

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 W. Aztec Ave. at 6:00 p.m. on Tuesday, February 27, 2018.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor	Jackie McKinney
Councilors:	Linda Garcia Fran Palochak Yogash Kumar
Absent:	Allan Landavazo
Also present:	Maryann Ustick, City Manager Curtis Hayes, City Attorney

Mayor McKinney said Councilor Landavazo's shall be recorded as an excused absence.

Presented to the Mayor and Councilors for their approval were the Minutes of the Regular Meeting of February 13, 2018.

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

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

1. Discussion Only: Update on the 2018 New Mexico Legislative Session – State Representative Patty Lundstrom

State Representative Patty Lundstrom presented a summary of the Bills that were passed during the thirty (30) day 2018 Legislative Session, which began January 16, 2018 and ended February 15, 2018. Rep. Lundstrom said there were 111 Bills passed including the state's budget.

Rep. Lundstrom said the thirty (30) day sessions are limited by constitution to the budget, Revenue Bills and Bills drawn pursuant to special message by the Governor. The rise in oil and gas prices was good news for the budget. When the session began

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there was \$199 million in new money and half way through there was a new revenue projection of another \$93 million, which allowed programs that had initially been cut from the previous year to be brought back. The total state general fund budget was about \$6.3 billion with a total budget of \$18 billion.

Some important features of the budget were a 2% raise for State workers, a 2.5% raise for teachers, 8.5% raise for State Police and Correction Officers and sustaining a 10% State spending in cash reserves.

Rep. Lundstrom listed local projects which included \$27,000 to the Inter-Tribal Ceremonial Association, an additional \$70,000 to all food pantries in the state, \$5 million to University of New Mexico (UNM)-Gallup for a new building and another \$200,000 for the Workforce Development Program. Rep. Lundstrom also put together a \$5 million Native American Programs Package, which includes suicide prevention and financial literacy, all of which, are tied to Universities. After the Senate conference, \$5 million was maintained for school cash reserves, they were also able to keep 44 million for road repairs across the state and 1 million for broadband related infrastructure for Tribes and Pueblos.

The first Bill signed was the Nursing Compact, a top priority, which allows nurses from other states to practice in New Mexico and also allows nurses from New Mexico to practice in other states. They also signed a very large crime package which will increase penalties, add money into the courts and the District Attorneys (DA) offices across the state, as well as public defender offices.

Rep. Lundstrom also discussed the Local Election Act which will create a uniform statewide process for local elections and allow the consolidation of most local, non-partisan elections. The elections would encompass school district boards, community colleges, technical and vocational districts, flood control districts and municipalities, if they opt-in to participate.

Under Capital Outlay, \$179 million was authorized for critically needed infrastructure projects including \$10 million for school security. Rep. Lundstrom's capital outlay proposal included \$50,000 for the Carbon Coal Road Project, \$50,000 to the Deer Springs Road Project, \$10,000 for Gallup Police Vehicles, \$65,000 for the planning, design and construction of a regional Gallup Senior Center and \$50,000 for McKinley County Regional Water Systems.

The Legislative Finance Committee (LFC) will be in Gallup on May 9-11, 2018, and

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Rep. Lundstrom asked City and County officials to make full presentations during the morning of May 9th. Afterwards, she will take the committee members to the logistics park to go over efforts being made with economic development and economic base recruitment, leaving the schedules for May 10th and 11th open. She has been working with Ms. Ustick to schedule the best use of time while the committee is in town.

Mayor McKinney thanked Rep. Lundstrom for her work at the Legislature. He also stated that the Governor will have until noon on March 7, 2018 to take action on legislation approved during the session.

Rep. Lundstrom thanked Councilor Palochak for her involvement at the Legislature this year and invited her back for next year's session.

2. Discussion Only: Northwest New Mexico Council of Governments' Legislative Report – Evan Williams, Deputy Director, Northwest New Mexico Council of Governments

Mr. Williams provided a recap of the legislative outcomes including the role of the Council of Governments at the sessions, the local government platforms, and McKinley County-Gallup Day priorities. Funding Bills were also included and broken down into Capital Outlay, Reauthorization and General Obligation Bonds. Mr. Williams also provided a walkthrough of the budgets going from the House to the Senate and the difference in the proposed budgets.

Mr. Williams also thanked Councilor Palochak for her assistance this year and stated the Council of Governments will return after March 7, 2018, to update Mayor and Council on the final outcome and how it affect the City.

Mayor McKinney commended Mr. Williams for all he does for the City and County at the Legislature.

3. Request for Approval to Serve Alcoholic Beverages at El Morro Events Center for Gallup MainStreet Arts and Cultural District Fundraising Event on May 5, 2018 – Emerald Tanner and Mark Horn

Mr. Horn and Ms. Tanner presented the request and overview of their Kentucky Derby Day event, which is slated to begin at 2:00 P.M. and will end at 5:00 P.M.

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Discussion followed regarding prior events that were approved for the sale of alcoholic beverages on City property, the anticipated number of guests, the Event Center's occupant capacity and the dispenser's permit to be used.

Councilor Palochak stated she attended the event last year which turned out to be an enjoyable one and cannot foresee any issues with alcohol being served.

Councilor Palochak made the motion to approve the request to serve alcoholic beverages at El Morro Events Center for Gallup Mainstreet Arts and Cultural District Fundraising event on May 5, 2018. Seconded by Councilor Kumar. Roll Call: Councilors Palochak, Kumar, Garcia and Mayor McKinney all voted yes.

4. Approval of Bid Award for Emergency Procurement of Jefferson Avenue Sewer Line Replacement, North Second Street to Victoria Avenue – Dennis Romero, Director, Gallup Water and Sanitation Department

Mr. Romero stated the project consists of installing approximately 385 linear feet of 8-inch sewer line, the transfer and extension of existing sewer services and connections to existing sewer manholes/lines, the installation of three (3) new precast manholes, trenching, backfilling and compaction. Also included is the in-place abandonment of about 370 linear feet of 8-inch sewer line by filling with 750 psi grout. Asphalt pavement patch removal and replacement and rock excavation will also be required as well as traffic maintenance control and coordinating material testing. The overall time frame is 25 days.

Mr. Romero recommended award of the project to the low bidder, Adame Construction, in the amount of \$101,710.85.

Discussion followed regarding the 25-day time frame for completion and commencement of the project. Mayor McKinney commended Mr. Romero in the prioritization of projects, to which Mr. Romero credited the City Manager, CFO and Public Works Director for their help in prioritizing projects in an effort to avoid using additional funding from cash reserves.

Councilor Garcia made the motion to approve the bid award for emergency procurement of Jefferson Avenue sewer line replacement, North Second Street to Victoria Avenue as presented. Seconded by Councilor Kumar. Roll Call: Councilors Garcia, Kumar, Palochak and Mayor McKinney all voted yes.

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5. Approval of Bid Award for Construction of Park Pump Station to Grandview Tank 16" Transmission Water Main; Formal Bid No. 1717 – Dennis, Romero, Director, Gallup Water and Sanitation Department

Mr. Romero said due to a number of issues with the 16-inch water transmission line, from the Gamerco Tanks to the Grandview Tank the previous year, a portion of the line had to be replaced. This project would replace the remainder of the line, which is located from the Park Avenue Pump Station to the Grandview Tank.

The project consists of installing about 3,200 linear feet of 16-inch ductile iron waterline, the installation of two (2) 28" wall steel casing with internal locking ductile iron pipe, three (3) tie-in connections to existing 16-inch ductile iron waterlines and 10-inch waterlines, installation of two 16-inch gate valves, one (1) 10 inch gate valve, one (1) combination air release valve, removal and replacement of existing water and sewer lines, required fittings, traffic control, importing soil, sidewalk replacement, curb/gutter replacement and rock excavation.

Mr. Romero recommended award of the project to the low bidder, Adame Construction in the amount of \$751,017.21.

Discussion followed concerning the time frame for the project and the amount be saved due to the difference in the bid amount and the amount originally budgeted.

Councilor Kumar made the motion to approve the bid award for the construction of Park Pump Station to Grandview Tank 16" transmission water main; Formal Bid No. 1717. Seconded by Councilor Garcia. Roll Call: Councilors Kumar, Garcia, Palochak and Mayor McKinney all voted yes.

6. Approval of Contract Amendment No. 2, Annual Cost Adjustment to the Design, Build and Operate (DBO) Contract with CH2M Hill – Dennis Romero, Director, Gallup Water and Sanitation Department

Mr. Romero provided a summary of the changes made to the contract including an increase in Base Service Fees from \$1,355,162 to \$1,377,298, a decrease in the insurance cost from \$21,893 to \$18,887, performance bond cost increase from \$6,704 per million to \$7,364 per million and an increase in the Repair and Replacement Fund contingent upon necessary repairs. Also included is \$61,000 for additional National Pollutant Discharge Elimination System (NPDES) sampling, which has the potential of being taken off next year. Mr. Romero also state he has been in contact with CH2M Hill

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about changing the dates on the contract to fiscal years to make budgeting for the costs more convenient.

Councilor Kumar stated CH2M Hills is doing a great job, the smell has improved significantly and is only noticeable every so often.

Mayor McKinney clarified that funding for the project was previously approved.

Councilor Palochak made the motion to approve contract amendment No. 2, annual cost adjustment to the Design, Build and Operate (DBO) contract with CH2M Hill. Seconded by Councilor Kumar. Roll Call: Councilors Palochak, Kumar, Garcia and Mayor McKinney all voted yes.

7. Approval of Emergency Procurement for Replacement of Indian Hills Lift Station – Dennis Romero, Director, Gallup Water and Sanitation Department

Mr. Romero apologized for including the wrong contract and presented the temporary repairs done at the Indian Hills Lift Station. However, due to costs associated with the temporary pumping services of \$2,500 per day and potential fines from the New Mexico Environmental Department (NMED), a decision was made to move forward with Dallago Corp. for the replacement of the lift station. In order to fund the project and avoid using cash reserves, Mr. Romero gave a brief explanation on the postponement of two projects currently in the design phase.

Mr. Romero recommended the approval of the emergency procurement contract with Dallago Corp and also a budget transfer up to, but not to exceed \$395,000 by rescheduling and transferring funds from ICIP Projects JU1874 in the amount of \$150,000 and JU1879 in the amount of \$188,289.15. He also asked for a budget transfer of \$2,732 from CI1638 Wastewater Collections Improvement and another \$53,978.85 from the Operating Capital Costs.

Discussion followed regarding the factors which lead to the failure of the lift station.

Councilor Palochak expressed her concerns with the postponement of two wastewater projects in her district. Mr. Romero explained the criteria used for deciding which projects to delay and explained the future financial plans for funding improvements for the wastewater system.

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Mayor McKinney mentioned an upcoming meeting regarding the Wastewater Treatment Plant. He also reminded Mr. Romero to approach the Council to discuss possible funding options for additional projects in the future.

Councilor Kumar made the motion to approve the emergency procurement for replacement of Indian Hills lift station as presented. Seconded by Councilor Garcia. Roll Call: Councilors Kumar, Garcia, Palochak and Mayor McKinney all voted yes.

8. Approval of Fiscal Year 2018 Quarter 4, Part 1, Lodger's Tax Funding for Events – Jennifer Lazarz, Tourism and Marketing Director

Ms. Lazarz presented the recommendations of the lodger's tax committee discussed on February 6, 2018 for the promotion of events as follows: 1.) Adventure Gallup & Beyond Adventure Guide, \$25,000 and 2.) Trice's Race at the Rocks, \$5,000. The total amount of the proposed funding is \$30,000. Ms. Lazarz provided details pertaining to the amounts requested.

Ms. Lazarz provided clarification with regards to the New Mexico Rodeo Association upcoming events.

Councilor Palochak made the motion to approve Fiscal Year 2018 Quarter 4, Part 1, Lodger's Tax funding for events. Seconded by Councilor Garcia. Roll Call: Councilors Palochak, Garcia and Mayor McKinney all voted yes. Councilor Kumar abstained. Motion carried.

9. Approval of Marketing Campaign Funding for the Native Arts Market – Jennifer Lazarz, Tourism and Marketing Directory

Ms. Lazarz provided a brief update on certain positive developments with the Native Arts Market and presented the request for funding the proposed event to be held on August 9-11, 2018. She provided an overview of the event as well as the use of \$30,000 in lodgers' tax funds for marketing and the regions in which the campaigning will be done.

Ms. Lazarz clarified said funds would be taken out of the lodgers' tax fund.

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Councilor Garcia made the motion to approve the marketing campaign funding for the Native Arts Market. Seconded by Councilor Palochak. Roll Call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

10. Approval of Budget Adjustment for Animal Control – Clyde (C.B.) Strain, Planning and Development Director

Mr. Strain requested an operations budget adjustment in the amount of \$5,000.00, as part of the Professional Services Agreement between Clinton J. Balok for Veterinarian Services and the City. The tax expense for the agreement was overlooked and not budgeted for part of the Fiscal Year (FY) 18. The total amount for tax is \$685.78 per month starting December 2017 and would come from General Fund Reserves.

There being no questions or comments, Councilor Palochak made the motion to approve the adjustment for Animal Control. Seconded by Councilor Garcia. Roll Call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

11. Approval of Budget Adjustment for Land Development Standards Update – Clyde (C.B.) Strain, Planning and Development Director

Mr. Strain requested a budget adjustment in the amount of \$6,000 from General Fund reserves to cover taxes excluded from the City of Gallup Land Development Standards Update Project in the amount of \$12,000.00.

Mayor McKinney provided a summary of the progress of the Land Development Standards Update project, having received useful information from task force committees as well as the public

Councilor Kumar made the motion to approve the budget adjustment for Land Development Standards Update. Seconded by Councilor Palochak. Roll Call: Councilors Kumar, Palochak, Garcia and Mayor McKinney all voted yes.

12. Ordinance No. C2018-1; Amendments to the City's Utility Billing Ordinance – Jon De Young, Assistant City Manager

Mr. DeYoung presented a power point presentation and red line item on the amendments based on recommendations made by Mayor and Council at the Special

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Meeting on December 12, 2017. Included in the amendments are an increase in the due date of utility bills from 14 days to 28 days, changes to the dates for issuing past due notices and cut-off notices, modification of the reconnect fees for residential and commercial customers, deposit requirements for existing accounts as well as new buildings, returned payment fees, annual medical verifications and increasing the time limit for bill disputes from 60 to 90 days.

Councilor Palochak commended all who worked on the Ordinance and expressed her approval with the increase in days between the bill date and the due date for those customers on a fixed income.

Discussion followed regarding the medical verification process.

Mayor McKinney also thanked everyone including Brenda Romero, Customer Care Manager, for her input and expressed his gratitude for taking all of the recommendations from the previous meeting. He also stated he believes that less manpower will be spent on disputed bills and recommended staff to advise the Mayor and Councilors know if they run into any issues.

Councilor Palochak made the motion to approve Ordinance No. C2018-1; Amendments to the City's Utility Billing Ordinance. Seconded by Councilor Kumar. Roll Call: Councilors Palochak, Kumar, Garcia and Mayor McKinney all voted yes.

1. Presentation on McKinley Academy – Mike Hyatt, Superintendent, Gallup McKinley County Schools

Mayor McKinney said Mr. Hyatt was ill and would not be able to present but would be back at a later date.

Comments by Public on Non-Agenda Items

Ms. Sunshine Martin thanked Councilor Garcia for attending the first ever Stand with Native Women event coordinated by Anna Rondan and the New Mexico Social Justice Equity Institute. It was a successful event with many women, Council Delegates, Representatives and leaders who attended from all over the region to discuss domestic violence, equal pay for women and other social issues. The event was also coordinated with the Southwest Women's Law Center in hopes of creating a Gallup Indigenous Women's Resource Center in the near future.

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Comments by Mayor and City Council

Councilor Kumar questioned Stan Henderson, Public Works Director, regarding drainage issues on Linda Drive. Councilor Kumar thanked City staff for their hard work.

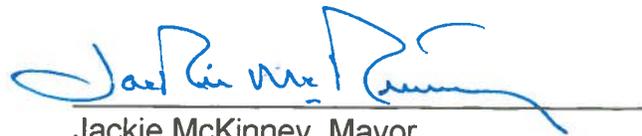
Councilor Garcia commented on the Stand with Native Women event and commended Klo Abeita, Human Resources Director, for her professionalism and expertise she brought to the panel discussion. Councilor Garcia said she is looking forward to participating again.

Mayor McKinney stated updates on the new Gallup Indian Medical Center will be provided in the near future.

Comments by City Manager and City Attorney

Ms. Ustick said staff is moving forward with the automated agenda, however, the glitches are still being worked out and hopes to have it fully automated by the next Council Meeting. She reminded the Mayor and Councilors about the Strategic Planning Sessions on March 20 & 21, 2018. Staff is planning the Community Improvement Plan (CIP) workshop, tentatively scheduled for April 3, 2018, where additional utility concerns can be addressed.

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



Jackie McKinney, Mayor

ATTEST:



Alicia Palacios, Deputy City Clerk