

## AGENDA

### GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, FEBRUARY 23, 2021; 6:00 P.M.



Louie Bonaguidi, Mayor

Linda Garcia, Councilor, Dist. 1     Michael Schaaf, Councilor, Dist. 2  
Yogash Kumar, Councilor, Dist. 3     Fran Palochak, Councilor, Dist. 4

Maryann Ustick, City Manager  
Curtis Hayes, City Attorney

**PUBLIC NOTICE:** In accordance with the public health order issued by the New Mexico Department of Health, the meeting will be physically closed to the public; however, the meeting will be accessible via the following technology service:

Facebook Live stream through the City of Gallup's Facebook Page:  
<https://www.facebook.com/CityOfGallup/>

**Members of the public may submit comment on non-agenda items. Please call 863-1254 to leave your name and a return phone number.**

**A. Pledge Of Allegiance**

The members of the body and the public are invited to recite the Pledge of Allegiance.

**B. Roll Call**

**C. Approval Of Minutes**

Regular Meeting of February 9, 2021

Documents:

[DRAFT MINUTES FEB 9 2021 REG MTG.PDF](#)

**D. Presentation And Information Items**

1. Navajo Gallup Water Supply Project (NGWSP) San Juan Generating Station

## **(SJGS) Alternative And Project Delay - Presentation By U.S. Bureau Of Reclamation**

The U.S. Bureau of Reclamation (USBR) has requested the City of Gallup's concurrence on delaying the completion of the Navajo Gallup Water Supply Project (NGWSP).

The NGWSP, per Public Law 111-11, must be completed by December 31, 2024.

The Navajo Tribal Utility Authority (NTUA) requested an unplanned storage component (reservoir) for the project, and the USBR entered into talks with the Public Service Company of New Mexico (PNM) to see if the San Juan Generating Station (SJGS) reservoir could be used for the NGWSP.

USBR sent the City a letter (Attachment 1) requesting the City concur with a project delay. The City replied to USBR (Attachment 2) stating that the USBR would have to present this proposal to the City Council.

Since then, the USBR has contacted the City with a series of terms that it would be willing to consider offering to the City in exchange for the City's concurrence (Attachment 3).

Patrick Page, P.E. is the Four Corners Construction Office Engineer and is responsible for the construction of NGWSP. He will be making this presentation on behalf of the USBR.

This is a presentation item only. Depending upon Council's direction, a resolution to concur, or not concur, to a project delay will be put before Council in March 2021.

Fiscal Impact:	None.
Recommendation:	None. Presentation only. Resolution for Council to consider to follow in March 2021.
Speaker's Name	Patrick Page, P.E., US Bureau of Reclamation Four Corners Construction Office Engineer

### Documents:

[ATTACHMENT 1 - CITY OF GALLUP - SJGS FURTHER ANALYSIS - NEXT STEPS AND SCOPE.PDF](#)

[ATTACHMENT 2 - CITY LETTER TO USBR SJGS FURTHER ANALYSIS 09112019 \(7\).PDF](#)

[ATTACHMENT 3 - CITY OF GALLUP MAIL - NGWSP FOLLOW-UP INFORMATION REQUESTED BY THE CITY.PDF](#)

[ATTACHMENT 3 - TYPO CORRECTION CITY OF GALLUP MAIL - NGWSP FOLLOW-UP INFORMATION REQUESTED BY THE CITY.PDF](#)

## **E. Discussion/Action Topics**

### **1. Butler Brothers LLC, Request For Approval Of Ordinance No. S2021-3 For The Vacation Of A Twenty Foot (20') Public Utility Easement (PUE)**

Butler Brothers, LLC, property owners, have petitioned the Gallup City Council for review and approval of a request for vacation of a twenty foot (20') wide public utility easement (P.U.E.) on the property located at 226 Dee Ann Avenue; more particularly described as 2.64 acres M/L in the SW ¼ of 27 15 18, Annexed-

Rolling Hills #9.

See attached briefing memo.

Fiscal Impact: None  
Recommendation: Staff recommends approval of Ordinance No. S2021-3 for vacation of a 20' Public Utility Easement  
Speaker's Name C.B. Strain

Documents:

[BUTLER BROTHERS LLC PUE VACATION MEMO CC.PDF](#)  
[BUTLER BROTHERS LLC., PUE VACATION ORDINANCE S2021-3.PDF](#)  
[SURVEY.PDF](#)  
[GTF COMMENTS.PDF](#)  
[RP2021-2.PDF](#)

**2. Acceptance Of Department Of Finance And Administration, CDBG Grant Agreement, Project No. 20-C-NR-I-01-G-10 And Approval Of Resolution No. R2021-6**

The Department of Finance and Administration Local Government Division awarded the City of Gallup a Community Development Block Grant in the amount of \$1,000,000.00 which includes 10% City matching funds in the amount of \$100,000.00, for project No.20-C-NR-I-01-G-10. The 10% matching funds of \$100,000.00 is being covered with a budget transfer from leftover fund balance from the whole block neighborhood reconstruction project.

This grant is to fund a city street, pedestrian and utility infrastructure project on West Logan Avenue from 7th Street to 9th Street. The scope of work for this project is as follows:

The two blocks along Logan Avenue (referred to as Logan Street in the grant agreement) running from 7th to 9th Street shall include reconstruction of the roadway with a total of 2,640 square yards of asphalt. The project will require the removal and replacement of 1440 linear feet of deteriorating curb and gutter. A total of 1,010 square yards of concrete will be needed for replacement of the sidewalks with expansion joints traversing to the curb and gutter: replacement of driveways and the replacement of handicapped ramps with landings.

Infrastructure improvements shall consist of the replacement of 720 linear feet each of 8" water and sewer lines and a total of 480 linear feet each of water and sewer services lines.

Staff is requesting that City Council accept said grant agreement for project No. 20-C-NR-I-01-G-10, and to approve Resolution No. R2021-6. Also approve a revenue and expenditure budget of \$900,000.00, and also approve the 10% matching funds budget transfer and expenditure and revenue budget of \$100,000.00.

Fiscal Impact: Project revenue and expenditure budget in the amount of \$900,000.00, and 10% matching funds budget transfer and expenditure and revenue budget in the amount of \$100,000.00.  
Recommendation: Accept grant agreement, approve requested expenditure and revenue budgets, Approve Res. No. 2021-6

Speaker's Name C.B. Strain

Documents:

[20-C-10 CITY OF GALLUP GRANT AGREEMENT.PDF](#)  
[RESOLUTION NO. 2021-6 CDBG GRANT LOGAN AVE. 20-C-10 \(1\).PDF](#)

**3. Resolution No. R2021-4; Adopting Required Community Development Block Grant (CDBG) Certifications And Commitments**

For CDBG funding, each local government must annually certify the following:

Citizen Participation:

Developing a Citizen Participation Plan is a Federal requirement for grantees who receive CDBG funds. The Citizen Participation Plan states that citizens will be provided with reasonable notices and timely access to local meetings in order to solicit their input and project ideas for the CDBG program. Its adoption by resolution is a requirement for CDBG projects.

Fair Housing:

Certifies the City of Gallup's commitment to the Fair Housing Act of 1968 to affirmatively further fair housing, which prohibits discrimination in the sale, rental, leasing, and financing of housing or land to be used for the construction of housing on the basis of race, color, religion, sex, disability, familial status, or national origin.

Residential Anti-Displacement & Relocation Assistance:

Whenever Federal funds, such as CDBG, are used in a project involving the acquisition, rehabilitation, or demolition of real property, a Federal law known as the Uniform Relocation Assistance and Real Properties Acquisition Policies Act (URA) may apply. The purpose of the URA is to provide fair and equitable treatment for persons whose real property is acquired or for persons displaced as a result of a CDBG funded project or activity.

Section 3 Plan:

Section 3 is a provision of the HUD ACT of 1968 that helps foster local economic development, neighborhood economic development, and individual self-sufficiency. The Section 3 Program requires that recipients of certain HUD financial assistance - to the greatest extent feasible - provide job training, employment, and contracting opportunities for low or very low income residents in connection with projects and activities in their community. Every CDBG grantee is required to adopt a "Section 3 Plan" by resolution for CDBG projects.

Procurement:

Certifies its compliance with Federal Procurement Code (24 CFR Part 85.36) and New Mexico Procurement Code (§13-1-120 NMSA 1978) by adopting a procurement policy for CDBG projects.

Fiscal Impact: None. CDBG grant administration and documentation requirement.

Recommendation: Staff recommends approval of Resolution No.R2021-4

Speaker's Name C.B. Strain

Documents:

[RESOLUTION NO. R2021-4.PDF](#)

[CDBG 2021 CITIZEN PARTICIPATION PLAN.PDF](#)  
[CDBG 2021 RESIDENTIAL ANTI-DISPLACEMENT PLAN.PDF](#)  
[CDBG 2021 HUD SECTION 3 PLAN.PDF](#)

**4. 2021 CDBG Fair Housing Proclamation**

For CDBG funding, each local government must certify that it will affirmatively further fair housing. To that end, a "Fair Housing Proclamation" must be adopted by the local governing body at an open public meeting which publicizes the community's commitment to fair housing.

Staff proposes proclaiming 26 March 2021 as Fair Housing Day.

Fiscal Impact: None. CDBG grant administration and documentation requirement.

Recommendation: Approval of the attached proclamation of 26 March 2021 as Fair Housing Day

Speaker's Name C.B. Strain

Documents:

[PROCLAMATION RE CDBG 2021 FAIR HOUSING ENDORSEMENT.PDF](#)

**5. Resolution No. R2021-5; East Nizhoni Blvd Reconstruction MAP Resolution**

Attached for the Council's consideration and approval is Municipal Arterial Program application for funding the reconstruction of East Nizhoni Blvd between South 2nd Street and College Drive. Project includes reconstruction of the roadway, pedestrian safety, and storm drainage. As part of the application, a resolution of project support is required by NMDOT from the City Council.

Fiscal Impact: None at this time. If approved by NMDOT, the City will need matching funds of 25% of the construction costs. This amount could be anywhere from \$175,000.00 to \$500,000.00 or more.

Recommendation: Approve the project application and the attached resolution of support.

Speaker's Name C.B. Strain

Documents:

[RESOLUTION MAP FY2021-2022 APPLICATION.PDF](#)  
[FY22 MAP APPLICATION-NIZHONI BLVD.PDF](#)  
[D6 RE\\_MAP SOLICITION LETTER TO CITY OF GALLUP 01192021.PDF](#)

**6. Capital Improvement Item And Budget Adjustment For COVID-19**

As a result of the COVID-19 virus, the City of Gallup has incurred numerous unplanned expenditures. As the pandemic has evolved the need to update the El Morro Events Center to facilitate socially distanced meetings and trainings has increased.

The technology update to the north side of the events center began in 2020 so that the space could be used for social distancing when streaming City Council and other key boards and committees, but several technology components are needed to complete the project. The cost for the items and installation is \$6,784.94.

The pandemic has increased the need for large spaces where employees of the City can socially distance yet still accomplish important or required trainings for their departments. This COVID-19 related need is accelerating our timeline to install equipment on the south side of the events center so it may be used for employee trainings and other virtually held calls or events. The cost for this technology and installation is \$11,303.47.

The total to complete the technology and installation for the El Morro Events Center is \$18,088.41. This purchase qualifies for submission to FEMA as a COVID-19 related expense and will be partially reimbursed at 75% pending FEMA approval.

Fiscal Impact: \$18,088.41 transferred from General Fund Balance to Capital Expenditures with potential for 75% reimbursement from FEMA pending their approval. \$5086.00 transferred from operating to capital within the existing budget.

Recommendation: Approval of a budget adjustment to Capital Expenditures of \$18,088.41 from General Fund Balance

Speaker's Name Jennifer Lazarz

Documents:

[AV SYSTEMVV1.PDF](#)

[EL MORRO EVENTS CENTER UPGRADEVV2.PDF](#)

## 7. Budget Adjustment For Fox Run Golf Course

Golf Course staff have been doing a fantastic job of operating through the pandemic and have stretched the budget as far as possible. However, the Golf Course is requesting a total budget adjustment of \$175,000 for the 2021 budget. This past summer, a reclaimed pump failed, and staff moved funds from various accounts to cover expenditures associated with this failure. The funds will be used to cover utilities, seed/fert, the point of sale system, merchandise, and replenish other accounts that were borrowed from.

Fiscal Impact: A budget increase of \$175,000 dollars from the General Funds balance to cover operating expenditures and unforeseen costs.

Recommendation: Staff recommends approval of budget increase

Speaker's Name Matthew Alcala

## 8. Fire Fund Budget Adjustment

The Gallup Fire Department respectfully requests approval to budget unallocated cash available in Fund 209 in the amount of \$70,020 for expenditure of a proposed aerial fire engine for the future.

Fiscal Impact: Fiscal Impact: Budget increase in the capital expenditure account.

Recommendation: Staff recommends budget approval.

Speaker's Name Jesus "Chuy" Morales, Fire Chief

**9. Budget Adjustment For Bond Refunding**

As part of our budget management and cost management we have Refunded our 2010A bonds as were presented during the FY21 budget process. The result was a significantly lower bond payment for this fiscal year as planned and lower interest costs thru the end of the debt.

The steps to record the new debt and refunding of the old require a budget adjustment to properly post the movement of the cash. We will be recording a principle payment of \$7,140,000 and an interest payment of 75,870 to retire the 2010A bond. The total payment is \$7,215,870.

Fiscal Impact: Budget increase of 7,215,870 in operating expenses in fund 497.  
Recommendation: Approval of a budget adjustment in the amount of \$7,215,870  
Speaker's Name Patty Holland

**10. Final Change Order - Wastewater Treatment Plant (WWTP) Capital Improvement Project**

This item represents the final change order for the WWTP CIP project. The WWTP CIP was completed in August 2020, but was not placed into operation until December 2020, as Jacobs and its subcontractors had to make minor adjustments and changes to pump inlet pumping and controls systems. The systems improvements were placed into operation in December 2020 and accepted by City Staff after all operational tests were completed and documented as satisfactory.

The final change order and its associated payment was held in a pending status until the system could be shown as being operational and acceptable for use. As the system upgrades are in working order and currently in operation, City Staff is now processing the final change order for the project.

The final change order for the project is in the amount of \$78,383 and represents work involving unforeseen site conditions that required the replacement of an 18-inch ductile iron line.

There is no net fiscal impact due to this change order, as this amount is within the project budget and the terms of the Clean Water State Revolving Fund loan used for this project. However, to clear out this change order and the final invoice, the purchase order for the project must be increased by a total of \$79,500 to process this change order and pay the final invoice for the project for final closeout.

Fiscal Impact: Amount of Change Order already budgeted. No additional fiscal impact.  
Recommendation: Staff recommends approval of final change order.  
Speaker's Name Dennis Romero

Documents:

[ATTACHMENT 1 - CHANGE ORDER 688408\\_COM\\_CTR\\_CO-05-2020-07-31-R2.PDF](#)

**11. Designation Of Terms Of Business Improvement District Board Members**

At the November 13, 2018 regular meeting, Council adopted an ordinance continuing the existence of the Business Improvement District for an additional

five year term beginning on January 1, 2019 and ending on December 31, 2023. (Ordinance C2018-15) The Ordinance allows Council to consider continuing the BID until 2028 by taking action prior to December 31, 2023.

When Ordinance C2018-15 was adopted, the BID Board had nine voting members and that number was continued in the 2018 ordinance. However, the BID ordinance was amended in February of 2020 to reduce the number of Board members to seven. (Ordinance C2020-1) The amended ordinance provides that the voting board members "shall serve initial terms of three (3) years beginning on January 1, 2019 with five (5) of those members continuing to serve two (2) additional years. Thereafter, terms shall be for a period of four years."

Council has not designated which two of the seven board positions will serve an initial term of three years and which five positions will serve an initial three year term with an automatic two year extension. The BID Board currently has six members with one vacant position. The current members are:

Anna Biava -Chair

Steve Gurley - Vice-chair/Secretary

Archie Baca Jr. -Treasurer

Louie Bonaguidi

Mickey Menapace

James Rich

Council has two choices:

1. Designate two of the current members' positions to have three year terms. The remaining four members' positions and the vacant position would then serve five year terms.
2. Designate one of the current member's position plus the vacant position to have three year terms. The remaining five members' positions would then have five years.

It should be kept in mind that there are not term limits for BID Board members. The positions that are selected to have an initial term of three years can be re-appointed to a four year term when the initial terms expire on December 31, 2021 should Council so desire.

Fiscal Impact:	None
Recommendation:	No staff recommendation as to which of the two alternative Council should choose.
Speaker's Name	Curtis Hayes

#### **F. Comments By Public On Non-Agenda Items**

The public is invited to comment on matters not appearing on the published meeting agenda.

#### **G. Comments By Mayor And City Councilors**

#### **H. Comments By City Manager And City Attorney**

#### **I. Motion To Adjourn**

Pursuant to the "Open Meetings Act", NMSA 1978, Section 10-15-1 through 10-15-4 of the State of New Mexico, this Agenda was posted at a place freely accessible to the public 72 hours in advance of the scheduled meeting.