

## AGENDA

### GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, SEPTEMBER 28, 2021; 6:00 P.M. CITY COUNCIL CHAMBERS



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

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

[City of Gallup, New Mexico Government - Home | Facebook](#)

**For those viewing the meeting on Facebook: to testify at the public hearings concerning the Gallup Lions Club and Fratelli's Pizza Bistro liquor license applications or to 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. Presentation Of Proclamation**

Fire Prevention Month: October, 2021

**D. Presentation And Information Item**

**1. Keep Gallup Clean & Beautiful (KGCB) Board Fiscal Report & Awards**

Elizabeth Barriga, Environmental Program Coordinator and members of the Keep Gallup Clean & Beautiful Board (KGCB) will present KGCB highlights and accomplishments over the past couple of years. We are proud to showcase KGCB's Strategic Plan providing direction and progress moving forward.

Presentation of KGCB awards to exceptional individuals representing our community and organizations that make an outstanding commitment to litter control, recycling, beautification, or general environmental stewardship.

Fiscal Impact: None  
Recommendation: N/A Presentation Item  
Speaker's Name Elizabeth Barriga

Documents:

[KGCB\\_VISION-GOALS-IMPLEMENTATION\\_8-3-21.PDF](#)

## E. 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 1-9 on the Consent Agenda by unanimous vote:

#### 1. Approval Of Minutes

Regular Meeting of September 14, 2021

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

Documents:

[DRAFT MINUTES SEPT 14 2021 REG MTG.PDF](#)

#### 2. Award Of Contract For Security Guard Services

The City of Gallup went out to RFP to provide uniformed, unarmed, badge level I, II or III security guard services for Gallup facilities as needed. The RFP evaluation team reviewed and scored the proposals received and made a recommendation to award the contract to Blackstone Security. Provided is the cost proposal, draft contract, location of services, and the RFP tabulation sheet. This cost has already been accounted for in this years budget.

Fiscal Impact: None.  
Recommendation: Staff recommends award of contract for security services to Blackstone Security  
Speaker's Name Jon DeYoung

Documents:

[COST PROPOSAL-BLACKSTONE SECURITY.PDF](#)  
[DRAFT CONTRACT.PDF](#)  
[LOCATIONS-SECURITY SERVICE.PDF](#)  
[RFP TABULATION 2020.2021.06.P SECURITY GUARD SERVICES.PDF](#)

**3. Resolution No. R2021-31; Senior Center ICIP Approval**

The senior program has updated and will submit the Senior ICIP Plan for FY 2023-2027 on September 30, 2021. The Senior ICIP Plan includes the following priorities; 1. New Regional Senior Center and 2. HVAC system for the current kitchen at the Gallup Senior Center. As part of the submittal process, the City of Gallup must pass a Resolution approving the submittal of the FY 2023-2027 Senior ICIP Plan.

Fiscal Impact: The Senior ICIP Plan for FY 2023-2027 is used to identify priorities for the annual Senior Capital Outlay requests. These requests provide monetary support for Capital Expenses not currently budgeted in the Direct Service Grants.

Recommendation: Approve City of Gallup Resolution #R2021-31 & endorse the FY 2023-2027 Sr. ICIP plan as presented

Speaker's Name: Kimberly Ross-Toledo

Documents:

[RESOLUTION\\_9-2021.PDF](#)  
[FY 2023-2027 SENIOR ICIP ENTITY PROFILE.PDF](#)

**4. Budget Adjustment For The Gallup-McKinley Veterans Committee Management Agreement For The Gallup Veteran's Center**

On August 23, 2021, the City of Gallup entered into a two-year management agreement with the Gallup McKinley Veterans Committee to manage the Veterans Center and provide facility management, health, social, and technical related services to veterans.

Due to an increase in the committee's expenses, a request has been made by the committee to increase the monthly payments from the \$500 a month to \$700. When the fiscal year 2022 budget was approved in June, \$6000 was budgeted for this agreement, as it is an ongoing contract.

A budget adjustment of \$1800 from the general fund will be needed to cover the payment increase for the remaining fiscal year.

Recommendation:

Approval of budget adjustment and expenditures from the General Fund balance to increase amount of Gallup-McKinley Veteran's Committee contract by \$1800 for the remaining FY2022.

Fiscal Impact: \$1800.00 from the General Fund for the remaining three quarters in the fiscal year 2022.

Recommendation: See recommendation in the summary

Speaker's Name Maryann Ustick

Documents:

[FY22 VETERANS CENTER MGMT AGMT.PDF](#)  
[VETERANS COMM\\_FEE INCREASE REQUEST.PDF](#)

**5. Street Department Request For A Budget Adjustment For The Purchase Of New Wirtgen W207 Milling Machine**

The Street Department Is requesting a budget Adjustment in the amount of \$642,118.33 from the Vehicle / Equipment 375. Fund for the purchase of a New Wirtgen Model W207 Milling Machine. This New Milling Machine will be used for the resurfacing of our City Streets for the Mill and Overlay Project's.

Fiscal Impact: \$642,118.33 From the 375. Vehicle / Equipment Fund.

Recommendation: Street Department Recommends Approval of the Purchase of the New Milling Machine.

Speaker's Name Robert Hamblen

**6. Request For Approval Of The Annual Pass Through Costs For The Wastewater Treatment Facility**

Per City Council's approval of a contract Amendment No.4 on July 28, 2020, the Design, Build, and Operate (DBO) contract between the City of Gallup (City) and CH2M Hill (Jacobs) for operation and maintenance of the Wastewater Treatment Plant (WWTP) was setup to be renewed on the City's Fiscal year. The contract has provisions in it for annual adjustments due to the consumer price index (CPI) and pass through costs for a repair and replacement (R&R) Capital Fund. Due to the recent departure of the Water/Wastewater Director, City Council's annual approval for these costs were overlooked.

Annual FY 21 Repair & Replacement (R&R) Capital Fund was in the amount of \$70,000.

Annual FY 22 Repair & Replacement (R&R) Capital Fund was budgeted for the amount of \$75,000.

Fiscal Impact: No fiscal impact as slight increase in fees was included in the Wastewater Budget.

Recommendation: Staff recommends approval of the Annual Pass Through Costs for the WWTP

Speaker's Name Adrian Marrufo

**7. Approval Of FY22 Preventing Alcohol Related Deaths Agreement And Budget Adjustment**

The City in partnership with NCI and SBS Consulting applied for Preventing Alcohol-Related Deaths (PAR) continuing grant funds in the amount of \$1,500,000. This funding supports the expanded and enhanced social detox, treatment, transportation, and peer support services/case management services to the preventing alcohol-related deaths community.

Fiscal Impact: Budget adjustment in the amount of \$1,500,000 in revenue and expenditures for related PARD services and expenditures.

Recommendation: Approve PARD FY22 Cooperative Agreement and Approve budget adjustment of revenue and expenditures.

Speaker's Name Debra L Martinez

**8. Approval Of Agreement With NCI For Social Detox And Expanded Shelter And Peer Support/Case Management Services**

The FY22 Indian Health Services Preventing Alcohol-Related Deaths Grant has allocated \$1,100,000 for the administration of Social Detox, Expanded Shelter, and Peer Support/Case Management Services. This contract is effective September 30, 2021, to September 29, 2022.

Fiscal Impact: Social Detox, Expanded Shelter, and Peer Support/ Case Management Services Agreement will be funded with Indian Health Services Preventing Alcohol-Related Death Funds in the amount of \$1,100,000.

Recommendation: Approval of Agreement With NCI For Social Detox And Expanded Shelter And Peer Support/Case Management

Speaker's Name Debra L Martinez

Documents:

[FY22 PARD NCI 1.100 MIL .PDF](#)

**9. Approval Of Professional Services Agreement With SBS Evaluation & Program Development Specialist.**

The FY22 Indian Health Services Preventing Alcohol-Related Deaths Grant has allocated \$80,000 for the administration of Evaluation Services. This Contract is effective October 1, 2021, to September 30, 2022. Typically evaluation cost is 10-20% of a grant. Evaluation is a required component of the PARD grant and will include the additional evaluation of all-new programs. Evaluation will include a comprehensive evaluation plan with clearly identified measurable outcomes; a timeline for finalizing the set of intended outcomes, metrics for measuring quality; and a timeline for when milestones and outcomes will be achieved.

Fiscal Impact: The Professional Service Agreement with SBS Evaluation & Program Development will be funded with Indian Health Services Preventing Alcohol-Related Deaths funds in the amount of \$80,000.

Recommendation: Approval of the Professional Service Agreement with SBS Evaluation in the amount of \$80,000.

Speaker's Name Debra L Martinez

Documents:

[FY22 PARD SBS CONSULTING 80K .PDF](#)

## F. Discussion/Action Topics

### 1. Presentation And Selection Of GRT Bond Issue Option

The City is eligible to obtain funding in the form of GRT bonds. The issue would be this fiscal year if Council chooses to do so. We have two options in today's presentation that will provide needed funding to allow the construction of a new police building to move forward. At this point, it is estimated that we need an additional \$8 million in funding for the police building project.

Option 1 will provide \$12.8 million now and will allow the City to issue roughly \$5.8 million more in 2024.

Option 2 will provide \$9.0 million now and will allow the City to issue roughly \$9.5 million more in 2024.

In order to utilize the state funding of \$11.555 million we need to obtain the additional \$8 million and can move into construction. Any funding above this amount can be utilized as Council directs. Staff recommends funding new turf and/or streets.

Fiscal Impact:	Fiscal impact will be determined once an option is selected.
Recommendation:	Select and approve a GRT bond option for funding in FY 22
Speaker's Name	Patty Holland, Chief Financial Officer & Erik Harrigan, RBC Capital Markets

Documents:

[CITY OF GALLUP, NM - GRT CAPACITY DISCUSSION.PDF](#)

### 2. Public Hearing: Club Liquor License Application Filed By Gallup Lions Club For 3330 E. Aztec Ave

Gallup Lions Club had a club license issued in 1998 for its location at 3330 E. Aztec which expired October 31, 2020. This is an application for a new club license. Alcohol Beverage Control has granted preliminary approval for this application. The application and preliminary approval is attached.

NMSA §60-6B-4 provides that a local "governing body shall hold a public hearing on the question of whether the department should approve the proposed issuance or transfer." "The governing body may disapprove the . . .issuance of the license if (1) the proposed location is within an area where the sale of alcoholic beverages is prohibited by the laws of New Mexico; (2) the . . . transfer would be in violation of a zoning or other ordinance of the governing body; or (3) the . . . transfer would be detrimental to the public health, safety, or morals of the local option district."

The location does not violate any laws or zoning code provisions concerning where alcohol may be sold. The New Mexico Supreme Court has held that "the discretion that the city council has to deny a new license or a transfer on moral grounds must be based on the moral effects of the operation by a specific applicant or at a particular location." Dick v. City of Portales, 1994-NMSC-092.

Similarly, to deny an issuance or transfer based on safety issues, "there must be substantial evidence that the transfer . . . would be detrimental to safety." *City of Santa Fe v. Woodard*, 1996-NMSC-098. Testimony concerning the negative effects of alcohol alone is not sufficient.

Fiscal Impact: None.  
Recommendation: None. This is a quasi-judicial hearing and the decision of Council must be based solely upon the evidence.  
Speaker's Name Curtis Hayes

Documents:

[LIONS CLUB LIQUOR LICENSE APPLICATION-1.PDF](#)

### 3. **Public Hearing: Application For Restaurant (Beer And Wine) License For Fratelli's Pizza Bistro At 1209 North Hwy 491**

This is an application for a new restaurant license for Fratelli's Pizza Bistro located at 1209 HWY 491. The application is filed by Restaurant Ruth, LLC, a New Mexico LLC in good standing with members listed as Ruth and Blake Carling. There is currently a restaurant license for that location held by Fratelli's Bistro, LLC. Alcohol Beverage Control has granted preliminary approval for this application. The application and preliminary approval is attached.

NMSA §60-6B-4 provides that a local "governing body shall hold a public hearing on the question of whether the department should approve the proposed issuance or transfer." "The governing body may disapprove the . . .issuance of the license if (1) the proposed location is within an area where the sale of alcoholic beverages is prohibited by the laws of New Mexico; (2) the . . . transfer would be in violation of a zoning or other ordinance of the governing body; or (3) the . . . transfer would be detrimental to the public health, safety, or morals of the local option district."

The location does not violate any laws or zoning code provisions concerning where alcohol may be sold. The New Mexico Supreme Court has held that "the discretion that the city council has to deny a new license or a transfer on moral grounds must be based on the moral effects of the operation by a specific applicant or at a particular location." *Dick v. City of Portales*, 1994-NMSC-092. Similarly, to deny an issuance or transfer based on safety issues, "there must be substantial evidence that the transfer . . . would be detrimental to safety." *City of Santa Fe v. Woodard*, 1996-NMSC-098. Testimony concerning the negative effects of alcohol alone is not sufficient.

Fiscal Impact: None  
Recommendation: None. This is a quasi-judicial hearing and the decision of Council must be based solely upon the evidence.  
Speaker's Name Curtis Hayes

Documents:

**4. Catalpa Hills Water Association Request To Purchase City Water**

The Catalpa Hills Water Association has prepared for submission to the New Mexico Trust Board an application for funding to construct a water distribution system within the subdivision. A necessary component of the application is an assurance to the WTB that the Association has a source of water to deliver through the system. The subdivision is adjacent to the recently completed NGWSP Reach 27.13 and a 1.5 million gallon storage tank. There are currently less than twenty homes constructed within the subdivision and according to DePauli Engineering, the City can meet the demand of those residences and any reasonably foreseeable future development in the subdivision.

Gallup City Code Section 8-1-7(B) requires approval of City Council to supply water to any individual or entity outside of the City limits. As noted in the attached draft letter, the agreement with the County provides that upon delivery of project water, water systems within the unincorporated county will be charged in-city rates. However, until project water is available, the rate would be 50% higher than the in-city rate and would be "upon conditions and limitations set by city council in its sole discretion." Those terms and conditions would be negotiated in a future contract.

This agenda item is asking for approval to supply the attached letter to the Association to submit to Water Trust Board with its application packet. It is similar to the letter supplied to the Williams Acres Association last year when it applied for Water Trust Board funding.

Fiscal Impact:	None
Recommendation:	approval of letter to the Water Trust Board
Speaker's Name	Curtis Hayes

Documents:

[WTB LTR OF SUPPORT CATALPA HILLS DRAFT.PDF](#)

**5. Joint Powers Agreement With McKinley County Regarding An Industrial Park**

The State of New Mexico has encouraged cooperative efforts between local governments to support economic development with the adoption the "Local Economic Development Act" (LEDA) which has a purpose "to allow municipalities and counties to enter into joint powers agreements to plan and support regional economic development efforts . . ." The attached agreement, the substance of which was approved by the McKinley County Commission at its September 21 meeting, is proposed for exactly that purpose.

The State is currently constructing over \$23M of improvements to the Carbon Coal Road which runs from HWY 491 just south of Gamerco to the west to the Energy Logistics Park operated by Gallup Land Partners. McKinley County has acquired a 40 acre parcel on the north side of Carbon Coal Road. The state's funding does not include any funding for utilities along the roadway which is necessary for economic development along the corridor.

The purpose of the MOU/JPA is to assist the County in attracting economic



development to the proposed industrial park by utilizing an existing state appropriation to the City for emergency funding for infrastructure needs to plan to extend water and wastewater lines to the site, and to design and construct a wastewater line to the site (and water if funding permits). The County's commitment, aside from the acquisition of land which it has already done, is to design and develop funding sources for a "spec building" in which a manufacturing facility could be located and to fund, or pursue funding for installation of a water well for the City to supply water for economic development in the area pending completion of the Navajo Gallup Water Supply Project in 2028-29.

The agreement also provides for joint review of any applications for LEDA funds by "qualifying entities" as that term is defined by the statute; for cooperative efforts to obtain other sources of funding to support economic development at the industrial park; and for the creation of a "task force" consisting of city and county representatives to meet regularly to coordinate joint efforts relevant to the industrial park.

Fiscal Impact:	Dedication of up to \$3,000,000 from Grant Agreement 20-E2755 to plan, design, and construct wastewater and potentially water lines.
Recommendation:	approval of the JPA
Speaker's Name	Curtis Hayes and Maryann Ustick

Documents:

[LEDA JPA 9-23-21.PDF](#)

**6. Approval Of Resolution R2021-32 Declaring The Eligibility And Intent Of The City Of Gallup To Submit An Application To The New Mexico Department Of Transportation For Federal Fiscal Year 2023+ Congestion Mitigation And Air Quality (CMAQ) Funds For The Construction Phase Of The Nizhoni Boulevard Road Diet Project, And A Budget Adjustment In The Amount Of \$850,000.00 From Fund 101 To The East Nizhoni Boulevard Road Diet Project**

City Staff is requesting Council approval of Resolution No. R2021-32 thereby authorizing the City Manager to submit an application for FFY23+ New Mexico CMAQ funds in the amount of \$2,654,686.63 from the New Mexico Department of Transportation (NMDOT) on behalf of the City of Gallup for construction phase of the East Nizhoni Boulevard Road Diet Project.

East Nizhoni Boulevard is the main arterial that provides access to area hospitals and is in serious need of both utility and roadway improvements. The East Nizhoni Boulevard Road Diet Project consists of a complete reconstruction of Nizhoni Boulevard from the College Drive intersection to and including the Second Street intersection, replacement of all underground utilities, i.e. water, sewer and the existing effluent line, and reconstruction of all pedestrian infrastructure along this corridor. A road diet has been designed in order to reduce speeding and increase pedestrian safety by reducing the number of driving lanes from four to two with a center turn lane. The project will also provide bike lanes on the north and south side of the street. This grant application is intended to be used to cover the construction costs related to the project. Design for this project was funded through a Transportation Project Fund (TPF) grant and completed. The total construction cost for this project is \$4,154,686.63. The City

is required to provide 14.56% of that cost in matching funds. \$650,000.00 has already been budgeted for the East Nizhoni Boulevard Road Diet Project through the City's Community Infrastructure Project (CIP) process which meets the matching funds requirement.

CMAQ funds are limited to a certain dollar amount for the State of New Mexico so in order to make this application more competitive and increase the chances of receiving the construction grant Staff is asking City Council to authorize an additional \$850,000.00 to be added to the matching funds which will increase the total match provided by the City to \$1,500,000.00. Doing this will make this grant application highly competitive and will significantly increase the City's chances in being awarded this grant for a much needed infrastructure project.

With that City Staff is requesting a budget adjustment for an expenditure budget in the amount of \$850,000.00 from Fund 101 to the East Nizhoni Boulevard Road Diet Project.

Fiscal Impact: A budget adjustment for an expenditure budget in the amount of \$850,000.00 from Fund 101 to the East Nizhoni Boulevard Road Diet Project.

Recommendation: Staff recommends approval of Resolution No. R2021-32 and approval of budget adjustment request.

Speaker's Name C.B. Strain

Documents:

[NIZHONI BLVD. CMAQ APPLICATION RESOLUTION.PDF](#)  
[4.A. GALLUP, NIZHONI\\_CMAQ TLP APPLICATION\\_FILLABLE \(1\).PDF](#)  
[EE\\_NIZHONI CORRIDOR-9-21-21.PDF](#)

## G. Information Item

### 1. City Of Gallup Fire Department Community Risk Reduction

Members of the Gallup Fire Department would like to provide information on the Community Risk Reduction program. Information will also be provided on a service that the Gallup Fire Department would propose to use in the future to track fire and life safety systems testing and maintenance.

Fiscal Impact: None

Recommendation: No Action Required - Information Item

Speaker's Name Fire Marshal Jon C. Pairett

Documents:

[CITY OF GALLUP COMMUNITY RISK REDUCTION.PDF](#)

## H. Comments By Public On Non-Agenda Items

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

**I. Comments By Mayor And City Councilors**

**J. Comments By City Manager And City Attorney**

**K. 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.