

EMERGENCY

EDDY COUNTY BOARD OF COMMISSIONERS MINUTES OF AN EMERGENCY SPECIAL MEETING January 27, 2018

BE IT REMEMBERED that the Eddy County Board of Commissioners held an emergency meeting in Room 211 of the Eddy County Administration Complex on January 27, 2018 at 1:00 p.m. Crockett called the meeting to order.

Present:

SUSAN CROCKETT	CHAIR, DISTRICT 5
JAMES WALTERSCHEID	VICE-CHAIR, DISTRICT 1
STELLA DAVIS	COMMISSIONER, DISTRICT 4
LARRY WOOD	COMMISSIONER, DISTRICT 3
JON HENRY	COMMISSIONER, DISTRICT 2
RICK RUDOMETKIN	COUNTY MANAGER
KENNEY RAYROUX	ASSISTANT COUNTY MANAGER
CAS TABOR	COUNTY ATTORNEY
GEMMA FERGUSON	ASSESSOR
ROBIN VAN NATTA	COUNTY CLERK
GAY WEST	ADMINISTRATIVE ASSISTANT
ROBERTA SMITH	FINANCE DIRECTOR
ROXANN BRANNON	HR DIRECTOR
CAROL HENNINGTON	IT DIRECTOR
SHARON DODSON	ASSISTANT IT DIRECTOR
ROLAND RODRIGUEZ	IT DEPARTMENT
BRIAN STEPHENS	FACILITIES DIRECTOR
ROBERT DEFER	CARLSBAD CHAMBER OF COMMERCE
EDWARD RODRIGUEZ	CARLSBAD CITY COUNCIL
DICK DOSS	CARLSBAD MAYOR PRO-TEM
ADRIAN HEDDEN	CARLSBAD CURRENT ARGUS

- 1. OPEN MEETING - COMMISSION CHAIRMAN CROCKETT:** At 1:00 p.m. Crockett called the meeting to order and welcomed Carlsbad City Councilman Edward Rodriguez, Mayor Pro-Tem Dick Doss and Robert Defer with the Carlsbad Chamber of Commerce to the meeting. John Heaton joined the meeting via conference call. Crockett asked Heaton to outline the request for funding. Heaton thanked everyone for being strong participants to find a solution to the brine well issue. He stated the legislative delegation had been working very hard to get this issue resolved. There were 5 bills introduced which were developed from the Brine Well Authority that were lost in committee on the senate side. Those bills would be heard in House Finance next week; and they felt it important to continue to run the bills regardless if a solution was met.

Experts estimated the well would collapse by 2022. Eight additional cavities had opened up west of the main cavity. He stated a major crack had occurred in the last few days, which indicated failure of the overburden to support itself. It was a fight against time. Heaton stated the impact would be catastrophic to agriculture, oil and gas as well as the eminent loss of life. The cavity itself was a football field wide and 2 football fields long. Heaton stated several ideas were proposed but the following sounded the most feasible. An RFP had been issued and a company selected to remediate the well. Heaton stated an estimated \$43M would be needed, however until the bids were made public there was no way to tell the total cost. If more money was collected than needed it would be returned pro-grata to the contributors. The proposal recommended \$3M be taken from emergency appropriations set out in HB2, \$1M over 2018 and 2019 from the correction action fund which was designated to correct underground service station tanks. One-eighth of the motor vehicle excise tax be put into the state road fund which was usually put in the general fund. The Transportation Department would put that 1/8th toward remediation for 3 years which was estimated to be \$10M per year. This allocation would go into the road fund indefinitely which would generate about \$125M extra over the next 25 years. Heaton stated those three allocations brought the total to \$35M, and with the buy in from local governments of 20% over 2019 – 2021 the amount over the 3-year period would bring the total to \$43M. Heaton thanked everyone for their efforts and stated it was imperative we find a solution. Davis asked if there was a plan B in case this proposal didn't pass. Heaton stated this was it along with pushing the 5 bills proposed this session. He stated they believed this was a real solution. Walterscheid asked if he felt the legislators would go for this proposal. Heaton stated with the buy in from City and County governments they were more likely to approve the proposal. Santa Fe didn't get the urgency of the eminent collapse of the well. Heaton stated it would take 2 – 3 years to fill the well, which put us close to the 2022 deadline. He urged officials to make this a priority when in Santa Fe next week. The extra \$158M in the state budget dollars came from Eddy County from oil and gas production.

2. APPROVE:

- a. **R-18-18; RESOLUTION IN SUPPORT OF THE PROPOSAL TO FUND THE REMEDIATION OF THE SOUTH Y BRINE WELL WITH A COMBINATION OF FUNDS FROM THE STATE OF NEW MEXICO, THE CITY OF CARLSBAD, AND EDDY COUNTY, TO THE EXTENT ALLOWED BY LAW, COMMITTING EDDY COUNTY'S PORTION OF THOSE FUNDS**

- RICK J. RUDOMETKIN: Davis moved, seconded by Walterscheid to approve R-18-18 in support of the proposal to fund the remediation of the south brine well with a combination of

funds from the State Of New Mexico, the City of Carlsbad, and Eddy County, to the extent allowed by law. Rudometkin stated this had to be done. In his opinion the first year should be taken out of the reserve funds and look at funding sources for the next two years. Wood stated GRT was not an option in his opinion. This had to be addressed and funding for the next 2 years could be decided at a later date. Davis stated this had to be done, when you were talking about loss of life it was a small amount. She suggested the legislators come down and see what was really at stake. Walterscheid had talked to Senator Leavell and Representative Brown this morning and they supported this proposal. Other Legislators did not have a clue as to what we were dealing with. Walterscheid stated when people visited from Santa Fe it was important to take them to the actual well site. Walterscheid stated without the water from the CID area farmers would be out of business. As for replacing the funds, all avenues should be explored. Henry stated it was a small price to pay in comparison to what could be lost. Heaton thanked Davis and Crockett for their work on finding funding for this issue. Dick Doss, Carlsbad Mayor Pro-Tem stated the City had passed the resolution and committed funding. He felt if this did not pass, plan B would be to call FEMA. He thanked everyone for their work and asked the Board to pass this resolution. Edward Rodriguez, Carlsbad City Councilor Ward 1, felt that if the tools needed to provide for your family were broken then you fix it. The South Y was the tool that provided the state with their funds and it had to be fixed. Two things we could not control was time and gravity. If the right choice was made too late then it was wrong. Crockett felt it imperative to move forward with this funding. Crockett called for the vote. Voting yes: Henry, Wood, Davis, Crockett and Walterscheid. Passed 5-0. R-18-18 was recorded as Exhibit 2.a.

Tabor clarified the Board met on 22 hours' notice pursuant to the Open Meetings Act Emergency for the safety and welfare of residents. State Statute and the County's approved procedure were followed.

3. **ADJOURN:** At 1:35 p.m. Wood moved, seconded by Davis to adjourn the meeting. Voting yes: Henry, Wood, Davis, Crockett and Walterscheid. Passed 5-0.

EDDY COUNTY BOARD OF COMMISSIONERS

CHAIR: _____

ATTEST: _____

DATE: _____