

## AGENDA

### GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, JANUARY 26, 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 January 12, 2021

Documents:

[DRAFT MINUTES JAN 12 2021 REG MTG.PDF](#)

**D. Discussion/Action Topics**

1. Approval Of Contract Award For Lexington Roof Replacement To DKG &

**Associates Inc.**

With the recent purchase of the Lexington hotel the city has been tasked with getting the building to operational status. In order to accomplish this, the roof needs to be replaced. We have received a quote for replacement through a state contract in the amount of \$116,046.45 from DKG & Associates Inc. We are asking to award DKG & Associates the contract for the replacement of the roof at the Lexington Hotel.

Fiscal Impact: None  
Recommendation: Staff recommends approval of contract award for Lexington Hotel roof replacement to DKG & Associates  
Speaker's Name Marc Lujan

Documents:

[CES - LEXINGTON HOTEL RE-ROOF 1-11-21.PDF](#)

**2. CO-OP Agreement FY 19-20 And FY 20-21 Mill And Overlay Project**

The Subject Project is for the COOP Agreement FY 19-20 and FY 20-21 Mill and Overlay Project.

The Street Department is requesting a Budget Adjustment in the amount of \$250,000.00 from the 216 Fund Balance. The Street Department is asking that \$225,000.00 be transferred into Account # 216-1534-454-47-12 for Equipment Rental and \$25,000.00 for Overtime into Account # 216-1534-454-41-50 for a Total of \$250,000.00.

The scope of work is as follows.

- Mill a total of (8) Street's.
- Overlay with new pavement a total of (8) Street's.
- This Mill and overlay Project will cover (2) street's in each Councilor's Districts.
- Rental of Equipment.

The Street Department is asking for the approval of this Budget Adjustment in the Amount of \$250,000.00 For the Mill and Overlay Project.

Fiscal Impact: Budget increase of \$250,000.00 to expenditures \$225,000.00 be transferred into Account # 216-1534-454-47-12 for Equipment Rental and \$25,000.00 for Overtime into Account # 216-1534-454-41-50  
Recommendation: Recommend approval of Budget increase of \$250,000.00 from 216. Fund Balance.  
Speaker's Name Robert Hamblen

**3. Replacement Of Unit 211**

With the upcoming need to replace over 400 poles, which were classified as rejects by our pole testing contractor, staff is recommending the replacement of Unit 211 which is a 1995 model pressure digger, which has a plethora of hydraulic and mechanical issues. The Vehicle Shop has estimated the repairs to just the digger unit at \$60,000. There is no knowledge as to the chassis mileage as the odometer has been broken for several years. The new Unit will be an Altec Unit which staff wants to standardize on because Altec has three mobile service crews stationed in New Mexico. This unit may be delivered in March, more likely

delivered in August. Unit 211 was scheduled, in the vehicle replacement plan, to be replaced this fiscal year.

Fiscal Impact: A budget adjustment to expenditures from Enterprise Fund 507 in the amount of \$372,034.

Recommendation: Staff recommends approval of this budget adjustment to expenditures from 507 fund Balances.

Speaker's Name John Wheeler

Documents:

[COPY OF SOURCEWELL \(FORMERLY NJPA\) QUOTE TEMPLATE - QUOTE 611135 HD35A-22 CITY OF GALLUP.PDF](#)  
[CITY OF GALLUP HD35A-22 QUOTE 611135, 1-29-20.PDF](#)

#### 4. Replacement Of Unit 223 And Unit 220

Staff is recommending the replacement of these two pieces of equipment with units that will compliment the work to be done with the new pressure digger in replacing reject poles. Unit 223 is a 2002 Freightliner with a digger derrick mounted on the chassis. The odometer has been broken for some time. Unit 220 is a 1995 Chevrolet with a digger derrick mounted on the truck. It has 69,069 miles on the odometer. The two new units are more compatible to this work than using existing 75' buckets which are much less maneuverable in tight work spaces. One would be used to hold the wire out of the way (hot) while the other would have a man in the bucket untying the wire and tying it back to complete the job. Another benefit is these units cost approximately \$5.00 per mile less to operate. The new units will also be Altec units purchased under the State Sourcewell Contract. If we order these units now, they will be available to us in June. Both units 223 and 220 were originally scheduled to be replaced, in the vehicle replacement plan, in fiscal year 2021.

Fiscal Impact: Fiscal impact is a Budget Adjustment of \$289,716 to expenditures from Fund 507 fund balances.

Recommendation: Staff recommends approval of a Budget adjustment to expenditures from 507 fund balances.

Speaker's Name John Wheeler

Documents:

[AT41M ALTECQUOTE.PDF](#)  
[AT41M SOURCEWELL-1PGQUOTE4X4.PDF](#)

#### 5. Budget Adjustments To Electric Enterprise Operating Accounts

Staff is recommending Budget Adjustments for accounts which will be short of operating funds before fiscal year end. The need for the adjustments stems from a miscalculation of revenue due to expectations driven by the Covid 19 pandemic. Those revenue projections then caused us to reduce expenses because we are required to adhere to a balanced budget. We had projected revenue of \$18,616,446. Revenue is now exceeding expectation. Since I had reduced revenue due to Covid expectations, it was necessary to reduce expenses to more nearly balance with revenue. Expenses did not meet the reductions, therefore the needed adjustments.

The needed adjustments are as follows:

Telephone Expense - Account 507-6061-442.47-15 - \$110,000  
Signal Lights Expense - Account 507-6061-442.48-90 - \$35,000  
Overhead Line Expense - Account 507-6061-442.48-92 - \$75,000  
Underground Line Expense - Account 507-6061-442.48-92 - \$20,000  
Utilities Expense - Account 507-6061-442.45-16 - \$275,000  
Street Lights Expense - Account 507-6061-442.44-95 - \$25,000  
Debt Service / Principal - Account 475-6061-442.49-10 - \$3,000  
Debt Service / Commitments and Fees - Account 475-6061-442.49-50 - \$3,000  
These latter two items are transfers into Fund 475 and transfers out of Fund 507.

Fiscal Impact: Fiscal impact is a Budget Expenditure increase from 507 fund balance as well as a Transfer of out of 507 Fund Balance into Fund 475.

Recommendation: Approval of Budget expenditures increase from 507 Fund balance and transfer out of Fund 507 balance

Speaker's Name John Wheeler

#### 6. Request For Budget Adjustment - Vactor Rental - Formal Bid No. 2037

Formal Bid No. 2037, Rental of Sewer Vacuum Truck was advertised for two consecutive 30-day periods. No responsive bids were received for either time frame.

Per New Mexico Procurement Code, the City can now enter into negotiation with a vendor of its choice for these services.

The City has been leasing a vactor truck, on a month to month basis, a vactor truck from Joe Johnson Equipment, LLC, via a subcontract with Pete's Equipment, who has a statewide contract for equipment and services.

The cost for this is \$13,000 per month. A new vactor truck would cost between \$575,000-\$650,000, depending upon bids received.

Due to the heavy influx of debris, wipes and rags into the City Wastewater Collection System, staff requests an extension of the month to month lease for the rental vactor truck, which would cost approximately \$91,000. With the help of the Purchasing Department and a longer rental term, it is possible that this monthly rate can be reduced. Costs for this lease are also being proposed for inclusion to the coming fiscal year budget.

Staff requests a budget adjustment to expenditures of \$91,000 and delegation of authority to negotiate and execute a contract with Joe Johnson, LLC, via a subcontract with Pete's Equipment for rental of a sewer vacuum truck for the remainder of the fiscal year.

Fiscal Impact: Budget adjustment and expenditure of \$91,000 from Fund 508, Wastewater Enterprise Fund.

Recommendation: Please see above.

Speaker's Name Dennis Romero

#### 7. Request For Budget Adjustment - Wastewater Treatment Plant Repair (WWTP) Fund

Per the City's contract with Jacobs Engineering for operation of the City WWTP, \$70,000 is budgeted on an annual basis for repairs in excess of \$7,000 at the WWTP.

During this fiscal year, the effluent pump for the WWTP that supplies reclaimed

effluent as irrigation water to City facilities had to be replaced, at a cost of ~\$32,000. An additional \$35,000 in repairs that fit under the terms of the contract were also recently completed and invoiced.

The table below shows additional repairs that must be completed for the plant to stay in operation and meet Clean Water Act discharge requirements:

<b>Description</b>	<b>Vendor</b>	<b>Cost</b>
Aeration Basin Blower-Vibration Monitor Replacement	Pillar Innovations	\$10,459.74
RAS Screw Pump-Gear box repairs	Aztec Machine	\$10,750.76
Oxidation Ditch- Brush #4	Aztec Machine	\$16,019.49
Oxidation Ditch- Brush #2	Aztec Machine	\$10,921.78
Influent Screw Pumps	All American Technical	\$13,466.56
	<b>TOTAL</b>	<b>\$61,618.33</b>

Due to the critical nature of the repairs, Staff requests a budget adjustment in expenditures of \$65,000 for the WWTP Repair Fund.

Recommendation:

Staff recommends approval of a budget adjustment of \$65,000 for the WWTP Repair Fund.

Fiscal Impact: Budget adjustment and expenditure of \$65,000 from Fund 508, Wastewater Enterprise Fund.

Recommendation: Please see above.

Speaker's Name Dennis Romero

**8. Animal Control Overtime Budget Increase**

The Planning and Development Department is requesting a Personnel budget adjustment in the amount of \$8,000.00 in order to cover an overtime deficit and carry Animal Control through to the end of FY2021.

Due to the COVID 19 pandemic overtime budgets were cut significantly. Animal Control has on-call staff that responds to emergency calls after hours and on weekends. Animal Control is usually budgeted between 20k-25k per year for overtime, this fiscal year AC cut to \$0 however AC did receive a transfer of \$10,000.00 earlier this fiscal year for overtime to cover on-call staff. Animal Control cannot control how many emergency calls come in after hours, furthermore the City is still required to provide the service. To date \$8,298.24 has been spent on overtime for on-call services leaving a balance of \$1,707.76 remaining. The balance will not be enough to carry AC through to the end of the fiscal year. The requested budget adjustment of \$8,000.00 will carry AC through to the end of FY2021 at which time AC will be budgeted accordingly for FY2022.

Fiscal Impact: Budget increase of \$8,000.00 to expenditures from General Fund Reserves to cover Animal Control's on-call overtime budget through FY2021.

Recommendation: Recommend approval for a budget increase of \$8,000.00 to expenditures from General Fund Reserves

Speaker's Name C.B. Strain

**9. Approval Of Resolution No. R2021-2; FYE 2021 Q2 Recap Of Budget Adjustments And Report Of Actuals**

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 report to DFA regarding budget revisions is due January 31, 2021.

This revision encompasses all budget changes processed October 1, 2020 thru December 31, 2020 (Quarter 2 of FY 2021).

Fiscal Impact: None

Recommendation: Approval of budget report, report of actuals and resolution.

Speaker's Name Patricia Holland

Documents:

[RESOLUTION\\_FOR\\_BUDGET\\_ADJUSTMENT.PDF](#)  
[CITY OF GALLUP ROA Q2 RECAP.PDF](#)  
[FY2021 Q2 CC APPROVAL INFO.PDF](#)

**10. Extension Of Closure Of Indoor Recreation Facilities And Staff Furloughs**

On June 9, 2020, City Council approved the FY 2021 City Budget which included many reductions in services due to the impact of the COVID pandemic on city revenues and to the Governor's Public Health Orders restricting in person gatherings. As part of the FY 2021 budget, Council approved the closure of the following indoor recreation facilities: Larry Brian Mitchell, Harold Runnels, Aquatic Center, El Morro Theatre and Events Center, Cecil Garcia Fitness Center and Red Rock Park Convention Center and Arena through September 30, 2020. This action also included a furlough of fifty-four full time, part-time and seasonal positions through September 30, 2020. Since then, Council has approved extending the staff furlough and closure of indoor recreation facilities multiple times due to the Governor's Public Health Order restrictions. The most recent approval was on December 8, 2020, which extended the furlough and facility closure through January 31, 2021.

Because we still do not know when indoor recreation facilities will be allowed to reopen under the Governor's Public Health Order, staff is recommending that, in order to provide furloughed staff with appropriate notice, the furlough of recreation facility staff be extended to March 31, 2021, and the recreation facilities remain closed through this period. Should the Governor's Public Health Order permit the reopening of indoor recreation facilities, staff will recommend to the Council that the furlough be ended with proper notice to the affected staff.

Recommendation:

Approve extension of the furlough of indoor recreation facility staff positions through March 31, 2021 and the continued closure of Larry Brian Mitchell, Harold Runnels, Aquatic Center, El Morro Theatre and Events Center, Cecil Garcia Fitness Center and Red Rock Park Convention Center and Arena through March 31, 2021 pending future changes in the Governor's Public Health Order.

Fiscal Impact: Approximately \$53,000 per month in reduction of expenditures for staffing.

Recommendation: See recommendation in the summary

Speaker's Name Maryann Ustick

Documents:

[FY 2021 KEY BUDGET REDUCTIONS.PDF](#)

[FY 2021 BUDGET LIST OF FURLOUGHED POSITIONS.PDF](#)

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

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