

AGENDA

GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, JULY 14, 2020; 6:00 P.M.



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

PUBLIC NOTICE: In accordance with the public health order issued by the New Mexico Department of Health, the meeting will be physically closed to the public; however, it will be accessible to the public via the following technology service:

Facebook Live stream through the City of Gallup's Facebook Page:
<https://www.facebook.com/CityOfGallup/>

Members of the public may submit comments on non-agenda items toward the end of the meeting. 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. Certification For The Record Of The Matters Discussed During The Closed Session Of July 14, 2020

D. Approval Of Minutes

Special Meeting of June 18, 2020
Regular Meeting of June 23, 2020

Documents:

[DRAFT MINUTES JUNE 18 2020 SP MTG.PDF](#)

E. Discussion/Action Topics

1. Resolution R2020-21; Authorizing And Approving Submission Of A Completed Application For Financial Assistance And Project Approval To The New Mexico Finance Authority

We are requesting approval of resolution R2020-21 to authorize applying for refunding of GO bonds. This refunding will reduce the payments in the current FY by an estimated amount of \$771,341 which is being done to help balance the anticipated reduction in revenues utilized to pay this debt. We are only restructuring current debt, not adding additional debt at this time.

Fiscal Impact: The restructuring will reduce current year payments by \$771,341 relieving pressure on anticipated limited funding as a result of the pandemic.

Recommendation: Approve resolution R2020-21

Speaker's Name Patty Holland

Documents:

[NMFA APPLICATION RESOLUTION 2020 21.PDF](#)

2. Application For Private Security Guard Business License By Desert Wolf Security Inc.

Desert Wolf Security, Inc. submitted the application and required documentation for the license to the City Clerk. In accordance with Section 3-11-4 of the City Code, the Chief of Police shall determine whether the public convenience and necessity would be served by the issuance of the license applied for and shall certify these findings to the City Council.

Recommendation: The Chief of Police has determined that the public convenience and necessity would be served by the issuance of the license and recommends approval.

Fiscal Impact: None.

Recommendation: See above

Speaker's Name Franklin Boyd, Chief of Police

Documents:

[DESERT WOLF SECURITY INC. -LICENSE APPLICATION_COMPLETE-REDACTED.PDF](#)

3. Gallup MainStreet Arts & Cultural District Memorandum Of Understanding And Professional Services Agreement

Through this Memorandum of Understanding and Professional Services Agreement the Gallup MainStreet Arts & Cultural District will:

1. Maintain a legally compliant 501c3 MainStreet organization to help revitalize and support economic growth within the designated Historic MainStreet in accordance with the New Mexico MainStreet guidelines and objectives.
2. Connect technical assistance and financial resources provided by the New

Mexico MainStreet Program to implement projects under the public-private partnership guidelines established by the biannual MOU.

3. Work closely with the City of Gallup officials, Chamber of Commerce and all organizations, individuals and entities in order to draw on resources to augment the work of its staff and Board to bring projects to completion and meet common goals.
4. Work with and coordinate activities between community civic groups, downtown businesses, financial institutions and the government; forge new and stronger relationships with public and private agencies and the downtown business community to ensure that teamwork is in place and ensure the success of the Gallup MainStreet Program and its initiatives.
5. Provide a qualified, experienced MainStreet Program Executive Director to provide compliance reporting for the Gallup MainStreet Program and help coordinate revitalization projects in the Downtown Historic and Commercial District.
6. Establish committees to design, plan and implement projects that enhance economic development within the Gallup MainStreet District, including but not limited to business development, events, public relations, shop local campaigns, building improvements, facade or curb appeal projects, streetscapes, placemaking and beautification efforts.
7. Work with the City on developing priority projects to include Infrastructure Capital Improvements Plans and seek public funding for public infrastructure projects that support district revitalization.

Recommendation:

Approve the Biennial Memorandum of Understanding (MOU) Extension July 1, 2020 - June 30, 2020, between New Mexico Main Street Program, the City of Gallup and Gallup MainStreet Arts and Cultural District and the Professional Services Agreement with Gallup MainStreet Arts and Cultural District in the amount of \$40,000 for fiscal year 2021.

Fiscal Impact: \$40,000 (No fiscal impact, already budgeted)
Recommendation: See in the summary
Speaker's Name Maryann Ustick

Documents:

[GALLUP -MOU 2020_2022_NMMS SIGNED.PDF](#)
[GALLUP FY21 MS CONTRACT_FINAL-2.PDF](#)
[FY20-GMSACD-ANNUALREPORT-V2.PDF](#)

4. Gallup MainStreet Arts & Cultural District Agreement For Construction Mitigation For Coal Avenue Commons

Through this Professional Services Agreement, the Gallup MainStreet Arts and Cultural District will provide:

1. Communication services to downtown businesses impacted by the Coal Avenue Commons Construction Project.
2. Promotion and marketing of downtown to encourage customers to continue to support downtown businesses during and after construction.
3. Provide assistance, training and other services to businesses to help ensure continuity of operations during project construction.

Recommendation:

Approve Professional Services Agreement with Gallup MainStreet Arts & Cultural District for Construction Mitigation services in the amount of \$50,000 plus

NMGRT for a total of \$54,145.25, during the construction of the Coal Commons Avenue Project.

Fiscal Impact: No financial impact. Construction Mitigation expenses already included in project budget and charged to city's general fund contribution.

Recommendation: See in the summary

Speaker's Name Maryann Ustick

Documents:

[GALLUP MAINSTREET CONSTRUCTION MITIGATION CONTRACT.PDF](#)

5. Approval Of Annual Chamber Of Commerce Contract For Tourism Related Services

This agreement allows for the Gallup McKinley County Chamber of Commerce to continue to maintain and staff a Visitor Information Center within their facility at 106 W Highway 66 and includes funding for the Chamber to provide Advertising and Promotion services with the purpose of attracting visitors and increasing tourism. The contract would take effect at the date of signing and run through June 30, 2021.

Fiscal Impact: Budgeted for the amount of \$85,000. \$50,000 for the visitors center and \$35,000 for destination marketing services.

Recommendation: Approval of the FY21 Chamber of Commerce Contract for Tourism Related Services

Speaker's Name Jennifer Lazarz

Documents:

[CHAMBER CONTRACT FY21.PDF](#)

6. Ratification Of Collective Bargaining Agreement With United Mine Workers Of America (UMWA) Local 2005

The City of Gallup and the UMWA, Local 2005 have reached an agreement on a successor contract. The agreement contains economic provisions for clothing allowances, safety incentives, tool allowances, longevity pay, and health/dental insurance premium cost-sharing, which have been factored into the FY 2021 Budget that City Council has approved. The contract includes an economic wage re-opener in March 2021 which will be brought before City Council, if the parties agree to any wage settlement at that point in time. This is a multi-year contract that will extend into year 2023. The bargaining unit is comprised of non-probationary blue collar-type positions as listed in the *attached* Collective Bargaining Agreement.

Fiscal Impact: No additional budget impacts.

Recommendation: Staff recommends approval of the Collective Bargaining Agreement with UMWA Local #2005

Speaker's Name Klo Abeita, Human Resources Director

Documents:

[GALLUP UMWA FINAL SETTLEMENT SUMMARY JULY2020.PDF](#)
[CITYOFGALLUP-UMWA COLLECTIVE BARGAINING AGREEMENT.PDF](#)

7. Approval Of Agreement With NCI For Detox Administration And Operation And Budget Adjustment

The FY21 NCI Detox Administration and Operations Agreement and budget adjustment for \$835,000.

Fiscal Impact: The Detox Center Administration and Operations Agreement will be funded by the City of Gallup General Fund until the Liquor Excise Tax revenue resolution is signed. A budget adjustment from the General Fund in the amount of \$835,000.

Recommendation: Approval of Agreement for Administration and Operations for the Detox and budget adjustment

Speaker's Name Debra L. Martinez

Documents:

[FY21 GALLUP DETOXIFICATION CENTER LET 7.6.20.PDF](#)

8. Budget Adjustment To Provide For Negotiation Of A New Power Supply Contract

I am bringing this before the Mayor and Council to request a budget adjustment in the amount of \$100,000.00 from available funds in Account No. 507 into Account No. 507-6061-442-45-20. This account being the Contractual Services/ Attorney Fees account. This funding will provide for an effort to develop an RFP, do the proposal analysis, negotiate a Purchase Power Agreement (PPA) and provide support throughout the process for presentations and implementation. This new PPA will support or replace our current contract with Continental Divide Electric Cooperative, Inc. (CDEC) which expires in 2025.

This process will incorporate attaining the additional 5% of renewable energy allowed under the CDEC contract beginning in 2022.

This effort will take approximately 30 months from awarding this work to the firm of Stelzner, Winter, Warburton, Flores and Dawes, P. A., with whom we have a long standing relationship, to the signing of a PPA, and we have only 46 months to the end of the CDEC contract. The work to be accomplished will include and estimated 350 hours by Enchantment Energy Consulting, LLC, a subcontractor to the Stelzner, Winter law firm, and 60 estimated hours of work by Nann Winter of the Stelzner Winter Law firm.

Fiscal Impact: A budget adjustment in the amount of \$100,000.00 from the available cash in Fund 507 into Account No. 507-6061-442-45-20.

Recommendation: Staff recommends approval of this budget adjustment in the amount of \$100,000.00..

Speaker's Name John Wheeler

Documents:

9. Purchase Of Vacuum Reclosers For The Solar Farm Sectionalizing

The purchase of these reclosers is to protect downstream circuit loads from any faults emanating from within the Solar Farm. This was a formal bid process and we only received one bid from Western United of Albuquerque in the amount of \$29,400.00. Adding gross receipts taxes brings the bid price to \$31,843.88.

Fiscal Impact: There is no fiscal impact as there are funds available for this project in Account No. 307-6061-442-48-99, Project No. JU2018 which has a balance of \$119,183.36.

Recommendation: Staff recommends the purchase of these reclosers from Western United

Speaker's Name John Wheeler

Documents:

[BID TABULATION 2014 \(1\).PDF](#)

10. Contract Approval For A System Modeling And Inventory Program

Working in conjunction with Osmose, the pole testing company, Transmission and Distribution Services, LLC (T & D) our contract engineering firm, will include information gleaned from Osmose, as well as on site inspections, to be able to determine the need for additional capacitor banks, transformer loading, wire loading, voltage drops, and determination of sequencing of reclosers and fuses. This project will also give us an accurate inventory of our electric infrastructure. I am requesting a budget adjustment in the amount of \$550,000.00 from enterprise fund 507 to account No. 307-6061-442-45-30.

Fiscal Impact: Budget Adjustment fro enterprise fund 507 into account No. 307-6061-442-45-30 in the amount of \$550,000.00.

Recommendation: Staff recommends approval of this project with T & D Services in the amount of \$550,000.00.

Speaker's Name John Wheeler

11. Joint Use Management Program

I am before the Mayor and Council to ask for a Budget Adjustment from Enterprise fund 507 into Account No.507-6061-442-45-30 Professional Services, in the amount of \$139,630.00 for the purpose of implementing a Pole Attachment Management program. This is a program whereby Osmose (the pole inspection company) will take over management of the COG pole attachment program with all of the attached Communication Company cables. They, Osmose, will inventory all of the pole attachments of every company that has attachments on COG poles and will then assure, after reviewing each company's contract, that each company is paying the city pole attachment fees, franchise fees and any other applicable fees for each attachment. They will also estimate the weight loading capability of each affected pole to insure its' ability to carry everything attached to it. Included in this is a program that works in conjunction with the companies that tracks new and removed attachments. In discussion with Osmose management they assured me that in every instance of working with communication companies, the companies end up paying 60 to 70 percent of the cost of the inventory.

Fiscal Impact: A budget adjustment from Enterprise fund 507 into Professional Services Account No. 507-6061-442-45-30 in

the Amount of \$139,630.00.

Recommendation: Staff recommends the approval of the budget adjustment in the amount of \$139,630.

Speaker's Name John Wheeler

Documents:

[JOINT USE -APPLY-AUDIT-VISION-2020.PDF](#)

12. Supervisory Control And Data Acquisition (SCADA) Improvements

Staff is recommending a complete change out of our current configuration of gathering system data as well as power supply metering information which has been a mess for some time. We currently have to transmit data to out power suppliers over T-1 lines that are sketchy and expensive. This new system will use cell phone technology which is less expensive and more reliable. We desire to switch everything to a sole source provider, Sweitzer Engineering Laboratories, which provide most of the SCADA metering transmissions in the state. PNM is very much in favor of this change as they have experienced a multitude of problems acquiring data under the current system. The cost of this change is going to be \$285,000. An increase in this amount was funded on the CIP for Fiscal Year 2021.

Fiscal Impact: There is no fiscal impact as funding will be provided in CIP project JU1510 in Account No. 307-6061-442-45-30 as FY 2020 is closed and new funding is rolled into FY2021.

Recommendation: Recommend approval of the purchase of SCADA Controls Equipment from Sweitzer Engineering Laboratory.

Speaker's Name John Wheeler

13. Resolution R2020-22; Application For US Bureau Of Reclamation WaterSMART Grant (Announcement BOR-DO-21-F001)

The US Bureau of Reclamation (USBR) has extended the deadline for the WaterSMART Water and Energy Efficiency Grant for Fiscal Year 2021 (Attachment 1) from July 8, 2020 through July 31, 2020.

As the USBR has extended the completion date of the Navajo Gallup Water Supply Project (NGWSP) from December 2024 to November 2027, there may be the need for the City of Gallup to drill two to three ground water wells to ensure its water supply. At a cost of \$2 million to \$3 million per well, these wells will be difficult for the City to fund on its own.

Due to the extension of the NGWSP completion date, the City informed USBR of the need for funding for additional ground water wells. USBR management replied by sending Attachment 1 to City Staff and encouraging the City to apply for funding.

As a result, Staff is compiling an application for the WaterSMART Grant Program (Announcement No. BOR-DO-21-F001) in the total amount of \$2.25 million. City Staff are also researching State of New Mexico funding opportunities to use as a portion of the matchin funds required under this program, so that fiscal impacts to the City are minimized.

Staff requests that Council consider and approve Resolution No. R2020-XXX, which will authorize Staff to apply for funding under the WaterSMART program.

Fiscal Impact: None, at this time.
Recommendation: Staff recommends approval of Resolution R2020-22.
Speaker's Name Dennis Romero

Documents:

[ATTACHMENT 1 - 2021-WEEG-FOA FINAL.PDF](#)
[ATTACHMENT 2 - RESOLUTION R2020-XXX WATER SMART GRANT APPLICATION.PDF](#)

14. **Resolution No. R2020-23; High-Efficiency Water Conservation Incentive Rebates**

The City of Gallup has offered the following rebate programs to its residents:

- High-Efficiency (HE) Toilet and Showerhead Rebate: For City of Gallup Residential or Commercial businesses utility customers- to replace older than 1994 water-guzzling toilets, and showerheads and get a utility bill credit rebate from the city.
 - Residential customers can get:
 - \$100 for the first toilet
 - \$ 75 for the second toilet
 - \$ 50 for the third toilet
 - Commercial customers can get a \$75 utility bill credit for each older than 1994 toilet.
- HE Clothes Washer Rebate: Residents can receive \$100 back when you replace your old top-loading washer with an approved high-efficiency clothes washer (Consortium of Energy Efficiency (CEE) Tier rating of 2 or 3) efficient model.
- Rain Barrel Rebate: By installing a rain barrel to capture rain water, residents can receive a \$30 rebate for two rainbarrels
- Refridgerator Rebate: By trading in a less energy efficient, older refrigerator with a newer (Consortium of Energy Efficiency (CEE) Tier rating of 2 or 3) or Energy Star labeled efficient model, residents can receive a \$30 rebate credit.
- Xeriscaping Rebate: Residents receive a rebate for replacing irrigated turf grass with an approved xeriscape landscape (\$25 for every 100 square feet replaced).

Rebates are granted in the form of utility bill credits, in the total amount of up to \$5,000 per year.

The current rebate program expires this July. If the Council wishes to continue the program, approval via resolution is required.

Fiscal Impact: Up to \$5,000 per year in rebates (deferred revenue / bill credits) may be issued to City of Gallup residents.
Recommendation: Staff recommends approval of Resolution No. R2020-23.
Speaker's Name Dennis Romero

Documents:

[REBATES 2 YR RESOLUTION 7-14-2020.PDF](#)

15. G-80 Water Rights Application - Request For Budget Adjustment

As all protests to the City's 1983 G-80 Water Rights application have been dropped, the City's contract attorneys Stein and Brockmann requested the Office of the State Engineer (OSE) expedite approval of the City of Gallup Permit No. Application No. G-80/SJ-1491 (Attachment 1).

In response to this request, OSE detailed requirements for the City to update its 1983 hydrologic report compiled by John Shomaker and Associates (Attachment 2), so that the OSE Hydrology Bureau Staff would not conduct its own analysis.

As a result, Water and Sanitation Department (WSD) Staff requested cost estimates for this work to be completed this summer (Attachments 3 and 4). The cost estimate for the technical report update is \$39,804.41.

In addition to this report, OSE Staff and Management will require follow on meetings and legal briefs and documents to be submitted in support of the City's unprotested application. In order to cover both legal and technical costs, WSD Staff proposes a budget adjustment from the Water Enterprise Fund of \$80,000 to complete the application process. This budget adjustment would cover costs accrued by Stein and Brockmann and DePauli Engineering/John Shomaker and Associates.

There is currently \$105,547.90 encumbered from Fund 202 for the G-22 Water Rights Application. The G-22 application has been approved by OSE and the permit has been issued. There are follow on tasks detailed in the permit application that will not allow the full amount of the remaining balance to revert to Fund 202.

Rather than ask for additional funding for the G-80 application, Staff proposes the following:

1. A G-80 project be created for tracking costs and expenditures in support of the G-80 water rights application.
2. The current \$105,547.90 balance encumbered from Fund 202 for the G-22 water rights application be split out as follows:
 - o Appropriation of \$80,000 be transferred from the G-22 project to fund the G-80 water rights application.
 - o The remaining \$25,547.90 balance encumbered for G-22 to remain in place to complete tasks required by the OSE G-22 permit.

There is the potential that additional funding will be required for G-22 permit compliance, but as revenue impacts from the COVID-19 pandemic to all City accounts are still being examined, this would allow work to move forward with respect to both G-80 and G-22. If additional funding is required, a request will be made after fund balances have greater clarity.

Recommendation:

Staff recommends approval of budget adjustment and expenditure of up to \$80,000 from existing authorized encumbrances from Fund 202 for the completion of the G-80 water rights application process, as detailed above.

Fiscal Impact: No net impact. Funding to be taken from existing G-22 encumbrance from Fund 202.

Recommendation: Please see above.

Speaker's Name Dennis Romero

Documents:

[ATTACHMENT 1 - 2020-05-29 LTR SEEKING APPROVAL OF UNPROTESTED APPLICATION NO. G-80.PDF](#)
[ATTACHMENT 2 - OSE EMAIL REQUIREMENTS FOR G-80.PDF](#)
[ATTACHMENT 3 - G-80 SJ1491 APPLICATION PROCESS.PDF](#)
[ATTACHMENT 4 - SHOMAKER G-80 PROPOSAL 6-2020.PDF](#)

16. Resolution R2020-20; FY 2021 Clean & Beautiful Grant Award & Budget Adjustment Of Revenue/Expenditures Of \$30,300

The Litter Control and Beautification program, under the State of New Mexico Tourism Department has awarded the City of Gallup a grant in the amount of \$30,300. This "Clean & Beautiful" Grant was awarded to help clean and beautify Gallup with litter clean-up supplies, advertising, recycling supplies, community gardening supplies, to empower youth, and increase the KAB program capacity.

Recommendation:

Staff recommends the Acceptance & Approval of the FY2021 Clean & Beautiful Grant agreement and a budget adjustment of revenue and expenditures in the amount: \$30,300.

The attached grant agreement will terminate on June 30, 2021.

Fiscal Impact: A budget adjustment of revenue and expenditures in the amount of \$30,300 to the FY21 Budget. This funding requires a 25% match, which will be covered by In-kind services in the regular operating budget.

Recommendation: Acceptance & Approval of the FY2021 Keep Gallup Clean & Beautiful Grant agreement

Speaker's Name Elizabeth Barriga, Environmental Program Coordinator

Documents:

[FY2021 NM CLEAN-BEAUT GALLUP CONTRACT 6-4-2020.PDF](#)
[FY2021 C-B GRANT ACCEPTANCE RESOLUTION 6-23-2020.PDF](#)

F. Comments By Public On Non-Agenda Items

The public is invited to comment on matters not appearing on the published meeting agenda.

G. Comments By Mayor And City Councilors

H. Comments By City Manager And City Attorney

I. Motion To Adjourn

Pursuant to the "Open Meetings Act", NMSA 1978, Section 10-15-1 through 10-15-4 of 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.