

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at Gallup City Hall, 110 West Aztec Avenue at 6:00 p.m. on Tuesday, February 22, 2022.

The meeting was called to order by Mayor 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 was the following Information Item:

1. Legislative Report – Brandon Howe, Planner, Northwest New Mexico Council of Governments (NWNMCOG)

Mr. Howe started by thanking City staff for their support identifying projects specific to the infrastructure Capital Improvement Plan and provided a recap of the 30-day Legislative Session, including the submission of 9 projects, consisting of:

- significant increase in a General Appropriations Bill for the Water Well Construction Project;
- funding plans for the East Nizhoni Boulevard Project;
- inclusion of the Senior Citizen Center General Obligation Bond Bill in the amount of \$5.4 million; and an additional \$76,000 for a vehicle
- \$350,000 for the Parks and Sports Turf Project and the potential to leverage additional funding from the Water Conservation Fund;
- \$150,000 for the Regional Animal Shelter;
- \$100,000 for West Aztec Avenue Storm Drainage improvements;
- \$175,000 for the Gallup Cultural Center improvements;
- Red Rock Park improvements added to the General Appropriations Bill in the amount of \$5.3 million;
- \$95,000 for police vehicles and
- \$3,000,000 for UNM-Gallup improvements.

He also highlighted Junior funding requests received, including an additional \$50,000 for police vehicles and \$130,000 for emergency shelter i.e. the Lexington Hotel.

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Junior Funding Capital Outlay requests consisted of:

- \$75,000 for the Playground of Dreams improvements;
- \$105,000 for Gallup and Beyond to develop and implement a strategic plan;
- \$110,000 to Southwest Indian Foundation (SWIF) for the Industrial workforce program;
- \$60,000 to Battered Families for operational funds and \$1,032,000 for shelter construction and
- \$2,000,000 to Four Corners Detox to renovate or construct a new facility.

Mr. Howe explained McKinley County received a total of approximately \$16 million in Capital Outlay funding and around \$255,000,000 state-wide, including Mainstreet Programs, school bus replacement through the Education Department, as well as facility improvements, pending the Governor's review and approval of all requests. He also said the Council of Governments was written in for \$75,000 Junior Bill appropriations to assist with grant writing.

Rep. Patty Lundstrom explained the importance of House Bill 163, which provided for the reinstatement of Hold Harmless. She commended Mark Fleisher, the City's lobbyist, for his efforts and thanked Councilor Palochak for her assistance. Rep. Lundstrom highlighted the Special Appropriations included in sections 9 and 10, such as funding set aside in the Department of Finance and Administration budget to help COGs obtain federal funding, \$1 million to help local governments with required match funding, Red Rock Park expenditures in the amount of \$300,000, economic development funding opportunities, \$400,000 for the Inter-Tribal Ceremonial Funding, \$25 million for the Department of Transportation as a result of the City's autonomous vehicle efforts, I-40 improvements funding, state-wide rest area improvements, law enforcement agencies, housing funding, public water systems and multiple other programs pending the Governor's approval. She provided information regarding Junior requests and recommended City staff submit a letter to the Governor to stress priorities and avoid line-item vetoes. She also thanked City staff for their continued support, particularly of hydrogen hubs, the need for economic based jobs, her disappointment when the hydrogen hub legislation did not make it through the session and her hopes for an Executive Order by the Governor.

Discussion followed regarding the COG's grant funding and permissible use, reinstatement of hold harmless, losses the City and County experienced over the past few decades, the significance of team effort and the impact it had at this Legislative Session, appreciation to Rep. Lundstrom, Mr. Fleisher, Evan Williams, NWNMCOG Director, Mr. Howe and everyone who helped to support the City during the session, certain manufacturers who intend on going to hydrogen technology and the lack of a sunset clause in House Bill 163.

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Presented to the Mayor and Councilors were the following Consent Agenda Items:

1. Approval of Minutes from the Regular Meeting of February 8, 2022
2. 2022 CDBG Fair Housing Proclamation
3. Approval of Agreement and Budget Adjustment to Preventing Alcohol Related Deaths Grant
4. Approval of Adjustment to NCI Preventing Alcohol Related Deaths Agreement
5. Budget Adjustment Request for Water/Wastewater Enterprise Fund 506 and 508
6. Modification of American Rescue Plan Premium Pay

Councilor Schaaf made the motion to approve Items 1 thru 6 of the Consent Agenda. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Kumar and Mayor Bonaguidi all voted yes.

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

1. Acceptance of a New Mexico Department of Transportation (NMDOT) Aviation Grant Agreement for Airport Infrastructure Improvements – Clyde “C.B.” Strain, Planning and Development Director

Mr. Strain presented the NMDOT Aviation Grant Agreement, project No. GUP-22-01 in the amount of \$300,000 for airport infrastructure improvements including a new roof, new HVAC system, baggage and ticket counter upgrade, interior lighting replacement, restrooms remodel, interior and exterior paint and installation of a new sidewalk from the baggage area to the apron. He said the grant is 100% reimbursable and does not require matching funds.

Councilor Schaaf made the motion to approve the NMDOT Aviation grant agreement, as presented. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

2. Budget Adjustment for the Joe Danoff Airport Terminal Feasibility Study – Robert Hamblen, Public Works Director

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Mr. Hamblen presented the budget adjustment in the amount of \$14,930 from fund 515 to Operations Budget for the airport terminal building assessment; including code analysis for compliance, site conditions related to zoning and existing utilities, observations of the building structural systems and components as well as major building system components such as HVAC, electrical and lighting systems.

Discussion followed regarding the sequence and timing of the study and the upgrade previously approved for \$300,000, allocation of federal funding in the amount of \$159,000, a complete facility assessment and use of the \$300,000 for functional amenities before July 1, 2022; as per negotiations.

Councilor Garcia made the motion to approve the budget adjustment, as presented. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

### 3. Budget Adjustment for Debt Service Payments – Patty Holland, Chief Financial Officer

Ms. Holland referenced a Navajo Gallup Water Supply Project meeting where it was determined the debt service incurred on behalf of the project should be paid from the funds specifically dedicated to projects 221 and 222 in contrast to past payments made from water funds, which will begin this current year. She stated the payments are due on June 1, 2022 in the total amount of \$366,500 and requested approval to distribute adjustment in expenditures to the dedicated project funds with a revenue adjustment in debt service funds 460, 485, 486, 487 and 489.

Brief discussion followed regarding unnecessary contributions made by the City and easing the burden on water funds.

Councilor Palochak made the motion to approve the budget adjustment for debt service payments, as presented. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

### 4. Effluent Pipeline and Utilities Budget Adjustment – Matthew Alcala, Director of Golf

Mr. Alcala presented a cost estimate map highlighting the effluent line at the golf course and requested a budget adjustment in the amount of \$225,000 from the General Fund to cover the remaining fiscal year and preserve the temporary pipeline until a permanent solution is established, which is included in the upcoming Strategic Planning Sessions. He provided information regarding difficulties and delays in obtaining materials and/or parts in the event of malfunctions, explained direct and indirect benefit results and

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reviewed specific costs. In addition, Mr. Alcalá requested a budget transfer of \$80,000 to cover utility costs and highlighted the potential for new revenue sources within the green sector.

Discussion followed regarding \$500,000 previously approved for the temporary line, the cost to install and connect the temporary line as well as unforeseen issues that arose during installation which increased the cost.

Councilor Palochak raised concerns regarding the need for a permanent solution and the burdening costs to the City thus far.

Councilor Kumar pointed out a portion of the line already funded and use of Environmental Surcharge funding.

Ms. Ustick provided clarification regarding Federal funding provided through New Mexico Environmental Department (NMED), importance of investing in the Wastewater Treatment Plant and how funding has been used to date.

Councilor Garcia expressed concerns with the approval of funding for temporary efforts. Clarification was provided regarding additional utility costs at the plant and issues with the supply chain.

Councilor Kumar made the motion to approve the budget adjustment, as presented. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Palochak and Mayor Bonaguidi all voted yes. Councilor Garcia voted no. Motion carried.

### **Comments by the Public in Non-Agenda Items**

Dr. Kathleen Mezoff, retired Pediatrician at Rehoboth Christian Hospital (RMCH) and member of the Community Health Action Group, expressed serious concerns with regard to RMCH including, loss of staff members over the past few years, mismanagement, lack of honest communication at board meetings, unsafe patient care conditions, non-functioning call light services and code buttons. She also mentioned issues with the telephone system at the College Clinic. Dr. Mezoff stressed the importance of a functioning hospital in the community and informing Councilors, Commissioners, State Representatives and Senators of the emergent state of RMCH.

Dr. Connie Liu, Indian Health Services (IHS) OBGYN and member of the Community Health Action Group, provided data pertaining to the accelerated departure of staffing at RMCH, conflicting data between the organization's data and RMCH's data with regard to exit interviews of staff members. Dr. Liu also provided preliminary data from a survey

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they conducted and requested help in determining whether the hospital is fulfilling its duty to the community.

Rose Eason, Community Health Action Group member, expressed multiple concerns with regard to RMCH, the significant role and responsibility RMCH has to the community and the devastating effects if the hospital fails. She highlighted investments and operational subsidies made by McKinley County and the City of Gallup. She also explained many issues with the Board itself including the lack of communication and unresponsiveness to the community's concerns and the departure of multiple medical professionals. Ms. Eason asked Mayor and Councilors for their support in resolving the multiple issues.

Ann Porter also expressed concerns with the CEO and the hospital's current financial standing, the potential for bankruptcy and the negative impact closing the hospital would have on emergency personnel who may need medical care.

Sara Pikaart, Registered Nurse, who was previously employed at RMCH collaborated all other comments and explained her personal experience as a Labor and Delivery Nurse at RMCH, highlighting the negative environment due to dismissive and disrespectful behavior by management as well as unsafe staffing. She also informed the Mayor and Councilors of the recent resignation of Dr. Valerie Wangler which has resulted in others leaving as well.

Christina Eason, echoed all other comments, expressed shock at what is occurring at the hospital and pleaded for Mayor and Councilors' help.

Mr. David Eason, former lawyer, explained the importance of a viable hospital to a community and provided his opinion regarding perceived intentions if bankruptcy is filed by the hospital. He encouraged everyone to do what they can to prevent that from happening and offered to be a part of that effort.

### **Comments by the Mayor and City Councilors**

Councilor Garcia thanked everyone and offered her support regarding issues at the hospital. She also remembered Margaret Estrada, a local Veteran who recently passed and thanked all veterans, patriots, bike clubs and the Navy Color Guard. Councilor Garcia also thanked the Representatives, Senators and lobbyists for their efforts at this year's Legislative Session.

Councilor Kumar also commended the Legislators, highlighting the reinstatement of Hold Harmless and the positive effects it will have on the community. He also thanked

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Vince Alonzo for his efforts, mentioned his approaching departure from the Council and expressed support for the hospital.

Councilor Schaaf thanked the Legislators, Vince Alonzo, Gallup Joint Utility Department staff, Police Department staff and conveyed his support of the hospital. He thanked all who came out to speak on the issues.

Mayor Bonaguidi acknowledged the citizens in attendance regarding the hospital's issues and said he shares in their concerns for multiple reasons. He thanked Vince Alonzo for all he has done and the well-deserved accolades he received from the community. The Mayor thanked the legislators and all who participated in the Legislative Session and hopes for the Governor will approval all legislation in Gallup's favor.

### **Comments by the City Manager and City Attorney**

Ms. Ustick echoed everyone's sentiments and reminded everyone about the Strategic Planning Work Sessions on February 23<sup>rd</sup> and 24<sup>th</sup> at 11:00 a.m. at the El Morro Events Center, in which the hospital will be a topic of discussion. She said the meetings are open to the public and will be recorded and posted to Facebook.

City Clerk Alfred Abeita provided information regarding the upcoming 2022 Municipal Officer Election on March 1<sup>st</sup>. He said the City must follow live time requirements for submitting election results to the Secretary of State's website. This process will require the election night procedures to be done at the Bureau of Elections Office at the McKinley County Courthouse rather than having them done at City Hall.

Brief discussion followed regarding early voting and voting convenience centers established for voting on Election Day.

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

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Louie Bonaguidi, Mayor

ATTEST:

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Alicia Palacios, Deputy City Clerk