

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 28, 2023.

The meeting was called to order by Mayor Bonaguidi.

Upon roll call, the following were present:

Mayor:	Louie Bonaguidi
Councilors:	Michael Schaaf Fran Palochak Sarah Piano (via Zoom)
Absent:	Linda Garcia, Councilor
Also present:	Maryann Ustick, City Manager Lynn Isaacson, Acting City Attorney

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

1. Legislative Update – Representative Patty Lundstrom

Rep. Lundstrom acknowledged the Gallup High Girls Basketball team who were in attendance, congratulated them on their recent championship and invited them to attend the next Legislative Session for the well-deserved recognition. Rep. Lundstrom thanked the Mayor and Councilors for awarding her the time and announced her replacement as Appropriations and Finance Committee Chair, with Rep. Small. She commended the budget and staffing of the Committee. She further explained the Supplemental General Appropriations Act, also known as the Junior Bill, which had a balance of \$475,000, is a separate bill and her funding contributions to the Arts Program, Battered Families Services for Gallup and McKinley County, Operational Costs for community health services and an emergency command vehicle for McKinley County. Rep. Lundstrom stated the Council of Governments will likely provide a full briefing of the capital package and information regarding an available portal depicting all legislative proceedings. She said her major initiative was the completion of the Regional Animal Shelter, commented on funding included for the McKinley County Cibola County Bi-County Fair, Zuni's Economic Development Plan, Gamerco Water and Sanitation and over \$5,850,000. for hospital improvements, most of which came from the Governor. She provided information regarding meetings held prior to the Legislative Session regarding the needs of the hospital and the importance of a new HVAC system totaling about \$10 million and disappointment in not being able to obtain the full amount. She said her funding also went into various chapters and the bulk of it to the Animal Shelter. Rep. Lundstrom explained her attention to bills considered anti-business or anti-growth, as a member of the Commerce Committee, she explained her

MINUTES

Regular City Council Meeting – 03/28/2023

Page 2

attention to detail with regard to bills that could be bad for business including House Bill 119 that would increase personal income tax by 7%; Senate Bill 189, a corporate income tax increase; Senate Bill 11 regarding the Paid Family Medical Leave Act and problems she perceived within the bill, which was killed in the Commerce Committee. She provided a list of bills introduced she will continue to monitor that could potentially affect the community including rent control, public retirement plan mandates, retail distributed generation, a green amendment, health care, prescription drugs and a prescribed nurse staffing ratio. She described the mindset in Santa Fe as incredibly progressive and stressed the importance of local legislators working together in the future; which was not the case during this session as she explained her experience with projects she put funding into and a local colleague removing them without warning or reason. She requested the Council further examine the motives of local representatives to ensure everyone is working towards the same goals, provided a brief overview of past legislative practice and mentioned a current divide in Santa Fe between rural and urban. She highlighted details included in the tax package potentially harmful to citizens. She emphasized the importance of accountability of local representatives and noted she delivered the same information to the McKinley County Commission, the Chamber of Commerce and the Albuquerque Chamber of Commerce. She thanked the Mayor and Councilors and encouraged youth members to get involved with local government.

Discussion followed regarding Rep. Lundstrom's perseverance, the process before the start of the session, the Five C County Bill, the balanced budget and conceptualization of legacy funds, transportation, overall disappointment with changes made by the Speaker of the House, Rep. Lundstrom's extensive experience and importance of planning for the future.

Rep. Lundstrom said she is looking forward to the Council of Government's update presentation, provided information regarding the unprecedented funding amount provided to McKinley County as a whole and encouraged the Council to write the Governor personally with regard to Tribal funding she provided in addition to the funding for the hospital.

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

1. Approval of Minutes from the Joint Work Session with the Planning and Zoning Commission on March 7, 2023 and Regular Meeting of March 14, 2023
2. Transfer of ARPA Funds from Capital to Operating Account – Tammi Moe, Library Director

MINUTES

Regular City Council Meeting – 03/28/2023

Page 3

Councilor Schaaf made a motion to approve Consent Agenda Items 1 and 2. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Piano and Mayor Bonaguidi all voted yes.

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

1. Request for Street Closures for Gallup High School Girls 4A State Basketball Champions Parade to be Held on Friday, March 31, 2023 – Jennifer Arviso

Chris Trujillo, faculty member at Gallup High School and four Gallup High School students from the basketball team presented the request for the proposed street closures. The parade is a celebration to commemorate the girls' basketball team championship win at the well-attended game located at the Pit in Albuquerque.

The Mayor and Councilors congratulated the team and honored the girls for showing true leadership. The parade will begin at 3:30 p.m. and not at 4:00 p.m. as initially scheduled.

Councilor Schaaf made a motion to approve the street closures. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Piano and Mayor Bonaguidi all voted yes.

2. Bid Award for Formal Bid No. 2604 – to United Drilling Inc. of Albuquerque, New Mexico for G-80 Well Pod-8 and Pod-13 Drilling and Testing – Marc DePauli, P.E., DePauli Engineering & Surveying, Project Engineer

Mr. DePauli said the construction will consist of the second and third ground water supply wells that will be used to supplement the surface water. He provided a brief history of water wells in the City and said on October 14, 2022 the City received official notice to proceed with appropriations of up to \$8,000,000 from a funding agreement between the New Mexico Interstate Stream Commission (ISC) and the City of Gallup for the completion of two (2) groundwater production wells. This will help bridge the City's water supply pending completion of Navajo Gallup Water Supply Project, thanking Rep. Lundstrom for her assistance with last year's funding. Mr. DePauli said under Formal Bid 2304, the City of Gallup will design and drill two (2) wells under the Office of the State Engineer's G-80 permits. He provided information concerning well field locations, points of diversion, available electrical power, water lines and depth of the proposed wells. He also provided the projects specific locations, details pertaining to the agreement's scope of work including all engineering and construction. Mr. DePauli said Stewart Brothers Drilling Company of Milan, New Mexico were the lowest of the three bids submitted, in the amount of \$6,114,487.03 including NMGRT, which was

MINUTES

Regular City Council Meeting – 03/28/2023

Page 4

significantly lower. Upon review and with the help of Frances Rodriguez, Purchasing Director, costly omissions were found and Stewart Brothers Drilling Company were given the opportunity to withdraw their bid without penalty. United Drilling, Inc. of Albuquerque was the next lowest bid at \$7,732,775.06 including NMGRT. Mr. DePauli explained project funding and highlighted funding used from the Water Trust Board would have to be paid back.

Brief discussion followed regarding the length of time to drill both wells. Mr. DePauli explained additional funding for work separate of digging the well, which will be brought back to Council for approval.

Mr. Isaacson pointed out as part of a settlement for the G-80 wells and the Navajo Nation's objection of the application to drill the wells, the Navajo Nation will get 20% of the water from the wells, paying for the water at cost as a customer.

Councilor Palochak made a motion to approve the Bid Award to United Drilling Inc., as presented. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Piano and Mayor Bonaguidi all voted yes.

3. Approval to Execute Two Additional National Opioid Litigation Retail Pharmacy Settlement Participation Agreements – Lynn Isaacson, Acting City Attorney

Mr. Isaacson explained the National opioid settlements reached with two pharmaceutical supply chain participants, Allergan and Teva. The Allergan settlement will result in payments totaling \$2.37 billion, to be paid out over a six-year period from its effective date, while the Teva settlement will result in cash payments of \$3.7 billion to be paid over a 13-year period and a distribution over a 10-year period from its effective date. He said similar to previous settlements, the State will receive a percentage of the settlement while the City will receive a percentage of the settlement; based on the New Mexico Opioid Allocation Agreement and approval of the settlements would release any claims against either company.

Brief discussion followed regarding notification of approval and National Settlements versus State Settlements.

Councilor Palochak made a motion to approve the execution of two additional National Opioid Litigation Retail Pharmacy Settlement Participation Agreements. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Piano and Mayor Bonaguidi all voted yes.

MINUTES

Regular City Council Meeting – 03/28/2023

Page 5

Comments by the Public on Non-Agenda Items

McKinley County Sherriff Maiorano provided an update on the overnight I-40 closures, provided information on their notification process to help alleviate congestion and semi-truck drivers finding alternate routes that could damage local roadways.

Comments by Mayor and City Councilors

Councilor Palochak thanked Patty Holland, CFO for the recent training she provided, reminded everyone of the Coal Avenue Commons Ribbon Cutting Ceremony on April 8th, the Basket Bingo for Catholic Charities and encouraged everyone to attend the parade for the Gallup High School Girls Basketball Championship.

Councilor Schaaf thanked all State and City Police for all their assistance with the I-40 closures, congratulated the Gallup High School Girls and the Tohatchi Girls Basketball teams on their recent Championships and recognized the Miyamura ROTC who represented Gallup in the recent Bataan Memorial Death March event.

Councilor Piano mentioned the Easter Spring Fling on April 8th, acknowledged March as National Women’s History Month, recognized her Co-Council Women, as well as Maryann Ustick, City Manager and all the women who serve as leaders in the City. She also requested information regarding the road closure on College Drive.

Comments by City Manager and City Attorney

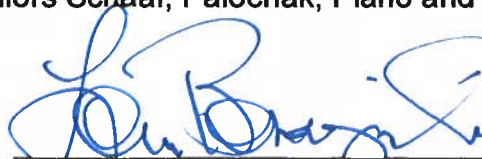
Maryann Ustick said the Nizhoni project has not yet started but speculates the closure of College Drive is due to a waterline project associated with the hospital, however, will look into the matter and provide Council with an update, in addition to the start of the Nizhoni Project. She announced the first ArtsCrawl event of the season in conjunction with the Coal Avenue Commons Ribbon Cutting Ceremony and the conceptualization of the project which started in phases and was completed in 5 years.

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

ATTEST:



Alicia Palacios, Deputy City Clerk


Louie Bonaguidi, Mayor