

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico held in the Council Chambers at Gallup City Hall, 110 West Aztec Avenue at 6:00 p.m. on Tuesday, February 14, 2023.

The meeting was called to order by Mayor Bonaguidi.

Upon roll call, the following were present:

Mayor: Louie Bonaguidi

Councilors: Linda Garcia  
Michael Schaaf  
Sarah Piano  
Fran Palochak

Also present: Maryann Ustick, City Manager  
Lynn Isaacson, Acting City Attorney

Presented to the Mayor and Councilors were the following Consent Agenda Items:

1. Approval of Minutes from the Work Session held on December 6, 2022, Special Meeting on January 3, 2023 and Regular Meetings on January 10, 2023 and January 24, 2023
2. Budget Adjustment to Fund Vehicle Replacement Plan
3. Gallup Senior Program Budget Adjustment
4. Budget Adjustment for Overtime, Naviline and HR Training
5. Budget Adjustment for Additional Training and Travel Expenses for the Purchasing Department
6. Award of Contract for General Legal Services
7. Appointment of Brent Crowe to the Keep Gallup Clean and Beautiful Board
8. Appointment of Janet Li-Tempest, Carolyn Kuchera, Shawn Nelson and Percy Byron Anderson to the Octavia Fellin Public Library Advisory Board
9. 2023 Community Development Block Grant (CDBG) Fair Housing Proclamation
10. Resolution No. R2023-3; Adoption of Required Community Development Block Grant (CDBG) Certifications and Commitments

## MINUTES

Regular City Council Meeting – 02/14/2023

Page 2

11. Recommendation of Bid Award, Formal Bid No. 2224 to Adame Construction Inc. for the Highway 264 Well Collector Line Replacement and Related Budget Transfers

12. Acceptance of Fee Proposal from DePauli Engineering and Surveying LLC for Design Services for the EDA Grant Project No. 08-79-05634

Councilor Piano requested the removal of Items 6, 9 and 11 from the Consent Agenda for discussion.

Councilor Schaaf made the motion to approve items 1 through 5, items 7, 8, 10 and 12 of the Consent Agenda. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Piano, Garcia and Mayor Bonaguidi all voted yes.

6. Award of Contract for General Legal Services – Frances Rodriguez, Purchasing Director

Ms. Rodriguez provided a brief overview regarding specific legal services provided by the terms of the contract, the annual budgeted amount based on an hourly rate and utilized on an as needed basis, the flexibility of the annual budgeted amount and the remaining balance for the remainder of the year. Ms. Rodriguez highlighted the amount used has never exceeded the budgeted amount.

Councilor Piano made a motion to approve the contract for general legal services, as presented. Seconded by Councilor Garcia. Roll call: Councilors Piano, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

9. 2023 CDBG Fair Housing Proclamation – Clyde “C.B.” Strain, Planning & Development Director

Mr. Strain explained the purpose of the Proclamation with regard to CDBG funding for infrastructure, noted the \$1 million received for the West Logan Reconstruction Project, and explained it is an annual requirement of the State for the continued request for funding and the process and procedures involved.

Councilor Palochak highlighted the importance of annual approval of the Proclamation and the much-needed CDBG funding, especially for those areas in most need of it.

Councilor Piano mentioned the relevance of bringing attention to the item to inform unfamiliar citizens and made a motion to approve the 2023 CDBG Fair Housing Proclamation. Seconded by Councilor Schaaf. Roll call: Councilors Piano, Schaaf, Palochak, Garcia and Mayor Bonaguidi all voted yes.

## MINUTES

Regular City Council Meeting – 02/14/2023

Page 3

11. Recommendation of Bid Award, Formal Bid No. 2224 to Adame Construction Inc. for the Highway 264 Well Collector Line Replacement and Related Budget Transfers – Adrian Marrufo, SW/W/WW Acting Director

Mr. Marrufo clarified the amounts listed for the project funding, the transfer of funds once Projects JU2013 and JU2105 are closed, the inability to determine the total cost until project completion and he briefly clarified the project's urgency.

Councilor Piano made the motion to approve Bid Award to Adame Construction. Seconded by Councilor Garcia. Roll call: Councilors Piano, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

Presented to the Mayor and Councilors for their review were the following Discussion / Action Topics:

1. Request for Street Parking Lot and Alleyway Closures for a Film Shoot to be Held on Wednesday, February 22, 2023 – John Lucas, Stalwart Productions, LLC

Mr. Lucas explained the cancellation in January due to inclement weather and hopes to shoot February 22<sup>nd</sup> with no changes from the previous event permit.

Discussion followed regarding business and citizen notification methods, support of the event, proposed timeline on the 22<sup>nd</sup> and scope of the event.

Councilor Schaaf made a motion to approve the request. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Piano, Garcia and Mayor Bonaguidi all voted yes.

2. Approval of Employment Agreement with New City Attorney – Alfred Abeita II, Acting Human Resources Director

Mr. Abeita presented the proposed employment agreement with David R. Eason in the annual salary amount of \$115,000 in addition to benefits contingent on the acquisition of a license to practice law in the State of New Mexico and effective date. He provided terms of the agreement including severance and acknowledgment of his previous law practice in Colorado with regard to two (2) appeals he is required to complete outside of regular business hours and no interference with City duties.

Brief discussion followed regarding the completion date of the appeals.

## MINUTES

Regular City Council Meeting – 02/14/2023

Page 4

Councilor Palochak made a motion to approve the Employment Agreement with David R. Eason. Seconded by Councilor Piano. Roll call: Councilors Palochak, Piano, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

### 3. Approval to Execute National Opioid Litigation Retail Pharmacy Settlement Participation Agreements – Lynn Isaacson, Acting City Attorney

Mr. Isaacson provided a brief overview of the National Opioid Settlements brought to the Council in 2022, requested approval of settlements from a lawsuit filed by the State of New Mexico against Albertsons, CVS Pharmacy, Kroger and Walmart Pharmacy totaling \$274,000,000. He explained lawyer fees including outside law firms and the State of New Mexico attorneys' fees with regard to litigation and total available amounts to local governments based on an allocated percentage of 0.7722895935% totaling the City's anticipated share of \$643,251.58. He said 15% of the settlement proceeds may be withheld by the State for an attorney fee backstop fund for the outside counsel invoiced in suing the defendants on behalf of the State and local governments and may be paid to the City at a later date if outside counsel are able to obtain full payment of their requested fees from other sources. Mr. Isaacson said the settling pharmacies have funded the settlement and are being held in an account controlled by the New Mexico Attorney General's Office, intended to be paid within 30 days of the date of execution of the required Participation Agreements. He explained according to the settlement agreement approved by Council, the use of the settlement funds is subject to specific remediation purposes. In order to receive settlement funds, the City is required to execute a participation Agreement for each settling defendant and return it to the Attorney General by March 1, 2023; therefore, releasing any and all claims it presently has against each of the participating pharmacies, including claims that may exist at this time but of which is not actually aware of. The underlying lawsuit filed by the State against the four retail pharmacies will be dismissed and the portion of the lawsuit that involved claims against Walgreens has concluded and the parties are awaiting a ruling by the assigned judge. Mr. Isaacson requested approval to authorize the City Manager to execute the New Mexico Opioid Litigation/Retail Pharmacy Settlement Participation Agreements.

Discussion followed regarding the use of funding to combat opiate overdoses, an available list of uses provided to Mayor and Councilors, the Council's approval upon receipt of funding and the separation of each budget by settlement.

Councilor Schaaf made the motion to approve the execution of the National Opioid Litigation Retail Pharmacy Settlement Participation agreements. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Piano, Garcia and Mayor Bonaguidi all voted yes.

## MINUTES

Regular City Council Meeting – 02/14/2023

Page 5

### **Comments by Public on Non-Agenda Items**

Officer Mike Eley announced he will be serving as the Vice President of the Police Union Leadership and Detective Victor Madrid will serve as the President.

### **Comments by Mayor and City Councilors**

Mayor Bonaguidi announced a recent official trip to Washington, D.C. with Anthony Dimas, McKinley County Manager, County Commissioner Danielle Notah and Councilors Palochak and Garcia, last week where they met with legislators to discuss issues regarding an agreement between the Bureau of Reclamation about the Navajo Gallup Water Supply Project. He said there will be another trip planned in the next few months to follow up on these matters.

Councilor Palochak highlighted the fact that she has served as a Councilor for the past 7 years and never had the opportunity to leave the state on official business. She expressed her appreciation for the invitation and her passion for the Navajo Gallup Project. She said all participants fought for Gallup including Commissioner Notah and County Manager Dimas, who advocated for economic development. She noted the importance of keeping the Navajo Gallup Water Supply Project on the forefront with our legislators, the continued collaborative effort between the City and the County and expressed gratitude to the County for their contribution to the trip.

Councilor Schaaf thanked Vince Alonzo, Parks and Recreation Director, for his presentation on the City's parks and recreation facilities at the previous work session. Councilor Schaaf reiterated the fantastic job Mr. Alonzo and his staff does and thanked all City employees for the work they do. He wished everyone a Happy Valentine's Day.

Councilor Garcia echoed Councilor Palochak's sentiments regarding their trip to Washington, D.C. She commented on the meetings they were able to have with various officials, including Senator Martin Heinrich. She commended Mr. Alonzo for his presentation regarding the Parks and Recreation Department's needs and for all he has done for the City during his tenure.

Councilor Piano wished everyone a Happy Valentine's Day. She also announced the numerous vacancies throughout many City Departments and mentioned the housing initiatives being worked on by Tammy Parker, Community & Housing Program Manager.

### **Comments by City Manager and City Attorney**

Ms. Ustick stressed the importance of the City and County Officials' trip to Washington, D.C. and the challenges in balancing issues with state and federal legislators. Based on the meeting with Senator Heinrich, his Chief of Staff will be coming to Gallup on February 22<sup>nd</sup> to visit the Na'Nizhoozhi Center, Inc. (NCI), the Gallup Community Health

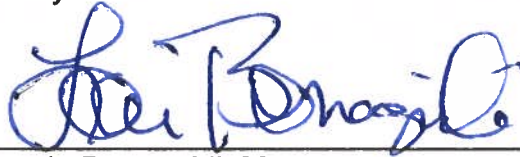
**MINUTES**

**Regular City Council Meeting – 02/14/2023**

**Page 6**

Clinic and City and County officials to discuss water issues. She provided a reminder for the upcoming Strategic Planning work sessions at the end of the month.

There being no further business, Councilor Schaaf made the motion to adjourn the meeting. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Piano and Mayor Bonaguidi all voted yes.



Louie Bonaguidi, Mayor



**ATTEST:**



Alicia Palacios, Deputy City Clerk