

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico held virtually at Gallup City Hall, 110 West Aztec Avenue, at 6:00 p.m. on Tuesday, June 22, 2021.

The meeting was called to order by Mayor Louie Bonaguidi. He provided instructions to the public viewing the meeting through Facebook Live on how to provide comment on non-agenda items.

Upon roll call, the following were present:

Mayor: Louie Bonaguidi

Councilors: Linda Garcia
Michael Schaaf
Yogash Kumar
Fran Palochak

Also present: Maryann Ustick, City Manager
Curtis Hayes, City Attorney

Presented to the Mayor and Councilors for their approval were the Minutes of the Regular Meeting of June 8, 2021.

Councilor Schaaf made the motion to approve the aforementioned Minutes. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Kumar and Mayor Bonaguidi all voted yes.

Presented to the Mayor and Councilors was the following Presentation and Information Item:

1. I-40/US 491/NM 602 Interchange Project, Phase 1A/B Study – Derek Meier and Jim Townsend, Wilson and Company

Mr. Meier provided a PowerPoint presentation including the design process status, a projected timeline and a map of the project limits. He also provided information regarding the need for improvements, expected improvements, five alternatives and a safety comparison.

Discussion followed regarding landscaping and maintenance, funding, future public meetings demonstrating traffic flow and proposed roundabouts and the effects on nearby businesses.

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

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1. Ordinance No. S2021-5; Ordinance to Authorize Restaurant B Liquor Licenses – Curtis Hayes, City Attorney

Mr. Hayes presented the proposed ordinance in response to the 2021 Legislative Session and changes made to the Liquor Control Act, including the provision of Restaurant B liquor licenses. Mr. Hayes explained the general provisions of a Beer and Wine license which are designated as a Restaurant A licenses; the Restaurant B license, which will allow the sale, service and consumption of spirituous liquor in addition to beer and wine and the current provisions for dispenser licenses. He provided information regarding the application process, however, the local option districts in McKinley County must affirmatively approve the issuance of Restaurant B licenses by way of an ordinance therefore, opting-in to the provision of law that would allow it.

Discussion followed regarding Restaurant B license rules and restrictions set forth by Alcohol Beverage Control (ABC) Division, permitted times of sales and the sale of dispenser licenses outside the Local Option District in McKinley County as opposed to the rest of the State.

Councilor Kumar made the motion to approve Ordinance No S2021-5; to authorize Restaurant B Liquor Licenses. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Garcia, Palochak and Mayor Bonaguidi all voted yes.

2. Effluent Supply Pipeline and Budget Adjustment – Jon DeYoung, Assistant City Manager

Mr. DeYoung provided a history of the Fox Run Golf Course and stressed the importance of maintenance and preservation. He introduced Marc DePauli and Kurt Spolar from DePauli Engineering.

Mr. DePauli and Mr. Spolar provided information regarding the evolution of the effluent line, the benefits of using effluent water and provided multiple alternatives for maintaining the golf course.

Discussion followed concerning the replacement of an 8" line in 2007, the entire length and cost of the line, the lifeline of the replacement pipe and the presence of sand filters.

Mr. DeYoung provided a summary of recommendations including:

- \$460,000 for an above ground line to supply effluent water for the next 6 months or
- \$192,000 to repair and replace as needed for the next 6 months.

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He requested a budget adjustment in the amount of \$70,000 for repairs already made and for the remainder of the fiscal year, as well as engineering services provided by DePauli Engineering and approval to move the Secondary Water Supply Valve Project; previously approved and included in the 2021-2022 ICIP in the amount of \$30,000.

Ms. Ustick provided information regarding the first phase of the effluent line replacement project with regard to Federal Funding, forthcoming Nizhoni Boulevard improvements and the potential for federal infrastructure funding in the future.

Discussion followed regarding concerns with high pressure areas, permanent versus temporary repairs, importance of a more economical solution, importance of preventative maintenance, recent unscheduled water outages, the amount of money put into the facility thus far and possible financial assistance from the State of New Mexico.

Councilor Kumar made the motion to approve a budget adjustment in the amount of \$460,000 from the General Fund for an above ground line to supply effluent water for 6 months, advancement of the secondary water supply valve ICIP project in the amount of \$30,000 and a budget adjustment in the amount of \$70,000 to cover costs of repairs already made and engineering services provided by DePauli Engineering, as presented. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Mayor Bonaguidi voted yes. Councilors Schaaf and Garcia voted no. Motion carried.

3. Waiver of Red Rock Usage Fees for Gallup Inter-Tribal Ceremonial Local Board Rodeo and Art Exhibit – Maryann Ustick, City Manager and Curtis Hayes, City Attorney

Ms. Ustick presented the waiver in response to a request made by the local Ceremonial Board at the City Council meeting held on June 8, 2021. She provided information regarding a prior Memorandum of Agreement (MOU) which mirrored the Department of Tourism's requirements and justified the full waiver of fees. However, since the local Gallup Inter-Tribal Ceremonial Association is not statutorily created by or contracted with the State nor is it funded by the State, staff determined there is no legal basis upon which to contract for a total waiver of fees. Ms. Ustick presented information regarding Red Rock Park usage fees, which provides for a 50% reduction in fees for 501 c3 organizations, in good standing or a full waiver with Council approval.

Mr. Hayes provided his legal opinion with regard to the Anti-Donation Clause as it relates to private organizations and his recommendation of a 50% waiver and revision of the current resolution.

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Discussion followed regarding the use of lodger's tax funding and how it effects the reduction of fees, the name variations of the local Gallup Inter-Tribal Indian Ceremonial Association and the State Ceremonial Office, the corporate status per the Secretary of State's Office, the total estimated cost, collaborative efforts between the State and Local organizations, event funding, existing agreements between the City and the Association, clarification regarding 50% of the total contract amount and the use of City staff.

Councilor Palochak made the motion to approve a 50% waiver of fees for park usage for the Gallup Inter-Tribal Ceremonial Association, as presented. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

4. Cooperative Agreements with New Mexico Department of Transportation (NMDOT) for Second and Third Street Railway Crossings Design – Maryann Ustick, City Manager

Ms. Ustick presented the agreement with NMDOT Railway Division to design and construct pedestrian safety improvements for the Second and Third Streets railway grade crossings in the amount of \$45,000 for each crossing. Ms. Ustick provided information regarding funding from the Federal Highway Administration (FHwy) to cover the design, including a 10% state match and provided a copy of the Cooperative Project Agreement for design work in which the City agrees to procure a design consultant to comply with all federal and state requirements listed in the agreement and to submit requests for reimbursement of design costs incurred by the City. She also mentioned cancellation or failure to construct within 10 ten years will require repayment of certain costs and provided information regarding a separate contract between BNSF for a design review.

Ms. Ustick recommended approval of a budget adjustment for revenues and expenditures in the amount of \$90,000, approval of the Cooperative agreements with NMDOT and FHwy and authorization of the Mayor to execute said agreements.

Councilor Garcia made the motion to approve Cooperative Agreements with NMDOT for Second and Third Street railway crossing design, as presented. Seconded by Councilor Schaaf. Roll call: Councilors Garcia, Schaaf, Palochak, Kumar and Mayor Bonaguidi all voted yes.

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5. Budget Adjustment for Purchases for Resale – John Wheeler, Electric Director

Mr. Wheeler presented the proposed budget adjustment in the amount of \$400,000 from Fund 507 to cover a shortfall in funds and pay for power Purchases for resale. He also provided details regarding the intended use of the total amount requested including received invoices, anticipated invoices and an additional \$100,000 of funding, if left unused, will remain in the account.

Discussion followed regarding the purchase of power from other entities on the open market and additional costs covered by the City.

Councilor Kumar made the motion to approve budget adjustment in the amount of \$400,000, as presented. Seconded by Councilor Palochak. Roll call: Councilor Kumar, Palochak, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

6. Approval of Agreement with NCI for Detox Administration and Operation and Budget Adjustment – Debra Martinez, Behavioral Health Investment Zone (BHIZ), Manager

Ms. Martinez presented the proposed agreement with NCI for FY 22 Detox Administration and Operation of the Protective Custody component in the amount of \$835,000. This amount is usually paid for by Liquor Excise Tax, however, the City and County have not executed the Joint Powers Agreement (JPA). Therefore, funds must be used from the General Fund for NCI. Ms. Martinez said the numbers have gone down but it could be the result of other factors, such as COVID. Staff will continue to collect data and present their findings to Mayor and Councilors at a later time.

Councilor Palochak made the motion to approve the agreement with NCI for detox administration and operations and a budget adjustment in the amount of \$835,000. Seconded by Councilor Schaaf. Roll call: Councilor Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

7. Approval of Budget Adjustment for Wellness Hotel – Debra Martinez, BHIZ Manager

Ms. Martinez presented the proposed budget adjustment in the amount of \$1,765.89 from the General Fund for damage to rooms, not included in the contract.

Brief discussion followed regarding the number of people staying at the facility in comparison to the dollar amount.

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Councilor Palochak made the motion to approve the budget adjustment in the amount of \$1,735.89, as presented. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

8. Approval of Contract for the Law Enforcement Assisted Diversion (LEAD) Grant – Debra Martinez, BHIZ Manager

Ms. Martinez presented the budget adjustment of revenue and expenditures in the amount of \$200,000 for the LEAD Program, a pre-arrest diversion program, rooted in harm reduction, in which police officers divert individuals to intensive Case Management in lieu of arrest for low-level nonviolent crimes driven by substance use disorder and other unmet behavioral health needs. Ms. Martinez thanked everyone involved in the program.

Councilor Palochak expressed excitement for having received the funding, the additional help available to individuals, the facilities future and the collaborative effort of all project participants.

Councilor Palochak made the motion to approve the contract for the LEAD Grant and budget adjustment in the amount of \$200,000, as presented. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

9. Proposed Cost of Living Adjustment (COLA) for City Manager and City Attorney, Maryann Ustick, City Manager

Ms. Ustick presented the proposed budget adjustment in the amount of \$13,373.09 for a five (5) percent COLA for the City Manager and City Attorney positions, which were not previously included in the original budgeted amount. She provided a brief history of salary adjustments, in addition to hazard pay that was not provided to both positions.

Brief discussion followed regarding the well-deserved increase for both positions and the difference in the City Manager's salary compared to the County Manager.

Councilor Palochak made the motion to approve a 5% Cost of Living Adjustment for the City Manager and the City Attorney for FY 2022 and a budget adjustment in the amount of \$13,373.09 from the General Fund. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

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Presented to Mayor and Councilors was the following Discussion Item:

- 1. Discussion of Proposed Resolution Regarding City Council Work Session –
Curtis Hayes, City Attorney**

Mr. Hayes provided reasons associated with conducting work sessions, such as it would save time at the regular meeting and would provide the governing body additional deliberation time prior to voting at the regular meeting. Mr. Hayes presented the proposed resolution, based on his research of other cities and the requirements of the New Mexico Open Meetings Act and the Gallup City Code. He also encouraged the discussion of issues including the availability of the agenda, determination of items placed on a work session, the use of consent agendas and certain procedural matters with regard to regular meetings.

Discussion followed regarding the continuation of conducting Work Sessions on an as needed basis, scheduling personal obligations on the off weeks to avoid absences, additional costs to publish advertisements as well as additional strain on City Staff members, the length of recent meetings, inadequate time to review topics, the Councilors' participation and the option to table items

Ms. Ustick recommended conducting one work session a month for the purpose of discussing extensive items and Council's understanding when it comes to last minute items.

Comments by Public on Non-Agenda Items

None

Comments by Mayor and City Councilors

Councilor Schaaf announced a scheduled electric outage on Friday, June 25th from 6:00 a.m. to 6:30 a.m. from Boardman Drive to Jamestown for the replacement of faulty equipment. He thanked the Street Department staff for milling and paving of certain city streets and provided information regarding a new business, Popeye's Chicken.

C.B. Strain, Planning & Development Director and Mr. Hayes answered questions posed by Councilor Kumar regarding the placement of red tags on hotel rooms during recent inspections.

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Councilor Palochak commended the Keep Gallup Clean and Beautiful Board for their decision to install dog waste bag dispensers at various city parks. She thanked the Parks Department employees for their efforts in keeping parks clean and encouraged community members to participate in the community clean-up on July 3rd.


Councilor Garcia commended C.B. Strain and staff for conducting the hotel inspections and stressed the importance of trash pick-up with the reopening of the City. She also announced a water outage scheduled for tomorrow, June 9th and provided contact information for water pick-up and delivery at the Fire Department

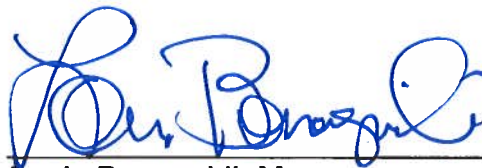
Comments by City Manager and City Attorney

Mr. Hayes proposed amending the Red Rock Park Fee Schedule and the provision referencing lodger's tax recipient's exclusion from fee waivers.

Councilor Palochak made the motion to adjourn the meeting. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Kumar, Garcia and Mayor Bonaguidi all voted yes.




Alicia Palacios, Deputy City Clerk


Louie Bonaguidi, Mayor