS**

- A. Minutes of the Regular City Council Meeting held on September 26, 2017
- B. City Personnel Report
- C. Purchasing:
  - 1) Consider approval to Advertise Invitation for Request for Proposals for Water Well Services
- D. Contracts and Agreements:
  - 1) Consider approval of Agreement between the City of Carlsbad and the New Mexico Department of Transportation, Traffic Safety Division for the 2017-2018 Traffic Safety Grant
  - 2) Consider approval of Memorandum of Agreement between the City of Carlsbad, Eddy County, and the NM Energy, Minerals, and Natural Resources Department for the City of Carlsbad's portion of the Brine Well Remediation Funding
- E. Monthly Reports:
  - 1) Monthly Report, Arts and Culture Department Report, August 2017
  - 2) Monthly Report, Municipal Court, September 2017

- 3) Monthly Report, Personnel Department, September 2017
- 4) Monthly Report, Planning, Engineering, & Regulation Department, September 2017

0:06:07        **Mayor Janway asked Mr. McCutcheon to discuss Item D.2 Consider approval of Memorandum of Agreement between the City of Carlsbad, Eddy County, and the NM Energy, Minerals, and Natural Resources Department for the City of Carlsbad's portion of the Brine Well Remediation Funding**

**Mr. McCutcheon** explained this item is a Memorandum of Agreement between the City, Eddy County, and the NM Energy Minerals, and Natural Resources Department for the City's budgeted portion of the remediation program for the Brine Well. He explained staff has been working with the County and the Attorneys with NM Energy Minerals, and Natural Resources Department. He said staff finds the Agreement acceptable and with Council's consent the Mayor can execute the Agreement and have the funding in place to pay for the RFP.

0:07:25        **Motion**

The motion was made by Councilor Rodriguez and seconded by Councilor Durham to approve Routine and Regular Business

0:07:30        **Vote**

The vote was as follows: Yes - Rodriguez, Shirley, Durham, Anaya Flores, Doporto, Doss, Estrada; No - None; Absent- Carter; the motion carried

0:07:44        **4. CONSIDER APPROVAL OF RESOLUTION NO. 2017-45, A RESOLUTION DECLARING CERTAIN CITY PROPERTY UNUSABLE OR OBSOLETE**

**Mr. McCutcheon** explained this is the standard Resolution for following statute to dispose of obsolete and unusable City property.

0:08:27        **Motion**

The motion was made by Councilor Shirley and seconded by Councilor Rodriguez to approve Resolution No. 2017-45, a Resolution Declaring Certain City Property Unusable or Obsolete

0:08:32        **Vote**

The vote was as follows: Yes - Rodriguez, Shirley, Durham, Anaya Flores, Doporto, Doss, Estrada; No - None; Absent- Carter; the motion carried.

0:08:46        **5. CONSIDER APPROVAL OF ORDINANCE NO. 2017-28, AN ORDINANCE AUTHORIZING THE GRANTING OF AN OIL AND GAS LEASE ON CERTAIN MINERAL INTERESTS OWNED BY THE CITY OF CARLSBAD IN CERTAIN PORTIONS OF T21S, R27E, T22S, R26E, AND T22S, R27E, TO SPC RESOURCES, LLC FOR A PER ACRE LEASE BONUS AND A 3/16THS ROYALTY**

0:09:26      **A.      Public Hearing**

**Mr. McCutcheon** explained as directed by Council, staff entered into negotiations with SPC Resources, LLC for leasing of minerals under various city properties. He said staff has negotiated a 3/16th Royalty for the city if SPC is successful in producing minerals from beneath the city properties. He said staff is pleased with the 3/16th Royalty and the lease bonus. He explained this is the final step to finalize the agreement.

0:11:29      **Mayor Janway asked if anyone would like to speak in favor of the Ordinance.**

**Mr. Hansen Yates**, Vice President of Santo Petroleum and SPC, explained the door to door solicitation has had much success. He thanked the Mayor, Mr. McCutcheon, and Ms. Riordan in negotiating the lease agreement and said he looks forward to a continued relationship.

0:12:46      **Mayor Janway asked if anyone would like to speak against the Ordinance.** No one appeared and the Mayor declared the public hearing closed and reconvened the Council in regular session.

0:12:55      **B.      Consider Ordinance No. 2017-28**

0:13:02      **Motion**

The motion was made by Councilor Rodriguez and seconded by Councilor Doss to approve Ordinance No. 2017-28, an Ordinance authorizing the granting of an Oil and Gas Lease on certain mineral interests owned by the City of Carlsbad in certain portions of T21S, R27E, T22S, R26E, and T22S, R27E, to SPC Resources, LLC for a per acre Lease Bonus and a 3/16ths Royalty

0:13:09      **Vote**

The vote was as follows: Yes - Rodriguez, Shirley, Durham, Anaya Flores, Doporto, Doss, Estrada; No - None; Absent- Carter; the motion carried.

0:13:26      **6.      COUNCIL COMMITTEE REPORTS**

**Councilor Doss** explained Friendship Park is coming along well. He said there will be a ribbon cutting on Sunday, October 15, 2017 and a Grand Opening to follow.

**Councilor Doss** also said there will be a Brine Well Technical Committee Meeting at 1:00 p.m. tomorrow, October 11, 2017 at NCKRI.

0:14:48      **7.      ADJOURN**

0:14:53      **Motion**

The motion was made by Councilor Anaya Flores and seconded by Councilor Durham to Adjourn

0:14:59        **Vote**

The vote was as follows: Yes - Rodriguez, Shirley, Durham, Anaya Flores, Doporto, Doss, Estrada; No - None; Absent- Carter; the motion carried.

0:15:16        **Adjourn**

There being no further business, the meeting was adjourned at 6:16 p.m.

\_\_\_\_\_/s/Dale Janway\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_/s/Annette Barrick\_\_\_\_\_  
City Clerk