

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico held virtually at Gallup City Hall, 110 West Aztec Avenue, at 6:00 p.m. on Tuesday, March 23, 2021.

The meeting was called to order by Mayor Louie Bonaguidi. He provided instruction to the public viewing the meeting through Facebook Live on how to provide comment on non-agenda items.

Upon roll call, the following were present:

Mayor:	Louie Bonaguidi
Councilors:	Linda Garcia Michael Schaaf Yogash 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 Special Meeting of March 2, 2021 and the Regular Meeting of March 9, 2021.

Councilor Schaaf made the motion to approve the Minutes of the Special Meeting of March 2, 2021. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar and Mayor Bonaguidi voted yes. Councilor Garcia abstained. Motion carried.

Councilor Schaaf made the motion to approve the Minutes of the Regular Meeting of March 9, 2021. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar and Mayor Bonaguidi all voted yes. Councilor Garcia abstained. Motion carried.

Presented to the Mayor and Councilor were the following Presentation and Information items:

1. 2021 Legislative Update – State Rep. Patty Lundstrom

State Representative Lundstrom provided an overview of the 2021 Session of the New Mexico Legislature:

- Total budget amount of \$7.4 billion, a 4.8% increase from last year.
- Additional funding to public education.
- House Joint Resolution 1, a proposed amendment to the State Constitution, to increase the distribution from the Land Grant Fund to Early Childhood Education programs.

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- Liquor License Reform and Deliveries Bill, authorizing home delivery of alcoholic beverages to customers purchasing a meal, lifts restrictions of Sunday alcohol sales, prohibits the sale of miniature bottles for off-site consumption and restriction of liquor sales at gas stations located in McKinley County.
- Senate Bill 1, will provide an additional income tax deduction for persons earning under \$31,000 and families earning under \$39,000 and also creates a new gross receipts tax deduction for restaurants and bars.
- Senate Bill 2, will waive State liquor license fees.
- Senate Bill 3, amends and extends the Small Business Recovery Act completed last year.
- General Appropriation Act (House Bill 2) included Economic Recovery Efforts, Special Transportation Project for the next phase of Allison and Essential Air Service.
- Senate Bill 133, creates a new Aviation Grant Program with the Department of Transportation (DOT) to support Air Service to rural parts of the State.
- House Bill 270, will change the Motor Vehicle Code as it pertains to autonomous vehicles, allowing rules and regulations for testing.

In terms of Capital Outlay and General Appropriations, Rep Lundstrom highlighted:

- \$4.14 million for the Gallup Public Safety Building.
- \$1.5 million for the Domestic Violence Shelter.
- \$75,000 for the redevelopment plan of the Alpine property.
- McKinley County received a total of \$17,871,000 for Capital Outlay.

Rep. Lundstrom said the session was difficult compared to previous years. She praised the lobbyist's efforts and mentioned the Governor's April 9th deadline as well as her plans to have a Special Session on March 31st to discuss the legalization of marijuana and the possibility of a salaried legislature.

Brief discussion followed regarding House Bill 6, the Impact Aid Bill, which will provide funding to additional schools that had not received funding over the past 50 years.

The Mayor and Councilors thanked Rep. Lundstrom and all other Representatives and Senators for all their hard work at the Legislative Sessions and how it impacts the City and County.

2. Strategic Plan Update – Jon DeYoung, Assistant City Manager

Mr. DeYoung provided a 2020-2021 Strategic Plan Tracking Sheet. A copy of the Tracking Sheet is attached hereto and made a part of these official Minutes. He highlighted the following:

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- Advocacy for a Hold Harmless Bill.
- The receipt of Cares Act funding for local governments and small businesses.
- Bond Restructuring, which was delayed due to revenue shortages.
- Staffing improvements made within the Gallup Police Department.
- COVID-19 Action Plan.
- Behavioral Health efforts, which secured funding while expanding programs.
- Navajo Gallup Water Project and the finalization of the G-22 Permit.
- Gallup Fire Department's Emergency Management efforts with regards to COVID-19 restrictions, as well as the Joint Emergency Management Plan with McKinley County, which will help secure FEMA funding in the future.
- Completion of labor negotiations and collective bargaining agreements.
- Red Rock Campground Enhancements.
- Westside business anchors and the City's role in Economic Development.
- Planning for the Gallup Inter-Tribal Indian Ceremonial.
- Small Business Support.
- Collaborative Efforts with McKinley County and the Navajo Nation.
- Completion of the Retail/Restaurant Study.
- Funding received for the Police building.
- Street Management Plan.
- Waterlines upgrade projects.
- Comprehensive city infrastructure facilities projects.
- Power Supply Agreement.
- Streetlight Performance Bond completion.
- Trail development and YCC Grant implementation.
- Combining the Parks, Trails and Bike Master Plan into the Transportation Master Plan.
- Residential development strategies.
- Beautification.
- Indian Health Services advocacy

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

1. Restore Funding for Furloughed Indoor Recreation Facility Positions – Maryann Ustick, City Manager

Ms. Ustick said since McKinley County has moved into the Green Level of restrictions according to the Governor's Public Health Order, indoor recreation facilities can be open with varying levels of occupancy restrictions. After a review of restrictions, staff recommended the following:

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Reopening:

April 1, 2021

Cecil Garcia Fitness Center

April 12, 2021

Gallup Aquatic Center

Larry Brian Mitchel Center

April 30, 2021

El Morro Theatre and Events Center

Restore funding for the following positions, furloughed in the FY 2021 budget:

March 24, 2021

- Supervisor, Maintainer and two (2) Recreation Coordinators at Cecil Garcia Fitness Center
- Supervisor, Head Lifeguard, Maintainer and three (3) Part-time Lifeguards at Gallup Aquatic Center
- Two (2) Recreation Coordinators at Larry Brian Mitchell Center
- El Morro Theatre Manager and Events Center

April 23, 2021

- Four (4) Part-time Theatre Assistants at El Morro Theatre

Councilor Schaaf made the motion to approve the restoration of funding for furloughed indoor recreation facility positions, as presented. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes.

2. Request for Budget Adjustment for Change Order No. 1 for Marce Court Sewer Line Repair (Formal Bid 2016) – Dennis Romero, Water & Sanitation Director

Mr. Romero presented the proposed budget adjustment in the amount of \$11,980 to cover additional costs due to unforeseen site conditions involving the deterioration of existing sewer lines and manholes that were originally not slated for replacement.

Councilor Palochak made the motion to approve the budget adjustment for change Order No 1 for Marce Court Sewer Line Repair in the amount of \$11,980, as presented. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

3. Request for Budget Adjustment in Overtime in Water Department and Budget Adjustment for FICA in Wastewater – Dennis Romero, Water and Wastewater Director

Mr. Romero presented the proposed budget adjustment due to higher than average repair services in the water distribution system, nearly depleting the Water Department's

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overtime budget. Mr. Romero requested budget adjustments from Fund 508 Wastewater Enterprise Fund in the amount \$65,000 into the overtime budget line item, \$6,000 into the FICA-Medicare line item and \$10,000 into the FICA-Security line item to carry through the end of the fiscal year.

Councilor Kumar made the motion to approve budget adjustments in the amount of \$65,000 into the Overtime budget, \$6,000 into the FICA-Medicare budget and \$10,000 into the FICA-Social Security budget, as presented. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

4. Request to Increase Budget-Bidding Assistance and Construction Management Services Maloney Waterline Replacement – Dennis Romero, Water and Wastewater Director

Mr. Romero provided information regarding the exclusion of construction management and oversight in the original purchase order and details regarding an unexpected requirement by the New Mexico Department of Transportation (NMDOT) in which NMDOT was not willing to waive. Mr. Romero explained, as a result of the increased designed efforts and the additional construction inspection and oversight services required by NMDOT, engineering costs have increased by \$67,158.30. Pending approval, a budget adjustment may be required after bids are opened on April 6, 2021, for construction.

Councilor Schaaf made the motion to approve a budget increase in the amount of \$67,200 for the Maloney Waterline Replacement Project. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Kumar and Mayor Bonaguidi all voted yes.

5. Request for Budget Adjustment – Santa Fe Wells No. 11 and 12 – Dennis Romero, Water and Sanitation Director

Mr. Romero presented the proposed budget adjustment due to increased costs and complexity of the projects. He provided a breakdown for Construction Management Services provided by DePauli Engineering, totaling \$25,103.59. He also explained the project has a remaining balance of \$5,088.13; therefore, he requested a budget adjustment in the amount \$20,050 from Fund 506 by increasing PO #90178.

Councilor Kumar made the motion to approve the budget adjustment in the amount of \$20,050 from Fund 506. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

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6. Budget Adjustment-Asset Management Plan-Lucity – Dennis Romero, Water and Sanitation Director

Mr. Romero said a great deal of progress has been made to the Asset Management Plan (AMP) for Utilities; however, due to COVID related issues and a change in personnel in the IT Department, the AMP is not completed yet. Also, the Electric Department has opted out of this project in order to complete their asset inventory. Under these circumstances, a total of \$39,900.94 is need to complete the project, based on the following breakdown:

Remaining work on Lucity Purchase Order (PO) (with tax)	\$53,029.80
Water Department balance on Lucity PO	(1,830.19)
Water Department balance remaining in budget	<u>(11,298.67)</u>
Budget adjustment requested to complete AMP	\$39,900.94

Councilor Palochak stressed the importance of having the AMP completed.

Councilor Palochak made the motion to approve the budget adjustment for the Asset Management Plan in the amount of \$39,900.94 from Fund 506. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

7. Street Department Budget Adjustment for Overtime – Robert Hamblen, Acting Public Works Director

Mr. Hamblen said the Street Department is requesting a budget adjustment in the amount of \$15,000 from Fund 216 for overtime. The Street Department exhausted its overtime budget due to snow removal and other calls after regular working hours.

Councilor Garcia made the motion to approve the Street Department budget adjustment for overtime in the amount of \$15,000 from Fund 216 fund balance. Seconded by Councilor Schaaf. Roll call: Councilors Garcia, Schaaf, Kumar, Palochak and Mayor Bonaguidi all voted yes.

8. Budget Adjustment to Pay for Printing and Publishing Services – John Wheeler, Electric Director

Mr. Wheeler said City staff is requesting a budget adjustment to expenditures in Fund 507 from cash balances in the amount of \$30,000. Due to COVID related issues, the revenue and some expense categories were reduced and is now surfacing as shortfalls in funding. The printing of bills for all utilities has an expected shortfall of \$27,900 and staff is requesting a cushion of \$2,100. Staff is also requesting an additional budget

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adjustment to expenditures in Fund 507 in the amount of \$12,045.42 into Project JU21BB in Fund 307. This expenditure is for advertising the broadband survey through the local media.

Councilor Kumar made the motion to approve the budget adjustment to pay for printing and publishing services in the amount of \$30,000 from Fund 507 and \$12,050 from Fund 507 to expenditures and revenues in Fund 307. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

9. Budget Adjustment Increase for the Control Building for the Allison Substation – John Wheeler, Electric Director

Mr. Wheeler said City staff is requesting a budget adjustment from expenditures in Fund 507 for the purpose of increasing the fund balance in Project CI1771, which has a shortfall of \$130,000 for the purchase of the control building for the Allison Substation. The Mayor and Councilors originally approved this purchase on April 28, 2020, in the amount of \$335,748.93. This increase is the result of bidding out individual pieces of a project one at a time.

Councilor Palochak made the motion to approve the budget adjustment increase for the control building for the Allison Substation in the amount of \$130,000 from available funds in Fund 507 and expenditures and revenues in Fund 307. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

Comments by Public on Non-Agenda Items

None.

Comments by Mayor and Councilors

The Mayor and Councilors thanked Rep. Lundstrom, Rep. Wanda Johnson, Senator George Munoz and Senator Shannon Pinto for their work in representing the community at the Legislature.

Councilor Schaaf encouraged everyone to get their COVID vaccinations and to continue wearing their face masks.

Councilor Garcia said she is looking forward to the City's strategic planning next week.

Councilor Palochak said she is appreciative of the City's employees for the work they do. She thanked Ben Welch, Community Services Coordinator, for informing Veterans about a telephone scam asking Veterans to donate \$500 to obtain a \$20,000 grant for

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local Veterans services. She also thanked Fire Chief Jesus Morales for providing constant notifications on weather forecasts and having COVID testing available at the Fire Department. She encouraged everyone to work towards lowering the infection rate to achieve the turquoise level status so that the State will lower the public health restrictions in our community.

Councilor Kumar also thanked the legislators and City staff for their hard work.

Mayor Bonaguidi said he appreciates the work of City employees and thanked the Water Department for repairing a waterline at 3:00 a.m. near his business. He also was excited about the community's work to achieve the green level status of the State's Red to Green Framework to lower restrictions in Gallup and to allow businesses and City facilities to reopen. He is hopeful the county will be able to move to the turquoise level very soon. Mayor Bonaguidi thanked local legislators for their work on Impact Aid legislation which will benefit the local school district.

Comments by City Manager and City Attorney

Ms. Ustick said the City Council's Strategic Planning Work Sessions will be held on March 30 & 31, 2021 and will begin each day at 11:00 a.m. The public may view the live streams of the work sessions through the City's Facebook page. Department Directors will have their strategic planning retreat on March 29, 2021 to prepare for the work sessions with the City Council. Budget hearings will also take place on April 1, 2 and 5, 2021 with Department Directors. Departmental budget hearings with the Mayor and Councilors will take place on April 15, 2021.

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

Louie Bonaguidi, Mayor

ATTEST:

Alicia Palacios, Deputy City Clerk