

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, September 28, 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 testify at the public hearings concerning liquor license applications filed by the Gallup Lions Club and Fratelli's Pizza Bistro and 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

The Mayor and Councilors presented a Proclamation declaring October 3-9, 2021, Fire Prevention Week. Jesus Morales, Fire Chief and Fire Department staff, accepted the Proclamation. Chief Morales provided information regarding the importance of fire detectors and free installation provided by the Fire Department. Councilor Kumar offered a \$1,000 donation to the Fire Department to help with this service.

Presented to the Mayor and Councilors were the following presentation and information items:

1. Keep Gallup Clean & Beautiful (KGCB) Board Fiscal Report and Awards:
Elizabeth Barriga, Water Conservation Coordinator

Ms. Barriga presented a PowerPoint presentation including the vision of KGCB, strategic planning, a brief history of the organization, total grant awards from FY2019 to FY2022 and how funding was used. She also provided information on the city wide clean-ups. Ms. Barriga presented awards to the following for their efforts in trash pick-up, recycling, education, beautification and inspiring others: Vince Alonzo, Parks and Recreation Director and staff; Adrian Marrufo, Solid Waste Director and staff; Ashley R. Scott and Valerie Scott, local high school teachers; Maria Hall, Art Director; Betsy Windish; HP Coalition; Sherry McDargh and Greg Kirk/

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

1. Approval of Minutes from the Regular Meeting of September 14, 2021.

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2. Award of Contract for Security Guard Services
3. Resolution No. R2021-31; Senior Center ICIP Approval
4. Budget Adjustment for the Gallup-McKinley Veteran's Committee Management Agreement for the Gallup Veteran's Center
5. Street Department Request for a Budget Adjustment for the Purchase of New Wirtgen W207 Milling Machine
6. Request for Approval of the Annual Pass Through Costs for the Wastewater Treatment Facility
7. Approval of FY22 Preventing Alcohol Related Deaths Agreement and Budget Adjustment
8. Approval of Agreement with NCI for Social Detox and Expanded Shelter and Peer Support/Case Management Services
9. Approval of Professional Services Agreement with SBS Evaluation and Program Development Specialist

Councilor Palochak requested the removal of Item #6 from the Consent Agenda and for the item to be discussed separately.

Councilor Schaaf made the motion to approve Consent Agenda items 1 through 5 and 7 through 9. 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 item:

6. Request for Approval of the Annual Pass Through Costs for the Wastewater Treatment Facility – Adrian Marrufo, Acting Water/Wastewater Director and Maryann Ustick, City Manager

Mr. Marrufo presented the annual pass through costs based on the City Council's approval of contract Amendment no. 4 for the Design, Build and Operate (DBO) contract with CH2M Hill, which was setup to be renewed on the City's Fiscal Year. It contains provisions for annual adjustments due to the consumer price index (CPI) and pass through costs for a repair and replacement (R&R) Capital Fund; however, with the recent departure of the Water/Wastewater Director, annual approval for these costs were overlooked by current staff members. Mr. Marrufo noted the previous Director

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included these costs in the budget in the amount of \$75,000, but current staff did not bring it to Council for approval.

Ms. Ustick mentioned while going through the contract, pass through costs and certain amendments were discovered in which Dennis Romero, the previous Water and Wastewater Director, included in the budget prior to his departure.

Councilor Palochak requested it be made public that Mr. Romero included the costs in the budget and that it was simply an oversight by current staff.

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

1. Presentation and Selection of GRT Bond Issue Option – Patty Holland, Chief Financial Officer and Erik Harrigan, RBC Capital Markets

Ms. Holland provided information regarding two options included in the presentation and introduced Mr. Harrigan of RBC Capital Markets. Mr. Harrigan presented a PowerPoint comparing option 1; which will provide \$12.8 million now by allowing the city to issue \$5.8 million in bonds in 2024 versus option 2; which will provide \$9 million now and allow the issuance of about \$9.5 million in bonds in 2024. He also provided a gross receipts tax bond overview, capacity amounts, a market update and continued areas of Market Focus. A copy of the PowerPoint is attached and made a part of these official minutes.

Discussion followed regarding the budget's flexibility, allocation period, status of the police building, reallocation of and encumbering the funds, as well as other improvements needed in the City such as the turf improvements at Ford Canyon fields.

Ms. Ustick said the item will be brought back at the next meeting for Council vote.

2. **Public Hearing:** Club Liquor License Application Filed by Gallup Lions Club for 3330 E. Aztec Ave – Curtis Hayes, City Attorney

Mr. Hayes said the Gallup Lions Club license was originally issued in 1998 for its location at 3330 E. Aztec Avenue, which expired October 31, 2020, therefore this is an application for a new club license. Mr. Hayes stated Alcohol Beverage Control granted preliminary approval for the application and included a copy of the approval. Mr. Hayes provided information relative to conducting the public hearing and said the location for the license does not violate the distance requirements under the State Liquor Control Act with regards to nearby schools, churches or military installations and is in compliance with the City's zoning regulations. The only criteria the Mayor and

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Councilors could disapprove the license is if the proposed license would be detrimental to the public health, safety or morals of the residents of the Local Option District.

Roxanna Yazzie, Gallup Lions Club Agent, was duly sworn and explained the reason for the new application is due to a request by Alcohol Beverage and recent name change from, "Gallup Lions Club," to "The Lions Club of Gallup."

Councilor Schaaf made the motion to approve the Club Liquor License application for Gallup Lions Club at 3330 E. Aztec Avenue, as presented. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Palochak, Kumar and Mayor Bonaguidi all voted yes.

3. **Public Hearing:** Application for Restaurant (Beer Wind) License for Fratelli's Pizza Bistro at 1209 North Hwy 491 – Curtis Hayes, City Attorney

Mr. Hayes presented the proposed application for a Restaurant License, filed by the new owners, Restaurant Ruth LLC, a New Mexico LLC in good standing with the New Mexico Secretary of State's Office; members listed are Ruth and Blake Carling and are located at 1209 N. Hwy 491. Mr. Hayes noted Alcohol Beverage Control's preliminary approval of the application, presented a copy of the approval and provided information relative to conducting the public hearing including distance requirements, zoning regulations and public health and safety.

Ruth Carling, Fratelli's owner was duly sworn and explained the current Restaurant License is not transferrable; therefore, they must apply for their own license in order to continue to serve beer and wine at their establishment.

Councilor Palochak congratulated the Carling's and expressed support of restaurants serving beer and wine to enhance their customer's dining experience. She also noted there have been no complaints received with regard to the current license.

Councilor Palochak made the motion to approve the application for a Restaurant License for Fratelli's Pizza Bistro at 1209 North Hwy 491. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

4. **Catalpa Hills Water Association Request to Purchase City Water – Curtis Hayes, City Attorney**

Mr. Hayes provided information regarding the Catalpa Hills Water Association and an application to the New Mexico Trust Board for funding to construct a water distribution system which requires assurance the Association has a source of water. Mr. Hayes

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explained the location of the subdivision, the number of residents that would be included and the availability of water to support future development. According to the Gallup City Code, City Council must approve the supply of water to any individual or entity outside the City limits.

Brief discussion followed regarding the design and construction of the water system and the approval to supply other subdivisions in the past.

Councilor Schaaf made the motion to approve the Catalpa Hills Water Association request to purchase city water. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Kumar and Mayor Bonaguidi all voted yes.

5. Joint Powers Agreement (JPA) with McKinley County Regarding an Industrial Park – Cutis Hayes, City Attorney and Maryann Ustick, City Manager

Mr. Hayes provided information regarding the State's approval of a Local Economic Development Act (LEDA) improvements to Carbon Coal Road and the 40-acre parcel of land acquired by the County north of Carbon Coal Road. However, the improvements do not include utilities that would be necessary for economic development. The purpose of the JPA is to assist the County in attracting economic development to the proposed industrial park by utilizing an existing state appropriation to the City for emergency funding for infrastructure and extend water and wastewater lines to the site. The County, in addition to land acquisition, will design and develop funding sources for a spec building and fund or pursue funding for the installation of a water well, which the City will supply water to; pending completion of the Navajo Gallup Water Supply Project in 2028-29. The agreement also provides for joint review of any applications for LEDA funds, cooperative efforts to obtain other sources of funding at the industrial park and the creation of a task force consisting of City and County representatives to coordinate efforts relevant to the industrial park.

Ms. Ustick noted the County's approval of a JPA draft, negotiation of final details, including language specifying a limit not to exceed \$3 million from the funds allocated by Representative Patty Lundstrom for economic development emergency funding and a potential joint management plan.

Discussion followed regarding the potential to expand the market and the electric service to be provided to that area.

Councilor Palochak made the motion to approve the JPA with McKinley County Regarding an Industrial Park. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

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6. Approval of Resolution R2021-32; Declaring the Eligibility and Intent of the City of Gallup to Submit an Application to the New Mexico Department of Transportation for Federal Fiscal Year 2023+ Congestion Mitigation and Air Quality (CMAQ) Funds for the Construction Phase of the Nizhoni Boulevard Road Diet Project, and a Budget Adjustment in the Amount of \$850,000. from Fund 101 to the East Nizhoni Boulevard Road Diet Project – Clyde (C.B.) Strain, Planning and Development Director

Mr. Strain requested approval to grant the City Manager authority to submit an application for FY2023 CMAQ funds to the NMDOT in the amount of \$2,654,686.63 for the construction phase of the East Nizhoni Boulevard Road Diet Project and provided information regarding the reconstruction which will start from the College Drive intersection to and including the Second Street intersection, replacement of all underground utilities and reconstruction of all pedestrian infrastructure. He also provided information regarding the intent and design to reduce the number of driving lanes, to include a turning lane and bike lanes. Mr. Strain said the total construction for the project is \$4,154,686.63 with a required match of 14.56%, \$650,000 has been budgeted through the City's Community Infrastructure Project (CIP) process and meets the match requirement. However, in an effort to make the application more competitive and to increase the chance of being awarded the grant, staff requested an additional \$850,000 to the City's match.

Discussion followed regarding CMAQ funding requirement to reduce the number of driving lanes, congestion reduction plans, the inclusion of the effluent line in the project and other needed improvements.

Councilor Palochak made the motion to approve Resolution No. R2021-32 and the budget adjustment in the amount of \$850,000, as presented. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

Presented to the Mayor and Councilors was the Information Item:

1. City of Gallup Fire Department Community Risk Reduction – Jon C. Pairett, Fire Marshal

Chief Morales highlighted the Gallup Fire Department having been selected to participate in the Community Risk Reduction Program and recognized Fire Prevention staff for their efforts and hard work despite challenges within the last year.

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Fire Marshal Pairett presented a PowerPoint presentation focused on the program and the mission of the Gallup Fire Department. He included current and future programs offered to the community and detailed the 6 steps in community risk reduction including, identifying and prioritizing community risks, enforcement strategies, plan preparation, implementation and evaluation. He also provided information regarding a compliance engine which is a web-based service that collects, tracks and organizes 3rd party inspection reports.

Comments by Public on Non-Agenda Items

None

Comments by Public on Non-Agenda Items

Mayor and Councilors extended their condolences to Vince Alonzo, Parks and Recreation Director on the recent passing of his daughter. They thanked all City staff for their efforts in keeping the City functioning and safe including Streets, Electric, Solid Waste, Water, Parks, Fire and Police Department staff. They also thanked the Keep Gallup Clean and Beautiful Board for their work.

Councilor Palochak thanked Fire Marshal Pairett for the informational presentation and encouraged anyone interested in public speaking to contact her for more information regarding the Toast Master Organization.

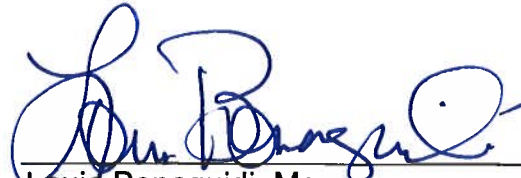
Councilor Garcia commended Adrian Marrufo, Solid Waste Director on the 11th Annual Citywide Clean-up Campaign and encouraged everyone to attend a meeting regarding Rehoboth McKinley Christian Hospital regarding the issues they have been having. The meeting will be held at the Methodist Church on October 2, 2021 at 2:00 p.m.

Mayor Bonaguidi thanked Patty Holland and City staff for all their hard work.

Ms. Ustick commended Elizabeth Barriga and the Keep Gallup Clean and Beautiful Board for their work as well as Jeff Kiely who helped the board with their strategic planning.

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





Louie Bonaguidi, Mayor

ATTEST:



Alicia Palacios, Deputy City Clerk