

Minutes of the Special Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at Gallup City Hall, 110 West Aztec Avenue, at 4:30 p.m. on Tuesday, May 24, 2016.

At such meeting, the following were present, constituting a quorum:

Mayor: Jackie McKinney

Councilors: Linda Garcia
Allan Landavazo
Yogash Kumar
Fran Palochak

Also present: Maryann Ustick, City Manager
George Kozeliski, City Attorney

Councilor Kumar made the motion to adjourn into closed session for the purpose of discussing pending litigation with retained attorneys regarding the City of Gallup's G-22 Application with the State Engineer's Office. Seconded by Councilor Landavazo. Roll call: Councilors Kumar, Landavazo, Palochak, Garcia, and Mayor McKinney all voted yes.

The Mayor and Councilors adjourned into closed session pursuant to Section 10-15-1-H(7) NMSA 1978 Comp. (as revised).



Jackie McKinney, Mayor

ATTEST:



Alfred Abeita II, City Clerk

Approved 6/14/2016

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at Gallup City Hall, 110 West Aztec Avenue, at 6:00 p.m. on Tuesday, May 24, 2016.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor: Jackie McKinney

Councilors: Linda Garcia
Allan Landavazo
Yogash Kumar
Fran Palochak

Also present: Maryann Ustick, City Manager
George Kozeliski, City Attorney

Mr. Kozeliski certified for the record that the matters discussed during the closed session held at 5:00 p.m. prior to the current meeting was limited to pending litigation with retained attorneys regarding the City of Gallup's G-22 Application with the State Engineer's Office.

Presented to the Mayor and Councilors were the Minutes of the Special Meeting of May 4, 2016 and the Special and Regular Meetings of May 10, 2016.

Councilor Palochak made the motion to approve the aforementioned Minutes. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Landavazo and Mayor McKinney all voted yes.

The Mayor and Councilors recognized the t-shirt contest finalists of the Water and Energy Awareness Day event which was held on May 11, 2016. All of the following finalists are students at Miyamura High School: 5th Place, Michael Chee; 4th Place, Desiree Morse-Foley; 3rd Place, Sarah Ann Gilmore; 2nd Place, Richard Pinedo; and 1st Place, Lydara Bahe. Miss Bahe was in attendance to accept her award.

Presented to the Mayor and Councilors were the following Discussion/Action Topics:

1. Request for the Closure of Streets and Downtown Parking Lot for the 68th Annual Gallup Lions Club Rodeo Parade and Barbeque to be Held on Saturday, June 11, 2016 – John Sakasitz, Gallup Lions Club

David Lewis, Gallup Lions Club, presented the request as well as an overview of the event.

Mayor McKinney thanked the Gallup Lions Club for their work in posting American flags at Red Rock Park for the Run for the Wall event last week.

MINUTES

Regular City Council Meeting – 5/24/2016

Page 2

Councilor Landavazo made the motion to approve the closure of streets and downtown parking lot for the 68th Annual Gallup Lions Club Rodeo and Barbeque to be held on Saturday, June 11, 2016. Seconded by Councilor Garcia. Roll call: Councilors Landavazo, Garcia, Kumar, Palochak, and Mayor McKinney all voted yes.

2. Proposed Capital Projects for General Obligation Bond Election – Stan Henderson, Public Works Director

Based on the Mayor and Councilors' input from the last work session, Mr. Henderson presented a list of projects to be funded by the proceeds of the proposed general obligation bond issue. A copy of the project list is attached hereto, marked as Exhibit A, and made a part of these official Minutes. The issuance of general obligation bonds is subject to voter approval.

Based on the individual briefings with each Councilor, Ms. Ustick recommended the allocation of \$50,000 from the \$1,451,500 in bond proceeds for the Hasler Valley Road project to the mill and overlay of streets in District 1. Due to the recommended change, the amount of other City funds needed for Hasler Valley Road project would be increased from \$550,000 to \$600,000. The total amount of bond funds recommended for the mill and overlay of streets in District 1 would be increased from \$492,000 to \$542,000.

Discussion followed concerning the possible use of other funds for the projects.

Mayor McKinney introduced Paul Cassidy of RBC Capital Markets and Daniel Alsup of the Modrall Spering law firm.

Councilor Palochak made the motion to approve the proposed capital projects for the General Obligation Bond Election. Seconded by Councilor Garcia. Roll call: Councilor Palochak, Garcia, Kumar, Landavazo, and Mayor McKinney all voted yes.

3. Disposition of Surplus Vehicles by Means of the City's Online Auction – Patty Holland, Chief Financial Officer

Ms. Holland presented information concerning two surplus vehicles that have a resale value of over \$2,500: a 1997 Freightliner pumper/ambulance and a 2006 Case backhoe/loader. Ms. Holland said both vehicles are fully depreciated and recommended disposing them through the City's online auction.

Councilor Garcia made the motion to approve the disposition of the two surplus vehicles by means of the City's online auction. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Landavazo, Palochak, and Mayor McKinney all voted yes.

MINUTES

Regular City Council Meeting – 5/24/2016

Page 3

4. Resolution No. R2016-23; Calling a Special Election to be Held on August 9, 2016 for the Purpose of Voting on the Issuance of General Obligation Bonds in an Aggregate Principal Amount of \$5,365,000 – Patty Holland, Chief Financial Officer

Ms. Holland presented the resolution calling for the special election. If the voters approve the issuance of the general obligation bonds, the proceeds from the sale of the bonds will finance the projects approved under Discussion/Action Topic #2.

Mr. Cassidy provided an overview of the proposed financing program which will not result in a property tax increase.

Mr. Alsup provided a summary of the proposed election resolution which contains the question to be submitted to the voters at the election as well as information concerning absentee/early voting, polling locations, etc.

Discussion followed concerning the inclusion of the proposed advisory questions that may be added to the ballot, the possible increase in interest rates which may occur within the next two months, the permitted use of any remaining bond proceeds and the use of pre-election material to disseminate information about the proposed bond issue.

Following discussion, Councilor Palochak made the motion to approve Resolution No. R2016-23. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Landavazo, and Mayor McKinney all voted yes.

5. Resolution No. R2016-26; Proposing an Advisory Referendum Question Limiting the Sale of Package Liquor Before the Hour of 11:00 A.M. – George Kozeliski, City Attorney

Mr. Kozeliski presented the proposed resolution which would include an advisory referendum question to be placed on the ballot at the August 9, 2016 Special Municipal Election. Although the City does not have the authority to change the hours of package liquor sales within its local option district, the proposed question on the ballot would allow voters to provide their input regarding the matter.

Mayor McKinney said if there is overwhelming support of the question, a strong message from the community would be taken to the State Legislature in requesting a change to the Liquor Control Act to limit the hours of package liquor sales.

Discussion followed concerning the time that should be stated in the question.

MINUTES

Regular City Council Meeting – 5/24/2016

Page 4

Following discussion, Councilor Landavazo made the motion to approve Resolution No. R2016-26. Seconded by Councilor Garcia. Roll call: Councilors Landavazo, Garcia, Kumar, Palochak, and Mayor McKinney all voted yes.

6. Resolution No. R2016-27; Proposing an Advisory Referendum Question on Single-Stream Curbside Recycling – George Kozeliski, City Attorney

Mr. Kozeliski presented the proposed resolution which would include a second advisory referendum question to be placed on the ballot at the August 9, 2016 Special Municipal Election. The proposed ballot question would allow voters to provide their input regarding the implementation of single-stream curbside recycling.

Councilor Landavazo expressed his concerns with how the advisory referendum question was written. He believes the question is prejudiced since it contains uncertain costs that will cause voters to vote against the question. Councilor Landavazo recommended re-wording the question so that it is more neutral. Based on a survey that was conducted months ago, he believes residents have already spoken in favor of curbside recycling.

Discussion followed concerning the costs for curbside recycling, the use of existing resources to reduce the start-up costs for curbside recycling and suggestions for re-wording the advisory referendum question.

Councilor Palochak said recycling proponents in her district are concerned about the uncertain increase to their utility bills. She expressed her concerns with placing an advisory question on the ballot which may be misleading to voters. She would rather have the proponents gather the required amount of signatures on a referendum petition and to place the question on the ballot at the next regular municipal election where there will be a better turnout.

Joann Benenati recommended that the City solicit a Request for Proposals (RFP) for curbside recycling in order to obtain solid figures for the costs of the program. She said the City would not be obligated to implement the program; however, the results of the proposals submitted would help in the decision-making process. Ms. Benenati also said there are ways to implement the program at no cost.

Mayor McKinney questioned the solicitation of a RFP for curbside recycling since the program would be operated by the City. Since there has been a proposal for proponents to circulate a referendum petition to place the question on the ballot at the next regular municipal election, Mayor McKinney would be in favor of such action due to the number of signatures required to place the measure on the ballot.

MINUTES

Regular City Council Meeting – 5/24/2016

Page 5

Councilor Landavazo made the motion to approve Resolution No. R2016-27 and to amend the advisory referendum question contained therein to read as follows: “Are you in favor of the City of Gallup instituting single-stream curbside recycling with an added cost to your utility bill?” Seconded by Councilor Kumar. Roll call: Councilors Landavazo, Kumar, and Garcia voted yes. Councilor Palochak and Mayor McKinney voted no. Motion carried.

7. Fiscal Year (FY) 2017 Lodgers Tax Event Funding – Catherine Sebold, Tourism and Marketing Manager

Ms. Sebold presented the recommendations of the Lodgers Tax Committee for the promotional funding of events for FY 2017. A spreadsheet containing the recommendations of the Lodgers Tax Committee are attached hereto, marked as Exhibit B, and made a part of these official Minutes. The total amount of the proposed funding is \$291,411.

Discussion followed concerning the Good Samaritan Society event which was held last weekend, the amount of funds that are actually reimbursed to the organizations for event promotions, the use of the Smith’s Travel Research report to analyze the impact on hotel stays during recent events, the Lodgers Tax Committee’s recommendations which correspond with the organizations’ requests for funding, and the Business Improvement District’s (BID’s) financial commitment for the Freedom Ride, Flight and Cruise event.

Following discussion, Councilor Palochak made the motion to approve the Fiscal Year 2017 Lodgers Tax Event Funding. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Landavazo, and Mayor McKinney all voted yes. Councilor Kumar abstained. Motion carried.

8. Ordinance No. C2016-6; An Ordinance Concerning Furnishing Water Service Outside the City Limits – Clyde (C.B.) Strain, Planning Director

Mr. Strain said the City’s current ordinance allows water service outside the city limits only for certain specific uses and conditions. Ordinance No. C2016-6 would grant the City Council authority to allow water service outside the city limits for all uses, including specific listed uses, solely at the discretion of and with conditions and limitations set by the City Council.

Councilor Kumar made the motion to adopt Ordinance No. C2016-6. Seconded by Councilor Landavazo. Roll call: Councilors Kumar, Landavazo, Palochak, Garcia, and Mayor McKinney all voted yes.

MINUTES

Regular City Council Meeting – 5/24/2016

Page 6

9. Ordinance No. C2016-7; An Ordinance Concerning Sewer Connections Outside the City Limits – Clyde (C.B.) Strain, Planning Director

Mr. Strain said the City's current Ordinance allows sewer connections outside the city limits only for certain uses and conditions. Ordinance No. C2016-7 would grant the City Council the authority to allow sewer connections outside the city limits for all uses, including specific listed uses, solely at the discretion of and with conditions and limitations set by the City Council.

Discussion followed concerning the conditions that the Council may impose to account for the sewage and addressing septic issues when water is provided outside the City limits.

Following discussion, Councilor Kumar made the motion to adopt Ordinance No. C2016-7. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Landavazo, Garcia, and Mayor McKinney all voted yes.

10. Adoption of Joint Powers Agreement with McKinley County on Liquor Excise Tax – George Kozeliski, City Attorney

Mr. Kozeliski said the current agreement with the County will expire on June 30, 2016. The proposed agreement will be for a four-year period and has already been approved by the McKinley County Board of Commissioners. The agreement provides the operational guidelines for the County and the City to collect the liquor excise tax.

Councilor Palochak made the motion to approve the Liquor Excise Tax Joint Powers Agreement with McKinley County. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Landavazo, and Mayor McKinney all voted yes.

11. Resolution No. R2016-24; Joint Resolution Directing the Allocation and Distribution of the Fiscal Year 2017 Projected Liquor Excise Tax Revenue – George Kozeliski, City Attorney

Mr. Kozeliski presented the joint resolution with McKinley County on how the two governmental entities will use this coming fiscal year's projected liquor excise tax. The projected liquor excise tax revenue for FY 2017 is \$1,200,000. Based on the determination made by the Allocation Task Force, \$500,000 of the projected revenue is allocated to the City for the operation of the Gallup Detox Center; \$300,000 of the projected revenue is allocated to the City for Protective Custody; \$300,000 of the projected revenue is allocated to the County (\$200,000 for the JSACC program and \$100,000 for the County DWI program); and \$100,000 of the projected revenue is

MINUTES

Regular City Council Meeting – 5/24/2016

Page 7

allocated to the Jail Authority Board for the in-house alcohol and drug treatment program at the Adult Detention Center.

Councilor Garcia made the motion to approve Resolution No. R2016-24. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Landavazo, Kumar, and Mayor McKinney all voted yes.

12. Contract Award and Budget Adjustment for Plumbing Repairs at the Gallup Detox Center – Jon DeYoung, Assistant to the City Manager

Mr. DeYoung provided a description of the work to be done to address the health and welfare issue that has been identified by the State. He recommended a budget adjustment for the use of liquor excise tax funds in the amount of \$55,222.88 for the improvements. Based on the bid results, he recommended award of the contract to Williams Plumbing.

Councilor Palochak made the motion to approve the contract award and budget adjustment as presented for the plumbing repairs at the Gallup Detox Center. Seconded by Councilor Landavazo. Roll call: Councilors Palochak, Landavazo, Kumar, Garcia, and Mayor McKinney all voted yes.

13. Contract Award and Budget Adjustment for Shower Tiling Repairs at the Gallup Detox Center – Jon DeYoung, Assistant to the City Manager

Mr. DeYoung provided a description of the work to be done once the plumbing repairs have been completed. He recommended a budget adjustment for the use of liquor excise tax funds in the amount of \$78,745.43 for the improvements. The procurement for the work will be done under state contract with Business Environments.

Discussion followed concerning the possible use of Behavior Health Investment Zone funds to reimburse the City for the liquor excise tax funds that will be used for both projects under Discussion/Action Topics 12 and 13.

Councilor Palochak made the motion to approve the contract award and budget adjustment as presented for the shower tiling repairs at the Gallup Detox Center. Seconded by Councilor Landavazo. Roll call: Councilors Palochak, Landavazo, Kumar, Garcia, and Mayor McKinney all voted yes.

14. Contract Award for Boardman and Ridgecrest Water Line Projects – Richard Matzke, Electric Director

MINUTES

Regular City Council Meeting – 5/24/2016

Page 8

Mr. Matzke provided an overview of the work to be done and the bid results for both projects. The low bidder was NM Underground Utilities with \$259,829.75 for the Boardman Drive project and \$53,050 for the Ridgecrest Avenue project for a combined total of \$338,887.88, including New Mexico Gross Receipts Tax (NMGRT). He recommended award of both projects to NM Underground Utilities in the amounts previously specified.

Councilor Landavazo made the motion to approve the contract award for the Boardman and Ridgecrest Water Line Projects as presented. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak, Garcia, Kumar, and Mayor McKinney all voted yes.

15. Budget Adjustment for Professional and Legal Services for G-22 Water Rights Acquisition – Richard Matzke, Electric Director

Mr. Matzke said the City's costs toward acquisition of G-22 Water Rights include \$2.5 million in legal and professional services and \$3.9 million for drilling two test wells. The Mayor and Councilors authorized \$250,000 to continue this effort at the February 9, 2016 Regular Meeting. Currently, the City has invoices for legal and professional services totaling \$167,384.38 and a balance of \$71,260.46 remaining from the funding authorized in February 2016. Based on information provided by the City's consultants, the projected costs to continue the City's efforts through December 2016 are estimated to be as follows: \$1,125,000 for legal services, \$50,000 for professional consulting and \$96,124 for current invoices less remaining funding, for a total of \$1,271,124. To cover the projected costs as previously outlined, Mr. Matzke recommended a budget adjustment in the amount of \$1,271,124 to be funded by the Environmental Surcharge Revenue Fund.

Councilor Kumar made the motion to approve the budget adjustment for professional and legal services for the G-22 Water Rights Acquisition as presented. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Landavazo, Palochak, and Mayor McKinney all voted yes.

16. Budget Adjustment Within Water Fund 506 for Fiscal Year 2016 – Richard Matzke, Electric Director

Mr. Matzke said approval by the Council is required when funds are transferred from a capital account to operation expenses. He recommended a transfer of \$211,838 from the vehicles line item (capital account) to cover shortfalls in the following operating expense accounts: \$71,834 non-employee insurance, \$55,000 professional services, and \$85,000 other contractual. There are no vehicles scheduled for replacement in the

MINUTES

Regular City Council Meeting – 5/24/2016

Page 9

Water Department this fiscal year; therefore, \$211,838 from the vehicle account is available to cover the shortfalls in the operating expense line items. Mr. Matzke explained the reasons for the shortfalls and recommended approval of the proposed budget adjustment.

Discussion followed concerning the vehicles line item for the Water Department and the unbudgeted amount in the professional services line item which was used to cover expenses for the asset management project. The expense for the asset management project created a shortfall in funding the support for the Greater Gallup Economic Development Corporation (GGEDC).

Following discussion, Councilor Garcia made the motion to approve the budget adjustment within Water Fund 506 for Fiscal Year 2016. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Landavazo, Kumar, and Mayor McKinney all voted yes.

17. Ordinance No. C2016-8; An Ordinance Concerning an Interim Increase to the Rates for Wastewater Service – Richard Matzke, Electric Director

Mr. Matzke said the City's current ordinance on wastewater rates was approved by the City Council in 2004. Beginning in FY 2016 the Wastewater Fund was separated from the Water Fund and as a result, it became clear that additional funding is required to sustain the wastewater operation during the budget preparation process for FY 2017. The proposed budget for FY 2017 for the Wastewater Fund, which does not reflect a rate change, shows a reduction in the fund balance of approximately \$95,000 despite a proposed transfer of \$1 million from the Water Fund. The proposed 15% rate increase is expected to generate about \$325,000 in new revenues in FY 2017. The revenues from the proposed interim rate increase under Ordinance No. C2016-8 will protect some of the fund balance while a long term financial plan is prepared. The proposed ordinance also includes an annual Consumer Price Index (CPI) adjustment provision and increases tied to water rate increases. The ordinance also raises the maximum water consumption to be used in calculating the residential volume charge from 2,000 cubic feet to 2,674 cubic feet (20,000 gallons). Mr. Matzke's provided an overview of the FY 2017 Wastewater Budget, proposed wastewater rate changes, rate change impact, and typical residential and commercial monthly sewer bill comparisons based on a brief market survey. A copy of the illustrations used in Mr. Matzke's presentation are attached hereto, marked as Exhibit C, and made a part of these official Minutes.

Discussion followed concerning how the proposed interim rate increase of 15% was determined and the household incomes of other communities in the market survey versus the household incomes in Gallup.

MINUTES

Regular City Council Meeting – 5/24/2016

Page 10

Following discussion, Councilor Landavazo made the motion to adopt Ordinance No. C2016-8. Seconded by Councilor Kumar. Roll call: Councilors Landavazo, Kumar, Garcia, Palochak, and Mayor McKinney all voted yes.

The following Presentation and Information Items were presented to the Mayor and Councilors:

1. Discussion and Consideration of a Proclamation Declaring Extreme or Severe Drought Conditions within the City of Gallup and Banning Certain Fireworks Beginning June 14, 2016 for 30 Days – Jesus “Chuy” Morales, Fire Marshal

Fire Marshal Morales provided information concerning the restriction of fireworks should there be a declaration of extreme or drought conditions in Gallup. Currently, conditions are favorable; however, if conditions change, the Mayor and Councilors may consider a proclamation to ban certain fireworks beginning June 14, 2016 for 30 days.

Discussion followed concerning the steps that would be taken in the event it became necessary to consider a fireworks ban due to extreme or severe drought conditions, the issuance of permits to residents to discharge fireworks, and reliable monitoring of the weather conditions in the Gallup area.

2. Discussion/Public Comment on the 2016 Edward Byrne Memorial Justice Assistance Grant Application – Jon DeYoung, Assistant to the City Manager

Mr. DeYoung provided information about the grant application and offered an opportunity for the Mayor, Councilors and the public to provide comments concerning the application. The grant amount of \$42,000 will be split by the City and County 50/50 and will be used by each of the governmental entities' law enforcement agencies. There was no comment presented by the Mayor, Councilors or members of the public regarding the grant application.

Comments by Public on Non-Agenda Items

None.

Comments by Mayor and City Councilors

Councilor Palochak thanked everyone who was involved in the Run for the Wall event last week, which was very successful. She wished everyone a pleasant Memorial Day.

Councilor Landavazo agreed with Councilor Palochak regarding her comments on the

MINUTES

Regular City Council Meeting – 5/24/2016

Page 11

Run for the Wall event. Councilor Landavazo commended Mayor McKinney for his work and involvement with the event.

Councilor Kumar also said the Run for the Wall event was very successful as he had service personnel and participants from the event staying at his hotel where they hosted a cookout. He also wished everyone a pleasant Memorial Day.

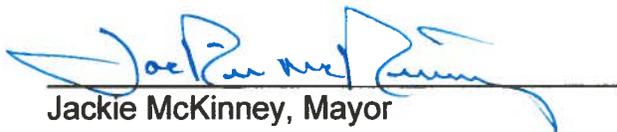
Councilor Garcia said she attended the Roosevelt Elementary School Patriotic Day. She said it was great to see how the Veterans were honored during the program. She thanked Councilor Palochak, an Armed Forces Veteran, for her service to our country and community. Councilor Garcia will hold her Neighborhood Association Meeting tomorrow night at 6:30 p.m. at the Northside Senior Center.

Mayor McKinney provided an overview of the successful Run for the Wall event as well as the positive comments he received. He said the Run for the Wall is a dangerous mission and advised that a Gallup resident, who participated in the motorcycle run, was in an accident yesterday outside of Junction City, Colorado. Mayor McKinney also announced that a close friend of his, who he rode with for many years as a road guard and a Kansas coordinator, was killed on his motorcycle earlier this morning.

Comments by City Manager

Ms. Ustick expressed her condolences to Mayor McKinney. Ms. Ustick announced that the Elizabeth Barriga, Conservation Coordinator, was successful in applying for a grant for the purchase of six sets of three bin recycling stations. Ms. Ustick commended Ms. Barriga for her efforts. Positive comments were received by Adrian Marrufo, Solid Waste Superintendent, for the customer service provided by City staff and the recycling centers. Regarding Councilor Landavazo's inquiry about the BID's investment for the Freedom Ride, Flight and Cruise event, Ms. Ustick was able to verify that the BID overspent its budget of \$9,000 for last year's event with \$18,694 in expenses. Ms. Ustick does not have the BID's proposed budget for this year's event.

There being no further business, Councilor Kumar made the motion to adjourn the meeting. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Landavazo, Palochak, and Mayor McKinney all voted yes.



Jackie McKinney, Mayor

ATTEST:



Alfred Abeita II, City Clerk

EXHIBIT A

PROPOSED 2016-2017 BOND PROJECTS City Of Gallup, NM

District Location	Project Title	PROJECT REVENUE		ESTIMATED PROJECT COSTS			Notes
		Bond Funds	Other Funds	Total	Design	Construction	
2	Ciniza Drive Reconstruction	\$ 1,600,000		\$ 1,600,000	\$ 240,000	\$ 1,360,000	
2	Hasler Valley Road Storm Drainage Improvements	\$ 1,451,500	\$ 550,000	\$ 2,001,500	\$ 300,000	\$ 1,701,500	Plus \$805,412 McKinley County.
4	West Jefferson Avenue Reconstruction	\$ 632,500		\$ 632,500	\$ 55,000	\$ 577,500	
1	Mill n Overlay City Streets (North Side)	\$ 492,000		\$ 492,000	\$ -	\$ 492,000	
2	Mill n Overlay City Streets (East Side)	\$ -		\$ -	\$ -	\$ -	
3	Mill n Overlay City Streets (South Side)	\$ 800,000		\$ 800,000	\$ -	\$ 800,000	
4	Mill n Overlay City Streets (West Side)	\$ 299,000		\$ 299,000	\$ -	\$ 299,000	
Bond Amount:		\$ 5,275,000	\$ 550,000	\$ 5,825,000	\$ 595,000	\$ 5,230,000	
		\$ 5,275,000					
		\$ -					

\$1,591,000.00

PROPOSED 2016-2017 BOND PROJECTS
Mill n Overlay Street Projects

District	Project Line Item	Square Feet	Estimated Costs
1	Aztec Avenue from McKinley Drive to Ford Drive	43.0 x 1,426.0 = 61,318.0	\$ 77,822.53
1	Aztec Avenue from McKinley Drive to Strong Drive	43.0 x 2,010.0 = 86,430.0	\$ 115,190.34
1	Cliff Drive from Aztec Avenue to Hill Avenue	27.0 x 360.0 = 9,720.0	\$ 12,347.63
1	Coal Avenue from McKinley Drive to Strong Drive	36.0 x 2,050.0 = 73,800.0	\$ 93,744.47
1	Hill Avenue from Cliff Drive to First Street	27.0 x 1,292.0 = 34,884.0	\$ 28,838.20
1	Hill Avenue from First Street to Second Street	42.0 x 335.0 = 14,070.0	\$ 17,871.56
1	Jefferson Avenue from Third Street to Strong Drive	28.0 x 1,608.0 = 45,024.0	\$ 57,189.00
1	Lincoln Avenue from First Street to Strong Street	20.0 x 686.0 = 13,720.0	\$ 16,734.28
1	Lincoln Avenue from Second Street to First Street	26.0 x 355.0 = 9,230.0	\$ 11,372.81
1	Lincoln Avenue from Third Street to Second Street	28.0 x 464.0 = 12,992.0	\$ 16,246.88
1	Strong Avenue from Lincoln Avenue to Vega Avenue	29.0 x 1,107.0 = 32,103.0	\$ 24,532.78
1	Vega Avenue from Strong Drive to Cliff Street	29.0 x 555.0 = 16,095.0	\$ 20,389.83
			\$ 492,280.31
			\$492,000 Say
3	Aida Court to Verdi Drive	29.0 x 230.0 = 6,670.0	\$ 10,885.41
3	Aztec Avenue from Boardman Drive to Valentina Drive	41.0 x 1,300.0 = 53,300.0	\$ 65,401.80
3	Aztec Avenue from Mollica Drive to Verdi Street	41.0 x 1,024.0 = 41,984.0	\$ 51,510.72
3	Aztec Avenue from Valentina Drive to Mollica Drive	44.0 x 310.0 = 13,640.0	\$ 17,302.92
3	Cliff Street and Sage Avenue Cul de Sac	38.0 x 74.0 = 2,812.0	\$ 3,452.46
3	Cliff Street from Canoncito Avenue to Sage Avenue	28.0 x 1,373.0 = 38,444.0	\$ 47,172.80
3	Edith Avenue from Helena Drive to Monterey Drive	28.0 x 1,190.0 = 33,320.0	\$ 42,323.11
3	Ford Drive from Aztec Avenue to Buena Vista Avenue	36.0 x 2,009.0 = 72,324.0	\$ 91,388.67
3	Ignacio Street Street from Dee Ann to Wyatt Street	33.0 x 355.0 = 11,715.0	\$ 14,865.89
3	Kiva from Canoncito Drive to Boulder Road	28.0 x 1,185.0 = 33,180.0	\$ 42,079.41
3	Lance Street from Wyatt Street To Dee Ann Avenue	28.0 x 570.0 = 15,960.0	\$ 20,227.36
3	Mesquite Drive from Nizhoni Blvd to Cactus Road	28.0 x 1,065.0 = 29,820.0	\$ 37,855.22
3	Placida Drive from La Cima to Cactus Road	28.0 x 780.0 = 21,840.0	\$ 27,700.92
3	Red Rock Drive from Edith Avenue to Nizhonia Boulevard	28.0 x 1,530.0 = 42,840.0	\$ 52,566.76
3	Red Rock Drive from Edith Avenue to Ridgcrest Avenue	28.0 x 2,147.0 = 60,116.0	\$ 73,760.81
3	Sophie Avenue from Helena Drive to Linda Drive	28.0 x 652.0 = 18,256.0	\$ 22,176.98

PROPOSED 2016-2017 BOND PROJECTS
Mill n Overlay Street Projects

3	Sunde Street from Lance Street to East to the dead-end	26.0 x 855.0 =	22,230.0	\$	28,188.33
3	Valley View Road from Aztec Avenue to Linda Vista Road	28.0 x 1,000.0 =	28,000.0	\$	35,580.66
3	Wyatt Street from Ignacio Street To Lance Street	24.0 x 435.0 =	10,440.0	\$	13,241.20
3	Wyatt Street from Maryanna Street To Ignacio Street	28.0 x 1,074.0 =	30,072.0	\$	36,896.65
3	Yei Avenue from Plateau Drive to Cul de sac	29.0 x 730.0 =	21,170.0	\$	25,978.75
3	Zecca Drive from McKee Drive to Boyd Avenue	28.0 x 1,123.0 =	31,444.0	\$	39,886.08
				\$	800,442.91
				\$800,000	Say
4	Aztec Avenue from Marguerite Street to Stage Coach Road	36.0 x 662.0 =	23,832.0	\$	30,219.19
4	Camino De Monte Sol from New Mexico 118 to Camino Del Los Caballos	30.0 x 900.0 #	27,000.0	\$	33,306.09
4	Cedar Hills from Second Street to Elm Circle	29.0 x 670.0 =	19,430.0	\$	12,185.16
4	Chee Dodge Boulevard from Mentmore Road to Jeff King Street	34.0 x 2,139.0 =	72,726.0	\$	92,282.25
4	Coal Avenue from the West Y to Eight Street	36.0 x 1,634.0 =	58,824.0	\$	73,110.94
4	Eight Street from New Mexico 118 to Coal Avenue	28.0 x 126.0 =	3,528.0	\$	4,224.19
4	Romero Circle from Clark Street to Cul-de-sac	29.0 x 470.0 =	13,630.0	\$	18,927.61
4	Seventh Street from New Mexico 118 to Coal Avenue	28.0 x 203.0 =	5,684.0	\$	6,904.92
4	Twin Buttes Road from New Mexico 118 South	45.0 x 528.0 =	23,760.0	\$	27,619.69
				\$	298,780.03
				\$299,000	Say
				\$	1,591,503.26
				\$1,591,000	Say

EXHIBIT B

ACCT 214-1015-411.47-05

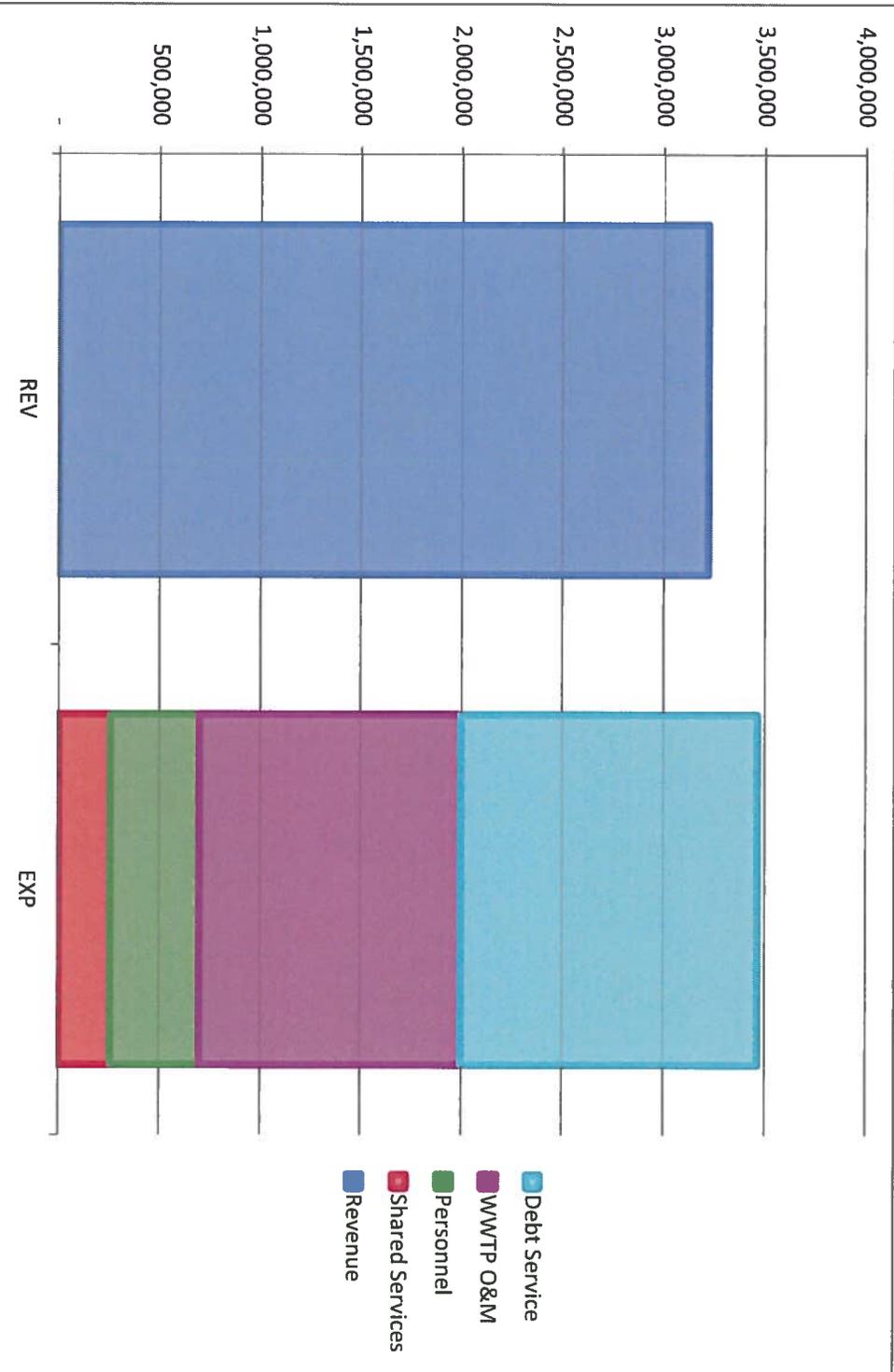
	Organization Name	Event Name	Contact	FY 2016 Award	FY 2017 Request	FY 2017 Committee Recommendation	Council Approved
1	New Mexico High School Rodeo Association	NMHSRA Gallup Rodeo	Jason Rice Ph: 575-760-8169	\$ 6,000.00	\$ 6,000.00	\$6,000	
2	Gallup Christian School	Wild Thing Bull Riding	Jim Christian Ph: 863-5530	\$ 5,000.00	\$ 5,000.00	\$5,000	
3	Cycle City Promotions	Red Rock Arenacross	Tod Hancock Ph: 918-629-9930	\$ 5,000.00	\$ 5,000.00	\$5,000	
4	Red Rock Motorsports Club, Inc.	Zuni Mountain ATV/UTV Jamboree	Greg Kirk Ph: 870-8518	\$ -	\$ 6,000.00	\$6,000	
5	Red Rock Motorsports Club, Inc.	Red Rock Motorsports Summer MX Series	Greg Kirk Ph: 870-8518	\$ -	\$ 8,000.00	\$8,000	
6	Red Rock Motorsports Club, Inc.	Red Rock 100 Desert Race	Greg Kirk Ph: 870-8518	\$ -	\$ 4,000.00	\$4,000	
7	Good Samaritan Society - Grants	Holy Frijole Annual Alzheimer's Softball Bash	Richard Morgan Ph: 505-285-5581	\$ 4,000.00	\$ 4,000.00	\$4,000	
8	Trice's Inc.	Red Rock Trailer Roping	Walt Eddy Ph: 879-6181	\$ 2,000.00	\$ 2,500.00	\$2,500	
9	Trice's Inc.	Red Rock Classic	Walt Eddy Ph: 879-6181	\$ -	\$ 5,000.00	\$5,000	
10	Gallup Family Fitness Series	Squash Blossom Classic	Jennifer Van Drunen Ph: 862-1865	\$ 10,000.00	\$ 10,000.00	\$10,000	
11	Zia Rides	24 Hours in the Enchanted Forest	Seth Bush Ph: 505-554-0059	\$ 5,000.00	\$ 5,000.00	\$5,000	
12	Zia Rides	Dawn til Dusk	Seth Bush Ph: 505-554-0059	\$ 10,000.00	\$ 5,000.00	\$5,000	
13	gallupARTS	Gallupfest Downtown Arts & Crafts Fair	Carol Sarath Ph: 505-488-2136	\$ 4,000.00	\$ 2,800.00	\$2,800	
14	Gallup Inter-Tribal Indian Ceremonial	Gallup Inter-Tribal Indian Ceremonial	Dudley Byerley Ph: 863-3896	\$ 50,000.00	\$ 50,000.00	\$50,000	
15	4th Annual Native Film Series	Native Film Series	Lisa E Rodriguez Ph: 870-1124	\$ 5,500.00	\$ 15,000.00	\$15,000	
16	Gallup Lions Club	68th Annual Gallup Lions Club Rodeo	David Lewis Ph: 870-0568	\$ 20,000.00	\$ 25,000.00	\$25,000	
17	Adventure Gallup & Beyond	Outdoor Adventure Marketing	Bob Rosebrough Ph: 722-9121	\$ 25,000.00	\$ 25,000.00	\$25,000	
18	TDFL Tony Dorsett Touch Down Football League	Annual Four Corners Youth Football Championships	Sammy Chioda Ph: 593-3737	\$ 18,000.00	\$ 10,000.00	\$10,000	
19	Gallup Business Improvement District	Freedom Ride Flight Cruise	Francis Bee Ph: 722-4430	\$ 16,032.00	\$ 20,611.00	\$20,611	
20	Land of Enchantment Opera, Inc.	2015 Summer Season	Patrick Mason Ph: 722-4463	\$ 15,000.00	\$ 15,000.00	\$15,000	
21	Sacred Heart Cathedral	Sacred Heart Spanish Market	Rev. Matthew Keller Ph: 722-6644	\$ 5,000.00	\$ 11,500.00	\$11,500	
22	Rocks the Rock Productions	Wild Thing Bull Riding	Larry Peterson Ph: 863-5402	\$ 15,000.00	\$ 15,000.00	\$15,000	
23	Red Rock Balloon Rally	Red Rock Balloon Rally	Tom Robinson Ph: 863-0262	\$ 25,000.00	\$ 25,000.00	\$25,000	
24	iHeart Media - Gallup	4th of July Stars and Stripe Celebration	Mary Ann Armijo Ph: 863-9391	\$ -	\$ 6,000.00	\$6,000	
25	Gallup Amateur Baseball/Softball Association	Pee Wee Recce Regional	Lawrence Andrade Ph: 722-5008	\$ 10,000.00	\$ 5,000.00	\$5,000	

\$ 291,411.00

FY 2017 Wastewater Budget

EXHIBIT C

	REV	EXP
Revenue	3,221,000	0
Shared Services	0	257,680
Personnel	0	442,768
WWTP O&M	0	1,296,000
Debt Service	0	1,467,760



Proposed Wastewater Rate Changes

	Current	Jul-16 Increase 15.00%
<u>Residential Service</u>		
Customer	\$ 3.50	\$ 4.03
0 - 2000 cu-ft	0.024706	0.028412
or 0 - 14,961 gal	0.003303	0.003798
Max Volume Charge	\$ 49.41	\$ 75.96
 <u>Commercial</u>		
5/8" Meter Monthly	\$ 3.50	\$ 4.03
1" Meter Monthly	\$ 6.38	\$ 7.34
1 1/2" Meter Monthly	\$ 11.17	\$ 12.85
2" Meter Monthly	\$ 14.88	\$ 17.11
3" Meter Monthly	\$ 27.12	\$ 31.19
4 -8" Meter Monthly	\$ 44.66	\$ 51.36
All cu-ft	0.027178	0.031255
or All gal	0.003633	0.004178
 <u>Reclaimed Wastewater</u>		
per cu-ft	0.013861	0.015940
per gal	0.001853	0.002131
 <u>Septage</u>		
per cu-ft	0.304922	0.350660
per gal	0.040762	0.046876

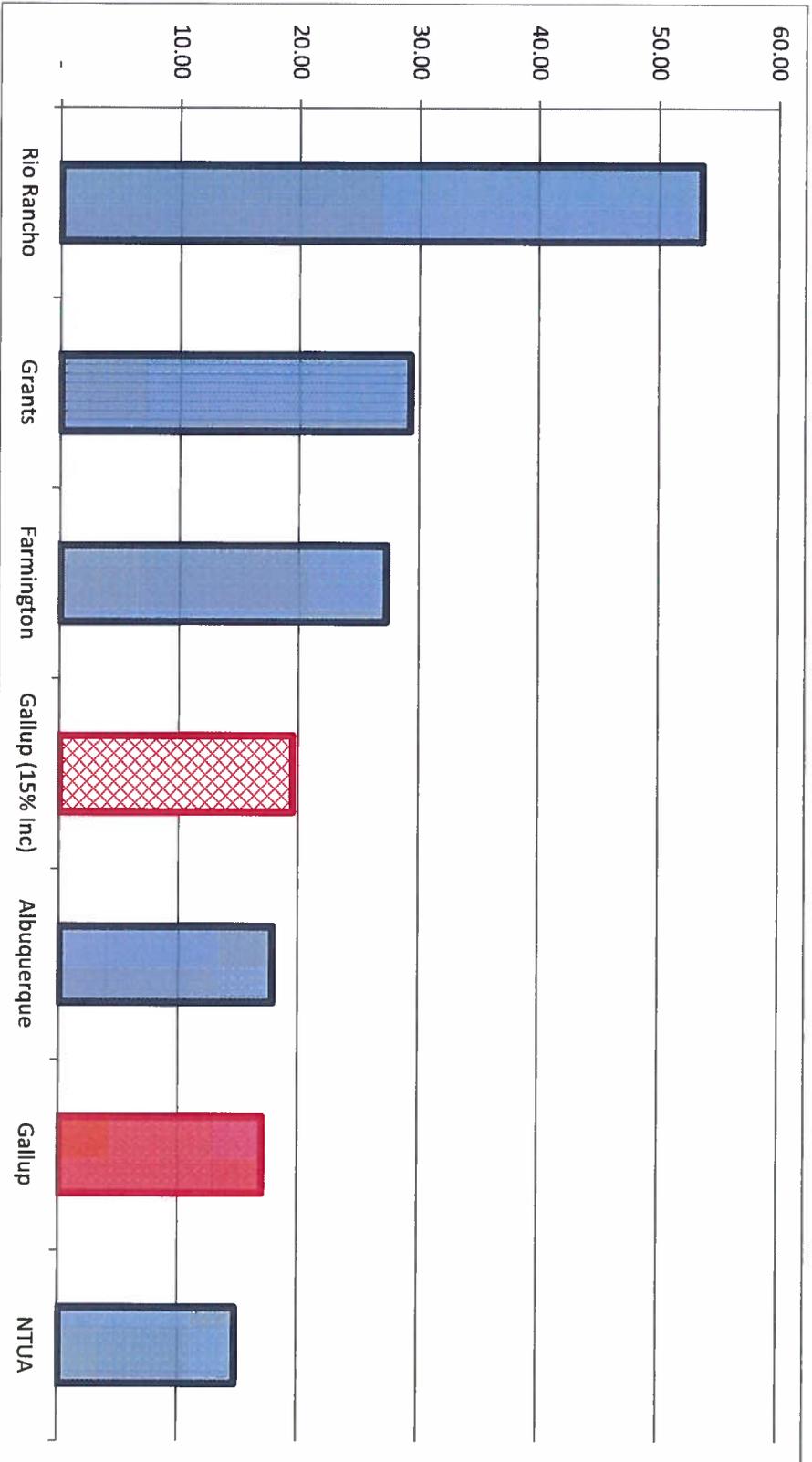
Rate Change Impact

	Average of Consump in Cubic Ft	Average Bill Amount	Average Bill @ New Rate	Bill Difference
Gallup Commercial 5/8 INCH METER	693.54	\$22.35	\$25.70	\$3.35
Gallup Commercial 1 INCH METER	1,959.36	\$59.63	\$68.58	\$8.94
Gallup Commercial 1 1/2 INCH METER	5,048.94	\$148.39	\$170.65	\$22.26
Gallup Commercial 2 INCH METER	11,858.26	\$337.16	\$387.74	\$50.57
Gallup Commercial 3 INCH METER	17,866.43	\$512.69	\$589.60	\$76.90
Gallup Commercial 4 INCH METER	30,514.62	\$873.99	\$1,005.08	\$131.10
Gallup Commercial 6 INCH METER	67,645.11	\$1,883.12	\$2,165.59	\$282.47
Gallup Residential 5/8 INCH METER	552.26	\$16.98	\$19.53	\$2.55
Gallup Residential 1 INCH METER	726.23	\$20.15	\$23.17	\$3.02
Gallup Residential 1 1/2 INCH METER	741.51	\$21.66	\$24.91	\$3.25
Gallup Residential 2 INCH METER	1,025.48	\$24.53	\$28.20	\$3.68

Typical Residential Monthly Sewer Bill Comparison

Meter Size 5/8
 Consumption (cu-ft) 552.3

Rio Rancho	53.62
Grants	29.25
Farmington	27.30
Gallup (15% Inc)	19.53
Albuquerque	17.83
Gallup	16.98
NTUA	14.78



Typical Small Commercial Monthly Sewer Bill Comparison

Meter Size	5/8
Consumption (cu-ft)	693.5
Monthly Bill	
Rio Rancho	63.81
NTUA	32.93
Farmington	29.43
Grants	29.25
Gallup (15%Inc.)	25.70
Gallup	22.35
Albuquerque	22.21

