

# AGENDA

## GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, JULY 11, 2023; 6:00 P.M. CITY COUNCIL CHAMBERS



Louie Bonaguidi, Mayor

Linda Garcia, Councilor, Dist. 1

Michael Schaaf, Councilor, Dist. 2

Sarah Piano, Councilor, Dist. 3

Fran Palochak, Councilor, Dist. 4

Jon DeYoung, Interim City Manager

David Eason, City Attorney

**The meeting will be accessible through the City of Gallup's Facebook Page:**

[City of Gallup, New Mexico Government - Home | Facebook](https://www.facebook.com/CityofGallup)

**Members of the public may submit comment either in person or by telephone. To submit comment by telephone, please call 505-863-1254 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. Consent Agenda**

These items are placed on the Consent Agenda so City Council can designate by unanimous consent those routine items they wish to be approved or acknowledged by one motion. If any item does not meet the approval of all Council members or if a citizen so requests, it will be heard as a separate item.

**Action Needed:**

Motion to approve or acknowledge Items 1-5 on the Consent Agenda by unanimous vote:

**1. Approval Of Minutes**

June 13, 2023 Regular Meeting

June 27, 2023 Regular Meeting

Fiscal Impact: None.  
Recommendation: Approve the minutes.  
Speaker's Name None.

Documents:

[DRAFT MINUTES JUNE 13 2023 REG MTG.PDF](#)  
[DRAFT MINUTES JUNE 27 2023 REG MTG.PDF](#)

**2. Approval Of Northwest New Mexico Council Of Governments Membership Agreement And Related Budget Adjustment**

Northwest New Mexico Council of Governments (NWNMCOG) has submitted their annual Membership Agreement for the term of July 1, 2023 through June 30, 2024. In addition, this contract will continue the services provided by the NWNMCOG as outlined in the attached Two Year Work Program Report.

The FY2024 membership has increased to \$70,000. Currently, there is \$68,000 allocated in the budget for membership dues. The new agreement will require a budget adjustment of \$2,000 from the General Fund to cover the increase in member dues.

Recommendation:

Approval of contract to continue membership and continuing level of services provided by NWNMCOG as outlined in the attached work program and approval of the existing city representatives to the COG Board: Mayor Louis Bonaguidi, Councilor Fran Palochak, Councilor Michael Schaaf and Jon DeYoung, Interim City Manager.

Fiscal Impact: \$68,000 currently budgeted for FY2024; with a budget adjustment in expenditures of \$2,000 from the General Fund reserves.  
Recommendation: See recommendation in the summary.  
Speaker's Name JM DeYoung, Interim City Manager, & Brandon Howe, NWNMCOG

Documents:

[FY24 MEMBERSHIP AGMT.PDF](#)  
[CITY BOARD APPOINTMENT FORM.PDF](#)  
[GALLUP\\_12M\\_MEMBER REPORT\\_FY23.PDF](#)  
[GALLUP AWP FY23-24\\_DRAFT.PDF](#)

**3. Approval Of Resolution No. R2023-16; Changing The Signatory Of Financials Of The \$8 Million ISC Grant For The Construction Of Water Wells**

The City of Gallup has entered into a Financial Agreement with the Interstate Stream Commission for an \$8 million grant for the construction of water wells for the City of Gallup. Per the conditions of Resolution No. R2022-34, the City Manager, Maryann Ustick was the designated contact for this grant and was also the signatory for the agreement along with all reimbursement requests and other financial reports. As of July 1, Maryann Ustick has retired from the City of Gallup and JM DeYoung has been designated as the Interim City Manager. Since this grant requires the signature of the City Manager, it is necessary to submit Resolution 2023-16 which will change the signatory for this grant. JM DeYoung will be the signatory for this grant and the contact person.

Approval of Resolution No. R2023-16 will enable the City Manager to be the signatory and point of contact for this grant.

Fiscal Impact: There is no Fiscal Impact since this Resolution is just changing signatories.  
Recommendation: Approval of Resolution No. R2023-16.  
Speaker's Name JM DeYoung

Documents:

[R2023-16 ISC GRANT SIGNATORY - FINAL.PDF](#)

#### 4. **Lodger's Tax Grant Recommendation**

The Lodger's Tax Committee has approved two applications for consideration by the City Council. The Tourism Office respectfully requests approval to fund the marketing plans of these events through the Lodger's Tax Grant Program.

##### **24 Hours in the Enchanted Forest - July 22-23 - \$6,000**

This event is hosted by Zia Rides and includes 12-hour and 24-hour endurance bike races. The event will take place in the Zuni Mountains with a described festival atmosphere with food trucks, live music, and camping opportunities. The organizer expects 500-600 participants and over 300 spectators. This event received \$6,000 in Lodger's Tax funding in 2022.

##### **Red Rock Rally Ride - July 21-23 - \$7,300**

This is the second annual off-road rally event and will be held at the Gallup OHV/ATV Park on Hasler Valley Road. The event includes the rally, guided tours, live entertainment, barrel racing, food trucks, and more, according to the applicant. The applicant expects between 200-1,000 attendees and is planning for about 100 OHV/ATV riders. This is the first year this applicant has requested funding for this event.

Fiscal Impact: Total funding requested is \$13,300. Sufficient funding exists in the approved FY24 budget.  
Recommendation: Respectfully request approval  
Speaker's Name Matt Robinson - Tourism & Marketing Manager

Documents:

[ENCHANTED FOREST APPLICATION.PDF](#)  
[RRMS LODGERS TAX APP.PDF](#)

**5. Gallup Senior Program FY 2023-24 Budget Adjustment Request  
City of Gallup Senior Program Contract Approvals**

1. The Senior Program has received the Non-Metro Area Agency on Aging (NMAAA) state and federal contracts for FY 2023-2024 for a total of \$476,810.00. **The Senior Program is requesting two Budget Adjustment Requests for FY 23-24 Budget.**

**A. Contract No. 2023-24-60013 Title III State/Federal** - Increase the Title III budget by \$66,416.00 as outline in general ledger worksheet. Contract award will fund salaries, fringe, and direct-services for the Gallup Senior Program.

**B. Contract No. 2023-24-60013-N - Nutrition Service Incentive Program (NSIP)** - Reduce the NSIP budget by \$8,967.00. Contract award will fund the purchase of United States agriculture commodities and other foods produced in the United States for use in the senior nutrition program.

Fiscal Impact: Fed/State Awards will increase Revenue and Expenditures for the Senior Program Budget by \$57,449.00 as indicated in the attached Direct Service General Ledger worksheets.

Recommendation: Accept the Budget Adjustment Requests for the Title III and NSIP contracts for FY 2023-2024.

Speaker's Name Kimberly Ross-Toledo, Senior Program Manager

Documents:

[REVENUE AND EXPENDITURE\\_FY23-24\\_7-11-2023.PDF](#)  
[GENERAL LEDGER WORKSHEETS\\_FY23-24\\_7-11-2023.PDF](#)  
[GALLUP TITLE III FY24.PDF](#)  
[GALLUP NSIP FY24.PDF](#)

**D. Discussion/Action Topics**

**1. Budget Adjustment Request For An Increase In Local Match For Gallup Express**

The City of Gallup has received a written request from Tommy Mims, Director of Gallup Express, to increase the city's local match for public transit services, from \$85,000 to \$180,000. This will require a budget adjustment of \$95,000 from the General Fund and an increase to the FY2024 Service Agreement with Gallup Rural Transit.

Recommendation:

Approval of budget adjustment in the amount of \$95,000 from the General Fund with an increase to the Service Agreement to Gallup Rural Transit.

Fiscal Impact: \$85,000 currently budgeted for FY2024; with a budget adjustment of \$95,000 from the General Fund balance.

Recommendation: See recommendation in the summary.

Speaker's Name JM DeYoung, Interim City Manager

Documents:

[CITY OF GALLUP 2024 CONTRACT SERVICE AGREEMENT REQUEST LETTER.PDF](#)

**2. Resolution No. R2023-15; New Electric Rate For Groundwater Wells**

Resolution R2023-15 is the creation of a new electrical rate to pass on the cost savings from WAPA contract No. 22-SLC-1099 to the Water Department. The Water Accounts associated with the groundwater wells in exhibit B of the contract are currently being charged at the Municipal Service Joint Utilities Rate - \$0.0950 / kWh. The Electric Department has created a new rate to serve the Water Department's groundwater wells while WAPA contract No.22-SLC-1099 remains in effect.

This new rate will come with a monthly service charge of \$135 for the 43 different accounts outlined in the contract and the new energy rate will be set at \$0.0314 per kWh. The WAPA contract has an energy cap of 1,250,000 kilowatt hours per month. Any electrical usage past this energy cap will need to be charged at the Municipal Service Joint Utilities Rate. At the beginning of each fiscal year the Electric Department will reevaluate the transmission cost associated with the delivering of this power and adjust this rate if this rate needs to be increased.

If this resolution is passed and goes into effect, the Water Department will see an estimated annual cost savings of \$900,000.

Fiscal Impact: See Description Above

Recommendation: Approval of Resolution No. R2023-15

Speaker's Name Chuck Nourse

Documents:

[WAPA RATE RESOLUTION R2023-15\\_6.27.23.PDF](#)  
[CONTRACT 22-SLC-1099.PDF](#)

**3. Resolution No. R2023-17; Authorizing Acceptance Of The New Mexico Department Of Transportation Aviation Division Grant No. GUP-22-02, Amendment No. 1 To Extend Airline Service Program For Two More Years**

Staff is requesting for the City Council's approval of Resolution No. 2023-17 NMDOTAD RASE Grant No. GUP-22-02 Amendment No. 1. The funding will be utilized to extend the current airline service for two more years.

The purpose of this Extension Agreement is to continue to provide air service transportation to the rural area that we live in and this Amendment No. 1 is an extension to the initial grant that began August 2022 and will expire May 2024.

The Airline Service for the Gallup Municipal Airport has been very successful. Gallup Airport's authorized flight capacity is 8 passengers. Flights are filled almost every flight from Phoenix, AZ to Gallup, NM and from Gallup to Phoenix. A flight is a single trip from GUP to PHX or from PHX to GUP. To continue the airline service for an additional two years will increase the knowledge of the airline service to many more members of Gallup, Neighboring Communities, Pueblos and Reservations. This benefit will influence the outer regions of New Mexico and that will magnify economic development and tourism for Gallup.

The total amount is \$3,850,000 for two years. The State's 90% is \$3,500,000 and City's share 10% is \$350,000. The breakdown is \$1,750,000 per year from the State and City's share is \$175,000 per year for a total \$1,925,000 per year.

Matching funds to be placed in the 515 Fund Project AP2202.

Fiscal Impact: Revenue and Expenditures budget in the amount of \$3,850,000 to be set in 515 Fund Project AP2202.

Recommendation: Staff requests approval of Resolution No. R2023- Acceptance of the NMDOT Aviation Division Amendment

Speaker's Name Robert Hamblen

Documents:

[R2023-17 NMDOT AVIATION GRANT GUP-22-02 AMENDMENT NO 1.PDF](#)  
[GUP-22-02 AMENDMENT NO. 1.PDF](#)

#### **4. Settlement Agreement Between The City Of Gallup And The Gallup Firefighters Union International Association Of Firefighters Local 4296**

As provided by the Collective Bargaining Agreement (CBA) between the City and the Gallup Firefighters Union, both parties reopened negotiations on the limited issue of compensation and benefits. Based on negotiations, the parties have reached a settlement as follows:

1. The pay plan presented by the City during negotiations on June 1, 2023 (see Exhibit A) will be adopted as the new pay plan going forward.
2. The placement of individuals on that pay plan will be on the steps as delineated on the proposal that was provided by the Gallup Firefighters Union by email on June 2, 2023 (see Exhibit B). The steps have no relation to the employees' actual years of service or employees' time in rank and shall be frozen during the term of this agreement.
3. There are no other pay increases unless and until they are negotiated in accordance with the CBA.
4. The current CBA indicates that Firefighters do not receive holidays due to past bargaining (Article 40). The City has now adopted three additional holidays for non-unionized city employees. To be equitable, the City grants firefighters 24 hours of personal leave per year. This time may be taken in accordance with the Fire Department's rules and regulations. These hours cannot be accumulated from year to year and cannot be cashed in at any time.
5. The parties are allowed to reopen negotiations on the limited issue of compensation and benefits in the month of April 2024.

The agreement will become effective on the first day of the first full pay period after the agreement is approved by the City Council. The membership of the Gallup Firefighters Union has ratified the proposed Settlement Agreement.

Fiscal Impact: Funding for the pay increases are included in the FY 2024 budget.

Recommendation: Approve the Settlement Agreement Between the City of Gallup and the Gallup Firefighters Union.

Speaker's Name Alfred Abeita II, Acting HR Director

Documents:

[SETTLEMENT AGREEMENT W GFFU L4296.PDF](#)

[EXHIBIT A SETTLEMENT W GFFU.PDF](#)

[EXHIBIT B SETTLEMENT W GFFU.PDF](#)

#### **5. Settlement Agreement Between The City Of Gallup And The Gallup Police Officers Association**

As provided by the Collective Bargaining Agreement (CBA) between the City and the Gallup Police Officers Association, both parties reopened negotiations on the limited issue of compensation and benefits. Based on negotiations, the parties have reached a settlement as follows:

1. The current police officer's pay plan will be increased by 8.3%. There will be no step increases during the term of this agreement. There will be no other pay increases during the term of this agreement.
2. The City will designate three additional holidays per year, one of which shall be Indigenous Peoples Day. The other days will be determined by the City.
3. The agreement will become effective on the first day of the first full pay period after the agreement is ratified by the Gallup Police Officers Association and approved by the Gallup City Council. The Police Officers Association ratified the agreement on June 27, 2023.

Fiscal Impact: Funding for the pay increases are included in the FY 2024 budget.

Recommendation: Approve the Settlement Agreement Between the City of Gallup and Gallup Police Officers Association

Speaker's Name Alfred Abeita II, Acting HR Director

Documents:

[SETTLEMENT AGMT W GPOA 06\\_27\\_2023.PDF](#)

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

Members of the public are invited to comment on matters not appearing on the meeting agenda.

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

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

#### **H. 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.