

Minutes of the Special Meeting of the Gallup City Council, City of Gallup, New Mexico held at the El Morro Events Center, 210 South Second Street at 4:30 p.m. on Tuesday, August 24, 2021.

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

Mayor: Louie Bonaguidi

Councilors: Linda Garcia  
Michael Schaaf  
Yogash Kumar (via Zoom)  
Fran Palochak

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

The Mayor and Councilors conducted a Work Session on the following topic:

1. Discussion of Options for Allocation of American Rescue Plan Funds – Maryann Ustick, City Manager and Patty Holland, Chief Financial Officer


Ms. Ustick presented a Power Point presentation including a brief history of the American Rescue Plan also known as the New Mexico Local Fiscal Recovery Funds and provided details of eligible cost categories, including public health and negative economic impacts, revenue loss, premium pay and investments in water, sewer and broadband. A copy of the Power Point presentation is attached hereto and made a part of these official Minutes.


Mayor and Councilors provided funding recommendations focusing on water and wastewater improvements as well as premium pay to City staff.


Ms. Ustick and staff will work on a model based on the discussion during the Work Session and will present specific options at a later date.

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

ATTEST:



  
Alicia Palacios, Deputy City Clerk

  
Louie Bonaguidi, Mayor

# American Rescue Plan

NM LOCAL FISCAL RECOVERY FUNDS  
CITY OF GALLUP

August 24, 2021

## New Mexico Local Fiscal Recovery Funds

- On June 16, 2021, the State of New Mexico received federal funds for Non-Entitlement Units (NEU's) .
- The City of Gallup received half of the their distribution of NEU funds in the amount of \$2,654,175 on July 23, 2021.
- These funds can only be used for certain eligible costs that have been incurred beginning March 3, 2021 and through December 31, 2024.
- Funds must be expended by December 31, 2026.

## Eligible Costs Categories:

- Public Health / Negative Economic Impacts
- Revenue Loss
- Premium Pay
- Investments in Water, Sewer, and Broadband

# Public Health / Negative Economic Impacts

Provide assistance to households (rent, mortgage, utility assistance) for costs incurred prior to March 3, 2021.

State programs that provide assistance:

- NM Homeowner Assistance Fund
  - Housing grants to income-eligible households for mortgage
- NM Emergency Rental Assistance Program
  - If eligible, covers rent, utility bills (electric & gas), water & sewer, trash removal, fuel oil, wood and pellets



## Revenue Loss

Due to a minimal growth in GRT over the specified time period, the city cannot demonstrate a loss based upon actual revenue.

# Premium Pay Options

Option 1 – all employees receive premium pay

- \$570 / pay period for 1<sup>st</sup> responders
- \$285 / pay period for all other staff
- Remainder to infrastructure

Option 2 – premium pay will go to those that are identified as at a higher risk of exposure. (i.e: Fire, Police, Water / Waste Water, Solid Waste, Behavioral Health (BHIZ). This does not include management / office staff.

- \$570 / per pay period
- Remainder to infrastructure

Option 3 – no premium pay, all funding goes towards investments in water, sewer and broadband projects.

ARR Funds: \$2,654,175

Cost / Period	6 mo.
Option 1	\$2.27 m
Infrastructure	\$380,675
Option 2	\$1.15 m
Infrastructure	\$1.5 m
Option 3	None
Infrastructure	\$2.65 m

*\* Option amounts are based on estimates*

## Investments in Water, Sewer & Broadband

Recipients may use funds to make necessary investments in water, sewer and broadband.

- Specific water and sewer projects, including a vector truck, will be recommended for ARP funding once an amount of funding has been determined.



# Questions & Answers