

**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, July 26, 2022**

**The meeting was called to order by Mayor Bonaguidi. Upon roll call, the following were present:**

<b>Mayor:</b>	<b>Louie Bonaguidi</b>
<b>Councilors:</b>	<b>Linda Garcia Michael Schaaf Sarah Piano Fran Palochak (via Zoom)</b>
<b>Also present:</b>	<b>Maryann Ustick, City Manager Lynn Isaacson, Acting City Attorney</b>

**Councilor Garcia certified for the record the only matter discussed during the closed session, which took place Monday, July 26, 2022 at 5:00 p.m., were matters pertaining to the acquisition or disposal of real property, pursuant to Section 10-15-1(H)(8) NMSA 1978. No action was taken during the closed session.**

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

- 1. Approval of Minutes from the Regular Meeting on June 28<sup>th</sup> and July 12, 2022**
- 2. Budget Adjustment for Fire Tax Award FY2023**
- 3. Approval of Budget Adjustment for FY 2023 New Mexico Municipal League Membership Dues**
- 4. Resolution No. R2022-25; 4<sup>th</sup> Quarter FY 2022 Budget Adjustments and Report of Actuals**
- 5. Approval of Cost-of-Living Adjustment (COLA) for City Manager and City Attorney**
- 6. Recommendation of Award for Formal Bid No. 2203 – Maloney Avenue Sewer Line Extension**

**Councilor Palochak requested the removal of Item 1 and Councilor Piano requested the removal of Item 3 from the Consent Agenda for additional discussion.**

**Councilor Schaaf made a motion to approve item 2 and items 4 through 6. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Piano, Palochak and Mayor Bonaguidi all voted yes.**

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### **1. Approval of Minutes from the Regular Meeting on June 28<sup>th</sup> and July 12, 2022**

Councilor Palochak requested separate motions for the minutes of June 28<sup>th</sup> and July 12<sup>th</sup>, due to the fact that she was able to attend the June 28<sup>th</sup> meeting, however not the July 12<sup>th</sup>. She also requested an amendment of the draft minutes to include her absence as excused. Mayor Bonaguidi confirmed previous notification of the absence.

Councilor Schaaf made the motion to approve the minutes of the meeting held on June 28, 2022. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Piano, Garcia and Mayor Bonaguidi all voted yes.

Councilor Schaaf made the motion to approve the minutes of the meeting held on July 12, 2022, with the revision of Councilor Palochak's absence as excused. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Piano and Mayor Bonaguidi voted yes. Councilor Palochak abstained. Motion carried.

### **3. Approval of Budget Adjustment for FY 2023 New Mexico Municipal League (NMMNL) Membership Dues – Maryann Ustick, City Manager**

Discussion followed regarding membership benefits, concerns related to fees and discrepancies in the participating municipalities and cities listed.

Ms. Ustick provided a brief explanation with regard to the fee calculations and stated she would follow-up with the New Mexico Municipal League to provide feedback at a future meeting.

Councilor Piano made a motion to table the item until a NMML Representative provides details regarding benefits of the Municipal League's membership. Seconded by Councilor Garcia. Roll call: Councilors Piano, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

Presented to the Mayor and Councilors were the following Discussion Action Items:

### **1. Revision to Lodgers Tax Reimbursement Policy – Maryann Ustick, City Manager**

Ms. Ustick mentioned an audit previously conducted on lodger's tax in Las Cruces, prompting other municipalities to review their rules and regulations to ensure compliance with the State of New Mexico. In doing so, the Lodger's Tax Committee and City Council developed and implemented policies, including qualifying promotional items. She said Larry Peterson, Wild Thing Bull Riding Event Organizer, requested the inclusion of back numbers for reimbursement by Lodgers Tax funds because of their functionality as a marketing flyer and significant presence on social media. Ms. Ustick

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said there is no fiscal impact however, a revision to the Lodger's Tax Reimbursement Policy would need to be made to include contestant back numbers that meet design requirements for marketing purposes.

Mr. Peterson provided copies of the back numbers, highlighted the mass number of views cowboy poker received on social media and his thoughts on certain lodger's tax cuts that were made.

Discussion followed regarding the visibility of the back numbers, preservation of the back numbers and use as souvenirs by contestants encouraging new contestants and spectator attendance at future events.

Councilor Schaaf made a motion to approve the revision to the Lodgers Tax Reimbursement Policy to include contestant back numbers that meet design requirements. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Palochak and Mayor Bonaguidi voted yes. Councilor Piano voted no. Motion carried.

- 2. Ordinance No. S2022-3 Being a Request by Rhett & Sarah Renoud for Vacation of Five-Foot (5') Utility Easement for the Property Located at 3302 Chee Dodge Boulevard – Clyde "C.B." Strain, Planning and Zoning Development Director**

Mr. Strain presented the proposed Ordinance on behalf of Mr. and Mrs. Renoud to vacate a five-foot (5') wide utility easement located at 3302 Chee Dodge Boulevard and explained the origin of the utility easements; however, utilities were never installed and there are no plans to do so in the future. He said granting the vacation will allow the property owners to construct a privacy fence on their property without the risk of blocking any dedicated utility easements, which must remain clear of all obstructions. Mr. Strain said the Planning and Zoning Commission approved the request at their meeting held on July 13, 2022 and provided a positive recommendation for approval with Resolution No. RP2022-8.

Councilor Schaaf made the motion to approve Ordinance No. S2022-3. Seconded by Councilor Piano. Roll call: Councilors Schaaf, Piano, Garcia, Palochak and Mayor Bonaguidi all voted yes.

- 3. Award of Contract to Wilson & Company for Professional Services to Design Pedestrian Safety Improvement at the Second & Third Street Grade Crossings – Clyde "C.B." Strain, Planning and Zoning Development Director**

Mr. Strain requested approval of award to Wilson & Company to design pedestrian safety improvements for the Second Street and Third Street grade crossings. He said Council's acceptance of the New Mexico Department of Transportation Cooperative

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**Project Agreements at the Regular City Council Meeting held on June 22, 2021 provided funding to design pedestrian safety improvements, including the addition of warning devices and a new widened crossing surface to accommodate pedestrian traffic. Mr. Strain explained Requests for Proposals went out twice; however, the City received no responses and therefore, the City of Gallup Purchasing Department was able to solicit the open market for a qualified firm and selected Wilson & Company. A project was created for Cooperative Project Agreement for both locations, each with a budget of \$45,000. The total cost proposal for the Second Street grade crossing (Project CP2205) is \$56,225.60, leaving a budget shortage of \$11,225.60 and \$55,684.66 for the Third Street grade crossing (Project CP2207), leaving a budget shortage of \$10,684.66. As a result, staff requested approval of budget adjustments in the amount of \$12,000 for Project No. CP2205 and \$11,000 for Project No. CP2207 from the general fund.**

**John Rangel, Wilson and Company, provided information regarding the design and improvement goals.**

**Discussion followed regarding funding shortages and clarification with regard to the \$90,000 grant, divided between the projects in the amount of \$45,000 was previously allocated by the State and not an engineering cost estimate provided by staff.**

**Councilor Schaaf made the motion to award the contract to Wilson & Company for Professional Services, as presented. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Piano, Palochak and Mayor Bonaguidi all voted yes.**

- 4. Award of Contract to Wilson and Company for Professional Services to Assist the City in the Application Process for a Quiet Zone for the Existing Second & Third Street Grade Crossings – Clyde “C.B.” Strain, Planning and Zoning Development Director**

**Mr. Strain explained the design and construction of pedestrian safety improvements at the Second and Third Street grade crossings qualifies the City of Gallup to apply for a quiet zone in the downtown area. The City retained Wilson & Company to assist in the process, including regulatory approval and permitting by the Public Utilities Commission**

**(PCU) and the Federal Railroad Administration (FRA). He said upon completion of this phase, the city will have a bid document for construction of supplemental safety measurements which is required to implement a quiet zone, in the amount of \$21,662.50 including NMGRT and listed the services included:**

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- **On-Site Diagnostic Meeting**
- **Preliminary Engineering**
- **NM-PRC Application**
- **FRA Filings**
- **Final Engineering**

**Mr. Strain requested award of the contract for professional services to Wilson & Company and a budget adjustment in the amount of \$22,000 from the general fund to the Planning and Development Departments Professional Services Account.**

**Discussion followed regarding the amount being excluded from the budget initially and federal funding qualifications.**

**Mr. Rangel provided detailed information regarding functions of the quiet zone calculator; project phases and purpose; pedestrian improvement diagnostics; necessary approval of FRA, BNSF, NMDOT and USDOT and stressed the importance of meeting all safety standards.**

**Brief discussion followed regarding Wilson & Company's experience with these types of projects and the City's liability.**

**Councilor Garcia made the motion to award the contract to Wilson & Company for professional services to assist in the application process for a quiet zone and approved the budget adjustment of \$22,000. Seconded by Councilor Schaaf. Roll call: Councilors Garcia, Schaaf, Piano, Palochak and Mayor Bonaguidi all voted yes.**

**Presented to the Mayor and Councilors were the following Presentation and Information Items**

**1. American Rescue Plan Funding Options – Patty Holland, Chief Financial Officer**

**Ms. Holland said the City is scheduled to receive the second installment of American Rescue Plan Funding in the amount of \$2,654,175 and requested guidance on the following options, including \$1,500,000 for water/wastewater projects, distribution as follows:**

- **\$50,000 for Boardman Sewer realignment additional costs**
- **\$540,000 Wastewater treatment rehabilitation**
- **\$220,000 YTH VFD plus AC system**
- **\$250,000 2<sup>nd</sup> Street Water from Coal / Aztec alleyway to railroad and**
- **\$240,000 for Munoz well rehab**

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She also requested the Mayor and Councilors' input with regard to premium pay to City employees in the amount of \$1,154,175 and provided two options. Ms. Holland said Option 1, is a double premium paid to employees considered high risk, including police, fire, water, wastewater, solid waste, maintenance and behavioral health staff in the amount of \$335.10; while all other full-time employees would receive \$167.55. Option 2 would provide \$231.15 per employee, as part time employees would receive 50% of approved level funding and is intended to begin August or September and end when funds are expended.

Discussion followed regarding clarification on the eligible use of funding, potential for additional water and wastewater projects, federal infrastructure requirements and the \$16 million New Mexico Environmental Department (NMED) Loan received for major improvements.

Ms. Holland said the item will be brought to the Mayor and Councilors for action and implementation at a later date. No action was taken.

### **2. Presentation on City Investments – Patty Holland, Chief Financial Officer**

Ms. Holland provided information regarding the 5-year treasury yield, necessary consideration to statutes and City Investment Policy, cash flow, the City's conservative investment style, extensive audits conducted, long term investments and efforts to stay mobile. Ms. Holland went over a recap comprised of all active funds, highlighting demand deposits, money markets and treasury bonds, restrictive money, New Mexico Finance Authority (NMFA), tracking project flow and cash on hand. She stated 91% of funds are invested through money markets, CD's or securities and potential to discuss strategy changes during the next budget hearings.

Discussion followed regarding investment of restrictive funds, total amount of NMFA Loans in restrictive funds, liquidation and current rates, other authorized City investors, money made on investments and how its recorded. No action taken.

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

Aaron McNeal, a resident from the Mentmore neighborhood, expressed concerns with speeding motorists throughout the neighborhood. Mr. McNeal said a petition was started for the installation of speed humps on Box Canyon and received 96% of the residents' approval; however, he would like the current policy that requires 100% of the residents' support, lowered. He said he has tried alternative ways to minimize the speeding, however believes speed humps is the best option.

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Larry Foster, a resident on Box Canyon, said the traffic in the morning is especially bad, in addition to the speeding. He has observed low police presence in the area, selectiveness with regard to issuing citations and contradictory speed limit signage.

Councilor Palochak warned residents that snow removal is not available where speed humps are installed. She also said there are issues with drivers slowing down at the hump and continuing to speed thereafter. There is also a lack of officers to patrol all areas.

Councilor Piano requested research from other cities as they relate to petition requirements.

Discussion followed regarding the specific location of speeding and of the potential speed humps, the numerous calls Street Department staff receive requesting snow removal during the winter months, the logistics of installation and conception of the 100% policy.

Ms. Ustick said the item will be placed on a future agenda for further discussion regarding the matter.

Carlos Juarez, a resident from the Mentmore neighborhood, reiterated his neighbors' concerns and offered to help with snow removal where needed.

Councilor Garcia mentioned the issue of speeding throughout the City, including drag racing on the Route 66, her previous work with Stan Henderson, former Public Works Director, on the policy and her hopes to make some changes and help alleviate the issue.

Nicola Martinez, Gallup Police Department Sergeant and citizen, addressed the Mayor and Councilors regarding issues with the Gallup Police Department caused by a lack of trained police officers, concerns regarding the approximate two-year training for new officers, insufficient assistance from McKinley County Sheriff's Office (MCSO) and New Mexico State Police on calls, recent active shooter training, a request to be put on the agenda and conflicts with current union negotiations. She pleaded for support in help with retaining police officers.

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

Councilor Palochak said it was nice to be back in the United States following her vacation. She expressed support of all City staff and looks forward to discussing matters relative to the Police Department with the Mayor and Councilors.

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Councilor Schaaf thanked the employees of the Parks, Streets and Solid Waste Departments for their work during the City wide cleanup on July 16<sup>th</sup> and announced the July 30<sup>th</sup> clean up that will take place in Mossman neighborhood. He thanked all City employees for all they do.

Councilor Garcia also thanked City staff and expressed support of the Gallup Police Department.

Councilor Piano urged discussions and solutions when it comes to issues with Gallup Police Department staffing, referenced an invitation she presented to meet with the Chief of Police, thanked Georgene Dimas, McKinley County Metro Dispatch Director, for providing call logs and relayed a message regarding the chair lift at the pool. She encouraged everyone to send her announcements for upcoming events and intentions to post them to her personal and City Facebook page.

Mayor Bonaguidi thanked the residents from the Mentmore neighborhood for attending the meeting to express their concerns. He said the Council plans to address staffing issues at the Gallup Police Department, the community cleanup successes and appreciation to all City employees.


**Comments by City Manager and City Attorney**

Ms. Ustick said a work session regarding water rates will take place on August 2nd at 4:30 p.m. and encouraged everyone to attend. She also encouraged everyone to attend the Ceremonial parades to be held on August 4<sup>th</sup> at 7:30 p.m. and on August 13<sup>th</sup> at 10:00 a.m. The parades will take place on Route 66 and Coal Avenue.

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



**ATTEST**

  
Alicia Palacios, Deputy City Clerk

  
Louie Bonaguidi, Mayor