

AGENDA

GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, APRIL 23, 2019; 6:00 P.M. CITY COUNCIL CHAMBERS



Jackie McKinney, Mayor

Linda Garcia, Councilor, Dist. 1 Allan Landavazo, Councilor, Dist. 2
Yogash Kumar, Councilor, Dist. 3 Fran Palochak, Councilor, Dist. 4

Maryann Ustick, City Manager
Curtis Hayes, City Attorney

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**

Special and Regular Meetings of April 9, 2019

(Minutes will be disseminated on Monday, April 22, 2019)

D. **Presentation Of Proclamations**

1. Child Abuse Prevention Month, April 2019
2. Missing and Murdered Native Women & Girls

E. **Discussion/Action Topics**

1. **Resolution No. R2019-14; National Economic Development Week**

The Greater Gallup Economic Development Corporation (GGEDC) is requesting approval of Resolution No. R2019-14, recognizing the week of May 6-11, 2019 as "National Economic Development Week" in the City of Gallup.

Fiscal Impact: None.

Recommendation: GGEDC recommends approval of Resolution No. R2019-14.

Speaker's Name Patty Lundstrom, Executive Director, GGEDC

Documents:

[ECONDEVWEEK_CITY RESOLUTION 2019_GGEDC.PDF](#)

2. Ordinance No. S2019-1; Rico Land & Cattle Co. Annexation

Rico Land & Cattle Co., property owners, have initiated a request before the Gallup City Council, for annexation of certain real property described as Parcel 1, Menapace Section 26 Subdivision into the City of Gallup corporate boundaries by way of annexation plat titled Menapace Annexation, Parcel 1, Menapace Section 26 Subdivision, Situated in Section 26, T15N, R19W, N.M.P.M. McKinley County, New Mexico, containing 125.9497 acres. Said property is located immediately adjacent to and west of Rico Street.

See attached briefing memo.

Fiscal Impact: None

Recommendation: Gallup Planning and Zoning Commission recommends approval with Resolution No. RP2019-04

Speaker's Name C.B. Strain

Documents:

[RICO LAND AND CATTLE CO. ANNEXATION MEMO. CITY COUNCIL.PDF](#)

[RICO LAND AND CATTLE CO. ANNEXATION ORDINANCE UPDATED.PDF](#)

[RP2019-04 \(1\).PDF](#)

[ANNEXATION GTF COMMENTS.PDF](#)

[FINAL ANNEXATION PLAT.PDF](#)

3. Resolution No. R2019-15; Authorizing And Approving Submission Of A Completed Application For Financial Assistance And Project Approval To The New Mexico Finance Authority.

The City of Gallup Interim Electric Director Eric Babcock is requesting approval of resolution to submit application to the New Mexico Finance Authority (NMFA) for future LED Street Lighting Project Bonding consideration. This resolution is a administrative requirement by the NMFA to be considered for financial bonding.

Fiscal Impact: No fiscal impact: Resolution is approval to go forward with application only to NMFA. There is no binding contract or obligation to borrow with this application.

Recommendation: Approve resolution to submit application to NMFA for future bonding of lighting project.

Speaker's Name Eric Babcock

Documents:

[R2019-15 NMFA APPLICATION RESOLUTION.PDF](#)

[APPROVAL CERTIFICATION.PDF](#)

4. Request Contract Approval To Advance Control System (ACS) In The Amount Of \$90,000, Plus \$4,071.67 In Material Contingencies For Repair And Upgrades To Our Existing Supervisory Control And Data Acquisition (SCADA) System.

Requesting contract approval to ACS for support of Gallup Joint Utilities with Identification of field assets, configuration of NTU profiles, and updating PRISM station databases and displays on it's existing SCADA System.

These repairs and upgrades were approved in project number (JU1510) account number 307-6061-442-46-20 for a total of \$94,071.67 this fiscal year.

Cost estimates are illustrated below.

1. Contract work to include diagnoses, repair, and upgrades of system to include, travel, lodging and per diem for out of area workers x2 is \$90,000.
2. Project contingencies \$4,071.67.

Total cost of project estimate is \$94,071.67.

Fiscal Impact:	Contract expenditures of \$94,071.67 will come out of approved budgeted SCADA Project JU1510, # 307-6061-442,46-20.
Recommendation:	Approve expenditure of \$94,071.67 from budget project 307-6061-442,46-20 # (JU1510).
Speaker's Name	Eric Babcock

Documents:

[PR-1903-4051 PRISM SYSTEM ENGINEERING SERVICES \(ID 303537\).PDF](#)

5. Ordinance No. S2019-2; Ordinance To Exchange Land With Gallup Land Partners

This ordinance is to exchange land between Gallup Land Partners and the City. In 2011, the City was donated 160 acres of land south of Mendoza Road. The land does not abut Mendoza Road and is surrounded by tribal land and GLP owned land. There is no existing easement or right of way across either the tribal land or the GLP owned land to provide legal access to the property. Due to the location, the land is not of value to the City, but would be to GLP as it owns adjoining land.

The City has been using approximately 31 acres of land at the east end of Warehouse Lane, primarily as a storage lot for decades. There is no known written agreement with the previous owner to authorize the use. The current owner is Gallup Land Partners. Due to the large amount of materials that the City has placed on the land, the cost to remove them would be considerable. Therefore the City would like to acquire the land and obtain a release from GLP for any potential claims GLP has against the City for the City's use of the land. Finally, the City would like to acquire approximately 1/2 acre of land in the area east the Sagebrush Subdivision for flood control measures. An ordinance is required as the value of the City owned parcel is greater than \$25,000.

Fiscal Impact:	The City's portion of the closing costs which have not yet been determined.
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Recommendation: Approval of the ordinance.

Speaker's Name Curtis Hayes

Documents:

[GLP LAND TRANSFER ORDINANCE.PDF](#)

6. Acceptance Of Utility Easement From St. Francis Diocese

This is a utility easement to allow city maintenance of an underground high voltage line to the transformer located at the new building on Wilson Ave. between 2nd and 3rd Streets. The line and transformer are already in place.

Fiscal Impact: None.

Recommendation: Approve acceptance of the easement.

Speaker's Name Curtis Hayes

Documents:

[ST. FRANCIS EASEMENT.PDF](#)

[ST. FRANCIS MAP.PDF](#)

7. Request To Award Navajo Gallup Water Supply Project (NGWSP), Reach 27.9, Formal Bid No. 1903 To Adame Construction, Inc.

The lowest qualified bidder for the subject project was Adame Construction, Inc., of Los Lunas, NM, with a bid of \$5,840,388.72. Funding for this project will be provided by the Water Trust Board through the New Mexico Finance Authority, WTB #4338 and the US Bureau of Reclamation Cooperative Agreement No. R11AC40002.

WTB Grant/Loan #4338 will cover \$2,493,379 of the project cost. The remaining \$3,347,009.72 will be funded via USBR Cooperative Agreement No. R11AC40002.

This NGWSP Reach is listed to begin construction in the CIP this fiscal year.

The project consists of installing approximately 18,350 linear feet of 24" CL350 ductile iron waterline, 950 linear feet of 24" glass reinforced waterline, 3,260 linear feet of 16" CL 350 ductile iron waterline, 260 linear feet of 16" AWWA C905 CL235 DR18 PVC waterline, 250 linear foot jack and bore crossing of U.S. Highway 491 with a 16" carrier pipe in a 26" steel casing and a 95 linear foot jack bore installation on a through a steep slope with a 16" carrier pipe in a 26" steel casing. and tie-ins to existing waterline lines. Work will also include air release stations, valves, fittings, specials, trenching, backfilling, and compaction. Asphalt, gravel road surfacing and fencing removal and replacement will be required.

This project is located north of Gallup, New Mexico. The 24" waterline begins at the intersection of Morello Ave and Kachina Street, runs north along Kachina Street to Coal Basin Road, continues north along a projection of the west boundary of the Gamarco Townsite and ends just south of the Gamarco Reservoirs. The 16" waterline runs east west from 9th Street, across U.S. Highway 491 to the 24" waterline. Access to the undeveloped area is from south

and north sides of the of the 24" waterline.

Staff request approval of contract award to Adame Construction, Inc. and necessary budget adjustments.

Recommendation:

Staff recommends Award of Navajo Gallup Water Supply Project NGWSP), Reach 27.9, Formal Bid No. 1903 to Adame Construction, Inc. and necessary budget adjustments.

Fiscal Impact: Budget adjustment showing revenue and expenditure of \$5,840,388.72.

Recommendation: See "Description" above.

Speaker's Name Dennis Romero

Documents:

[ATTACHMENT 1 - RECOMMENDATION OF AWARD 27.9.PDF](#)

[ATTACHMENT 2 - ADVERTISEMENT_FOR_BID.PDF](#)

[ATTACHMENT 3 - BID_PROPOSAL_PACKAGE.PDF](#)

[ATTACHMENT 4 - GALLUP REGIONAL SYSTEM.PDF](#)

8. Request For Budget Adjustments For Annual Operations Contracts With Jacobs (CH2M) And Evoqua

The City of Gallup has a contract with Jacobs (formerly CH2M) for the annual operations at the Wastewater Treatment Plant and a contract with Evoqua for Odor Control.

Due to a contractual increase in operational fees, a budget adjustment is required for the Purchase Order with Jacobs (CH2M) in the amount of \$50,000 is required for the remainder of Fiscal Year 2019.

Due to an increase in odor control fees, a budget adjustment is required for the Purchase Order with Evoqua in the amount of \$50,000 to fund the Purchase Order with Evoqua for the remainder of Fiscal Year 2019.

A budget adjustment of \$100,000 from the available fund Balance in Wastewater Fund 508 is requested in order to cover additional costs for contracts with Jacobs and Evoqua. Actual costs for each contract and estimates for costs through the end of FY19 are attached.

Recommendation:

Staff recommends a budget adjustment of \$100,000 from available fund balance in Fund 508 to fund

Fiscal Impact: A budget adjustment of \$100,000 from the available fund balance in Wastewater Fund 508.

Recommendation: See "Description" above.

Speaker's Name Dennis Romero

Documents:

ATTACHMENT 2 - PO 89145 OPERATING COSTS- WWTP ODOR CONTROL STUDY - FY END ESTIMATES.PDF
ATTACHMENT 1 - PO 88802 OPERATIONS AT WASTEWATER TREATMENT PLANT - FY END ESTIMATES.PDF

9. Resolution No. R2019-16; A Resolution Requesting Water Service Outside Of City Limits

Rhino Health, LLC., based out of Church Rock, NM, has requested water service outside of City Limits for the purposes of operating a nitrile glove manufacturing facility within the Navajo Nation Industrial Park located to the east of the Navajo Tech Center (309B Rte 66, Church Rock, NM 87311).

The City water and wastewater system is capable of supporting Phase I of the proposed factory, which will require up to 140,000 gallons of water per day. The Navajo Nation Economic Development Department estimates that Phase I of the facility will create up to 30 jobs and provide economic development opportunities for the region. When the City was first approached about providing utilities to the facility, an opening date of May 2019 was given. Rhino Health LLC has now stated that the facility is scheduled to open in August 2019.

Section 8-1-7 B.3 of the City Code was amended via Ordinance 2016-6 to authorize the City Council to authorize by written resolution or contract the furnishing of water service to any user outside the corporate limits that may be individuals or private legal entities upon conditions and limitations set by city council in its sole discretion.

At this time, City does not have an industrial user rate class for its water, wastewater or electric Utilities. Until the City develops such a rate class, the City and the Applicant have agreed to negotiate a temporary rate for water, wastewater and electric utility services.

Resolution R2019-16 does the following:

- (1) Authorizes water use outside of city limits for Phase I of the Rhino Health Glove factory;
- (2) Places conditions of water use on the Rhino Health Glove Factory; and
- (3) Directs Staff to negotiate rates with the Applicant, and develop an industrial user rate classification.

Staff recommends approval of Resolution R2019-16 for water service outside City Limits for Phase I of the proposed facility.

Fiscal Impact: Fiscal impact is to be determined based upon the finalization of a utility rate for the facility and the development of an industrial users rate classification.

Recommendation: Please see above

Speaker's Name Dennis Romero

Documents:

[R2019-16 CITY WATER SERVICE RHINO HEALTH.PDF](#)

10. Resolution R2019-13; 3rd Qtr FY 2019 Report Of Actuals, Budget Adjustments And Investment Report

Each quarter, the Finance department reviews any changes to the budget and submits these changes to council for approval. The following areas are reviewed: personnel, operations, capital outlay and transfers in and out of each fund. The Department of Finance and Administration (DFA) requires Council to pass a resolution for all budget increases, decreases, and transfers between funds. DFA further requires approval of the report of actuals showing cumulative activity for the fiscal year. The DFA also requires a listing of all investments, which is attached for Council review. The report to DFA regarding budget revisions is due April 30, 2019.

This revision encompasses all budget changes processed January 1, 2019 thru March 31, 2018 (Quarter 3 of FY2019).

Fiscal Impact: None
Recommendation: Staff recommends approval of the budget adjustments, report of actuals and Resolution R2019-13
Speaker's Name Patty Holland

Documents:

[R2019-13 BUDGET RESOLUTION FY 19 Q3.PDF](#)
[ROA RECAP.PDF](#)
[INVESTMENT REPORT.XLSX](#)
[FY19 COUNCIL QTR3 BA DFA, COUNCIL.PDF](#)

11. **Travel Policy Amendments**

The City of Gallup Finance Travel and Per Diem Policy is in need of some minor changes in order to be in compliance with State Statutes. We are recommending changing the partial day per diem rate to match the Per Diem and Mileage Act and DFA regulation N.M.A.C. 2.42.2.8. We also are adding a provision requiring repayment of funds back to the City within 5 days if an employee or public officer received advance funds in excess of actual expenses as required by NMAC 2.42.2.10 B (1). A markup copy of the policy is attached for review.

Fiscal Impact: None
Recommendation: Approve the updated Travel Policy
Speaker's Name Patty Holland

Documents:

[3 TRAVEL AND PER DIEM 2019 RECOMMENDED-2.PDF](#)

12. **Request For Budget Increase For Harold Runnels Athletic Complex**

Requesting a budget increase for line item 101-3547-432.41-30 part-time positions in the amount of \$7,000.00 dollars out of General Fund Reserves. This increase is to pay part-time salaries for the remainder of the fiscal year. During the past fiscal year, we needed to work our employees more than 20 hours due to the high volume of usage and for safety reasons (ratio 100 to 1) on any given day. We have had no choice but to double up with staff during peak hours. We have a staffing plan in place to avoid this situation in the future.

Fiscal Impact: \$7,000.00 budget increase in part-time salaries from General Fund Reserves.
Recommendation: Approve budget increase for part-time salaries from General Fund Reserves.
Speaker's Name Vince Alonzo, Parks and Recreation Director

13. Request By The New Mexico High School & Jr. High School Rodeo Association For Fee Waiver For The Qualifier Rodeo May 3-5, 2019

The NMHS & JHS Rodeo Association is asking that the fees be waived for the upcoming 2019 Rodeo. The Association is also requesting that the City consider honoring the language pertaining to discounts in our previous Resolution No. R2006-46 dated 12/12/2006. The Association also agrees that income from all RV sites and horse stall rentals be split 50/50 with the City (50% to the City and 50% to NMHSRA and NMJHRA).

Fiscal Impact: \$11,550.00 - 50% discount for non profit groups, under current Resolution No. R2017-23, actual amount is \$5,775.00 plus \$500.00 refundable deposit = \$6,275.00.
Recommendation: None.
Speaker's Name Vince Alonzo / Robert Detweiler

F. Comments By Public On Non-Agenda Items

The public is invited to comment on items 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

Auxiliary aides for the disabled are available upon request. Please contact Alfred Abeita, City Clerk, at 505-863-1254 at least (1) week prior to the meeting or as soon as possible in advance of the meeting to make any necessary arrangements.

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.