

Minutes of the Special Meeting of the Gallup City Council, City of Gallup, New Mexico, held virtually at Gallup City Hall, 110 West Aztec Avenue, at 10:30 a.m. on Tuesday, March 2, 2021.

The meeting was called to order by Mayor Pro Tem Fran Palochak. Upon roll call, the following were present:

Mayor Pro Tem:	Fran Palochak
Councilors:	Linda Garcia Michael Schaaf Yogash Kumar
Absent:	Louie Bonaguidi, Mayor
Also present:	Maryann Ustick, City Manager Curtis Hayes, City Attorney

Mayor Pro Tem Palochak said Mayor Bonaguidi's absence shall be considered an excused absence.

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

1. Resolution No. R2021-7; Endorsing New Mexico House Bill 270 Relating to Autonomous Vehicles – Maryann Ustick, City Manager

Ms. Ustick said the National Highway Traffic Safety Administration (NHTSA) has issued guidance defining responsibilities of federal and state governments regarding policies that pave way for the development and deployment of autonomous vehicles. The goal of state policies do not need to be uniform or identical to regulations across all states, but they need to be fairly consistent to avoid a patchwork of inconsistent regulations that may impede innovation and deployment of such vehicles. The major concern at the federal level, including the auto industry, is the creation of a patchwork of laws around the county that would not allow autonomous vehicles to travel between states and would not allow the same vehicles to be sold in every state. House Bill 270 seeks to align the State of New Mexico with the national framework through the adoption of definitions in the New Mexico Motor Vehicle Code pertaining to autonomous vehicles and creates a public process to permit autonomous vehicle research and testing on the State's roadways. The Greater Gallup Economic Development Corporation (GGEDC) has put into motion plans to bring autonomous vehicle research and testing, and eventually manufacturing to Gallup and McKinley County through the creation of the Gallup Mobility Hub centered at the Gallup Municipal Airport.

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Michael Sage, Deputy Director of the GGEDC, said the GGEDC is seeking resolutions of support of House Bill 270, as New Mexico is one of fourteen states in the country without legislation with regards to autonomous vehicles. Since 2018, Tesla has outsold Cadillac and Lincoln in terms of luxury cars in the market. House Bill 270 will enact uniform standards, uniform definitions and will provide a process for public safety to work with private companies to have access to test data. Mr. Sage explained how the State commissioned a report, the New Mexico Mobility Strategy, which calls for the creation of a Gallup Mobility Hub to support research and the development of autonomous vehicles. He said the local economy is in need of diversification due to the closure of the Escalante Generating Station, the indefinite idling of the Gallup Refinery and the impacts of COVID-19 pandemic on the retail, tourism and hospitality sectors. This economic development endeavor is to provide a response to these adverse effects to the local area.

Mr. Sage also recommended approval of the Resolution Endorsing New Mexico Senate Bill 133 Relating to Scheduled Rural Air Services under Discussion/Action Topic #2. He said it has been over a decade since the City has offered a scheduled rural air service and the pandemic has shown how critical an airport is to the community because of the need to transport patients and health care professionals. The City and the GGEDC have applied for and received a US EDA planning grant to develop an airport feasibility study. The purpose of the study is to obtain a thorough, technical analysis of the feasibility of providing a scheduled rural air service from the Gallup Municipal Airport.

Councilor Garcia commended Mr. Sage and the GGEDC for their work and expressed support of Resolution No. R2021-7 and House Bill 270.

Mayor Pro Tem Palochak also spoke in favor of the proposal based on the information she obtained from the Economic Roundtable on Mobility.

Councilor Garcia made the motion to approve Resolution No. R2021-7; Endorsing New Mexico House Bill 270 Relating to Autonomous Vehicles. Seconded by Councilor Schaaf. Roll call: Councilors Garcia, Schaaf, Kumar and Mayor Pro Tem Palochak all voted yes.

2. Resolution No. R2021-8; Endorsing New Mexico Senate Bill 133 Relating to Scheduled Rural Air Service – Maryann Ustick, City Manager

Ms. Ustick said Senate Bill 133 creates a new aviation grant program within the New Mexico Department of Transportation to support air service to rural parts of the state. The program awards grants to municipal or county governments to be used to provide air service operators minimum revenue guarantees for new air service routes. To be eligible for a grant award, a municipality or county is required to have a minimum population of

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20,000 people residing within a 50-mile radius of the airport. The local government would have to provide either a 10% match if there is no existing air service or a 50% match if there is existing air service. The maximum grant award would be up to \$1.25 million if there is existing air service or \$1.75 million if there is no existing air service. The grant would be for a two-year period. Senate Bill 133 creates the rural air service enhancement fund and provides an initial allocation of \$9 million from the general fund to the enhancement fund for expenditures in Fiscal Year 2022 and future fiscal years.

Mr. Sage provided an overview of other potential improvements for Gallup, including the designation of an Opportunity Zone on the west end of Gallup and the completion of the Allison Road Interchange to tie into the Gallup Municipal Airport serving as a catalyst for redeveloping the west side of Gallup and the Highway 66 corridor.

Councilor Kumar asked about the ongoing costs for service and if a funding source has been identified for those costs should the City acquire a rural air service. Ms. Ustick said Senate Bill 133 would provide money from the State's general fund to subsidize an air carrier. Although there was a proposal to use lodger's tax revenues to pay for rural air service, lodger's tax has been impacted by the COVID-19 pandemic.

Councilor Schaaf made the motion to approve Resolution No. R2021-8; Endorsing New Mexico Senate Bill 133 Relating to Scheduled Rural Air Service. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar and Mayor Pro Tem Palochak all voted yes.

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

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Louie Bonaguidi, Mayor

ATTEST:

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Alfred Abeita II, City Clerk