

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, October 11, 2022.

The meeting was called to order by Mayor Bonaguidi.

Upon roll call, the following were present:

Mayor: Louie Bonaguidi

Councilors: Linda Garcia
Michael Schaaf
Fran Palochak
Sarah Piano

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

The Mayor and Councilors presented a Proclamation declaring the month of October as Domestic Violence Awareness Month. Sabrina Martine, Clinical Director for Battered Families, accepted the Proclamation, provided statistical information regarding domestic violence, the importance of resource availability, the negative effects of domestic violence, the significance of support and acknowledged and expressed appreciation to those who have voiced their stories. She also announced their upcoming events.

The Mayor and Councilors presented a Proclamation to honor the memory of former Mayor, State Representative and Magistrate Judge George James Galanis, who passed away on August 17, 2021. Mr. Galanis was honored for his longtime community advocacy, in addition to his efforts as a State Representative in the 1980's for securing major State appropriations for the renovation and re-purposing of the historic train station, by renewing the recognition and renaming of the *Gallup Multicultural Center* to the *Galanis Multicultural Center*, previously passed by City Council on October 24, 2000 by Resolution No. R2000-21.

Mayor Bonaguidi remembered Mr. Galanis' role in the acquisition of the train station and negotiations with the Southwest Indian Foundation (SWIF) for operating the facility to this day and stated the current sign will be replaced with signage illustrating the name of the facility as the "*Galanis Multicultural Center*."

Anne Galanis accepted the Proclamation and thanked the Mayor and Councilors for their recognition of her husband and expressed immense appreciation on behalf of him and his children.

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

1. Approval of Minutes of the Regular Meeting on September 13, 2022

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2. Budget Adjustment of FY 2022 Cash Balance
3. Award of Bid for Phase 20 of City HVAC Replacement
4. Appointment of Nicole Roundtree to the Octavia Fellin Public Library Advisory Board
5. Budget Adjustment Revenue and Expenditure for the Octavia Fellin Public Library in the Amount of \$42,311.
6. Budget Increase to Expenditure for Octavia Fellin Public in the Amount of \$4556.54
7. Budget Adjustment in Fund 202 – Capital Vehicle Purchases
8. Award of Contract to Bohannon Huston, Inc. for Professional Services to Complete a Feasibility Study for Site Selection of Autonomous Vehicle Testing Track, Mobility Complex and Fueling/Charging Locations

Councilor Piano requested the removal of Items 4 and 7 from the Consent Agenda for separate discussion.

Councilor Schaaf made the motion to approve Items 1-3, 5, 6 and 8 of the Consent Agenda. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Piano, Garcia and Mayor Bonaguidi all voted yes.

4. Appointment of Nicole Roundtree to the Octavia Fellin Public Library Advisory Board – Mayor Bonaguidi

Mayor Bonaguidi provided a brief overview regarding the vacancy, recommendation of Ms. Roundtree and the selection process, adding there was no preference provided at that time.

Councilor Piano stated several members of the Library Board, including the Chairperson, contacted her regarding the recommendation of a specific individual and expressed concern as to why that individual was not considered.

Discussion followed regarding a recommendation nominating Percy Anderson to the board, the potential to further deliberate the nominations, clarification regarding the Mayor's authority to appoint board members, selection transparency, an explanation regarding the selection of Ms. Roundtree based on her application, education and representation of the community and surrounding areas.

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Councilor Schaaf made the motion to approve the appointment. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, and Mayor Bonaguidi all voted yes. Councilor Piano voted no. Motion carried

7. Budget Adjustment in Fund 202 – Capital Vehicle Purchases – Adrian Marrufo – Solid Waste, Water and Solid Waste Director

Mr. Marrufo provided a brief overview regarding prior budget transfers at the regular meeting on September 27, 2022 for the purchase of a dump truck, in the amount of \$13,500; however, the amount was short \$805 and did not include the 2-way radio, signage or other miscellaneous items totaling \$1,695. Mr. Marrufo requested a transfer of \$2,500 to cover any other additional items.

Brief discussion followed regarding plans to include all charges in the overall price of the vehicle purchases in the future.

Councilor Piano made the motion to approve the budget adjustment. 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 Topics:

1. Approval of Professional Service Agreement for Political Consultation Services – Mayor Bonaguidi

Mayor Bonaguidi presented the proposed agreement to provide Political Consultation Services due to the passing of the City's Lobbyist Mark Fleisher. Based on referrals as well as information provided by the State's Lobbyist Registration website, potential candidates were identified and interviewed. Based on those interviews, Mayor Bonaguidi selected Charlie Marquez, owner of Broad Spectrum Consulting LLC and said the terms of the agreement would be for nine (9) months.

Mr. Marquez provided information regarding his past experience, his current lobbying career, his professional experience and relationship with Mr. Fleisher. Mr. Marquez also said he was honored to be Mr. Fleisher's successor.

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

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2. Resolution No. R2022-41; Adoption of the Economic Development Plan and Resolution No. F2022-42; Approve & Execute NMFA's Authorizing Resolution, Grant Agreement and Certificate of Grantee – Nikki Lee, Acting Planning & Development Director

Ms. Lee said City Council previously accepted the New Mexico Finance Authority (NMFA) funding #PG-5620 for a Comprehensive Plan/LEDA in the amount \$50,000 to update and develop an Economic Development Plan for the City of Gallup. In March 2022 the City awarded the contract to Bohannon Huston, Inc. for professional services, including areas of opportunities for economic development and a breakdown of target industries. She said the plan was reviewed by a variety of City departments, as well as local and regional partners and was approved by the New Mexico Economic Development Department. Ms. Lee stated Bohannon Huston completed the project, will provide a presentation of the process findings and recommendation for City Council to review and adopt. The Economic Development Plan will be incorporated into the City of Gallup's Growth Management Master Plan, thereby updating the economic element. The City has a 2009 and a 2016 Growth Management Master Plan. NMFA funding recently obtained will allow the City to focus on the economic development element and provide updated data; however, NMFA requires approval, execution and authorization of the Resolutions, Grant Agreement approval and Certificate of Grantee authorization certifying the terms and conditions of the grant have been completed. Ms. Lee said upon completion a request for reimbursement can be submitted and highlighted the current status of the Growth Management Master Plan and amendments that can be made to it.

Denise Aten, Bohannon Huston Senior Vice President, presented a PowerPoint presentation including the purpose and goals of the City of Gallup Economic Development Plan. Contents of the plan included collaborative efforts with other organizations, target industries and action items including, arts and culture, retail trade, healthcare, tourism housing and workforce development.

Discussion followed regarding amendments to the plan, the opportunity to receive NMFA funding to focus on economic development, recognition of the need for a lead organizer to oversee the target industries, ensuring action items are not forgotten; similar needs recognized by the Housing Committee, including rehabilitating homes, developing vacant lots, affordable housing and the importance of having a leader in the City and the County.

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Councilor Palochak made a motion to approve Resolutions R2022-41 and R2022-42. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Piano and Mayor Bonaguidi all voted yes.

3. City of Gallup Speed Hump Policy Resolution No. R2022-40 – Richard Hamblen, Public Director

Mr. Hamblen presented the proposed resolution to adopt and approve a policy establishing standards and special requirements for the installation of speed humps in residential neighborhoods, which would be reviewed by Public Works staff and require approval of the City Councilor for the district. He said funding for these projects come from the City Councilors' discretionary funds and currently require 100% signatures of residents on the affected block.

Mr. Hamblen provided information pertaining to other cities within New Mexico with an approved policy regarding speed humps including Roswell, who removed the installation of speed humps completely, Valencia County etc. He also provided the definition of speed humps, the pros and cons, non-permissible areas, a copy of the petition template and speed hump design. He provided three (3) alternative options in addition to the 100% signature requirement listed below:

- Option 1: 100%
- Option 2: Reduce to 90%
- Option 3: Reduce to 80%
- Option 4: Reduce to 70%

Mr. Hamblen recommended approval of the current policy and maintaining the requirement of 100% signatures to maintain the peace between residents, the Councilors and himself.

A lengthy discussion followed regarding the average number of residents and the length of a block, complaints regarding noise levels where speed humps are installed, driver's tendencies to speed up after the humps thus creating extra emitted emissions, increased emergency response time, potential to encourage traffic to adjacent streets in an effort to avoid humps, a request to define, "hill," within the policy, concerns with #8 *"installation of a speed hump will not be permitted where substantial diversion of traffic may occur,"* the petition template and the responsibility of those who want speed humps to complete their own petition, concerns where one resident can impede the appeal of an entire block, spacing requirement issues, difficulty obtaining 100% of the required signatures, the average of other city's requirements, the numerous calls regarding injured pets by speeding drivers, snow plow services, the verification of petition

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signatures and available options for residents opposed to humps being installed in front of their property.

Councilor Garcia provided a process overview she and Mr. Hamblen have undergone to install speed humps in her district and expressed her support of them.

Discussion continued regarding the approximate cost of \$1,200 for a 13' wide; 30' to 34' long speed hump, the difference in speed humps and speed bumps, available speed hump installers, failed efforts the City Council has made to help reduce speeding and estimated calculations based on the number of residents per block.

Councilor Palochak made the motion to adopt the City of Gallup Speed Hump Policy Resolution R2022-40, Option 2 reducing the percentage to 90% and removal of item 8 within the policy. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Piano and Mayor Bonaguidi all voted yes.

4. Acceptance of Award of Funding from the New Mexico Law Enforcement Fund in the Amount of \$3,312,500.00 to be Distributed Over the Next Three (3) Fiscal Year – Franklin Boyd, Chief of Police

Chief Boyd prefaced the Omnibus Crime Bill HB98, passed at the 2022 New Mexico Legislative session titled the Law Enforcement Retention fund and provided information regarding the purpose of the fund as well as qualifying officers. He also explained the submittal of the application in May 2022 and the differences between the retention fund, the recruiting fund and stipends. He said a notice of award was received in September 2022, specified the requirements of the fund, including the cost of hiring new officers in the amount of \$1,312,500 and fully expended distribution of funding over the next three (3) fiscal years. Chief Boyd provided total funding amounts of allocated funds per fiscal year, stipulations with regard to disbursement and expended dates, unexpended funds and quarterly reporting DFA requirements. He clarified the New Mexico Department of Finance provided confirmation that funding is to be use for salary and benefits only and recommended acceptance of the award.

Discussion followed regarding clarification with regard to the June 30, 2023 deadline to expend the first disbursement of \$750,000, disbursement of \$375,000 the following year and \$187,500 the final year, the probability of returning unexpended funding to the State due to adversities in hiring new officers, statistical information regarding non-qualifying applicants and lack of applicants, details encompassed in the Law Enforcement

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Training Act and the potential to utilize funding in alternative ways, the specification of new uncertified hires, new certified hires and retention of new certified hires, other cities challenging certain stipulations of the Act and unclear terms and conditions City staff have brought to the State's attention; however, the City has not received a response by the current City Council meeting date.

Councilor Schaaf made the motion to approve the acceptance of award funding from the New Mexico Law Enforcement Fund. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Piano, Palochak and Mayor Bonaguidi all voted yes.

Presentation and Information Items

1. Presentation of Proposed Water Rate Changes – Patty Holland and Erik and Eric Harrigan, RBC Capital Markets, LLC.

Ms. Holland presented the financial proponent of the proposed water rate changes staff intends to implement January 1, 2023 to move forward with bonding and project funding. Ms. Holland highlighted a two-year lapse in water rate increases due to COVID making it more drastic than previous years. She provided data regarding revenues, including past practice in general increases according to approved rates and proposed a breakdown moving forward to identify what potential customers are being offered as well as consumer contribution. She further explained the line items including commodity charges, meter charges, reconnect fees, work orders, clarification in the negative amounts for credit card fees, investment income staff is currently working on and will present at a later date and other charges for service. She previewed a water rate analysis for Option 1 depicting a 22% rate increase and Option 2 which would be a 16% rate increase, stating the main difference in options are the accomplishments that can be met. Ms. Holland presented a Water Production and Delivery for FY 22, indicating customers are not covering the cost of operations paying \$4.06 for what costs the City \$4.47. A recommendation was made to implement an industrial rate to promote economic development expansions and cover costs of delivery. She explained the monetary increase based on the size of the meter, the top ten consumers average usage and bill amount, and total charges for residential and commercial water accounts at 22% and 16%. Ms. Holland apologized the information was not provided sooner and acknowledged it was a lot of data to review but requested guidance and advise to move forward with an ordinance update.

Councilor Piano stated she would need more time to review the information and said it would be difficult to provide input without reviewing the data and questioned the additional water revenue requirement for page 4 of the documents. Ms. Holland clarified two documents were sent and would resend the current information. She recommended

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the Council review the material and route any recommendations through the City Manager's office, while staff works on the ordinance inputting actual numbers and figures upon Council's request and reminded Council of the necessary publication that would need to be done within the next two (2) weeks but emphasized she did not want Council to feel rushed and would be willing to delay the implementation by one (1) month if necessary. She further explained the material labeled, Rate Increase and offered a list of projects currently being considered under each option and would provide Council the information within the next few days.

Ms. Ustick acknowledged the engineer consultants for all their effort collecting the data and clarified the key issues are putting the meter and commodity charge together, Option 1 is 22% and Option 2 is 16% and the impact on high and low water usage.

Councilor Schaaf questioned the Commercial and Industrial Rate's determinants.

Mr. Harrigan clarified that both options maintain the base assumptions of a minimum 180 days of cash-on-hand plus one and a half (1½) times debt service coverage, presented in the past.

Brief discussion followed regarding an industrial rate policy change, incentives the City can provide based on the LEDA process, cash on hand, changing the minimum amount of days, effects of lowering the number of days, initial concerns the 22% would be too high for customers, the lack of water increases implemented by previous Councils resulting in the current recommended increase amounts and plans to include the item as a Discussion/Action item on November 8th.

2. Presentation of the Proposal Central 66 Metropolitan Redevelopment Area (MRA) District – Brandon Howe, Northwest New Mexico Council of Governments (NWNMCOG)

Mr. Howe, NWNMCOG Planner, presented a PowerPoint presentation defining a Metropolitan Redevelopment Area (MRA), benefits of MRA Districts, highlight areas in need of revitalization and how the process is accomplished. He also highlighted the term, "blight," as not entirely negative and is in fact an area not reaching its full potential. He provided the proposed district including Historic Highway 66 and Ford Canyon Drive to Verdi Drive and the Central 66 District MRA Planning process, including 7 steps, starting with finalizing the district boundary, conducting a site assessment, draft a blight report; which NWNMCOG staff are currently working on, Council approval of the report, Ordinance approval, MRA planning process and MRA Plan approval.

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Discussion followed regarding the importance of this project, identifying blight properties and what the process entails, MFA funding for housing projects and points received on an application when located in a MRA District and going through the process to determine whether the City has the capacity to accommodate multiple MRA Districts.

Ms. Ustick thanked the NWNMCOG for the services they provide the City.

Comments by Public on Non-Agenda Items

Dr. Constance Liu, Community Health Action Group Lead Organizer, provided information regarding RMCH and the closure of the Labor and Delivery area, management of inpatient services by remote hospitalist, weak quality assurance mechanisms and no turn around plan. She stressed attracting workers to Gallup or a strong economy is impossible without a strong hospital. Dr. Liu said their group has approached the State to petition the court for receivership of the hospital, provided language under the Health Receivership Act and provided an example of a similar matter in Clovis, New Mexico. She said they also asked the State to pass legislation to protect the community against mismanagement, while ensuring Hospital Boards adhere to Open Meetings Law, clear mechanisms for public participation and transparency. Dr. Liu provided articles to the Mayor and Councilors and asked for their support in amplifying the community's voices through their important roles in the community.

Councilor Palochak requested the matter be put on the agenda as a Discussion item at the next meeting in order to have an open dialogue on the issues.

Councilor Piano expressed appreciation to Dr. Liu for the information provided and sees the hospital as a necessity of the community.

Mervin Tilden, Indigenous Peoples Advocate, provided information regarding Indigenous Peoples day and the event held on October 10th. He commented on the resolution passed by Council during Mayor McKinney's administration, declaring the second Monday of October as Indigenous People's Day in perpetuity and the public display of the Proclamation at City Hall, which has not been done. He also stated the McKinley County Commission and State of New Mexico Legislature passed similar Resolutions and/or Proclamations recognizing Indigenous People's Day. He announced Native American Heritage month is November and requested the City have an event in celebration of Native Americans for all they have done for the community and in recognition of being the Indian Capital of the World. He also requested moving the Chief Manuelito Statue back to the front of the Galanis Cultural Center.

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Comments by Mayor and City Councilors

Councilor Palochak acknowledged and accredited Ben Welch, Community Services Coordinator for organizing this year's Veterans Wellness Summit and the Stand Down & Hand-up Project sponsored by the City. She expressed appreciation to all Veterans who served in defense of this country's freedom. She also thanked Vince Alonzo, Parks and Recreation Director and his staff for the Hadden Park improvements.

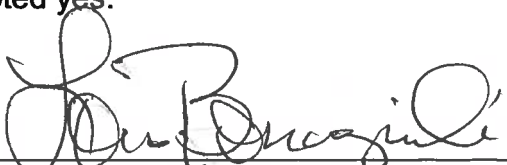
Councilor Schaaf thanked all City employees for all of their work.

Councilor Piano commented on what seemed like a well-attended ArtsCrawl event based on photos she has seen and thanked all those who helped with the Big Brothers Big Sisters recent event. She also announced the opening of Ross Dress for Less at the Rio West Mall.

Comments by City Manager and City Attorney

Mr. Hayes provided an update regarding Federal Legislation with regard to the Navajo Gallup Water Supply Project.

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



Louie Bonaguidi, Mayor

ATTEST:



Alicia Palacios, Deputy City Clerk