

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, June 26, 2018.

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 Curtis Hayes, City Attorney

Presented to the Mayor and Councilors for their approval were the Minutes of the Special and Regular Meeting of June 12, 2018.

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

The Mayor and Councilors presented a Proclamation to Sammy "C" Chioda, President, Millennium Media, Inc., honoring him for 50 years in radio broadcasting.

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

1. Request for Street and Parking Lot Closures and Request for Special Dispenser's Permit for the Route 66 Freedom Ride, Flight and Cruise Event and Gurley Motors Classic Auto Show – Steve Gurley

Mr. Gurley presented the requests on behalf of the Business Improvement District (BID) for the closure of various streets and parking lots for both events as described in the Event Permit Application. The events will be held during the last weekend in July 2018. Mr. Gurley also provided a summary of the results of the Southwest Planning and Marketing Report concerning the economic impact to the city for holding the subject events. Mr. Gurley answered questions regarding the streets to be closed for the car show. He also provided information about the motorcycle class and the cross state ride to be held during the events.

The Mayor and Councilors commended Mr. Gurley and all of the event sponsors and organizers for their work in hosting the event.

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Councilor Landavazo made the motion to approve the request for street and parking lot closures and the request for a special dispenser's permit for the Route 66 Freedom Ride, Flight and Cruise Event and the Gurley Motors Classic Auto Show. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

2. Request for Street and Parking Lot Closures for the 4<sup>th</sup> of July Stars and Stripes Honor Gourd Dance – Ben Welch, Community Services Coordinator

Mr. Welch presented the request as well as an overview of the event to be held at the Court House Plaza. He answered questions regarding shade for the event and the duration of the street/parking lot closures for the event. He also provided information about the fireworks to be held in the evening at the Sports Complex and the free showing of *Born on the 4<sup>th</sup> of July* at El Morro Theater.

Councilor Garcia made the motion to approve the request for street and parking lot closures for the 4<sup>th</sup> of July Stars and Stripes Honor Gourd Dance. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Landavazo, Palochak and Mayor McKinney all voted yes.

3. Request for Street Closures for a Simulated Active Shooter Exercise to be Held at the Octavia Fellin Public Library on July 12, 2018 – Eric Babcock, Fire Chief

Chief Babcock presented the request as well as an overview of the mass casualty type exercise, which will involve 10 different agencies. Information regarding the exercise will be disseminated to nearby businesses and residents beginning July 10, 2018. A live video feed of the exercise will be available to the public in the Council Chambers when the drill takes place.

Councilor Palochak made the motion to approve the request for street closures for a simulated active shooter exercise to be held at the Octavia Fellin Public Library on July 12, 2018. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Landavazo and Mayor McKinney all voted yes.

4. Request by Southwest Indian Foundation to Sublease a Portion of the Gallup Cultural Center Parking Lot to Blunt Bros. Coffee – James Eby, Project Director, Southwest Indian Foundation

Mr. Eby was not present at the meeting.

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Councilor Palochak made the motion to table the request by the Southwest Indian Foundation to sublease a portion of the Gallup Cultural Center parking lot to Blunt Bros. Coffee. Seconded by Councilor Landavazo. Roll call: Councilors Palochak, Landavazo, Kumar, Garcia, and Mayor McKinney all voted yes.

### 5. Lodgers Tax FY 19 Part 2 Grants to Subrecipients – Jennifer Lazarz, Tourism and Marketing Manager

Ms. Lazarz presented the recommendations by the Lodgers Tax Committee for lodgers tax funding as follows: \$15,000 for the 9<sup>th</sup> Annual Four Corners TDFL Event; \$10,000 for the 24 Hours in the Enchanted Forest Mountain Bike Event; and \$6,300 for the Mario Estrada Softball Tournament. Ms. Lazarz answered questions regarding the proposed allocation for the Mario Estrada Softball Tournament since the event is going to be held very soon.

Councilor Landavazo made the motion to approve the recommendations of the Lodgers Tax Committee for funding the 9<sup>th</sup> Annual Four Corners TDFL Event, the 24 Hours in the Enchanted Forest Mountain Bike Event and the Mario Estrada Softball Tournament. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak, Garcia, and Mayor McKinney all voted yes. Councilor Kumar abstained. Motion carried.

### 6. Contract Approval and Budget Adjustment for Clean and Beautiful FY 19 – Jennifer Lazarz, Tourism and Marketing Manager

Ms. Lazarz said the City was awarded a grant in the amount of \$20,484 by the New Mexico Tourism Department. The objectives of the grant is to provide for an education campaign, employing youth workers for two community cleanups and the replacement of light fixtures on a section of Coal Avenue with LED fixtures. Ms. Lazarz recommended approval of a budget adjustment for the revenue and expenditures for the project. Richard Matzke, Electric Director and Ms. Lazarz answered questions regarding the decorative lighting fixtures to be retrofitted on Coal Avenue between First and Second Streets.

Councilor Garcia made the motion to approve the contract and the budget adjustment for Clean and Beautiful FY 19 as presented. Seconded by Councilor Kumar. Councilors Garcia, Kumar, Landavazo, Palochak, and Mayor McKinney all voted yes.

### 7. **Motion To Table**: Ordinance No. C2018-9; An Ordinance Creating the Keep Gallup Clean and Beautiful Board – Dennis Romero, Water and Sanitation Director

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Mayor McKinney said staff recommended tabling the ordinance since there were additional modifications that need to be made to the ordinance.

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

8. Reappointments of Juliana Dooley and Matthew Long to the Planning and Zoning Commission – Mayor Jackie McKinney

Mayor McKinney said the terms of Commissioners Dooley and Long have expired. Both individuals have expressed an interest in serving another term.

Councilor Palochak made the motion to reappoint Juliana Dooley and Matthew Long to the Planning and Zoning Commission. Seconded by Councilor Landavazo. Roll call: Councilors Palochak, Landavazo, Kumar, Garcia, and Mayor McKinney all voted yes.

9. Resolution No. R2018-19; Joint Resolution with McKinley County Directing the Allocation and Distribution for Fiscal Year (FY) 2019 of Liquor Excise Tax Revenue Received – Curtis Hayes, City Attorney

Mr. Hayes said the County's projections in liquor excise tax revenue is down to approximately \$1.2 million for FY ending 2018, which is over \$400,000 less than the previous year. Based on the projections, the proposed allocations for FY 19 are as follows: \$835,000.00 for the operation of the Gallup Detox Center; \$300,000.00 to McKinley County to be sub-allocated as follows: \$200,000.00 for the JSAAC program and \$100,000.00 for the County DWI program. The two programs which will not be initially funded include the City's Community Service Aide program and the Jail Treatment program. The proposed Resolution requires the funds to be provided on a monthly basis based on invoices and supporting documentation submitted to the County for payment. The Resolution also requires the Joint Powers Agreement's Task Force to consider the allocation of non-allocated liquor excise tax funds once the actual revenues are determined.

Councilor Kumar made the motion to approve Resolution No. R2018-19; Joint Resolution with McKinley County Directing the Allocation and Distribution for Fiscal Year 2019 of the Liquor Excise Tax Revenue Received. Seconded by Councilor Landavazo. Roll call: Councilors Kumar, Landavazo, Palochak, Garcia, and Mayor McKinney all voted yes.

10. Approval of Agreement with NCI for Detox, Shelter Care Center Administration and Operation Service – Debra Martinez, Behavioral Health Investment Zone Manager

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Ms. Martinez presented the proposed agreement for the operation of NCI. She disseminated an amendment to the agreement changing subsection D from “Emergency Shelter/Winter Months” to “Shelter.”

Councilor Landavazo asked if the number of frequent clients at NCI for detox services have been reduced. Ms. Martinez said she will provide further information when the quarterly behavioral health program reports are presented to the Mayor and the Councilors next month.

Councilor Palochak made the motion to approve the Agreement with NCI for Detox, Shelter Care Center Administration and Operation Service. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Landavazo, and Mayor McKinney all voted yes.

11. Ordinance No. S2018-2; Amendment of Ordinance No. S2017-5, Clean Water State Revolving Fund (CWSRF) Loan for Wastewater Treatment Plant (WWTP) Capital Improvement Project – Dennis Romero, Water and Sanitation Director

Mr. Romero said Ordinance No. S2017-15 was approved last year for the CWSRF Loan 065 in the amount of \$1.925 million for capital improvements at the WWTP. Originally, a portion of the loan proceeds were to be used for the rehabilitation of the natural gas sludge drier at the WWTP; however, inspections of the drier and further research has shown that the planned rehabilitation of the equipment is not feasible at this time. By not proceeding with the rehabilitation of the sludge drier, it will free up funds in the amount of \$87,734. As an alternative, the City’s contractor at the WWTP recommended addressing the electrical code issues that were discovered at the plant and to install a new Motor Control Center (MCC). The City is also required to purchase American Iron and Steel (AIS) per federal regulations for the project. Ordinance No. S2018-2 will update the principal amount of the loan to \$2,240,000 to cover the following project costs: \$40,790 for the AIS cost impact; \$277,781 for electrical improvements and the new MCC; and \$84,163 for project contingency. Mr. Romero also disseminated information pertaining to the annual debt service for the loan. He also answered questions regarding the State’s approval of the loan, inclusion of the gross receipts tax for the project costs and the tasks given to the City’s contractor to control costs at the WWTP.

Councilor Kumar made the motion to approve Ordinance No. S2018-2; Amendment to Ordinance No. S2017-5, Clean Water State Revolving Fund Loan in the amount of \$2,240,000 for the Wastewater Treatment Plant Capital Improvement Project. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Landavazo, Garcia, and Mayor McKinney all voted yes.

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### 12. Water Loading Station Card System Procurement-Supply & Install; Formal Bid No. 1813-Award – Dennis Romero, Water and Sanitation Director

Mr. Romero said an item in last year's special audit stated that the current dispensing system at the Bataan Water Loading Station does not track or allow auditable and traceable reports for the system. Bids were solicited to replace the system with a modern card and coin operated system with the proper reporting system to meet auditing requirements. Based on the bid results, ElechMech, Inc. from Aurora, Illinois, was found to be the lowest responsive bidder in the amount of \$34,000 per unit. Mr. Romero recommended award of the bid to ElechMech, Inc. and to purchase and install two units in the amount of \$68,000 for both sides of the water loading station. He described the differences between the existing system and the new system which is being proposed for the water loading station. He also asked for approval to expend funds of up to \$74,800 for the project, which includes a 10% contingency.

Councilor Palochak made the motion to approve the bid award for the water loading station card system procurement-supply and install as presented. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Landavazo, and Mayor McKinney all voted yes.

### 13. Budget Adjustment for Indian Hills Lift Station – Dennis Romero, Water and Sanitation Director

Mr. Romero presented the request for a budget adjustment for the additional costs for the project. He provided a summary of the additional costs involved, including the costs for the additional 11 days of pumping operations required due to weather delays, the delay in receiving and installing the pumps for the project due to the holiday season and the omission of the gross receipts tax in the original bid submitted by the contractor for the lift station construction. He asked for approval of a budget adjustment in the amount of \$66,857 from FY 18 unexpended funds and from enterprise fund balance for the final payments to the contractor.

Councilor Landavazo made the motion to approve the budget adjustment for the Indian Hills Lift Station. Seconded by Councilor Garcia. Roll call: Councilors Landavazo, Garcia, Kumar, Palochak, and Mayor McKinney all voted yes.

### 14. Wastewater End of Fiscal Year Budget Adjustment Request – Dennis Romero, Water and Sanitation Director

Mr. Romero presented the request for two budget adjustments to close outstanding invoices and operations for FY 18. Evoqua Water Technologies, LLC uses bioxide to

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control odors in the City's wastewater collections system. Due to the warm temperatures during the past several months, it required the increased use of bioxide to be injected into the system. Evoqua has submitted invoices to the City which exceeds the amount budgeted for odor control. Mr. Romero asked for a budget adjustment in the amount of \$55,900 to be transferred from unexpended funds from various FY 18 wastewater accounts or from enterprise fund balance to cover the cost of the invoices. The second budget adjustment is to address the electrical costs to run the WWTP, which were inadvertently excluded from this year's budget, and required under Schedule 12 of the Design, Build and Operate (DBO) contract as amended with CH2M Hill. Mr. Romero asked for a budget adjustment in the amount of \$251,448 from a combination of enterprise fund balance and unexpended FY 18 funds to pay for the electrical costs. Discussion followed concerning the process under the DBO contract for paying the WWTP electrical costs and the possibility of amending the process.

Councilor Kumar made the motion to approve the wastewater end of year budget adjustment request as presented. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Landavazo, Garcia, and Mayor McKinney all voted yes.

15. **Discussion Only:** Cecil Garcia Fitness Center Rehabilitation Project Programming Document – Stan Henderson, Public Works Director
16. **Discussion Only:** Conceptual Design Report for Red Rock Park RV Campground Reconstruction Project – Stan Henderson, Public Works Director

Ms. Ustick recommended scheduling a work session for Items 15 and 16 on July 24, 2018 in order to provide time for the architects to give presentations and for the public to submit their input on both projects.

Councilor Landavazo made the motion to table Discussion/Action Topics 15 and 16 to a work session to be held on July 24, 2018. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak, Kumar, Garcia, and Mayor McKinney all voted yes.

Councilor Palochak made the motion to adjourn into closed session for the purpose of discussing threatened litigation with Paso Robles Tank – Brown-Minneapolis Tank, Inc. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Landavazo, Garcia, and Mayor McKinney all voted yes.

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

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Following the closed session, Councilor Palochak made the motion to reconvene the regular meeting. Seconded by Councilor Landavazo. Roll call: Councilors Palochak, Landavazo, Kumar, Garcia, and Mayor McKinney all voted yes.

Mr. Hayes certified for the record that the matters discussed during the closed session were limited to threatened litigation with Paso Robles Tank – Brown-Minneapolis Tank, Inc.

### **Comments by Public on Non-Agenda Items**

Larry Smith asked the Mayor and Councilors to address the problem with repeat DWI offenders in the community

### **Comments by Mayor and City Councilors**

Councilor Garcia said she will hold a Neighborhood District Meeting on Thursday, June 28, 2018 at 6:30 p.m. at the Northside Senior Center. She also commented on the work being done by World Changers to improve the homes of certain low income citizens in the community. She also commended Mr. Welch for working with the World Changers group.

Councilor Kumar also commended Mr. Welch, Pastor Jay McCollum and the World Changers group for their work in the community. He also encouraged everyone to have a safe 4<sup>th</sup> of July holiday.

Councilor Landavazo commented on the work that was done earlier in the day by groups picking up litter along Highway 66 and in the vicinity of Hillcrest Cemetery. He encouraged everyone to keep building Gallup.

Councilor Palochak thanked those who participated at the Relay for Life event earlier in the month. She wished everyone a safe 4<sup>th</sup> of July holiday and encouraged everyone to attend the Independence Day event at the Court House Plaza.

Mayor McKinney said the Best of the Best Rodeo begins tomorrow. He provided a brief overview of the event.

### **Comments by City Manager and City Attorney**

Mr. Hayes also provided information concerning the Best of the Best Rodeo.

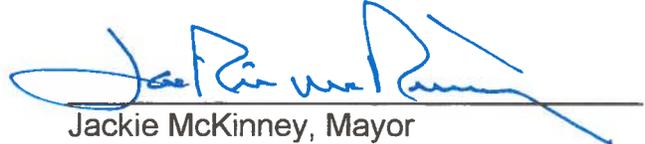
Ms. Ustick provided a brief summary on Ms. Lazarz efforts to assist with the marketing of the Best of the Best Rodeo. Ms. Ustick also commented on the increased participation in the World Changers projects this year. She also thanked the Parks and Solid Waste Departments for providing assistance with the program.

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



Jackie McKinney, Mayor



ATTEST:



Alfred Abeita II, City Clerk

Approved 7/10/2018