

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held at Gallup City Hall, 110 West Aztec Avenue, at 6:00 p.m. on Tuesday, January 25, 2022.

The meeting was called to order by Mayor Louie Bonaguidi. 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 were the following Consent Agenda Items:

1. Approval of Minutes from the Regular Meetings on December 14, 2021 and January 11, 2022.
2. Resolution No. R2022-2; 2nd Quarter FY 2022 Budget Adjustments and Report of Actuals
3. Budget Adjustment Request for the Mayor/City Council and City Manager Budgets
4. Budget Adjustment to Revenue and Expenditure for the Octavia Fellin Public Library in the Amount of \$\$98,691.50
5. Public Safety Building Schematic, Construction Contract Administration Phase Contract Award to Huitt-Zollars; Grant 20-E2625 Project LA2125

Councilor Schaaf made a motion to approve items 1-5 of the Consent Agenda. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

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

1. Presentation and Approval of GUP Air Service Market Evaluation Study – Maryann Ustick, City Manager

Ms. Ustick said the planning grant received from the Economic Development Administration last year, initiated a market evaluation for commercial air service at the Gallup Municipal Airport. RRC Associates was contracted to conduct the evaluation and

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analyze the data to assist the City in obtaining a Rural Air Service Enhancement Grant from New Mexico Department of Transportation (NMDOT).

David Becher of RRC Associates presented a PowerPoint presentation comprised of information based on the market analysis, route analysis and economic impact. He provided background information and likely characteristics; data sources including a Gallup-Area Employer Survey, Local Employer Focus Groups, Air Travel Data Sources and Socioeconomic Data; Catchment Area boundaries and flight demand of residents and visitors. A copy of the presentation is attached hereto and made a part of these official minutes.

Brief discussion followed regarding the availability of rental car service.

Councilor Schaaf made the motion to approve the GUP Air Service Market Evaluation Study. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

2. Award of Contract for Rural Air Carriers Service Enhancement – Frances Rodriguez, Purchasing Director

Based on the evaluation of the proposals submitted, Ms. Rodriguez recommended award of the contact to Advanced Air. She also provided information regarding the contract which is to be funded through the Rural Air Service Grant Program in the amount of \$1,750,000 per year, for two (2) years, in addition to a 10% local match of \$175,000 per year.

Ms. Ustick provided information regarding the purpose and status of the grant application, which has not been awarded and is subject to the City's selection of a carrier service. She mentioned additional funding for minor airport improvements and an anticipated start date of July 1, 2022.

Discussion followed regarding the contract's duration, sustainable profitability, development and implementation of a marketing plan, seat-by-seat subsidies, the potential to expand the program, the attainment of a Part 139 FAA certification and intentions to avoid the use of lodger's tax funds for this service.

Councilor Garcia made the motion to approve the award of contract for Rural Air Carrier Service Enhancement. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

3. Approval of Lodgers Tax Grant Funding Part 3 of 4 for FY22 – Jennifer Lazarz, Tourism and Marketing Manager

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Ms. Lazarz provided the recommendations presented at the Lodger's Tax Committee meeting on January 6, 2022 for FY22 and highlighted the February deadline for events taking place prior to June 30, 2022. The recommended funding for events includes the *Friends of Hubbell Native Arts Auction* on May 7, 2022 in the amount of \$5,300, the 72nd *Annual Gallup Lions Club Rodeo* to be held June 16th – 18th, 2022 in the amount of \$30,000 and *24 Hours in the Enchanted Forest Bike Race* from June 11th – 12th, 2022 in the amount of \$6,000. She also explained the increases in advertising costs which resulted in increases in requested amounts.

Brief discussion followed regarding the number of years the *24 Hours in the Enchanted Forest Bike Race* has taken place.

Councilor Garcia made the motion to approve the Lodger's Tax Grant funding, part 3 of 4 for FY22. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

4. Authorization for the Mayor to Execute a Purchase Agreement for the Animal Shelter Property and a Budget Transfer of \$510,000. – Curtis Hayes, City Attorney

Mr. Hayes provided an overview of the Council's site location selection for the shelter and the 2019 and 2020 New Mexico Legislature appropriations totaling \$661,000 to acquire the land. He provided a copy of the subdivision between the current owners, as well as a sketch identifying issues the current owners will have accessing part of the property and explained necessary adjustments that will eliminate those issues. Mr. Hayes said the negotiated purchase price is \$500,000, which is less than the appraised amount of \$514,000; therefore, he requested approval to authorize the Mayor to execute the purchase agreement on behalf of the City and purchase the property with the reduction in size due to the lot line adjustment. He also requested a budget transfer to allow for the expenditure of the purchase price and \$10,000 to cover the closing costs, typically paid by the buyer.

Councilor Kumar made the motion to authorize the Mayor to execute the Purchase Agreement for Animal Shelter Property and the budget transfer of \$510,000, as presented. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

Presented to the Mayor and Councilors was the following Information Item:

1. Update on Motel Inspection Program – Clyde Strain, Planning and Development Director

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Ms. Strain provided information regarding their annual motel inspection program. He said Code Enforcement Officers, in collaboration with the Building Inspector and Fire Department, conducted inspections from May to June 2021 at multiple motels including the Hacienda Motel, Blue Spruce, Arrowhead Lodge, Lariat Lodge, Zia Motel and Redwood Lodge. Based on the inspections, it was determined that all six (6) motels posed a threat to the health, safety and welfare of the public due to violations ranging from structural issues, sanitation, insect and rodent infestation, egress, smoke detectors, broken fixtures and furniture, filth and a lack of overall cleaning and maintenance. Mr. Strain explained the notification process provided to the owners, information on how to abate the violations and offers to conduct additional walk-throughs with the owners. He also provided pictures and stated that as of this date, no effort has been made to abate any of the violations, therefore all six motels must remain closed to protect the health, safety and welfare of the public. No action was taken by Mayor or Councilors.

Franklin Boyd, Chief of Police, said they are currently working on a comprehensive list of calls for service to each of the six motels with a concentration on the more serious calls and will provide the information to the Mayor and Councilors upon completion. He also provided information regarding calls for service involving children, which requires the assistance from the Children, Youth and Families Department.

Fire Inspector Jon Pairett provided information regarding the most common violations found at the motels, notification procedures and communication with the owners of Redwood Motel and Blue Spruce Motel.

Comments by Public on Non-Agenda Items

Raj Patel, owner of the Redwood and Hacienda Motels requested a more detailed list of specific violations. A lengthy discussion followed regarding material and directives provided to the owners; the extent of what Planning and Development staff will assist with; the issuance of multiple building permits to any single motel; the use and definition of the word, "structure," in addition to the authority of the, "Code Official" according to the Gallup Municipal Code, the condition of the structures and the intentions of the owners.

Navanit Patel, owner of Days Inn & Suites, provided water plans from his motel, noted perceived difficulties other owners are having obtaining a building permit and his opinion to declare a motel a historic property based off its 100-year existence.

Julia Azua expressed interest in the airport project including data analysis, airport renovations, sources of revenue, passenger facility charge and FBO operations.

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Ms. Ustick provided information regarding the current FBO and offered to schedule a meeting with Ms. Azua.

Comments by Mayor and Councilors

Mayor Bonaguidi expressed his displeasure with the elimination of in-person meetings at the Legislature.

Councilor Palochak encouraged everyone to follow COVID safe practices. She also highlighted the severity of the most recent surge in positive cases and she thanked City staff who continue to work through the pandemic.

Comments by City Attorney and City Manager

Ms. Ustick mentioned the increase in COVID positive cases among City staff resulting in the recent closure of the Customer Care Department. She asked for the public's understanding and thanked City staff who have taken on additional duties during this time.

Mr. Hayes highlighted a few points regarding the airport including the current FBO terms, tenants, available space and terminal conditions. Discussion followed regarding FAA funding, the State funding allocation plan based on population and plans to renovate the City's terminal.

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

Louie Bonaguidi, Mayor

ATTEST:

Alicia Palacios, Deputy City Clerk