

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF WATER AND SEWER COMMISSIONERS HELD ON AUGUST 17, 2017, AT 8:30 A.M., IN THE PLANNING ROOM AT THE MUNICIPAL BUILDING, 101 N. HALAGUENO STREET, CARLSBAD, NM**

<b>VOTING MEMBERS PRESENT:</b>	<b>Craig Stephens Russell Hardy Fred Beard</b>	<b>Chairman Member Member</b>
<b>VOTING MEMBERS ABSENT:</b>	<b>Gary Perkowski Larry Henderson</b>	<b>Member Member</b>
<b>EX-OFFICIO MEMBERS PRESENT:</b>		
<b>EX-OFFICIO MEMBERS ABSENT:</b>	<b>Mayor Dale Janway Steve McCutcheon</b>	<b>Ex-Officio/Member Ex-Officio/City Administrator/ Secretary</b>
<b>OTHERS PRESENT:</b>	<b>Mike Hernandez Annette Barrick Wendy Hammett Ron Myers Wes Nichols Joe Harvey Scott Goodale Emily V. Rogers</b>	<b>Deputy City Administrator City Clerk Finance Director/City Treasurer Double Eagle Superintendent Collections Superintendent WW Superintendent Mosaic Applicant</b>

Electronic Recording malfunction, no timestamps available.

**1. Call to Order**

Craig Stephens called the meeting to order.

**2. Roll Call and Determination of Quorum**

Craig Stephens called Roll and it was determined that there was a quorum of voting members.

**3. Approval of Agenda**

The motion was made by Russell Hardy and seconded by Fred Beard to Approve the Agenda. The Vote was as follows, Yes: Craig Stephens, Russell Hardy and Fred Beard, No: None, Absent: Gary Perkowski, and Larry Henderson. The Motion passed.

**4. Approval of Minutes of Regular Board of Water and Sewer Commission Meeting held on July 20, 2017**

The motion was made by Russell Hardy and seconded by Fred Beard to Approve the Minutes of the Regular Board of Water and Sewer Commissioners Meeting held on July 20, 2017. The Vote was as

follows, Yes: Craig Stephens, Russell Hardy and Fred Beard, No: None, Absent: Gary Perkowski, and Larry Henderson. The Motion passed.

**5. Consider Approval of Request for Sewer Service Outside City Limits, Located at 1631 N. Canal Street from Emily Rogers**

Emily Rogers said she is the owner of the property located at 1631 N. Canal. She said she is requesting approval to obtain City Sewer Services. She said when she purchased the property she thought it had a septic system but it only has a cesspool. She said she has leased the property for two years but now wants to sell it. Russell Hardy suggested Annexing the property. Fred Beard said historically the City has not allowed sewer service outside the City limits, but the infrastructure is there. Mike Hernandez explained the benefits of annexing. Ms. Rogers said she would consider Annexing but she is not aware of the process. Mike Hernandez recommended Ms. Rogers speak with Jeff Patterson, the City Planner.

The motion was made by Fred Beard and seconded by Russell Hardy to Table the Request to allow Ms. Rogers to consider Annexing the property. The Vote was as follows, Yes: Craig Stephens, Russell Hardy and Fred Beard, No: None, Absent: Gary Perkowski, and Larry Henderson. The Motion passed.

**6. Consider Approval of Request for Water Leases from Mosaic, A. Mosaic to C-500, B. Select to Hood, C. Select to Malaga, D. Water Spur, LLC**

Mr. Scott Goodale explained his request to the Board Members. He said items A and B are at a location North of town. Select Energy needs 75 AF for two years to meet the demands. He said item C is leased Pecos Community Water Well and is needed for one year. Item D. is a new commercial business that wants to truck water. Fred Beard asked how it would affect others in the area. Mr. Goodale said OSC will study the aquifer then consider the applications. He said Mosaic has good relationships with others. Russell Hardy asked if OSE monitors the use. Mr. Goodale said they perform quarterly meter checks and maintains a spreadsheet and OSE requires an annual report.

The motion was made by Russell Hardy and seconded by Fred Beard to Approve the Water Leases from Moasaic to A.) C-500, B.) Select to Hood, C.) Select to Malaga, D.) Water Spur, LLC. The Vote was as follows, Yes: Craig Stephens, Russell Hardy and Fred Beard, No: None, Absent: Gary Perkowski, and Larry Henderson. The Motion passed.

**7. Water and Sewer Department Monthly Reports presented by Ron Myers**

**8. Utilities Department Project Updates presented by Ron Myers**

Ron Myers reported that the Waste Water Treatment Plant was doing good. Joe Harvey added that it was constant last month. He said he conducted a pilot project at the plant with food service grease for 2 months and it worked well. He said there is more research to be done. He said if a program is approved, it could be a source of revenue for the City. Mike Hernandez said he would suggest a longer testing period. Fred Beard said he is concerned that the demand would be too great. Scott Goodale said he would work with the City for a trial period. Joe Harvey said the charge has not been considered but he feels it would be higher than septage disposal. He said he would have to develop a spreadsheet to document the testing results. Scott Goodale suggested a charge of 8 to 12 cents per gallon.

Ron Myers reported that Double Eagle pumped less. He said the Treatment Plant pumped more Effluent. Joe Harvey suggested charging the Golf Course for the Effluent Water that they receive to off-set the costs to the Plant. Mr. Myers said that Well 6 should be completed by September. Wes Nichols reported that a crew has been cleaning sewer lines all over town. He said there have been complaints about odor. He said they need a new Jet Truck to keep up with the maintenance.

Craig Stephens said he agrees the Golf Course should be charged for Effluent. He said the City needs to see their actual losses.

Mike Hernandez explained to the members that the City will be moving forward with a Request for Proposal for the Waterline Lease Agreement for the Grubbs Line. The line was abandoned by the City. He said the Agreement will not be for water but for the use of the line. The Lessee will be responsible for maintenance of the line during the term of the Agreement. The Agreement will also allow the Ranchers to continue use of the line. He said the RFP is scheduled to be considered by the City Council on Tuesday, August 22, 2017 and the final Agreement will be brought back to this Board.

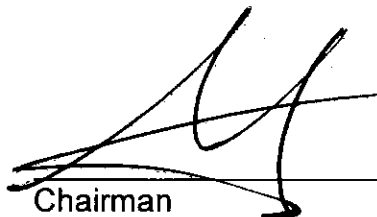
#### **9. Financial Reports presented by Wendy Hammett**

Wendy Hammett reported that Revenues are doing well. She said with the City re-aligning resources; we are seeing a difference. She also reported that there were under 200 water cut-offs this month. She said it appears to be the same set of customers who are late paying. Ms. Hammett said the City Council will consider new financial system software at the next Council meeting. She said she looks forward to a better reporting system.

Mike Hernandez explained to the Board that there will be a Special City Council Meeting to hear a request from Santo Petroleum. He explained that the company is owned by the Yates family and they have a good reputation in the community. He said they are coming in to request permission to go door-to-door to talk with residents in the area where they propose horizontal drilling at 9000' under the City. He said the City has consulted with Balleau Groundwater, AMEC Engineering and Jim Griswold with the State regarding the safety of the drilling. He said the drilling will occur south of Church Street and out to Wood Street; with some drilling near the Tracy Farm area. He said the mineral rights owners will be compensated for the rights. They are not purchasing rights but leasing. Fred Beard said he is not concerned with this type of activity. He said he is more concerned with the old well fields. Craig Stephens questioned if it had been done anywhere else. Mr. Hernandez said they have done this type of drilling in Midland, TX and Oklahoma. Fred Beard said it is being done in downtown Dallas, TX now. Craig Stephens thanked Mr. Hernandez for the information.

#### **10. Adjourn**

The motion was made by Russell Hardy and seconded by Fred Beard to Adjourn. The Vote was as follows, Yes: Craig Stephens, Russell Hardy and Fred Beard, No: None, Absent: Gary Perkowski, and Larry Henderson. The Motion passed.

  
Chairman