

AGENDA

GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, AUGUST 11, 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. Approval Of Minutes

Regular Meeting of July 28, 2020

Documents:

[DRAFT MINUTES JULY 28 2020 REG MTG.PDF](#)

D. Discussion/Action Topics

1. U.S. Economic Development Administration (EDA) Grant Application

Approval

The City of Gallup and the Greater Gallup Economic Development Corporation (GGEDC) are requesting City Council approval to submit a U.S. Economic Development Administration (EDC) grant application for a grant in the amount of \$1,500,000.00 in order to develop a Comprehensive Gallup Recovery Plan. The plan will contain the following elements:

- Mayor's Summit on Community Resilience
- Airport Market Feasibility / Airport Economic Development Plan / Airport Master Plan
- Public-Private Partnership Infrastructure Plan
- Retail Recovery Plan
- Transportation Master Plan (including autonomous & aviation)
- Utility Master Plan

There is a local match in the amount of \$250,000.00 to be covered by the City of Gallup. These matching funds will be provided by State Funding for Economic Development.

Attached is the grant application. Members of GGEDC will be present during the Council meeting to answer any technical questions pertaining to the grant or any of the elements contained in the plan.

Fiscal Impact:	\$250,000.00 to be provided by State Funding for Economic Development
Recommendation:	Staff recommends approval to proceed with submittal of the EDC grant application
Speaker's Name	C.B. Strain

Documents:

[EDA APPLICATION - GALLUP RECOVERY PLAN \(1\).PDF](#)

2. Veterinary Services Award Of Contract

Per the City of Gallup, McKinley County Joint Powers Agreement for Veterinarian and Shelter services the City and County contract with private entities to provide these services. The current contracts are now expiring which requires new Requests for proposals to be advertised in order to receive proposals for these services. Requests for Proposals (RFP's) for veterinary services went out and one veterinarian responded. The RFP Evaluation Committee evaluated the proposal and met on July 24, 2020 to score the proposal using criteria developed and included in RFP 2019/2020/07/P. After thorough review and discussion the Evaluation Committee selected Clinton J. Balok as the veterinarian most qualified for the service. The reason for this selection is based on forty plus years of experience and expertise Mr. Balok has in the veterinary field and his familiarity with the City of Gallup and surrounding areas.

Fiscal Impact:	\$103,980.00 including taxes which will be split 60% City of Gallup and 40% McKinley County.
Recommendation:	Staff recommends approval of award of contract to Clinton J. Balok to perform veterinary services fo
Speaker's Name	C.B. Strain

Documents:

[RFP VET SVCS COST PROPOSAL-C BALOK.PDF](#)

3. Shelter Services Award Of Contract

Per the City of Gallup, McKinley County Joint Powers Agreement for Veterinarian and Shelter services the City and County contract with private entities to provide these services. The current contracts are now expiring which requires new Requests for proposals to be advertised in order to receive proposals for these services. Requests for Proposals (RFP's) for animal shelter services went out and one animal shelter service responded. The RFP Evaluation Committee evaluated the proposal and met on July 24, 2020 to score the proposal using criteria developed and included in RFP 2019/2020/06/P. After thorough review and discussion the Evaluation Committee selected the McKinley County Humane Society as the animal shelter most qualified for the service. The reason for this selection is based on twenty five plus years of experience and expertise the McKinley County Humane Society has in all aspects of shelter, adoption and animal care services with the City of Gallup and surrounding areas.

Fiscal Impact: \$175,000.00 which will be split 60% City of Gallup and 40% McKinley County.

Recommendation: Staff recommends approval of award of contract to the McKinley County Humane Society to perform shel

Speaker's Name C.B. Strain

Documents:

[RFP ANIMAL SHELTER SVCS MCHS \(2\).PDF](#)

4. Resolution R2020-26: Local Liquor Excise Tax Distribution

Local Liquor Excise Tax revenue is allocated to the City and the County based on the recommendations of the "LET Task Force" which is a committee comprised of City and County officials. The revenue that is distributed for FY 21 is what was collected in FY 20. The final revenue amount collected in FY 20 has not yet been determined, but will be at least \$1.25M.

The LET Task Force is recommending the following distribution:

\$835K to the City to pay for the operation of Gallup the Detox facility
\$200K to the County to operate the Juvenile Substance Abuse
\$100K to the County to operate the County DWI program
\$115K to the County to pay for detox and substance abuse treatment in the jail

When Council approved the contract with NCI to operate Gallup Detox for FY21, it also approved utilizing \$835K of general fund monies to pay for those services. With approval if this resolution, it will not be necessary to use the general fund.

The resolution was approved by the County Commission at its August 4 meeting. If the final revenue amount exceeds \$1.25M, the Task Force will meet to consider allocation of the additional revenue.

Fiscal Impact: Budget adjustment to reflect the \$835K increase in revenue.

Recommendation: Approval of the resolution

Speaker's Name Curtis Hayes

Documents:

[LET JOINT RESOLUTION 2020.PDF](#)

5. Budget Adjustment For Street Light Maintenance And Repair

I am requesting a budget adjustment in the amount of \$50,000.00 to Account No. 507-6061-442-44-95 which is the Street light Maintenance account. My original budget request of \$5,000 did not take into account that one hit and run on an aluminum street light pole could decimate the entire budget. It is also my understanding that even if an insurance claim is filed and paid, the money goes back into the 507 cash fund, not street light maintenance budget.

Fiscal Impact: A budget adjustment in the amount of \$50,000.00 from the available cash in Fund 507 into account 507-6061-442-44-95.

Recommendation: Staff recommends approval of this budget adjustment.

Speaker's Name John Wheeler

6. Request For Budget Adjustment - Water Dept Overtime

During the abbreviated budget process for this fiscal year, the line item for Water Department overtime was excluded from the final budget in account 506-6063-444.41-50.

The overtime budget approved for 506-6063-444.41-50 last fiscal year was \$200,000.

Staff requests a budget adjustment of \$200,000 from the Water Enterprise Fund (Fund 506) reserve into 506-6063-444.41-50 in order to address the omitted item.

Fiscal Impact: Budget adjustment (expenditure) of \$200,000 from Water Enterprise Fund reserve.

Recommendation: Staff recommends approval of budget adjustment of \$200,000 from Water Enterprise Fund

Speaker's Name Dennis Romero

7. Request For Budget Adjustment - Wastewater Rent Of Equipment And Machinery

With the advent of the COVID-19 crisis, the Wastewater Collections crew noted a significant increase in sewer line blockages due to a shortage of toilet paper and the public's increased use of flushable wipes and rags. Flushable wipes do not break down in the wastewater system and create debris blockages that inevitably lead to sanitary sewer overflows. In response to an increased wastewater collection line cleaning schedule, the Water and Sanitation Department rented an additional vacor truck in March and has had three wastewater crews continuously cleaning manholes and sewer lines to prevent blockages and overflows. The rental term for the month is almost complete, and WSD would like to extend the rental of this additional vacor truck for the following reasons:

1. The amount of blockages noted by the wastewater crews during the inspection, cleaning and jetting of manholes has not decreased;
2. One of the two vacor units the City owns has been experiencing a number of mechanical issues leading to significant downtime; and
3. A decrease in the current levels of vacor truck availability will very likely lead to a significant increase in sanitary sewer overflows, which will create a significant regulatory liability the the New Mexico Environment

Department and Environmental Protection Agency.

Please note that the City has requested reimbursement of \$59,000 via its CARES Act grant application from the State of New Mexico due to costs to date for this item.

Recommendation:

Staff recommends approval of budget adjustment of \$52,480 from Fund 506 for its rental equipment and machinery account budget line item (508-6062-443.47-12).

Fiscal Impact: Budget adjustment (expenditure) of \$52,480 from Wastewater Enterprise Fund (Fund 506) for account 508-6062-443.47-12.

Recommendation: Please see "Description" above.

Speaker's Name Dennis Romero

8. Fire Fund Budget Adjustment

The Gallup Fire Department Requests Council approval to budget unallocated cash funds from the 209 Fire Fund account in the amount of \$160,492.00 for the following items.

- \$86,792.00 to finalize the North Side Fire Station parking resurface project. Due to end-of-year constraints the final invoice for the project was not received in time to finalized for FY'20
- \$73,700.00 allocated to Fund 209 Vehicle Capital account for future purchase of an aerial apparatus teanatively FY'22 / FY'23.

Fiscal Impact: Budget expenditure increase of \$86,792 in Fund 209 Land improvement. Budget expenditure increase of \$73,700 in Fund 209 Vehicle Capital account.

Recommendation: Staff recommends budget approval.

Speaker's Name Jesus "Chuy" Morales, Fire Chief

9. FY'21 Trauma Fund Approval

The Gallup Fire Department is pleased to announce that we have been selected by the Department of Health, Trauma Systems Fund Authority to receive an award in the amount of \$16,600.00 to purchase one Power Gurney with accessories.

Year-to-date the Gallup Fire Department has responded to 3687 calls for service. Rescue & Emergency Medical Service (EMS) calls account for 89% for a total of 3282 calls. Use of a power gurney will enhance firefighter's safety specifically with back injuries.

Fire department will coordinate with Finance to appropriate award into the proper budget account.

Fiscal Impact: Budget adjustment of \$16,600 revenue and expenditure.

Recommendation: Staff recommends budget approval.

Speaker's Name Jesus "Chuy" Morales, Fire Chief

Documents:

[GFD AWARD LETTER UPDATED..PDF](#)

E. Comments By Public On Non-Agenda Items

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

F. Comments By Mayor And City Councilors

G. Comments By City Manager And City Attorney

H. 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.

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico held at Gallup City Hall, 110 W. Aztec Avenue, at 6:00 p.m. on Tuesday, July 28, 2020.

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 submit comment on non-agenda items later in the meeting.

Upon roll call, the following were present:

Mayor: Louie Bonaguidi

Councilors: Linda Garcia
Michael Schaaf
Yogah Kumar
Fran Palochak

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

Presented to the Mayor and Councilors for their approval were the Minutes of the Regular Meeting of July 28, 2020.

Councilor Palochak made the motion to approve the minutes of the Regular Meeting of July 28, 2020. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

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

1. Ordinance No. S2020-7; Authorizing the Execution and Delivery of a Loan Agreement and Intercept Agreement By and Between the City of Gallup and NMFA to Refinance GRT Bonds – Patty Holland, Chief Financial Officer

Ms. Holland presented the proposed Ordinance to refinance the 2010A Bonds, reducing the current year obligation in addition to payments for the remaining life of the bond and to allow the City's General Fund some flexibility to help manage the impact of the COVID-19 crisis. Due to the lowered interest rate, the bond obligation will be reduced by almost \$850,000. Ms. Holland said if the ordinance is approved a budget adjustment of \$90,000 will be needed to cover the closing costs and legal fees. No additional cash will be available at this time but it will be a possibility in the future.

Brief discussion followed regarding the overall savings and impact.

Councilor Schaaf made the motion to approve Ordinance No. S2020-7; Authorizing the Execution and Delivery of a Loan Agreement and Intercept Agreement By and Between the City of Gallup and New Mexico Finance Authority (NMFA) to Refinance the GRT

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Bonds and a budget adjustment of \$90,000 to pay for the issuance costs. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

2. Resolution No. R2020-24; 4th Quarter FY 2020 Budget Adjustments and Report of Actuals – Patty Holland, Chief Financial Officer

Ms. Holland presented the proposed resolution which encompasses all budget changes processed April 1, 2020 through June 30, 2020. She provided an overview and highlighted certain budget revisions made during the quarter and the required report to be submitted to the Department of Finance and Administration (DFA).

Councilor Palochak made the motion to approve Resolution No. R2020-24; 4th Quarter FY 2020 Budget Adjustments and Report of Actuals. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

3. AVA LLC ABA Land Ltd. Co. and Love's Travel Shop & Country Stores Inc., Final Subdivision Plat Approval – C.B. Strain, Planning Director

Mr. Strain said the properties currently consist of four (4) unplatted tracts of land and one (1) platted lot and explained the purpose of the subdivision is to reconfigure the existing properties by replatting the existing tracts into three (3) individual lots. Also included in the subdivision is the vacation of several existing unoccupied public utility and access easements. With approval of the Gallup Planning and Zoning Commission, Mr. Strain requested approval of the vacation, completing the approval process and to allow recording of the final plat with the McKinley County Clerk.

Councilor Palochak made the motion to approve AVA LLC, ABA Land Ltd. Co. and Love's Travel Shop & Country Stores Inc., Final Subdivision Plat Approval. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

4. Navajo Gallup Water Supply Project (NGWSP) Reach 27.11 Easement Agreement with Rico Land & Cattle Co. – Curtis Hayes

Mr. Hayes provided information regarding the application process for applying for funding. He presented a map of reach 27.11, which extends south from Gallup and will supply water to Navajo Tribal Utility Authority. Mr. Hayes said the agreement will allow for Rico Land and Cattle Co. to purchase water in the future at "in-city" rates and provided details about the land surrounding the reach.

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Councilor Garcia made the motion to approve the NGWSP Reach 27.11 Easement Agreement with Rico Land & Cattle Co. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Palochak, Schaaf and Mayor Bonaguidi all voted yes.

5. Resolution No. R2020-25; Request for Water Service Outside the City Limits – Dennis Romero, Gallup Joint Utility Executive Director

Mr. Romero presented the proposed Resolution in response to a request submitted by Mike McConnel, owner of Kachina Rentals, LLC, for water service outside city limits. Mr. Romero also presented a map of water lines and explained a plan to service William Acres with water in the future. He recommended approval of the resolution.

Councilor Garcia made the motion to approve Resolution No. R2020-25; Request for Water Service Outside the City Limits. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

6. Request to Approve Amendment No. 4 to the Wastewater Treatment Facility Design, Build and Operate (DBO) Contract with CH2M Hill (Jacobs) – Dennis Romero, Gallup Joint Utilities Executive Director

Mr. Romero provided details regarding a recent name change from CH2M Hill to Jacobs and explained two (2) items comprised in the amendment, including the contract terms being changed from calendar year to the City's fiscal year, the annual pass through costs and an itemized table of those annual costs. Mr. Romero said the adjustment to the annual service fee do not require documentation in the form of a contract amendment and noted that due to the completion of the Waste Water Treatment Plant Capital Project upgrades, there is a net reduction of \$107,552 in the annual service fee per the term of the DBO contract. The savings from that will be included in the first loan payment which is due in one (1) year.

Councilor Kumar made the motion to approve Amendment No. 4 to the Wastewater Treatment Facility Design, Build and Operate Contract with CH2M Hill (Jacobs). Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

7. Request for Budget Adjustment for Change Order No. 1–Highway 491 16-inch Waterline Replacement Project – Dennis Romero, Gallup Joint Utilities Executive Director

Mr. Romero said the Council approved the project in February 2020 and awarded the project to Adame Construction. However, while attempting to bore under Highway 491, the subcontractor encountered extremely hard rock that could damage equipment and

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pose a safety risk to employees. Mr. Romero included a cost proposal for approximately 120 hours of extended overhead and mobilization of other equipment. The proposed subcontractor cost is \$92,160.45, excluding the prime contractor's profit and overhead or tax, which could increase the total by about \$22,634, totaling \$114,794 for the change order. Mr. Romero requested a budget adjustment in the amount of \$108,000 from the Water Enterprise Fund cash reserve to cover costs associated with change order and leave a balance of \$9,700 for other minor project issues that may arise.

Councilor Palochak made the motion to approve the budget adjustment for Change Order No. 1–Highway 491 16-inch Waterline Replacement Project. Seconded by Garcia. Roll call: Councilor Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

8. Budget Adjustment for FY2021 Fire Protection Fund Distribution Award – Jesus Morales, Fire Chief

Chief Morales presented the budget adjustment of FY 2021 Fire Protection Distribution in the amount of \$616,698 and provided a specific breakdown, highlighting the projected minimum distribution amount of \$408,043 for the FY 2021 Fire Fund Budget, budget increase of \$208,655 in revenue and expenditures, \$142,352 loan payment to the New Mexico Finance Authority and the total distribution of \$474,089 to Fund 209.

Discussion followed regarding the annual loan payment of \$142,352 to the New Mexico Finance Authority.

Councilor Kumar made the motion to approve budget adjustment of Fund 209 revenue increase in the amount of \$208,655 and expenditure increase in the amount of \$474,089 for FY 2021 Fire Protection Fund Distribution Award. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

9. Walmart Community Grant Award – Jesus Morales, Fire Chief

Chief Morales presented the request for the budget adjustment in the amount of \$2,500 for a grant from the Walmart Community Grants Team for the purchase of Automated Defibrillators (AEDs).

Councilor Palochak made the motion to approve the Walmart Community Grant Award in the amount of \$2,500. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

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Public Comment on Non-Agenda Items

Janie Hall expressed appreciation for the Mayor and Councilors' support of the Black Lives Matter Movement, including a written message from the Mayor on June 3rd and the approval of street closure for a street mural project dedicated to the movement on June 18th. Ms. Hall provided statistics of systemic racism in the United States and asked the City Council to take a pledge created by My Brother's Keeper Alliance, asking local government bodies to address the use of police force and policies within their cities.

Comments by Mayor and City Councilors

Councilor Garcia reminded everyone about the community wide clean-up, which will be on the north side of town. The cleanup area on August 1, 2020 will include the Allison Housing area to the Miyamura Overpass. On August 22, 2020, the community cleanup will take place in the Chihuahuita neighborhood. She also thanked the Solid Waste Department staff for their work with the extra pick-ups.

Councilor Palochak also commented on the community wide clean-up and encouraged Stagecoach residents to clean their yards in time for the August 22nd pick-up. She also provided information regarding the Farmer's Market opening date of August 1, 2020 at the Lowe's parking lot, from 8:00 a.m. until 11:30 a.m. and encouraged attendants to practice social distancing and masks.

Comments by the City Manager and City Attorney

Ms. Ustick said Governor Lujan-Grisham has recently approved \$150 million in federal CARES Act funding, which will be given to the state, then passed down to local governments to help small businesses and provided information on the application process to receive the funding. If approved by the State, the item will be brought back to the City Council for their approval.

Clyde (C.B.) Strain, Planning & Development Director, provided an update on the Coal Avenue Commons Project, including the completed construction and details on planned construction. He also provided a time-frame for construction and plans to address issues with parking.

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

Louis Bonaguidi, Mayor

ATTEST:

Alicia Palacios, Deputy City Clerk

A. Applicant Information

A.1 EDA Application Identifier:

A.2 Please identify all applicants for this project:

City of Gallup: Gallup is located in northwest New Mexico, near the U.S. Four Corners region. Gallup is situated midway between Albuquerque, NM and Flagstaff, AZ on Interstate 40 and is bisected by historic U.S. Highway 66. Gallup has a population of 21,678 and is the county seat of McKinley County.

Greater Gallup Economic Development Corporation: GGEDC is a 501(c)(3) nonprofit and serves as the economic development organization for both the City of Gallup and McKinley County. GGEDC is managed and staffed by Certified Economic Developers (CEcD), and governed by an 8-member board of directors with a combined business experience in excess of 250 years.

B. Project Information

B.1 Provide a geographical definition of the region to be served by the investment (project), including the specific geographic location of the project within the region.

As a region, McKinley County is the 7th most populous county in New Mexico with a population of 71,492. McKinley County is home to two (2) federally recognized Native American sovereigns: 1) Navajo Nation and 2) Pueblo of Zuni. Native American, 75.5%, and White, 15.5%, comprise the majority of the racial makeup of the County. Those of Hispanic or Latino origin made up 13.3% of the population.

The project is to be located in Gallup, New Mexico, which is the sole municipality in McKinley County. The City of Gallup is bisected by Interstate 40 and the BNSF Railway transcontinental rail line, and is located approximately 140 miles west of Albuquerque, NM and 185 miles east of Flagstaff, AZ. With a population of 21,678 residents, the City of Gallup serves as the economic and health care hub for approximately 200,000 people living in northwest New Mexico and northeast Arizona.

B.2 Describe and outline the scope of work for the proposed EDA investment

To address the economic injury resulting from the coronavirus pandemic, Greater Gallup Economic Development Corporation (GGEDC) in cooperation with the City of Gallup (Gallup) seeks to develop the comprehensive Gallup Recovery Plan with deliverables as follows:

- Mayor's Summit on Community Resilience
- Airport Market Feasibility / Airport Economic Development Plan / Airport Master Plan
- Public-Private Partnership Infrastructure Finance Plan
- Retail Recovery Plan

- Transportation Master Plan (including autonomous & aviation)
- Utility Master Plan

The Mayor's Summit on Community Resilience begins the process of coordinating economic recovery by bringing together community residents, businesses, and institutions to begin charting a path forward.

The Gallup Municipal Airport ceased commercial air passenger service in 2010 and should air service have been available during the recent coronavirus pandemic, the community could have responded quickly to the pandemic by importing health care professionals and supplies.

A P3 finance plan allows the City of Gallup to leverage the large number of state, federal, philanthropic, and foundation resources to make investments into infrastructure critical to supporting the Gallup Municipal Airport and a burgeoning health care manufacturing sector.

The retail recovery plan provides for a comprehensive approach for reopening which allows the community to balance safety and commerce as well as recruit new business and investment.

The Transportation and Utility Master Plans will allow the City of Gallup to engage in infrastructure planning to ensure city roadways and utilities can support new business and expansions anticipated as a result of economic recovery.

B.3 Economic development needs

B.3.a Does the region in which the project will be located have a Comprehensive Economic Development Strategy (CEDS)?

Northwest New Mexico Economic Development District CEDS 2020 (on file with EDA).

B.3.b Describe the economic conditions of your region. Define the economic development need to be addressed by the proposed EDA investment and explain how the proposed investment will address that need.

According to StatsAmerica, per capita income for the City of Gallup places it at 3,066 out of 3,114 U.S. cities. McKinley County is one of the poorest counties in one of the poorest states in the entire United States. McKinley County's poverty rate ranks higher than any other county in New Mexico.

The Gallup Recovery Plan allows the City of Gallup to:

- Respond to the COVID-19 pandemic
- Support a burgeoning FDI-U.S. reshoring of health care manufacturing
- Secure U.S. Foreign Trade Zone status

- Leverage Qualified Opportunity Zone designation
- Successfully recruit businesses tied to aviation and transportation mobility

On May 1, 2020, New Mexico Governor Michelle Lujan Grisham sealed off roads in Gallup, NM to nonessential traffic and announced a ban on nonessential outings and required businesses to close. The New York Times, in a May 4, 2020 article entitled “New Mexico Invokes Riot Law to Control Virus Near Navajo Nation”, noted at the time, Gallup, NM had the third-highest infection rate of any metropolitan area in the U.S., while the Navajo Nation had a higher COVID-19 death rate per 100,000 than every state in the country except New York, New Jersey, Connecticut and Massachusetts.

As of July 8, 2020, despite representing just approximately 4% of the total population in New Mexico, Gallup- McKinley County reports 25.6% of the total COVID-19 cases in New Mexico with 3,525 out of 13,727 cases. In addition, McKinley County reports 34% of total COVID-19 deaths in New Mexico with 181 out of 519.

With a large regional at-risk population (the City of Gallup serves as a health care hub for northwest New Mexico and northeast Arizona with facilities such as the Gallup Indian Medical Center, Rehoboth Christian McKinley Hospital, Gallup Cancer Center, Gallup VA Clinic, and Gallup Dialysis Center), the lack of commercial air passenger service at the Gallup Municipal Airport has hampered efforts by slowing the arrival and deployment of health care professional, first responders, and critical supplies.

Recently, Rhino Health Inc. selected McKinley County as the location to manufacture its nitrile rubber glove products. As the first nitrile rubber gloves factory in the United States, Rhino Health has a supply chain which stretches to South Korea. Due to market demand, Rhino Health is currently in the process of expanding operations near Gallup. Rhino Health represents an opportunity for GGEDC to continue recruiting FDI manufacturing, particularly those companies involved in health care manufacturing or based in South Korea. The ability for a Foreign Direct Investor to fly directly into your community is a game changer and could be the difference in whether a project locates or not.

As GGEDC and the City of Gallup aggressively pursue manufacturers for relocation, particularly Foreign Direct Investment (FDI) manufacturers, the lack of a Foreign Trade Zone is a barrier to success. US Customs and Border Protection, as operators of U.S. Inland Ports & Foreign Trade Zones, requires commercial air service from communities seeking Foreign Trade Zone. The designation of the Gallup Municipal Airport as a Foreign Trade Zone would complement both manufacturing recruitment efforts and shovel ready site build outs at industrial parks throughout McKinley County including the Churchrock Industrial Park, Gallup Energy Logistics Park, and Prewitt Industrial Park.

The Gallup Recovery Plan allows the City of Gallup to become the rural hub in the U.S for transportation mobility research, development, testing, and manufacturing. Air passenger service will allow for the employees, researchers, executives and investors involved in the mobility sectors of autonomy, propulsion, or connected vehicles to access Gallup from any major airport in the U.S. Air passenger service not only connects Gallup-McKinley County to Silicon Valley and Detroit, it connects us to the global economy.

B.4 Applicant's Capability

Briefly describe the applicant's capacity to administer, implement, and maintain the project.

The City of Gallup will provide project administration by way of the City of Gallup Grants and Contracts Department. All financial billings, drawdowns, records, and reports will be maintained by the City of Gallup in coordination with GGEDC.

GGEDC has secured and administered local, state, federal, private and foundational funding to complete a number of economic development planning and workforce development projects in McKinley County including market feasibility studies, master site plans, target industry analysis, supply chain analysis, workforce assessments, and preliminary engineering reports. Funding sources for these projects include but are not limited to the U.S. Economic Development Administration, USDA–Rural Development, U.S. Environmental Protection Agency, HUD Community Development Block Grant small cities program, and New Mexico Finance Authority. In addition, GGEDC contracts with an independent, third-party, CPA to complete all organizational financial reviews and tax reporting.

B.5 List and describe the strategic partners and organizations to be engaged in this project.

City of Gallup The sole municipality in McKinley County is the economic and health care hub for northwest New Mexico and northeast Arizona. The City of Gallup owns the Gallup Municipal Airport, which sits on 359 acres. The goal for the City of Gallup is to mount an effective COVID response by importing health care workers from throughout the country via air passenger service to address the pandemic. Additionally, air passenger service will set the stage for economic post-recovery opening economic opportunities with autonomous transportation and health care manufacturing. The City of Gallup will serve as fiscal agent.

GLD Partners GLD Partners was founded in 2010 to address opportunities created by shifting global trade and logistics patterns, changing public policies and evolving markets and as a result creates and executes growth solutions for manufacturing companies, and public and private logistics and property asset owners and investors. GLD Partners will advise GGEDC.

Greater Gallup Economic Development Corporation Greater Gallup Economic Development Corporation is a 501(c)(3) nonprofit economic development organization, serving the City of Gallup and McKinley County. The transportation sector has been identified as a 'best-fit' target for recruitment by GGEDC. GGEDC will serve as project manager.

B.6 Describe the investment (project) impact and fit with EDA funding priorities.

The Gallup Recovery Plan aligns with US EDA funding priorities as follows:

- Mayoral leadership in times of crisis to support community resiliency.
- The Gallup Municipal Airport is critical infrastructure located in the City of Gallup's sole qualified opportunity zone.
- Air passenger service will ensure health care professionals are available to battle the COVID-19 pandemic.
- Gallup Municipal Airport with passenger serves now allows for Foreign Trade Zone designation, which supports FDI manufacturing recruitment targets including South Korea, Canada, and Europe.
- Retail recovery provides critical revenue for local government services and programs.
- Investment in infrastructure and utilities creates economic opportunities resulting in jobs and private investment.

B.7 Identify the proposed time schedule for the project

The proposed overall time frame from notice of funding is 24 months pursuant to the following general timeline:

- October 1, 2020 - Notice of Grant Award
- December 1, 2020 - Issue RFP
- February 1, 2021 - Begin Plan Development
- December 30, 2021 - Draft Report
- March 30, 2022 - Final Report
- June 30, 2022 - Project Closeout

B.8 Economic Impacts of the Project

B.8.a Please describe the economic impacts of the project:

The proposed project is expected to leverage \$250,000 in direct planning investment and builds on economic development investments made in infrastructure since 2013, which includes roads (\$100M), rail (\$40M) and water (\$75M), and totals in excess of \$210M.

As a result of economic planning, the City of Gallup economy will be robust and diversified with air passenger service, thriving retail, health care manufacturing, foreign direct

investment manufacturing, and transportation mobility research, development, testing, and manufacturing.

B.8.b Please identify the total number of estimated jobs and private investment that is expected to be generated by this project:

Estimated Jobs Created: 200 (potential)

Estimated Jobs Retained: 40 (potential)

Estimated Private Investment: \$30,000,000

B.8.c Please identify the source of Estimates above (check as many as apply):

Yes – Letters from Beneficiaries of the Project

No – Input/Output Model (e.g. IMPLAN, REMI)

No – Comparison to Similar Projects No – Other Method (specify below)

B.9 Beneficiaries of the Project

Beneficiary Name: City of Gallup

B.10 Non-EDA funding for the Project

B.10.a Are all non-EDA funds committed to the project, available as needed, and not conditioned or encumbered in any way that would preclude their use consistent with the purpose of the project?

Yes. City of Gallup will contribute \$250,000 in cash. Funds are available now.

B.10.b Identify the source, nature, and amount of all non-EDA funds.

Source / Amount / Date Available / Type / Restrictions:

Local / \$250,000 / August 1, 2020 / Cash / None

B.10.c Does the applicant plan to seek other federal financial assistance as part of or in connection with this project? If so, please describe the source, amount and any terms and conditions of the funding, and when the funding will be available for use by the applicant.

No

B.10.d Please attach documentation confirming non-EDA (matching or cost share) funding.

See attachment

B.11 Justification for Sole source Procurement Will you contract work to complete part or all of this project?

B.11.b Yes

If Yes, will contracts be awarded by competitive bid?

B.11.b.i Yes

B.12 Equipment Will any funds be used to purchase equipment?

B.12.b No

If Yes, will project funding be used to install the equipment?

B.12.b.i No

Please attach a list, including cost, description, purpose, and estimated useful life of any equipment that will be purchased as part of this project.

C. Regional Eligibility

C.1 Region Define the area/region that is the basis for this applicant's claim of eligibility. EDA will review and evaluate documentation submitted by the applicant to verify and determine eligibility.

The City of Gallup is located in McKinley County, which registers some of the highest poverty and unemployment rates in the nation. According to the 2010 Census, McKinley County's population was reported as 71,492, including 21,728 within the City of Gallup.

Per Capita Money Income in 2018 for McKinley County was reported as \$15,278, or just 46.8% of the national average. The 24-month average unemployment rate for McKinley County is 7.36%, which is nearly double the national average of 3.79%.

C.2 Source of data provided for regional eligibility determination

C.2.a The most recent ACS data published by the U.S. Census Bureau

C.2.b The most recent other federal data for the region in which the project is located

C.3 Check all that apply in establishing regional eligibility

C.3.A Unemployment Rate

C.3.B Per Capita Income

D. Budget and Staffing

D.1 Budget Justification

The request for \$1,250,000 in EDA non-construction planning assistance reflects the need for a wide and sustained collaboration with engineering and technical stakeholders to complete the robust scope of work. While each component in the scope has value, the synergy realized from component integration into a comprehensive path forward cannot be overstated. The budget allows for the community to respond accordingly to the severity of economic injury incurred as a result of the coronavirus to build short- and long-term community and economic resilience.

D.2 Indirect Costs

D.3 Key applicant staff

Patty Lundstrom who serves as the founding Executive Director for GGEDC will oversee and direct all economic development work. Ms. Lundstrom is a Certified Economic Developer (CEcD) and since 2017, has been an instructor at the New Mexico Economic Development Course at Western New Mexico University in Silver City, NM.

Ms. Lundstrom brings an extensive background in executive management, organizational development and government policy leadership. This includes over 30 years of experience in community and economic development, most recently as owner and principal of LAMGA, a consulting firm specializing in strategic planning for governmental and community organizations, and before that, as Executive Director for 25 years of the Northwest New Mexico Council of Governments (NWNMCOG) – the region’s EDA-designated economic development district.

As an elected member of the New Mexico House of Representatives since 2001, Ms. Lundstrom has an intimate understanding of state government, with expert-level knowledge in public budget and finance, as well as the full range of public and private sector issues affecting economic development in New Mexico.

Michael Sage is a Certified Economic Developer (CEcD) with over 15 years of economic development experience. Since 2012, Mr. Sage has served as the founding Deputy Director for the Greater Gallup Economic Development Corporation (GGEDC).

Mr. Sage is currently a member of the McKinley County Smart Growth Commission, NM IDEA, and the International Economic Development Council (IEDC). Mr. Sage has a Master of Public Administration (MPA) degree from the University of New Mexico, with undergraduate degrees in Political Science and Economics.

VI. COST/FEE PROPOSAL

Offeror shall present a monthly fixed fee billing rate inclusive of all expenses such as clerical support, long distance telephone calls, photocopies, express mail, facsimiles, etc. Monthly fee will remain firm and fixed for the term of the contract, including any renewals. TO BE SUBMITTED IN A SEPARATE SEALED ENVELOPE.

Fixed Fee per Month = \$ 8,000.00

= Annual Amount = \$ 96,000.00

Clinton J. Balok, DVM

VI. COST/FEE PROPOSAL

Offeror shall present a monthly fixed fee billing rate inclusive of all expenses such as clerical support, long distance telephone calls, photocopies, express mail, facsimiles, etc. Monthly fee will remain firm and fixed for the term of the contract, including any renewals. **TO BE SUBMITTED IN A SEPARATE SEALED ENVELOPE.**

Fixed Fee per Month = \$ 14,583.33

= Annual Amount =\$ 175,000.00



Joint Resolution

COUNTY OF MCKINLEY
Resolution No. AUG-20-055

CITY OF GALLUP
Resolution No. R 2020-026

Directing the Allocation and Distribution for Fiscal Year 2021 of Revenue Projected and/or Received

WHEREAS: McKinley County and the City of Gallup have entered into a Joint Powers Agreement of 2016 with approval by the New Mexico Department of Finance and Administration granted on May 18, 2020, (the "2020 JPA"); and,

WHEREAS: Paragraph 5 of the 2020 JPA requires an annual meeting of the JPA Revenue Receipt and Allocation Task Force (consisting of: for the City- The Mayor, The City Manager and the City Attorney; and, for the County – One Commissioner, the County Manager and the County Attorney) to determine the availability of funds with projected revenue and allocate and distribute the funds to be used by the parties on projects and programs; and,

WHEREAS: The LET projected revenues for FY – 21 and the received (cash balance) remaining at the end of FY-20 and available for allocation and use in FY-21 have been calculated to be \$1,250,000.00; and,

WHEREAS: The voters in November of 2019 approved the continuation of the LET requiring the adoption and implementation of a new Ordinance; which Ordinance became effective on March 1, 2020 and expires at the end of February 2023. The State Department of Taxation and Revenue, collects the tax and forwards the collected revenue to the local government two to three months after receipt; and,

WHEREAS: The JPA Revenue Receipt and Allocation Task Force did meet on May 5, 2020, and again on July 27, 2020 to recommend the Allocation and Distribution for FY 21; and,

WHEREAS: The Task Force did reach consensus on the Allocation for FY 21.

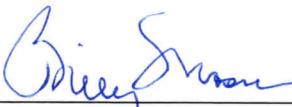
THEREFORE BE IT RESOLVED by the McKinley County Board of Commissioners; and, The City of Gallup Council, that the revenue received and projected to be received and available as Local Liquor Excise Tax moneys to allocate and distribute for FY21 is \$1,250,000.00; which is allocated for, and will be dispersed as follows:

- ▶ Eight Hundred and Thirty-Five Thousand Dollars (\$835,000.00) is allocated to the City of Gallup for the operations at the Gallup Detox Center; and, Distribution of this amount shall be made available and paid as the City of Gallup reviews and pays invoices from their Contract Operator of the Detox Center then forwards the paid invoices to the County as Fiscal Agent of the LET funds for reimbursement. Reimbursement/Payments will be issued by the first Thursday after the first Tuesday the paid invoice is received by the County.
- ▶ Four Hundred and Fifteen Thousand Dollars (\$415,000.00) is allocated to McKinley County to be sub-allocated: \$200,000.00 for the JSACC program(s) -- (providing juvenile case management services and prevention programs as a part of a continuum of care); \$100,000.00 for the County DWI program (s) -- (providing adult case management and treatment as part of a continuum of care); and, One Hundred and Fifteen Thousand Dollars \$115,000.00 for the Adult Detention Center (ADC) program(s) – (providing social detox services and in house treatment of substance abuse). Distribution of this amount will be paid upon invoice which will be paid as the JSACC, DWI and ADC programs invoice the County as Fiscal Agent of the LET funds for payment.

BE IT FURTHER RESOLVED by the McKinley County Board of Commissioners; and, The City of Gallup Council, recognize the importance of treatment, education and prevention programs for alcohol and drug substance abuse. With that understanding, the parties to this resolution agree to meet as needed through the Revenue Receipt and Allocation Task Force to consider allocation of non-allocated LET moneys received during the 2021 Fiscal Year.

THIS JOINT RESOLUTION regarding the allocation and distribution of the Liquor Excise Tax revenue received and projected (cash balance) available for FY-21 is passed, and approved in open meeting(s) of the parties on the date indicated by each date signed bellow.

McKINLEY COUNTY BOARD OF COMMISSIONERS:

DATE: 8/4/2020 By: 
Billy Moore, Chairperson

ATTEST:  - Chief Deputy Clerk
Harriett K. Becenti, County Clerk

CITY OF GALLUP:

DATE: _____ By: _____
Louie Bonaguidi, Mayor

ATTEST: _____
Alfred Abeita, City Clerk



July 1, 2020

Jessica Creech
Gallup Fire Department
1800 S. 2nd Street
Gallup, NM 87301

RE: Trauma Fund Award

Dear Ms. Creech:

The TSFA received and reviewed your FY21 Trauma System Development application. It is my pleasure to inform you that Gallup Fire Department's Trauma System Development application has been approved for funding, in the amount of **\$16,600.00 to:**

TASK	DELIVERABLE	AMOUNT	DUE DATE
1	Purchase one (1) Power Gurney with accessories and provide receipt of purchase	\$16,600.00	Within 30 days of purchase and no later than May 1, 2021
	TOTAL	\$16,600.00	

NOTE: All reports must be submitted by due date. No late reports will be accepted. All reports not accepted and approved will not be paid. You may request an extension for up to 30 days with TSM approval 15 days prior to due date. Any reports not in the format specified WILL NOT be accepted. All invoices must be on letterhead, accompanied by supporting documentation and submitted on or by date due. Any invoices received without supporting documentation WILL NOT be processed for payment

In order to receive your funds, please provide proof of purchase, proof of completion or attendance per your application and award. All deliverables must be completed no later than May 1, 2021 but may be invoiced at any time during the fiscal year, after date of execution. **If equipment is purchased, an invoice must be submitted within 30 days of purchase.**

All invoices must be submitted on letterhead with the current address on file at the DOH. The following information must be on the invoice:

- Be on facility/institution letterhead with remit address
- Date of invoice
- Date(s) of service
- **An invoice number beginning with current fiscal year (ex. TSD2021-01)**
- PO number
- The TASK number and a brief description of TASK completed

- The total amount invoiced for the TASK
- The total amount of invoice

If any of this information is not present, the invoice will be rejected, and a new invoice will need to be submitted with the appropriate information, and a delay in payment may occur.

Thank you for all you do as we continue to build and strengthen our Statewide Trauma System.

Sincerely,

A handwritten signature in blue ink, appearing to be "Michael Guinn", written over a faint, illegible background.

Michael Guinn, RN
State Trauma Coordinator
ERD/EMS/Trauma Program
1301 Siler Road, Bldg F
Santa Fe, NM 87507
Office: (505) 476-8223
Fax: (505) 471-2122