

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, May 25, 2021.

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 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 Regular Meeting of May 11, 2021.

Councilor Schaaf made the motion to approve the Minutes of the Regular Meeting of May 11, 2021. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes.

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

1. Lodgers Tax Event Grant Awards Round 1 – Jennifer Lazarz, Tourism and Marketing Manager

Ms. Lazarz presented the Lodgers Tax Committee recommendations for funding for FY 2022. The events considered at the Lodgers Tax Committee meeting held on May 18, 2021 included: Kicker Arenacross, \$15,000; Friends of Hubbell September Auction, \$4,500; Desert 100 Race, \$9,200; 11th Annual TDFL, \$20,000 and Wild Thing Championship Bull Riding, \$22,500. Ms. Lazarz emphasized there will be 3 additional rounds for event organizers to apply for funding, with the next deadline being August 6, 2021. The Lodgers Tax Committee recommended a total of \$71,200 of the \$130,000 available for FY22 events.

Jeremy Boucher of the Lodgers Tax Committee responded to questions regarding the total amount recommended for the Wild Thing event and explained the determining factors in making their recommendations.

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Discussion followed regarding appreciation for the amount of time spent reviewing the applications, based on the City Attorney's recommendations on the allowable use of the funds, the benefits of compromise and concerns funding promotional items.

Greg Kirk, Kicker Arenacross Organizer, Sammy Chioda, TDFL Organizer and Larry Peterson, Wild Thing Championship Organizer thanked everyone for their time and support of their events.

Councilor Palochak made the motion to approve Lodgers Tax Event Grant Awards, Round 1. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

2. Ordinance No. C2021-4; Wastewater Rate Increase – Dennis Romero, Water and Sanitation Director

Mr. Romero presented the proposed ordinance and referenced a Special Meeting held on April 27, 2021, where the financial state of the Wastewater Enterprise Fund was discussed. Mr. Romero provided information regarding the City's aging infrastructure, postponement of capital projects, the increase in operational costs, issues caused by the inflow elevation of the Wastewater Plant, phasing out the Evoqua System currently being used to eliminate odor issues and the effects a rate increase will have on every citizen.

Ms. Holland explained the urgency of the increase based on a financial schedule created by RBC Capital Markets, the City's Financial Advisors. Ms. Holland provided information regarding cash-on-hand for the enterprise fund, debt service obligation, rate setting schedules, impact observation software and the approximate financial increase to citizens. She said the American Rescue Plan may provide funding for future needs and information will be provided to the Mayor and Councilors when it becomes available.

Mr. Romero provided additional information regarding the observation software and offered to provide a presentation at a future City Council Meeting.

Councilor Palochak questioned the status of the sludge dryer, the possibility of purchasing a new one and requested assurance the Evoqua system would remain in place until an alternative option is proven to keep odor issues at a minimum.

Discussion followed regarding the purchase of a new vector truck, the City's financial status, sustainability of the Waste Water Enterprise Fund, efforts being made to avoid future annual rate increases, the hardship this could create for citizens starting to recover from the impact of the pandemic and past implemented rate increases.

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Mr. Romero mentioned other municipalities with programs in place to help senior citizens on a fixed income. He stated, for the record, he would come back within nine months to outline a proposal that would provide some relief to qualifying seniors and customers on fixed incomes. He also highlighted the proposed sewer permit fee increase included in the ordinance.

Councilor Palochak made the motion to approve Ordinance No. C2021-4; Wastewater Rate Increase. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

3. Budget Adjustment and Project Authorization of a Gallup-McKinley County Regional Senior Center – Jon DeYoung, Assistant City Manager

Mr. DeYoung presented the proposed budget adjustment in the amount of \$100,000 from the General Fund cash reserves for completion of the design, as well as Construction Management Services for a Gallup-McKinley County Regional Senior Center, in addition to \$150,000 received from the State of New Mexico Senior Capital Outlay funding and \$250,000 from McKinley County. Mr. DeYoung said the grant award from the State will be brought back to Mayor and Councilors once received. He thanked the State, County, City staff, Mayor and Councilors for their support of the project and provided the fiscal impact.

Discussion followed regarding McKinley County's continued monetary support of the facility, regional use of the facility, the opportunity to apply for funding through the next General Obligation Bond issue, appreciation to the County for their help funding the design and the importance of working together.

Councilor Schaaf made the motion to approve the budget adjustment and project authorization of a Gallup-McKinley County Regional Senior Center, as presented. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes.

4. Resolution No. R2021-17; Resolution in Support of Senior FY 2022-2025 Capital Outlay Application – Kimberly Ross-Toledo, Senior Program Manager

Ms. Ross-Toledo presented the proposed Resolution as a requirement of the Aging and Long-Term Services Department Senior Capital Outlay Application for Fiscal Years 2022-2025. She provided a brief update of requested projects included in the application.

Councilor Garcia made the motion to approve Resolution No. R2021-17; Resolution in support of Senior FY 2022-2025 Capital Outlay Application. Seconded by Councilor

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Schaaf. Roll call: Councilors Garcia, Schaaf, Kumar, Palochak and Mayor Bonaguidi all voted yes.

5. Senior Center Budget Adjustment (NMAAA One-Time Special Appropriation Contract) – Kimberly Ross-Toledo, Senior Program Manager

Ms. Ross-Toledo presented the budget adjustment in the amount of \$3,000 from the Non-Metro Area Agency on Aging (NMAAA) as a one-time Special Appropriation Contract for the purchase of personal protective equipment (PPE) and computer upgrades.

Councilor Palochak made the motion to approve the budget adjustment in the amount of \$3,000 from NMAAA, a one-time special appropriation contract. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

6. Ordinance No. S2021-4; Repeal of Face Covering Ordinance – Curtis Hayes, City Attorney

Mr. Hayes presented the proposed ordinance to repeal an ordinance approved last year mandating face coverings in the City limits due to the State of New Mexico Department of Health continues to issue public health orders with regard to face coverings. To eliminate confusion due to the differences in the City's Ordinance and the public health orders, especially when it comes to vaccinated persons, Mr. Hayes recommended approval of the repeal effective July 1, 2021 and that City enforcement personnel revert to only the public health orders.

Councilor Schaaf made the motion to approve Ordinance No. S2021-4; Repeal of the Face Covering Ordinance. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes.

7. Ordinance No. C2021-2; Prohibiting the Sale of Package Liquor on Sunday Mornings – Curtis Hayes, City Attorney

Mr. Hayes said among the changes made to the Liquor Control Act was the removal of local option districts to prohibit sales of package liquor on Sundays. Due to that change, Mr. Hayes requested amending the ordinance prohibiting the sale of package liquor between 7:00 a.m. and 9:59 a.m. and extending the prohibition to Sundays.

Councilor Palochak expressed her concerns that the legislators allowed this change to happen and the negative impact it will have on local law enforcement. She also

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requested the Gallup Police Department document the changes experienced under the new law.

Brief discussion took place regarding plans to collect data from the detox facilities and the Police Department and intentions on returning to the current law in the future.

Councilor Schaaf made the motion to approve Ordinance No. C2021-2; Prohibiting the Sales of Package Liquor on Sunday mornings. Seconded by Councilor Kumar. Roll call: Councilors Schaaf, Kumar, Garcia, Palochak and Mayor Bonaguidi all voted yes.

8. Ordinance No. C2021-3; Repeal of Marijuana Possession Ordinance and Adoption of Smoking Cannabis in Public Ordinance – Curtis Hayes, City Attorney

Mr. Hayes provided information regarding the Cannabis Regulation Act, adopted in the 2021 Special Session establishing a comprehensive scheme allowing for the distribution and sale of cannabis products in New Mexico. It includes the creation of a “Cannabis Control Division” within the Regulation and Licensing Department which will be responsible for the licensing and regulation of businesses engaged in cannabis production, distribution and sale. The Act also eliminates criminal penalties for the possession of two ounces or less of cannabis, or 800 milligrams or less of edible cannabis. Possession of cannabis by persons under the age of 21 remains illegal, however it is a civil rather than a criminal offense and the maximum penalty is “attendance at a four-hour evidence based drug education and legal rights program at no cost to the persons or four hours of community service.” An additional civil violation in the Act is smoking cannabis in a public place which carries a \$50 civil fine. The Cannabis Control Division must have a regulatory scheme in place that provides for retail sales to begin no later than April 1, 2022. However, the provisions of the Cannabis Regulation Act that do not have a designated effective date later than June 29, 2021 have an effective date of June 29, 2021 pursuant to Article 4 §23 of the New Mexico Constitution. This includes those provisions decriminalizing possession of less than two ounces of cannabis. Therefore, the section of the Gallup City Code which prohibits possession of one ounce or less of marijuana will become null and void on June 29, 2021. The Act allows local jurisdictions to adopt “time, place and manner rules that do not conflict with the Cannabis Regulation Act.” Therefore, Mr. Hayes recommended that smoking cannabis in a public place be made a civil offense in the Gallup City Code with the same \$50 civil fine as the Act. Individuals smoking or vaping cannabis products in public areas could become a public nuisance and citation would be processed more efficiently in Municipal Court than in Magistrate Court.

Councilor Kumar made the motion to approve Ordinance No. C2021-3; Repeal of Marijuana Possession Ordinance and Adoption of Smoking Cannabis in Public.

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Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

9. Appointments to the Planning and Zoning Commission – Mayor Bonaguidi

Mayor Bonaguidi recommended the reappointment of the following members to the Planning and Zoning Commission: Kent Wilson, Keegan MacKenzie-Chavez, Fran Pawlowski, Loren Miller and Johnty Cresto. The terms of these members expire May 31, 2021 and all have expressed interest in serving another two-year term.

Councilor Schaaf made the motion to approve the reappointments of Kent Wilson, Keegan MacKenzie-Chavez, Fran Pawlowski, Loren Miller and Johnty Cresto to the Planning and Zoning Commission. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Kumar and Mayor Bonaguidi all voted yes.

10. Appointment of a Resident Member to the Gallup Housing Board of Commissioners – Mayor Bonaguidi

Mayor Bonaguidi said the Gallup Housing Authority Board of Commissioners has a vacancy for a board member who must be a resident of public housing, therefore recommended the appointment of Clayton Macias, a resident of the Sunshine Canyon public housing development.

Councilor Palochak made the motion to approve the appointment of Clayton Macias to the Gallup Housing Authority Board of Commissioners. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

Presented to the Mayor and Councilors was the following Presentation and Information item:

1. Delinquent Account Collection Procedures – John Wheeler, Electric Director

Mr. Wheeler provided information regarding utility accounts which include electric, water, waste water and solid waste. Mr. Wheeler provided the amounts due for accounts 120, 90, 60, and 30 days past due, totaling \$1,512,230. Mr. Wheeler reviewed Ordinance 2018-1; *Concerning Utility Billing and the Collection of Payments for Services* and provided a copy of the notification that will be provided to account holders by mail and an automated phone system, starting May 27, 2021. Mr. Wheeler said disconnects will start July 12, 2021 and arrangements made on accounts owing over \$1,000 will require approval by the City Manager.

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Brief discussion followed regarding the process when receiving financial assistance for utility bills.

Comments by Public on Non-Agenda Items

None

Comments by Mayor and City Councilors

Councilor Palochak said she was honored to welcome the Nation of Patriots', Patriotic Tour who visited the Veterans' Center and provided a flag to local patriots. She said the organization is made up of volunteers who help military families, disabled veterans and travel throughout the United States to encourage the support of all Veterans. She hopes to make this an annual event and to provide hamburgers and hot dogs next year.

Councilor Kumar commented on the financial obligation of a facility once construction is complete.

Mayor Bonaguidi expressed excitement for normalcy following the pandemic and plans for the Regional Senior Citizen Center. He and commended Dennis Romero and Wastewater staff for all their hard work.

Comments by City Manager and City Attorney

Ms. Ustick provided information regarding the American Rescue Plan through which the City is scheduled to receive a little over \$5 million for eligible activities over a 2 year period.

Councilor Schaaf made the motion to adjourn. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Palochak, Kumar and Mayor Bonaguidi all voted yes.

Louie Bonaguidi, Mayor

ATTEST:

Alicia Palacios, Deputy City Clerk