

AGENDA

GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, SEPTEMBER 13, 2022; 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

Maryann Ustick, City Manager

Curtis Hayes, 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 on non-agenda items 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 1-10 on the Consent Agenda by unanimous vote:

1. Approval Of Minutes

Special Meeting of August 2, 2022

Regular Meeting of August 9, 2022

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

Documents:

[DRAFT MINUTES AUG 2 2022 WORK SESSION.PDF](#)
[DRAFT MINUTES AUG 9 2022 REG MTG.PDF](#)

2. Request For Street Closures For The Miyamura High School Homecoming Parade To Be Held On Friday, September 23, 2022

Miyamura High School (MHS) is requesting approval of the closure of Aztec Avenue from 8th Street to Puerco Drive for the 2022 MHS Homecoming Parade. The proposed street closure is set in accordance with the standardized parade route established by the City Council. The parade is scheduled to begin at 2:00 p.m.

Fiscal Impact: TBD - City staff to provide support services for the event.
Recommendation: MHS recommends approval of the street closures.
Speaker's Name Sara Montoya, Miyamura High School

Documents:

[EVENT PERMIT APP 2022 MHS HOMECOMING PARADE.PDF](#)

3. Request For Street Closures For The Gallup High School Homecoming Parade To Be Held On Friday, September 30, 2022

Gallup High School (GHS) is requesting approval of the closure of Aztec Avenue from 8th Street tot Puerco Drive for the 2022 GHS Homecoming Parade. The proposed street closure is set in accordance with the standardized parade route established by the City Council. The parade is scheduled to begin at 3:00 p.m.

Fiscal Impact: TBD - City staff to provide support services for the event.
Recommendation: GHS recommends approval of the street closures.
Speaker's Name Christopher Trujillo, Gallup High School

Documents:

[EVENT PERMIT APP 2022 GHS HOMECOMING PARADE.PDF](#)

4. Budget Adjustment To Cover Increased Costs For Capital Projects-Vehicles

The SWD submitted a Capital Project - Vehicles budget for approval back in March 2022 in the amount of \$290,000 for each truck, which were the estimated costs. However, due to the Nationwide cost increases over the past several months, for vehicles, parts, steel and equipment to include delays in building new

vehicles and availability of chassis; costs for Commercial Refuse Trucks has risen tremendously.

Currently, new refuse truck orders placed at this time now have lead times until 2024. The SWD recently received quotes for two new trucks that are possibly available as soon as December 2022 and February 2023; a Front-Load (FEL) and Automated Side Load (ASL), and the quotes ranged from \$350,000 - \$400,000.

Fiscal Impact:	\$300,000 from the Solid Waste Enterprise Fund 504 Operating Cash into the operating budget acct: #504-6064-445.48-70 Capital Purchases/Vehicles. Project # CP2325 - \$100,000 Project # CP2326 - \$100,000 Project # CP2327 - \$100,000
Recommendation:	Staff recommends approval of the requested budget adjustment
Speaker's Name	Adrian Marrufo - Acting Director SW/W/WW

5. **Approval Of Resolution R2022-35 For A Water Trust Board Application Submission**

Due to an unforeseen delay in the project, the City of Gallup finds itself needing additional groundwater capacity that includes drilling and equipping several water wells for which this application would hopefully fund two functional wells both for current use and conjunctive use for the project; and the New Mexico Water Trust Board has invited applications from eligible entities for funding in the new funding cycle, with applications due September 23, 2022, and application preparation shall be completed with technical assistance by DePauli Engineering and Surveying and the Northwest New Mexico Council of Governments;

Council Resolution is required to submit funding application to New Mexico Water Trust Board for consideration. Attachment 1 is the proposed resolution.

Fiscal Impact: The City of Gallup is asking for \$12M and will advocate for a 90-10% split that will require \$1.2M towards that total project. If awarded, the City of Gallup would receive \$10.8M. The City of Gallup will need to make a presentation to the Water Trust Board that includes the extreme hardship and limited debt capacity currently facing the City in order to have the loan component and additional match waived.

Fiscal Impact:	See above description
Recommendation:	Approval of Resolution R2022-35
Speaker's Name	Adrian Marrufo, Acting Director SW/W/WW / Marc DePauli / Evan Williams

Documents:

[WTB RESOLUTION, AGENDA FORM.PDF](#)
[WTB RESOLUTION.PDF](#)

6. **Acceptance Of NMDOT Aviation Division Airport Maintenance Grant #GUP-23-01**

Staff is requesting the city Council's consideration and acceptance of an Airport Maintenance Grant from NMDOT's State Aviation Division. The aviation grant agreement is attached for your review. State Aviation Division has made \$19,800 (90% match) available for annual maintenance materials such as pavement markings, taxiway signage, wind socks, etc. City match is \$2,200 (10% match). Matching funds have already been assigned to the Airport's operational Maintenance Ground Roadways account 515-1535-446.44-30. A Project number will be set-up upon approval and acceptance of this grant.

Staff is also requesting that Council approve revenue and expenditure budget for this project.

Fiscal Impact:

Council approval of 90% NMDOT State Aviation Grant Project No. GUP-23-01 Funds equaling \$19,800 in revenue and \$19,800 in expenditures. Approval of 10% matching funds equaling \$2,200 in revenue and \$2,200 in expenditure from Account 515-1535-446.44-30.

Fiscal Impact: See fiscal impact in above description. Cannot fit all characters in this field.

Recommendation: Accept NM State Aviation Division's grant and approve revenue and expenditure budget increase.

Speaker's Name Robert Hamblen

Documents:

[NMDOT AVIATION DIVISION AGREEMENT GUP-23-01.PDF](#)

7. Resolution No. R2022-33; Approval Of Local Liquor Excise Tax Distributions And Budget Adjustment

Local Liquor Excise Tax revenue is allocated to the City and the County based on the recommendations of the "LET Task Force" which is a committee comprised of City and County officials.

The LET Task Force is recommending the following distribution for FY23:

*\$835K to the City to pay for the operation of Gallup Detox

*\$200K to the County to operate JJASC which provides juvenile case management and prevention programs

*\$100K to the County to operate the McKinley County DWI program

*\$100K to the County to pay for detox and substance abuse treatment in the jail

*\$400K to the County to contract with Santa Fe Recovery to provide detox services

\$1,635K TOTAL OF ALLOCATIONS

The Joint Resolution is on the McKinley County Commissions agenda for its September 22 meeting.

Fiscal Impact: Budget increase of \$835,000 in revenues

Recommendation: Approval of Resolution R2022-33 and budget adjustment

Speaker's Name Curtis Hayes

Documents:

8. Approval Of Resolution R2022-34 Including Approval Of Funding Agreement And Subaward Agreement And Related Budget Adjustment

By way of a special appropriation, the State of New Mexico has allocated up to \$8M of the funding it was awarded from the Federal Coronavirus State Fiscal Recovery Fund Program to the City of Gallup for the purpose of constructing two ground water wells. The New Mexico Interstate Stream Commission (ISC) is administering the funding on behalf of the State of New Mexico as the "recipient" of the funding. The City is the "subrecipient." The funding must be expended and reimbursement requested by July 15, 2025.

The approval of two separate agreements is required for the City to utilize this funding. First is a Funding Agreement with the ISC. Second is a Subaward Agreement with ISC. Approval of both agreements is accomplished by Council approval of the attached Resolution 2022-34.

Fiscal Impact: Budget adjustment of revenues and expenditures in Fund 306 in the amount of \$8,000,000.

Recommendation: Approval of Resolution R2022-34 and related budget adjustment

Speaker's Name Curtis Hayes

Documents:

[RESOLUTION R2022-34.PDF](#)
[EXH A TO RESOLUTION - FUNDING AGREEMENT.PDF](#)
[EXH B TO RESOLUTION - SUBAWARD AGREEMENT WITH GALLUP DFA-ISC .PDF](#)

9. Approval Of Resolution R2022-36 Accepting State Of New Mexico Department Of Finance And Administration Fund 89200 Capital Appropriation Project Grant Agreement No. 22-G2905 To Purchase New Police Vehicles

Staff is requesting that City Council approve Resolution R2022-36 to accept State of New Mexico Department of Finance and Administration Fund 89200 Capital Appropriation Project Grant Agreement No. 22-G2905 for the amount of \$95,000.00.

The project that is the subject of this Agreement is described as No. 22-G2905 in the amount of \$95,000.00 with an Appropriation Reversion Date of 30-June-2024 Laws of 2022, Chapter 53, Section 30, Paragraph 293 to purchase and equip vehicles for the police department in Gallup in McKinley County.

Staff is requesting that City Council approve Resolution No. R2022-36 to accept DFA Grant Agreement No. 22-G2905 and approve the revenue and expenditure budget in the amount of \$95,000.00 in Fund 218. This is 100% reimbursable grant with no required matching funds.

Fiscal Impact: Project revenue and expenditure budget in the amount of \$95,000.00 in Fund 218.

Recommendation: Approve Resolution No. R2022-36, approve requested revenue and expenditure budget in Fund 218

Speaker's Name C.B. Strain

Documents:

[RESOLUTION R2022-36.PDF](#)

[GALLUP 22-G2905.PDF](#)

10. Approval Of Resolution No. R2022-37 Accepting State Of New Mexico Department Of Finance And Administration Fund 89200 Capital Appropriation Project Grant Agreement No. 22-3075 For Playground Of Dreams Park

Staff is requesting that City Council approve Resolution No. R2022-37 to accept State of New Mexico Department of Finance and Administration, Fund 89200 Capital Appropriation Grant Agreement No. 22-G3075 for the amount of \$75,000.00.

The project that is the subject of this Agreement is described as No. 22-G3075 in the amount of \$75,000.00, with an Appropriation Reversion Date of 30-June-2026 Laws of 2022, Chapter 53, Section 30, Paragraph 463, to plan, design, construct and equip improvements to the playground of dreams park in Gallup in McKinley County.

Staff is requesting that City Council approve Resolution No. R2022-37 to accept DFA Grant Agreement No. 22-G3075 and approve a revenue and expenditure budget in the amount of \$75,000.00 in Fund 218. This is a 100% reimbursable grant with no required matching funds.

Fiscal Impact: Project revenue and expenditure budget in the amount of \$75,000.00 in Fund 218.

Recommendation: Approve Resolution No. R2022-37, approve requested revenue and expenditure budget in Fund 218

Speaker's Name C.B. Strain

Documents:

[RESOLUTION 2022-37.PDF](#)

[GALLUP 22-G3075.PDF](#)

D. Discussion/Action Topics

1. Approval Of Special Warranty Deed With Covenants Of Conservation Related To The G-22 Application To Appropriate Groundwater

As part of the settlement negotiations with various protestants to the City's G-22 application for a permit from the Office of the State Engineer to appropriate ground water, the City entered into an agreement with the Pueblo of Zuni which is attached. The agreement provides that the City purchase a 158 acre tract of land located in the Zuni Mountains in Cibola County and that when the G-22 permit is granted by the Office of the State Engineer, the City will either transfer the property to the New Mexico Game & Fish Department (or a mutually agreeable

public agency) or retain it subject to Covenants of Conservation that specifically prohibit ground water wells being developed on the property.

The G-22 permit was issued by the Office of the State Engineer on April 8, 2020 and the City Attorney, as well as the City's contract firm of Stein & Brockmann, have since attempted without success to have the Game and Fish Commission accept the property. Therefore, the City will retain the property and create the necessary covenants by deeding the property from the City to the City in a deed that contains the necessary covenants.

This agenda item is requesting Council approval for the Mayor to execute the attached Special Warranty Deed on behalf of the City.

Fiscal Impact: None
Recommendation: Approval of the request to authorize the Mayor to execute the Special Warranty Deed
Speaker's Name: George Kozeliski

Documents:

[ZUNI AGREEMENT AMENDMENT.PDF](#)
[FINAL DEED OF CONSERVATION 2022.PDF](#)

2. **Approval Of Budget Adjustment For FY2023 New Mexico Municipal League Membership Dues**

The city pays annual dues to the New Mexico Municipal League. The cost in membership had an increase from \$47,350 to \$53,625. An increase in dues was expected, however the cost of membership exceeded the budgeted amount of \$50,000. A budget adjustment in the amount of \$3,625 will be needed to cover the balance for the city's FY2023 membership.

This agenda item was previously tabled at the July 26, 2022 City Council meeting pending representation from the New Mexico Municipal League.

Fiscal Impact: Budget increase of \$3,625 from the General Fund.
Recommendation: Approve budget adjustment in the amount of \$3,625 from the General Fund.
Speaker's Name: Jon DeYoung, Asst. City Manager & AJ Forte, NMML Director

Documents:

[NMML FY23 PRELIM DUES.PDF](#)

3. **Construction Contract Award For Construction Of The John B. Arviso Department Of Public Safety Facility And Municipal Courts.**

This project includes construction of a new Public Safety Building and Municipal Courts, and demolition of the existing Public Safety Building at its present location. Staff solicited a "Request for Proposals" (RFP) for the subject services on July 11, 2022. See attached Project Manual and RFP. RFP's were subsequently reviewed by a selected review committee. There was one proposal submitted by Murphy Builders. Upon review, the review committee considered

Murphy Builders proposal to be a fair and reasonable offer. See attached cost and price detail from Murphy Builders.

The Bid Tabulation sheet is also attached for your review. After value engineering certain components of the project the project cost proposal came in at \$25,583,712.63 which includes NMGRT. We currently have available \$23,132,270.76 for this project which leaves a shortage of \$2,451,441.87.

Staff is requesting City Council to acknowledge the override of policy and authorize a revenue and expenditures budget in the amount of \$2,500,000.00 from FY 22 GF Fund 101 that is a designated transfer from Fund 375, in order to cover the shortfall in the construction budget.

Fiscal Impact:	City Council acknowledge the override of policy and authorize a revenue and expenditures budget in the amount of \$2,500,000.00 from FY 22 GF Fund 101 that is a designated transfer from Fund 375, in order to cover the shortfall in the construction budget
Recommendation:	Recommend award of contract and approval of budget as requested.
Speaker's Name	C.B. Strain

Documents:

[ABQ REPRO QUESTIONNAIRE - C-G PSF \(1\) \(3\).PDF](#)
[COFG PUBLIC SAFETY BLDG R01- 100 PROJECT MANUAL \(1\) \(2\).PDF](#)
[MBI VE ITEMS PUBLIC SAFETY \(3\).PDF](#)

4. Public Hearing: An Appeal To A Planning And Zoning Commission Action Taken, Approving A Change In Zoning Designation For Certain Real Property Located South Of Philipina Avenue

Any person aggrieved by the decision of the Board of Adjustment on an appeal, and administrative action, a variance or conditional use permit, may within ten (10) days of the decision, file with the City Clerk a notice of appeal to City Council.

At least fifteen (15) days after published notice of the hearing, the City Council shall hear the appeal de novo and may reverse, affirm or modify the action of the Board. The City Council may consider the approved or not yet approved minutes of the Board at the meeting the action appealed from was taken and a transcript of that hearing, provided copies of each are furnished to all interested parties.

Appeals from the City Council decision may be taken to district court as provided in New Mexico Statutes Annotated Section 3-21-9, 1978, as amended, or successor legislation.

Mr. and Mrs. William E. & Jennifer Lee have filed an appeal for the action taken by the City of Gallup Planning and Zoning Commission.

Case No. REZ2022-00600003: request by Eiad Suleiman, property owner, for a change in zoning designation from Single Family Residential (SFR-A) Zone District to Mixed-Use Neighborhood (MXN) Zone District for certain described real property, and from Rural Holding Zone (RHZ) Zone District to Mixed-Use Neighborhood (MXN) Zone District for certain described real property.

Mr. Ryan D. Sterns, applicant/agent, petitioned the Gallup Planning and Zoning Commission on behalf of Eiad Suleiman, property owner, for a change in zoning

designation from Single Family Residential (SFR-A) Zone District to Mixed-Use Neighborhood (MXN) Zone District for an un-platted tract of land containing 3.18 acres M/L, and from Rural Holding Zone (RHZ) Zone District to Mixed-Use Neighborhood (MXN) Zone District for an un-platted tract of land containing 17.07 acres M/L. Both tracts of land are generally located southeast of Philipina Avenue and Strong Drive and are more particularly described by metes and bounds description.

Subsection 10-5-B-d-i-3a of the City of Gallup Land Development Standards states that amendments to the official zoning map which involve a particular area of land may be made by the Council on its own motion or upon request of the Planning and Zoning Commission, or the person or persons holding fifty one percent (51%) or more of the ownership of the area of land may request the Planning and Zoning Commission to amend the map upon a determination that there are sufficient grounds for the amendment. In this case petitioning property owner, Eiad Suleiman, represents 100% ownership of the property proposed for rezone and as such is making the request for a zoning map amendment to the Planning and Zoning Commission.

Subject properties are currently zoned Single Family Residential (SFR-A) Zone District and Rural Holding Zone (RHZ) Zone District. The property is currently undeveloped. The property owner wishes to subdivide the property at a later date and develop the properties with both single family residential and multi-family residential. The Single Family Residential (SFR) zone designation does not allow for multi-family development. The City of Gallup is in desperate need of market rate housing and in fact the Gallup City Council recently declared a "Housing Emergency" in the City of Gallup at their regular City Council meeting held on May 24, 2022; this particular project would move towards satisfying those housing needs. The Mixed-Use Neighborhood (MXN) Zone District allows for both single family and multi-family development within the same zone district which is the reason the property wishes to rezone the properties to the Mixed-Use Neighborhood (MXN) Zone District. The combined tracts of land contain a total of 20.25 acres M/L negating any spot zoning concerns.

Section 10-5-B-di2 of the City of Gallup Land Development Standards list Zoning Map Amendment and Text Amendment Criteria. A copy of Section 10-5-B-di2 is included in your agenda packed and marked as "Exhibit A" for your review.

The Gallup Task Force has reviewed this request, a copy of their comments is also included in your agenda packet for your review.

Section 10-5-B-di2 sets forth criteria for zoning map amendments as shown in exhibit "A". It is the findings of staff that a rezone is necessary in order allow for much needed residential development, therefore the request meets the following grounds for approval:

1. The social, economic or environmental interests of the public good would be better served by the proposed district than the existing one.

The Gallup Planning an Zoning Commission heard this case at a special meeting held on July 28, 2022 and voted to approve said request by a four (4) affirmative to three (3) negative vote based on findings of fact and conclusions of law presented.

The Gallup City Council is now being asked to reverse, affirm or modify the action of the Gallup Planning and Zoning Commission approval of said zone change.

Fiscal Impact:	None
Recommendation:	Staff recommends City Council make a decision based on findings of fact and conclusions of law.
Speaker's Name	C.B. Strain

Documents:

EIAD SULEIMANL, PHILIPINA AVENUE REZONE APPEAL
RESOLUTION R2022-24 (2).PDF
RP2022-7.PDF
JULY 28TH, 2022 SPECIAL PZ TRANSCRIPT DRAFT.PDF
JULY 28TH, 2022 SPECIAL PZ MINUTES DRAFT.PDF
LIMITATIONS AND GROUNDS FOR ZONING AMENDMENTS.PDF
NOTICE OF APPEAL_WILLIAM, JENNIFER LEE.PDF
GTF COMMENTS DISTRIBUTED (2).PDF
PHILIPINA REZONE.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.