

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, March 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 Presentation and Information Item:

1. Gallup Coordinated Transit Services Study – Tommy Mims, Gallup Express Director; Deborah Bach, NMDOT Rural Transit Programs Director and David Menter, RAE Consultants Inc. Senior Planner

Mr. Mims provided an overview of ridership totals since FY2016, the Regional Transit 5311 World Transit of the Year awarded to Gallup Express in October 2021 and the Hope Grant.

Ms. Bach provided information regarding her history with the City's transit system, explained the intentions of the Hope Grant, the project's current status, future plans and how to get involved.

Mr. Menter presented a brief power point presentation explaining the Coordinated Transit Service Planning Study; project background information including, community goals, the City as a hub and existing service issues; project partners and funding information and a timeline of tasks throughout Fall of 2022. He requested the Mayor and Councilors' support of the project, assistance of a City staff member to provide technical input and the opportunity to provide additional updates.

Discussion followed regarding the ridership increase, safety concerns, modifications and plans to increase safety at bus stops, moving forward with consideration to COVID 19.

Councilor Palochak expressed support of the project and the potential to coordinate additional funding from the City, County and Navajo Nation entities.

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Mayor Bonaguidi expressed his appreciation for the provided service.

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

1. Approval of Minutes from the Regular Meeting on February 22, 2022, Special Meetings on February 23 and 24, 2022, Regular Meeting on March 8, 2022 and Special Meeting on March 9, 2022
2. Budget Adjustment for a Sub-Grant Agreement for the McKinley County DWI Task Force Naming the Gallup Police Department as the Sub-Grantee in the Amount of \$24,000.
3. Acceptance of the 2019 Edward Byrne Memorial Justice Assistance Grant and Approval of Related Budget Adjustment
4. Acceptance of the 2020 Edward Byrne Memorial Justice Grant and Approval of Related Budget Adjustment
5. Fire Department Overtime Budget Adjustment
6. Street Department Request for a Budget Adjustment for Fuel Purchases in the Amount of \$30,000
7. Award of Contract to Bohannon Huston to Update the Economic Development Element of the City of Gallup Growth Management Master Plan (GMMP)

Councilor Schaaf made the motion to approve items 1 through 7 on 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. Coal Avenue Commons Phase II Construction Contract Award – C.B. Strain, Planning and Development Director

Mr. Strain said bids were opened on March 10, 2022. The City received one responsive bidder from Murphy Builders in the amount of \$3,308,327.33. He explained Phase II will start at the intersection of Coal Avenue and Second Street, including underground utilities, intersection signaling and drainage. Upon completion of the intersection, construction will commence on Coal Avenue from Second Street to First Street. Mr. Strain provided a recommendation letter from Wilson and Company (the design

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engineering firm) and information regarding the revenue and expenditure budgets. He recommended approval of the payment of the 5% match in the amount \$175,000 and requested approval of the bid award.

Discussion followed regarding the estimated timeframe for the project, concerns pertaining to the Inter-Tribal Ceremonial parades, the businesses effected by the construction and the contingent construction schedule based on funding.

Robert Hamblin, Public Works Director, provided information regarding a potential parade route and said he has been in contact with Ben Welch, Community Events Coordinator and the Intertribal Ceremonial Organization and will continue communications with them.

Ms. Ustick mentioned the Construction Mitigation Contract with Gallup Mainstreet, who maintained constant communication with businesses throughout Phase I; however, Mainstreet no longer has a permanent director. City staff is currently looking for an entity to assist with mitigation services through Phase II and efforts being made to help businesses sustain access as much as possible during construction.

Councilor Palochak expressed her concerns regarding this year's Ceremonial parades with regard to the elimination of 2 blocks from the parade route, especially with this year being the 100th year celebration.

Councilor Palochak made the motion to approve the Coal Avenue Commons Phase II Construction Contract Award. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

2. BOR/WAPA/GALLUP Water System Electric Contract – John Wheeler, Electric Director

Mr. Wheeler presented the final iteration of Contract No. 22-SLC-1099 between the Bureau of Reclamation (BOR), Western Area Power Administration (WAPA) and the City to provide energy source for the City of Gallup water system until water is available from Navajo Gallup Water Supply Project (NGWSP) and thereafter in case of an emergency. He said the contract provides for 2,000 KW demand per month and 1,250,000 kWh or energy per month, the reconciliation of additional power needed if new wells are added. He said the total amount per month is \$25,950 and is a reduction in overall power cost to the City due to less power purchases from Continental Divide Electric Cooperative while replacing it with less expensive power from the federal hydropower system.

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Councilor Kumar made the motion to approve the BOR/WAPA/GALLUP Water System Electric Contract, as presented. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Garcia, Palochak and Mayor Bonaguidi all voted yes.

3. Request for a Full-Time Grants and Contract Manager Position for the Joe Dannoff Airport – Robert Hamblen, Public Works Director

Mr. Hamblen requested a budget adjustment in the amount of \$18,000 for the proposed position. He also provided a brief description of duties, clarified the requested amount will cover the remaining year and intentions to include the position in next fiscal year's budget proposal.

Discussion followed regarding the annual salary and benefits, the streamlining of duties and advertisement for the position. He also provided details about an upcoming visit from Advanced Air as well as other inter departmental changes increasing the need and urgency for the position.

Councilor Palochak made the motion to approve the request and related budget adjustment for a full-time Grants and Contract Manager for the Joe Danoff Airport. Seconded by Councilor Garcia. Roll call: Councilors Garcia, Palochak, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

4. Request for an Additional Full-Time Position in the Human Resources (HR) Department – Alfred Abeita, Acting Human Resources Director

Mr. Abeita said HR has been short-handed since the departure of the HR Director over a year and half ago. He said the vacancy is posted and listed as "until filled," however, existing staffing shortages need to be addressed. He provided a job description, explained it would be a HR Technician assisting with administrative functions and would be on a permanent basis after a director is hired. He said funding is available, would not exceed \$9,500 for the remaining fiscal year and will be included in next fiscal year's budget with an annual salary of about \$45,000, including benefits.

Councilor Schaaf made the motion to approve the request for an additional full-time position in the HR Department. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Kumar and Mayor Bonaguidi all voted yes.

5. Approval of NM Opioid Allocation Agreement and Decision Regarding Funding Distribution – Curtis Hayes, City Attorney

Mr. Hayes provided information regarding participation in the Distributor Settlement, which is a national settlement and was approved by Council at the Regular Meeting on

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January 11, 2022. It was also approved to authorize the City Attorney to execute the agreement the NM Attorney General was negotiating with J and J, which has since been done. Mr. Hayes provided a copy of the proposed agreement, which provides for a distribution of 45% to state and 55% to local governments, dependent on the eligible cities and counties agreement to the Distributor and the J and J Settlements. Mr. Hayes provided a flow chart indicating the New Mexico payment total of \$158,305,000, provided detailed information regarding the payout amounts between state and local governments, administrative costs and the “backstop fund.” He said the City would receive \$567,000, paid out over 18 years from the national settlement and would receive a minimum of \$141,000 from the J and J Agreement this calendar year. He went over funding options and requested approval of the NM Opioid Allocation Agreement, authorization to sign the agreement on behalf of the City and direction on the participation in a regional distribution of funds or to receive the funding independent from any other governmental entity.

Discussion followed regarding the July 1st deadline, potentially delaying a decision for distribution until consulting with other interested parties such as McKinley County and use of funding with regard to opioid use and reimbursement to the Fire Department for services they have been providing.

Councilor Palochak provided her thoughts regarding each governmental entity making their own decisions on funding use while working collaboratively.

Maryann Ustick stated funding distribution will be presented at a later date as a separate item.

Councilor Kumar made the motion to approve the NM Opioid Allocation Agreement and to authorize the City Attorney to sign the agreement on behalf of the City. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Palochak, Garcia and Mayor Bonaguidi all voted yes.

6. Recommendation of Award for a Formal Bid No. 2204 to United Drilling, Inc. for Well Drilling and Testing Services – Tim Bodell, Water and Wastewater Director

Mr. Bodell requested award of Formal Bid No 2204 for the drilling of a new water production well, located nine miles north on Highway 491, to United Drilling, Inc. in the amount of \$3,564,851.40, including gross receipts tax. He said funding for the project will come from the City of Gallup Award of the Junior Appropriation from the New Mexico Department of Finance Administration (DFA) and the Water Trust Board (WTB). He provided information regarding drilling, testing and production.

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Discussion followed regarding this being one of six wells planned and a time-frame for completion of the project.

Councilor Palochak made the motion to approve the award of Formal Bid No. 2204 to United Drilling, Inc. for well drilling and testing services, as presented. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Kumar, Garcia and Mayor Bonaguidi all voted yes.

7. Award of the Economic Development Services RFP 2021/2022/07/P to Greater Gallup Economic Development Corporation (GGEDC) – Maryann Ustick, City Manager

With the expiration of the current contract on June 30th, Ms. Ustick presented the proposed RFP for economic services in the amount of \$250,000, which was received by the deadline of March 4, 2022 and reviewed by the Evaluation Committee who provided recommendation for award. Ms. Ustick gave a brief explanation of the committee's process, explained funding would be split between the Water and Electric Departments, the contract terms and available training for Economic Development 101.

Tommy Haws of the GGEDC's Board of Directors, expressed appreciation to the City for their support ensuing GGEDC's growth. He also thanked Councilor Kumar for his help and hopes his participation will continue. He also provided information regarding the importance of retention and expansion.

Discussion followed regarding GGED's two Certified Economic Developers, the benefits of attending provided trainings and the significance of being knowledgeable in the field.

Patricia Lundstrom, Executive Director of the GGEDC, expressed appreciation to Councilor Kumar for his contributions to GGEDC, including the purchase of office supplies, donation of his councilor salary and his knowledge of business as well as the community.

Councilor Palochak made the motion to approve the Economic Development Services RFP 2021/2022/07/ P to GGEDC. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

Comments by Public on Non-Agenda Items

None

Comments by Mayor and City Councilors

Mayor Bonaguidi presented and read a proclamation honoring Councilor Kumar for his service on the City Council.

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Fire Chief Jesus Morales and Police Chief Franklin Boyd presented commendations to Councilor Kumar, recognizing him for his continuous support of the departments throughout his tenure.

Councilor Palochak praised Councilor Kumar for his understanding of business and construction and thanked him for being a mentor and providing encouragement to learn more about economic development to better serve the City.

Councilor Schaaf said it's been a pleasure to work with Councilor Kumar the past few years and thanked him for his contributions to the City.

Councilor Garcia wished Councilor Kumar well in the future, commended his continuous modesty and generosity and expressed love and respect for him and his family.

Comments by City Manager and City Attorney

Ms. Ustick thanked Councilor Kumar for being a great friend and boss, for his unique perspective and support of the community. She urged him to visit City offices in the future.

Mr. Hayes said it was an honor to work with Councilor Kumar and highlighted his positive representation of the City.

Mayor Bonaguidi recalled meeting Councilor Kumar 20 years ago and recognized the countless contributions he's provided the City.

Councilor Kumar noted the difficult nature of being a Councilor early on, the presence of respect within the administration, participation in local boards and experienced growth. He thanked everyone for all they have done during his tenure.

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

Louie Bonaguidi, Mayor

ATTEST:

Alicia Palacios, Deputy City Clerk