

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, March 9, 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:	Michael Schaaf Fran Palochak Yogash Kumar
Absent:	Linda Garcia, Councilor
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 February 23, 2021.

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

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

- 1. Resolution No. R2021-9; Acceptance of State of New Mexico DFA Fund 89200 Capital Appropriation Project Grant Agreement for a New Public Safety Building – C.B. Strain, Planning and Development Director**

Mr. Strain presented the Fund 89200 Capital Appropriation Project Grant Agreement from the Department of Finance and Administration in the amount of \$1,501,000 to construct, furnish and equip a new public safety building. He said the reversion date of the grant is June 30, 2024, the grant is 100% reimbursable, does not require a match and will increase the funding to about half of what is needed for the project.

Councilor Kumar made the motion to approve Resolution No. R2021-9; Acceptance of State of New Mexico DFA Fund 89200 Capital Appropriation Project Grant Agreement in the amount of \$1,501,000 for a new Public Safety Building. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

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- 2. Resolution No. R2021-10; Acceptance of State of New Mexico DFA Fund 89200 Capital Appropriation Project Grant Agreement for a New Regional Animal Shelter – C.B. Strain, Planning and Development Director**

Mr. Strain presented the State of New Mexico Department of Finance and Administration Fund 89200 Capital Appropriation Project Grant Agreement in the amount of \$261,000 to plan, design, construct, furnish and equip a new regional animal shelter in Gallup, McKinley County. He said the reversion date of the grant is June 30, 2024, the grant is 100% reimbursable and does not require a match in funds.

Brief discussion followed regarding the building acquisition and appraisal.

Councilor Palochak made the motion to approve Resolution No. R2021-10; Acceptance of State of New Mexico DFA Fund 89200 Capital Appropriation Project Grant Agreement for a new Regional Animal Shelter, in the amount of \$261,000. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

- 3. Request for Budget Adjustment - Marguerite Franco Water Line Replacement Project, Design Costs – Dennis Romero, Water and Wastewater Director**

Mr. Romero provided details regarding the North McKinley Drive Neighborhood Project, which included water line replacement on Marguerite Franco Drive and would take place in two years. However, after recommendations provided by the Mayor and Councilors and a collaborative effort with Public Works staff and DePauli Engineering, a decision was made to complete a design for the Marguerite Franco Drive portion of the project this spring. Mr. Romero said approval of the \$46,000 budget adjustment would cover the design work, bidding assistance, construction management and addition of the project to the Infrastructure Capital Improvement Plan (ICIP). He also presented a breakdown of the total amount, including a cost proposal from DePauli Engineering for the design and construction, a map of the project area and an estimate to replace the water line, with the exclusion of asphalt. Mr. Romero said Public Works will complete the mill and overlay of the roadway upon the project's completion, saving the City between \$70,000 and \$80,000.

Councilor Schaaf made the motion to approve budget adjustment for the Marguerite Franco Drive Water Line Replacement Project and design costs in the amount of \$46,000 from the Water Enterprise Fund. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar and Mayor Bonaguidi all voted yes.

- 4. Budget Adjustment to Revenue and Expenditure for Octavia Fellin Public Library in the Amount of \$10,240.36 – Tammi Moe, Library Director**

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Ms. Moe presented the proposed budget adjustment for the second disbursement of the 2021 State Grants and Aid in the amount of \$8,134.23, in addition to the first disbursement of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) in the amount of \$2,106.13, totaling \$10,240.36. She also provided a copy of the agreement and details regarding the intended use of funds including, the promotion of library services, building maintenance, expanding collections and protective equipment.

Councilor Palochak made the motion to approve budget adjustment for the Octavia Fellin Public Library in the amount of \$10,240.36, as presented. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

5. Best of the Best Fiscal Year (FY) 2020 Closeout and Cancellation of the Best of the Best Rodeo in June 2021 – Jon DeYoung, Assistant City Manager

Mr. DeYoung said on April 28, 2020, staff proposed the cancellation of the 2020 Best of the Best Rodeo due to the COVID-19 pandemic. At the time, the City's financial loss was estimated at \$100,000. To close out the Best of the Best Rodeo for FY 2020, \$64,771.52 from general fund reserves and \$12,720 in lodgers' tax funds will be used to cover the overall loss of \$77,491.52. Due to the current public health crisis and the insufficient amount of time which currently exists, there are a number of factors that prevent the proper planning, marketing and promotion of this year's event; therefore, he recommended the cancellation of the rodeo scheduled for June 2021.

Councilor Palochak asked about the possibility of holding the rodeo later this year. Mr. DeYoung said an event management contract and funding for the event would need to be in place as well as a two month window for the registration of participants and other preparations for the rodeo. Mr. DeYoung also said it is unknown what the public health order will be later in the year with regards to capacity limitations for the event and if there will be enough contestants registered for the event to cover the expenses of the rodeo. Councilor Palochak asked if the rodeo could be held with no spectators in the stands while allowing the rodeo contestants to compete. Mr. DeYoung said City staff would need to determine the number of people that would be allowed on the grounds of Red Rock Park since many participants and their families utilize the campgrounds and stalls at the park. He also said a ticketing system would need to be in place to track people at the park for contact tracing.

At the request of Mayor Bonaguidi, Ms. Ustick explained the State's Red to Green Framework for the restrictions in place under the current public health measures, which includes the new turquoise level for low risk areas of the state. She said the Red Rock Park arena is considered an entertainment venue and the capacity for the venue depends on McKinley County's color level at a certain time. Ms. Ustick recommended

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allowing time for staff to prepare a proposal and a budget for hosting the rodeo at a later date this year.

Regarding the preparation of a budget for the rodeo, Mr. Hayes provided information regarding the State Auditor's review of the use of lodgers' tax funds by the Las Cruces Convention and Visitors' Bureau. The State Auditor's interpretation of the Lodgers' Tax Act may affect how the City of Gallup plans to use lodgers' tax funds to support the promotion of the rodeo, rather than the operation of the event.

Councilor Schaaf spoke in favor of having the Best of the Best Rodeo at a later time this year. He said he would not want to have another year go by without having the event.

Walt Eddy, coordinator of the rodeo, said he understands the situation with the State's public health order which may prohibit holding the rodeo this year; however, should conditions improve, he recommended holding the rodeo during the first weekend in August of this year. He also recommended a provision in his promotion contract that the City would not be obligated to pay him anything if the rodeo cannot be held this year. The large, fixed expenses for holding the rodeo would be the cost of his contract and a certificate program for prizes. The payout to successful contestants would be generated by the fees paid by the contestants themselves, rather than being funded by the City. Mr. Eddy said a built-in system for contact tracing is in place since he has the addresses, phone numbers and E-mail addresses of all contestants who are required to go through the check-in line to participate in the rodeo. He said when the contestants check-in, information mandated by the State may be collected at that time.

Councilor Kumar asked about the funds the City would lose if the rodeo cannot be held later this year. Mr. Eddy said the City would lose about \$6,000 for advanced advertising of the event. Councilor Kumar said he supports having the rodeo in August as long as the City's costs are kept in check.

Mayor Bonaguidi asked about the time needed for advertising the event. Mr. Eddy said he would like to advertise the rodeo in certain magazines during the months of May, June and July 2021. Mr. Eddy also said most of the advertising for the rodeo will be done through social media. Mayor Bonaguidi asked how long it would take to get the stock contractors in place for the rodeo. Mr. Eddy said there would be no problem in obtaining the stock in time for the rodeo; however, there are concerns with the possibility of lower revenues for RV camping sites and stall rentals should there be capacity limitations in place for both services. Mr. Eddy said both revenue streams from campground and stall rentals help pay for the event.

Following discussion, Councilor Kumar made the motion to approve the closeout of the Best of the Best Rodeo for Fiscal Year 2020. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Schaaf and Mayor Bonaguidi all voted yes.

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Discussion followed regarding the proper motion to be made for holding the rodeo later this year rather than canceling the event. The amount of time needed to prepare a budget and a proposal for hosting the event later in the year was also discussed.

Councilor Schaaf made the motion to table the decision to cancel the Best of the Best Rodeo, scheduled for June 2021, until the regular meeting of April 13, 2021. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar and Mayor Bonaguidi all voted yes.

Comments by Public on Non-Agenda Items

None.

Comments by Mayor and Councilors

Councilor Palochak commended Lt. Mark Spencer and Sgt. Neil Yazzie of the Gallup Police Departments for their promotions.

Councilor Schaaf also commended Lt. Spencer and Sgt. Yazzie for their achievements. He also thanked the City's employees for the work they do. He encouraged everyone to stay safe, wear their masks and get vaccinated from the COVID-19 virus.

Councilor Kumar also congratulated Lt. Spencer and Sgt. Yazzie. He also commended City staff for their work.

Mayor Bonaguidi also acknowledged Lt. Spencer and Sgt. Yazzie. He provided comment on the work being done by Ms. Ustick, Mr. Hayes and himself in trying to advance Gallup and the county from the red status to the yellow status of the State's Red to Green Framework of public health restrictions. The New Mexico Department of Health will provide an update on the statewide public health restrictions tomorrow.

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, beginning at 11:00 a.m. each day. The Mayor and Councilors will be in attendance at the El Morro Events Center while City staff and the facilitator will attend the sessions virtually via Zoom. Both strategic planning sessions will be streamed on the City's Facebook page. Ms. Ustick also commented on the work that was done in trying to move Gallup and the county from red to yellow status, as mentioned by the Mayor. During their work, guidance was obtained from the State regarding definitions and restrictions in the public health order pertaining to sports facilities and entertainment venues. At the next regular meeting, staff will present proposed changes to the City's closure of indoor recreation facilities and staff furloughs due to the pandemic. Staff is also working on the possible re-opening of the Skate Park by determining the capacity of the facility and to see where it falls under the State's

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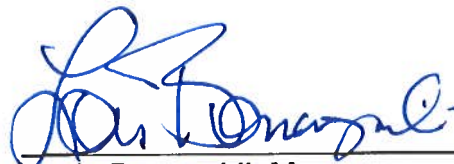
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public health order. Once Gallup and the county achieves turquoise status under the State's Red to Green Framework, the City will be permitted to re-open El Morro Theater, Larry Brian Mitchell Recreation Center and the Aquatic Center.

At the request of Mayor Bonaguidi, Mr. Hayes provided information regarding a proposed Memorandum of Understanding (MOU) with Rehoboth Schools for the shared use of facilities. The MOU is based on the existing MOU between the City and the Gallup McKinley County Schools. Mr. Hayes also provided an overview on the criteria used by the State for moving counties to each color level in the Red to Green Framework for public health restrictions. Based on the criteria, Mr. Hayes said it may be possible for Gallup and the county to move from red to green status, instead of moving only from red to yellow status.

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



Louie Bonaguidi, Mayor

ATTEST:



Alicia Palacios, Deputy City Clerk

Approved 3/23/2021