

AGENDA

GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, MARCH 22, 2022; 6:00 P.M. CITY COUNCIL CHAMBERS



Louie Bonaguidi, Mayor
Linda Garcia, Councilor, Dist. 1 Michael Schaaf, Councilor, Dist. 2
Yogash Kumar, Councilor, Dist. 3 Fran Palochak, Councilor, Dist. 4

Maryann Ustick, City Manager
Curtis Hayes, City Attorney

The meeting will be accessible through the City of Gallup's Facebook Page:

[City of Gallup, New Mexico Government - Home | Facebook](https://www.facebook.com/cityofgallup)

Members of the public may submit comment on non-agenda items either in person or by telephone.

To submit comment by telephone, please call 863-1254 to leave your name and a return phone number.

A. Pledge Of Allegiance

The members of the body and the public are invited to recite the Pledge of Allegiance.

B. Roll Call

C. Presentation And Information Item

1. Gallup Coordinated Transit Services Study

Overview of the current planning effort to coordinate transit service within and to and from Gallup between Gallup Express, Navajo Transit System (Navajo Nation), and A:Shiwi Transit (Pueblo of Zuni).

Speakers: Tommy Mims, Director, Gallup Express

Deborah Bach, Rural Transit Programs Director, NMDOT

David Menter, Senior Planner, RAE Consultants, Inc.

Fiscal Impact: None - informational item only.
Recommendation: None - informational item only.
Speaker's Name Tommy Mims, Deborah Bach and David Menter

Documents:

[NMDOT HOPE PROJECT FACT SHEET FINAL_03152022.PDF](#)

D. Consent Agenda

These items are placed on the Consent Agenda so City Council can designate by unanimous consent those routine items they wish to be approved or acknowledged by one motion. If any item does not meet the approval of all Council members or if a citizen so requests, it will be heard as a separate item.

Action Needed:

Motion to approve or acknowledge Items 1-7 on the Consent Agenda by unanimous vote:

1. Approval Of Minutes

Regular Meeting of February 22, 2022

Special Meetings of February 23 & 24, 2022

Regular Meeting of March 8, 2022

Special Meeting of March 9, 2022

Fiscal Impact: None.
Recommendation: Approve the minutes.
Speaker's Name None.

Documents:

[DRAFT MINUTES FEB 22 2022 REG MTG.PDF](#)
[DRAFT MINUTES FEB 23 2022 SP MTG.PDF](#)
[DRAFT MINUTES FEB 24 2022 SP MTG.PDF](#)
[DRAFT MINUTES MAR 8 2022 REG MTG.PDF](#)
[DRAFT MINUTES MAR 9 2022 SP MTG.PDF](#)

2. Budget Adjustment For A Sub-Grant Agreement For The McKinley County DWI Task Force Naming The Gallup Police Department As The Sub-Grantee In The Amount Of \$24,000.

As part of the McKinley County DWI Task force, the Gallup Police Department, as the sub-grantee, was awarded a sub-grant in the amount of \$24,000. As the sub-grantee, the Gallup Police Department is to implement Driving While Impaired (DWI) sobriety checkpoints and saturation patrols aimed at reducing alcohol related crashes, injuries, and deaths in McKinley County and in partnership with the following agencies: NM Department of Public Safety,

McKinley County Sheriff's Office, Navajo Nation Police Department, Zuni Police Department, and the Ramah Police Department. All required signatures have been fully executed and the Gallup Police Department therefore requests approval of the sub-grant agreement for the total amount awarded.

Attachment: McKinley County DWI Task Force Sub-Grant Agreement

Fiscal Impact: DWI Task Force Sub-Grant Agreement revenue in the amount of \$24,000.

Recommendation: Acceptance & approval of the DWI Task Force Sub-Grant Agreement in the amount of \$24,000.

Speaker's Name Franklin Boyd - Chief of Police

Documents:

[DWI TASK FORCE AGREEMENT \(1\).PDF](#)

3. Acceptance Of The 2019 Edward Byrne Memorial Justice Assistance Grant And Approval Of Related Budget Adjustment

The U.S. Department of Justice (DOJ) has granted funding through the 2019 Edward Byrne Memorial Justice Assistance Grant (JAG) Program. This program furthers the Department's mission by assisting state, local, and tribal efforts to prevent or reduce crime and violence. For the year 2019, the DOJ has awarded a grant in the amount of \$29,303.00 to be divided between the City of Gallup and McKinley County for their respective police K-9 programs.

All required signatures for the DOJ grant award and memorandum of agreement (MOA) between the City of Gallup and McKinley County have been executed and are attached.

Fiscal Impact: No matching funding required. Budget adjustment for revenue and qualified expenditure in the amount of \$29,303.

Recommendation: Acceptance and approval of DOJ JAG Grant in the amount of \$29,303 in revenue and expenditure.

Speaker's Name Franklin Boyd - Chief of Police

Documents:

[2019 GRANT AWARD _ MOA.PDF](#)

4. Acceptance Of The 2020 Edward Byrne Memorial Justice Assistance Grant And Approval Of Related Budget Adjustment

The U.S. Department of Justice (DOJ) has granted funding through the 2020 Edward Byrne Memorial Justice Assistance Grant (JAG) Program. This program furthers the Department's mission by assisting state, local, and tribal efforts to prevent or reduce crime and violence. For the year 2020, the DOJ has awarded a grant in the amount of \$25,718.00 to be divided between the City of Gallup and McKinley County for their respective police K-9 programs.

All required signatures for the DOJ grant award and memorandum of agreement

(MOA) between the City of Gallup and McKinley County have been executed and are attached.

Fiscal Impact: No matching funding required. Budget adjustment for revenue and qualified expenditure in the amount of \$25,718.

Recommendation: Acceptance and approval of DOJ JAG Grant in the amount of \$25,718 in revenue and expenditure.

Speaker's Name Franklin Boyd - Chief of Police

Documents:

[2020 GRANT AWARD _ MOA.PDF](#)

5. **Fire Department Overtime Budget Adjustment**

Consideration of a Budget Adjustment to the Gallup Fire Department Overtime Budget of \$60,000

Several situations exist that requires the use of the Fire Department overtime budget, originally budgeted with \$278,063. Many items affected the increase use in overtime, such as the following:

- Staffing shortages to support daily operations
- Increase usage of sick leave
- Back fill for vacations
- Fire training and supported events
- Increase in wages

Recommendation:

Approve budget adjustment transfer of \$60,000 from General Fund Cash to Fire Department overtime budget, needed to provide funding for the remaining three months of FY'22

Fiscal Impact: Fire Department overtime budget adjustment increase of \$60,000 for General fund balance.

Recommendation: Noted above

Speaker's Name Jesus " Chuy" Morales

6. **Street Department Request For A Budget Adjustment For Fuel Purchases In The Amount Of \$30,000.00.**

The Street Department Staff is requesting a budget adjustment in the amount of \$30,000.00 form the 216- Fund into the 216- Operations Budget. These funds will be used to purchase fuel to continue the Street Department's daily operations, Such as Mill and Overlay, Residential Clean, Snow Removal, Drainage, Pothole Patching, Arts Crawl, Parades and other City Events.

Fiscal Impact: \$30,000.00 From The 216- Fund into the 216- Operations Budget for Fuel Purchases.

Recommendation: Staff recommends approval of the budget adjustment in the

amount of \$30,000.00

Speaker's Name Robert Hamblen

7. Award Of Contract To Bohannan Huston To Update The Economic Development Element Of The City Of Gallup Growth Management Master Plan (GMMP)

City Staff is requesting City Council approval for award of contract to Bohannan Huston to update the Economic Development Element of the City of Gallup Growth Management Master Plan (GMMP). City Council approved Resolution No. R2021-25 thereby accepting New Mexico Finance Authority Grant and Project No. PG-5620 in the amount of \$50,000.00 at their regular meeting on August 10, 2021. This grant was awarded to the City to specifically update the Economic Development Element of the GMMP. Bohannan Huston has been selected to perform this task with City Council approval.

Fiscal Impact: Grant funds in the amount of \$50,000.00 have been appropriated for this project with approval of Resolution No. R2021-25 on August 10, 2021

Recommendation: Staff recommends City Council award contract to Bohannan Huston for said project.

Speaker's Name C.B. Strain

Documents:

[SIGNED RESOLUTION NO. R2021-25, NMFA GRANT.PDF](#)
[ECONOMIC DEVELOPMENT PLAN CONTRACT NO.2.PDF](#)

E. Discussion/Action Topics

1. Coal Avenue Commons Phase II Construction Contract Award

Construction Bids for Phase II of the Coal Avenue reconstruction project were opened on March 10, 2022. There was one responsive bidder therefore the apparent low bid is \$3,308,327.33, the apparent low bidder is Murphy Builders of Gallup, NM. Phase II will complete the Coal Avenue Commons project. Attached is the letter of recommendation and bid tabulation sheet from Wilson and Company who is the design engineering firm for the project. Staff respectfully asks City Council to approve award of bid to Murphy Builders for construction of Phase II of the Coal Avenue Commons project.

Fiscal Impact: A revenue and expenditures budget was approved by City Council for this project on October 12, 2021 through Resolution No. R2021-34 (attached) for \$3,500,000.00 which includes 5% matching funds of \$175,000.00.

Recommendation: Staff recommends award of construction contract to Murphy Builders for said project.

Speaker's Name C.B. Strain

Documents:

[COAL AVENUE PHASE II - AWARD LETTER RECOMMENDATION.PDF](#)

2. BOR/WAPA/GALLUP Water System Electric Contract

Attached is the final iteration of the Contract No. 22-SLC-1099 between the above mentioned entities. This Contract provides a firm energy source for the City of Gallup Water system until water is available from the NGWSP and thereafter in case of emergency curtailment of NGWSP water flow. The contract provides for 2,000 KW demand per month and 1,250,000 kWh of energy per month. The contract also provides for the reconciliation of additional power needs if new wells are added. The initial pricing is at \$5.25 per KW and \$0.01236 per kWh, which equates to \$25,950 per month.

Staff is recommending Council approval of this Contract which already has signatories of the Western Area Power Administration and the Bureau of Reclamation.

Fiscal Impact:	The fiscal impact is a reduction in overall power cost to the City as it reduces power purchases from Continental Divide Electric Cooperative and replaces it with less expensive power from the Federal Hydropower system.
Recommendation:	Staff recommends Approval of Contract No. 22-SLC-1099
Speaker's Name	John Wheeler

Documents:

[GALLUP GROUNDWATER WELLS POWER SUPPLY CLEAN FINAL 02-16-2022_WAPA_RECLAMATION.PDF](#)

3. Request For A Full-Time Grants And Contract Manager Position For The Joe Danoff Airport.

Airport Staff is requesting a Full- Time Airport Grants And Contract Manager position. The duties for this position are as follows.

- o Manages and reports all Rural Air Service Data.
- o This position serves as the Grant Manager for Federal, State, and other agency funding of Public Works' Aviation projects.
- o Manages and administers grants from Federal Aviation Administration (FAA), New Mexico Department of Transportation Aviation Division (NMDOTAV), and New Mexico Department of Finance Administration (NMDFA) and The FBO Contract (Fixed Base Operator) .
- o Identifies grant sources for project funding. Oversees and directs with consultants as needed in the preparation and submission of grant applications.
- o Manages and directs comprehensive plans and programs for utilization of land and physical facilities, Property leases and operating agreements, property rentals and airport use fees. Administer and enforce aircraft hangar, land and facility lease agreements, oversee invoicing of airport user fees.

- o Assists Purchasing and Finance in the preparation and submission of year-end reports and Airports Revenues.

Fiscal Impact: A request For a budget Adjustment in the amount of \$18,000.00 from the 515- Fund to get through this Fiscal year. Funding for this Position will be included in next Fiscal year's budget proposal.

Recommendation: Approval of the budget Adjustment in the Amount of \$18,000.00 For the Postion discribed above.

Speaker's Name Robert Hamblen

Documents:

[AIRPORT GRANTS AND CONTRACTS MANAGER.PDF](#)

4. Request For An Additional Full-Time Position In The Human Resources Department

The Human Resources (HR) Department has been short-handed since the departure of the HR Director over a year and a half ago. Although the HR Director's position is unfilled, the job announcement is currently posted and remains "open until filled." To address the existing staffing shortage, staff is requesting approval of an additional full-time position, a HR Technician, to assist with the wide variety of administrative functions in the department. Attached is a copy of the job description for the HR Technician's position. Staff also recommends maintaining the additional position on a permanent basis once a HR Director is hired.

Fiscal Impact: Since the HR Director's position is currently vacant, there are existing funds available in this fiscal year's budget. The cost for this fiscal year should not exceed \$9,500. Funding for this position will be included in next fiscal year's budget proposal.

Fiscal Impact: See the summary above.

Recommendation: Approve the request for one additional full-time position (HR Technician) in the HR Department.

Speaker's Name Alfred Abeita II, Acting HR Director

Documents:

[JOB DESCRIPTION HR TECHNICIAN.PDF](#)

5. Approval Of NM Opioid Allocation Agreement And Decision Regarding Funding Distribution

This agenda item requests that Council approve the NM Opioid Allocation Agreement and authorize the City Attorney to sign the agreement on behalf of the City. It also requests a decision regarding whether to participate in a "regional" distribution of the funds or to receive the funding independent of any other governmental entity.

The State of New Mexico and 53 eligible cities and counties have entered into

two settlement agreements with three large distributors and one manufacturer. The "Distributor Settlement" is the national settlement that City Council approved at its January 11 meeting. The Janssen/J and J Settlement is specific to NM and provides for a slightly higher settlement amount than the national settlement and also provides that all funds will be paid out within one year. Council also authorized the City Attorney to execute the agreement that the NM Attorney General was negotiating with J and J and that has been done.

The national agreements have a default distribution between state and local governments, but states and their local governments can agree to a different distribution. Most states have done so. The NM Attorney General's Office and local governments, primarily through the NM County Attorney's Association, have negotiated the settlement agreement that is attached to this agenda item. It provides for a distribution of 45% to the state and 55% to local governments IF all 53 of the eligible cities and counties agree to the Distributor and the J and J settlements. That 100% participation has been obtained.

The Distributor Agreement provides approximately \$158.3M to New Mexico, to be paid out over 18 years. (see the attached "Distributor Settlement flowchart") The NM Allocation Agreement provides for a settlement administrator to be paid from that amount and the cost will be split 50/50 between the state and the local governments. It is not known what the cost for an administrator will be, but in looking at a handful of publicly available agreements from other states, none provide for more than 0.5% of the state's total allocation to cover administrative costs. Assuming a similar cost in New Mexico, that leaves approximately \$157M with the "Local Government Share" being \$86.35M.

\$15% of that amount is set aside to a "Backstop Fund." The local governments in NM that filed suit against the three distributors all entered into contingency fee arrangements with outside counsel. The national settlements both set up funds from which outside counsel can apply for compensation. If they do not receive an amount equal to 15% of the amount the government entity is awarded, the backstop fund will supply the difference. Any funds left will be distributed to local governments.

The remaining \$73.4M (approx.) will then be distributed to the 53 eligible local governments according to the allocation percentages determined in the national settlements. Based on Gallup's allocation percentage of 0.7722895935%, the City will receive approximately \$567K to be paid out over the next 18 years. There should be some additional funding once outside counsel have been paid out of the "Backstop Fund."

The J and J Agreement provides \$39M to New Mexico, all of which will be paid out within one year. (see the attached "J and J Settlement flowchart") Using the same distribution percentages as discussed above, Gallup will receive approximately \$141K within this calendar year.

The NM Allocation Agreement incorporates the same list of approved uses for the funding that is contained in the national settlements. It is attached to the agreement as "Exhibit B" but has the heading of "Exhibit E" at the top of the

page.

The agreement also provides that the counties in which there is an eligible city and those cities have three choices for how their funding is distributed:

1. The default setting is that the county and any eligible city's within that county are a single "region" that receives only one payment;
2. Notify the Attorney General before July 1 that the county and the associated cities want to receive their funding separately; or
3. Notify the Attorney General by July 1 that two or more counties and the associated cities have created a region consisting of all those entities, in which case a single payment will be made to the region.

Therefore, if the City wants to receive its allocation share independent of the County, we will need to notify the Attorney General's Office prior to July 1. Similarly, if the City wants to participate in a joint effort with other governmental entities in addition to McKinley County, the Attorney General's Office must be notified of that decision before July 1.

Fiscal Impact:	The agreement will result in additional revenue of approximately \$175K in FY23 plus approximately \$550K in the subsequent 17 fiscal years.
Recommendation:	Approval of the NM Opioid Allocation Agreement
Speaker's Name	Curtis Hayes

Documents:

[OPIOID ALLOCATION AGREEMENT.PDF](#)
[DISTRIBUTOR SETTLEMENT FLOWCHART.PDF](#)
[J AND J SETTLEMENT FLOWCHART.PDF](#)

6. Recommendation Of Award For Formal Bid No. 2204 - To United Drilling, Inc. For Well Drilling And Testing Services

Project will be performed by United Drilling, Inc. of 2521 Elfego Road NW Albuquerque, NM 87107 License # 1192 Water Well Driller NM Workforce Solutions:139383 for the total amount of \$ 3,564,851.40 including New Mexico Gross Receipts Tax.

Funding for this project will come from the City of Gallup Award of the Junior Appropriation 21-ZF5031 from the New Mexico Department of Finance and Administration (DFA) and Water Trust Board (WTB) Project No. 5424-WPF.

NMFA-WTB - \$3.5 million / NMDFA - \$2 million

Project consist of Well SJ-1491 Drilling and Testing and entails the following; mobilization and demobilization of the project, drilling 2660 LF bore hole complete and in place as specified, Providing and installing 2780 LF threaded and coupled 13.375-inch O.D. API J-55 or K-55 steel casing. This item also includes steel bow spring type centralizers with 2-

inch stand, as well as a float shoe, complete and in place as specified. Pressure cementing the 13.375-inch O.D. Stimulation by hydraulic fracturing, providing and installing 8.625-inch O.D. type 316 stainless steel blank liner, including bull nose end cap and up to 4 shale catchers. Providing, installing, and removal of the test pump and appurtenances. Additional items as necessary or required.

Fiscal Impact: Funding from DFA Project No. LA2202 and NMFA - WTB Project 5424-WPF
Recommendation: Staff recommends approval of bid award and budget adjustments
Speaker's Name Tim Bodell - W/WW Director

Documents:

[RECOMMENDATION OF AWARD.PDF](#)
[BID TABULATIONS.PDF](#)

7. Award Of The Economic Development Services RFP 2021/2022/07/P To Greater Gallup Economic Development Corporation (GGEDC)

RFP's were received by the deadline of March 4, 2022. Proposal(s) were evaluated and GGEDC was recommended by the Evaluation Committee for award.

506 6063 444 4540 (Water Dept.) \$125,000

507 6061 442 4540 (Electric Dept.) \$125,000

Fiscal Impact: \$250,000. annually (no change)
Recommendation: Staff recommends approval of RFP 2021/2022/07/P
Speaker's Name Maryann Ustick, City Manager

Documents:

[TABULATION 2021.2022.07.P ECONOMIC DEVELOPMENT SERVICES.PDF](#)
[ECONOMIC DEVELOPMENT SERVICES DRAFT CONTRACT.PDF](#)

F. Comments By Public On Non-Agenda Items

Members of the public are invited to comment on matters not appearing on the meeting agenda.

G. Comments By Mayor And City Councilors

H. Comments By City Manager And City Attorney

I. Motion To Adjourn

the State of New Mexico, this Agenda was posted at a place freely accessible to the public 72 hours in advance of the scheduled meeting.