

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held at the El Morro Events Center, 210 South Second Street, at 6:00 p.m. on Tuesday, May 12, 2020.

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 later in the meeting.

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 for their approval were the Minutes of the Special Meetings of April 22 & 23, 2020.

Councilor Schaaf made the motion to approve the Minutes of the Special Meetings of April 22 & 23, 2020. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes.

Presented to the Mayor and Councilors for their approval were the Minutes of the Regular Meeting of April 28, 2020.

Councilor Schaaf made the motion to approve the Minutes of the Regular Meeting of April 28, 2020. Seconded by Councilor Garcia. Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

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

1. Resolution No. R2020-13; Fiscal Year (FY) 2021 Preliminary Budget Adoption
– Patty Holland, Chief Financial Officer

Ms. Holland presented a power point presentation on the proposed budget for Fiscal Year 2021. A copy of the power point presentation is attached hereto and made a part of these official Minutes. Ms. Holland recommended approval of the proposed Resolution.

Councilor Palochak made the motion to approve Resolution No. R2020-13; Fiscal Year 2021 Preliminary Budget Adoption. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

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2. Ordinance No. S2020-4; Emergency Mask and Face Covering Ordinance – Curtis Hayes, City Attorney

Mr. Hayes presented the proposed ordinance which would create three mandates intended to aid in preventing the spread of the COVID-19 virus. First, the ordinance would require anyone over the age of two to wear a mask or face covering while in a public place. The face covering requirements would not apply to: 1) persons traveling alone in motor vehicles or with immediate family members unless it is necessary to roll down the window to interact with someone who is not an intermediate family member; 2) the owner, operator, manager, or employees of a business while within a facility owned, operated, or managed by the business (the public health order issued by the New Mexico Department of Health effective May 11, 2020 already requires face coverings to be worn by employees of essential businesses); and 3) persons engaged in outdoor recreation activities that does not place the person within six feet of another person that is not an immediate family member. Second, the ordinance would require members of the public to wear face coverings while inside a business or when they are interacting with someone operating a business at a drive-up window or curbside pick-up service. Third, the ordinance would require businesses and local government entities to post a notice advising the public that they must wear a mask or face covering while within the business or while utilizing the drive-up window or curbside pick-up service. The business will be required to deny anyone access into the business premises if they are not wearing a face covering. The penalty for violating the proposed ordinance will be a fine of a minimum of \$100 but not more than \$500. If approved, the ordinance will become effective five days after publication on the City's website and will expire when the Governor revokes the Declaration of a Health Emergency unless revoked sooner by the Mayor and Councilors.

Councilor Palochak spoke in favor of the proposed ordinance based on information she obtained from the Centers for Disease Control and Prevention (CDC).

Councilor Schaaf asked if the penalty under the proposed ordinance would apply to businesses or individuals in violation of the ordinance. Mr. Hayes said the penalty under the ordinance could potentially apply to both businesses and individuals. Mr. Hayes said the City is trying to put the onus of enforcing the ordinance on businesses rather than the City to minimize the resources that the City devotes to enforcement.

Councilor Kumar asked if information concerning the ordinance could be disseminated to the public. Ms. Ustick said a press release with information regarding the ordinance will be posted on the City's website and social media outlets and the Fire Department will deliver notices to businesses.

Councilor Garcia asked about enforcement of the ordinance with the transient and

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homeless population who do not have masks to wear. Ms. Ustick said the City received a significant amount of face masks from the Governor's office and the masks will be disseminated to the homeless by the police officers.

Mayor Bonaguidi said it is evident that the Council is taking this situation very seriously. He said Gallup and McKinley County are leading the state in the number of virus infections and the number must come down.

Councilor Kumar made the motion to approve Ordinance No. S2020-4; Emergency Mask and Face Covering Ordinance. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

3. Approval of Quitclaim Deed to the Pueblo of Zuni – Curtis Hayes, City Attorney and Dennis Romero, Water and Sanitation Director

Mr. Romero presented the proposed quitclaim deed to transfer a one-acre abandoned well site that is adjacent to the Pueblo of Zuni. The proposed transfer is in accordance with the City's settlement agreement with Zuni Pueblo over the Pueblo's protest of the City's G-22 water rights application with the State Engineer. The City acquired the property in 1982 in an attempt to drill test wells at the location; however, Zuni Pueblo filed a lawsuit against the City in federal court and was successful in obtaining an injunction to prevent the City from drilling the wells. As a result, the State Engineer's Office closed the water basin. Since the State Engineer approved the City's G-22 water rights application, City staff recommends transferring the well site to Zuni Pueblo to comply with the settlement agreement.

Councilor Palochak made the motion to approve the quitclaim deed to the Pueblo of Zuni. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes. Councilor Schaaf voted no. Motion carried.

4. Request to Award Navajo Gallup Water Supply Project (NGWSP), Reach 27.10-Formal Bid No. 2007 – Dennis Romero, Water and Sanitation Director

Mr. Romero said the proposed project consists of the construction of a 3 million gallon welded steel reservoir, a pump station, an altitude valve station and an altitude valve vault at the Cresto Water Tank along with installing approximately 9,450 linear feet of 16" ductile iron waterline, 3,380 linear feet of 12" PVC waterline, a 212 linear foot jack and bore crossing at State Road 602 with a 12" carrier pipe in a 20" steel casing and tie-ins to existing waterlines. The work will also include air release stations, valves, fittings, grading, excavation, trenching, backfilling and compaction. The 16" waterline will begin on the south side of Mendoza Road immediately south of the airport, running southeast

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to the tank and pump station site. The site is located along the Old Zuni Road east of the intersection of Dusty Road and Cipriano Street. The 12" waterline runs east from the tank and pump station site, crosses State Road 602 and ends at the intersection of Dee Ann Avenue and State Road 602. He recommended award of the contract to the lowest qualified bidder, SmithCo Construction, in the amount of \$7,321,204.84. The Water Trust Board Grant/Loan #4823 will cover \$2,868,106 of the project cost and the remaining \$4,453,095.84 will be funded by U.S. Bureau of Reclamation Cooperative Agreement.

Councilor Schaaf made the motion to award the Navajo Gallup Water Supply Project Reach 27.10, Formal Bid No. 2007 as presented. Seconded by Councilor Kumar. Roll call: Councilors Schaaf, Kumar, Garcia, Palochak and Mayor Bonaguidi all voted yes.

5. Request to Approve Budget Adjustment for Navajo Gallup Water Supply Project (NGWSP) Reach 27.9, Change Order No. 4 – Dennis Romero, Water and Sanitation Director

Mr. Romero provided a summary of the three previous change orders for Reach 27.9. He also provided an overview of the items included in Change Order No. 4, which are required to meet the City's obligation to an easement agreement with landowners for the construction of a 24-inch waterline along Kachina Road. The items include the installation of meters to allow the landowners to connect to the water system, the costs for early delivery of ductile iron pipe to avoid additional costs imposed under a tariff effective March 2018 and the installation of a new meter display unit at the Kachina pressure relief valve station. The total cost for Change Order No. 4 is \$85,798.50. Mr. Romero also provided a total cost summary for the construction of Reach 27.9, which includes the original bid of \$5,840,388.72, total change orders in the amount of \$158,598.96, cost savings in the amount of \$450,000 due to the early delivery of ductile iron pipe, which results in a total project cost of \$5,998,987.68. The change orders are about 2.7% of the original bid and the cost savings due to the early delivery of ductile iron pipe are about 7.7% of the original bid.

Councilor Palochak made the motion to approve the request for a budget adjustment for Navajo Gallup Water Supply Project Reach 27.9, Change Order No. 4 in the amount of \$85,798.50. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

6. Approval of Northwest New Mexico Council of Governments (NWNMCOG) Contract – Maryann Ustick, City Manager

Ms. Ustick said the NWNMCOG has submitted a contract to extend the City's membership for an additional year at the same cost as the previous year, in the amount of \$65,000.

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The proposed contract will continue the services by the NWNMCOG as outlined in the two year Direct Services Work Program which will be updated in July. Ms. Ustick also recommended the appointment of Mayor Bonaguidi, Councilor Palochak, Councilor Schaaf and her as the City's representatives to the NWNMGCOG Board. Ms. Ustick also recommended the appointment of Jon DeYoung as the City's alternate to the Board.

Councilor Palochak commented on the professional services provided by the NWNMCOG.

Councilor Kumar made the motion to approve the Northwest New Mexico Council of Governments Contract in the amount of \$65,000. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Palochak, Garcia and Mayor Bonaguidi all voted yes.

7. Appointment of Mayor Louie Bonaguidi to the Jail Authority Board – Mayor Louie Bonaguidi

Mayor Bonaguidi said former Mayor Jackie McKinney previously held one of the two positions representing the City on the Jail Authority Board. He recommended the appointment of himself to fill the vacancy on the Board.

Councilor Schaaf made the motion to appoint Mayor Louie Bonaguidi to the Jail Authority Board. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

Comments by Public on Non-Agenda Items

None.

Comments by Mayor and City Councilors

Councilor Palochak thanked all City employees, first responders and medical service professionals who are diligently working during the COVID-19 pandemic. She thanked everyone for their service and asked them to follow all health and safety protocols.

Councilor Kumar expressed his concerns with the recent lockdown of Gallup by reading the following statement: Driving on Interstate 40, we have an orange freeway message sign displaying that Gallup is locked down due to the COVID-19 virus outbreak and no services are available. We made national news. I'm sure we all received calls from friends and family. It feels like we turned things around in Gallup and then we shoot ourselves in the foot. Gallup was known as drunk town USA for many years. We had the hantavirus in the four corners region. Once again we made news and now we're a hotspot for the COVID-19 virus. We do not seem to get a break. We have the Indian Health Service in town. We have a regional hospital. We are going to continue to get patients.

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We are going to have people come into town. We are a major hub for the surrounding area. All we did during this time was to push everyone to the other border towns. My businesses in Grants and Farmington were at capacity and we turned people away. In my opinion, there were other steps we could have taken, such as a passing a mask ordinance, which we did today. Making sure our elderly were protected. Having stricter guidelines for them and for visitors if one was not in place. People with underlying conditions were well cared for and also protected. Making sure that our panhandlers and inebriates were tested and if positive, quarantined for the fourteen days. This was not happening as they were allowed to leave the hotels, even when they tested positive thereby continuing to spread the virus in our community, infecting our officers and the staff and other people at NCI. Now we have taken a big step backwards for many years. We're a stopping place for many snowbirds going back and forth. We're a natural stop for many travelers heading to California or to the east coast. Instead, we posted a big billboard on I-40, to avoid Gallup. Since there is no cure for this yet, people will avoid Gallup for the foreseeable future. If we were going to do a lockdown, we should have initiated constructive measures in place to make sure we use the time that we are shut down, like making sure we have test kits to test our residents, finding asymptomatic carriers, putting in measures to protect our residents and businesses, contacting Gilead for the Remdesivir drug for clinical trials and contacting Abbott Laboratories for their ability to detect the COVID-19 virus in five minutes for positive results and thirteen minutes for negative results. If we are a hotspot for the virus, we should have priority to these products. That is what we should be contacting our State of New Mexico to help us acquire these products to make Gallup a safer place.

Comments by City Manager and City Attorney

Ms. Ustick said the annual community cleanup program will be postponed until a later date due to the COVID-19 pandemic since the process requires large groups of employees to work in close proximity of one another. The City will continue to offer free coupons to its utility customers in good standing. At the recommendation of Councilor Schaaf, the City will allow customers to combine their coupons for the tipping fees for large loads of refuse at a single visit, rather than being able to use one coupon with a value of \$7.00 per visit at the transfer station.

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

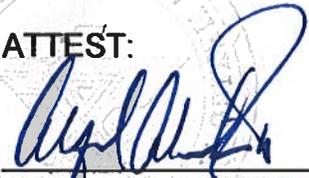
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Louie Bonaguidi, Mayor



ATTEST:



Alfred Abeita II, City Clerk

Approved 5/26/20



**CITY OF
GALLUP**

FY 2021 PRELIMINARY BUDGET PRESENTATION

**Total City Budget (all funds)
\$ 103,933,478**

FOCUS: GENERAL FUND

»» Balanced FY20 General Fund

Operating Budget: \$29,809,999

Capital Budget: \$ 822,200

Total GF Budget: \$30,632,199

General Fund Estimated Cash Reserves:
\$8,908,970 (29% of GF budget exp)

Key Items in Preliminary Budget

1. **Minimum Wage:**
 - A. The minimum wage increase on January 1 from \$9.50 to \$10.50 has been included at a cost of \$214,319.
2. **FTE's:**
 - A. We maintained the current approved position authorizations at 471.
3. **Health Care:**
 - A. Medical insurance was projected to increase by 10%. This increase is offset by a decline in enrolled members.
4. **Capital Expenditures:**
 - A. Capital requests have been kept to a minimum due to the unknown effect of the pandemic on revenues. We will monitor and revisit opportunities as the year progresses.
5. **Wage increases:**
 - A. It has been two years since the last cola was awarded to employees. While there is no proposed increase at this time, we would like to revisit again when revenues rebound.

FY 20-2021 YEAR ONE CIP FUNDING

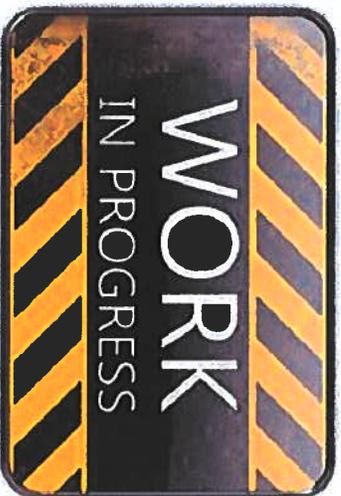
- City General Funds = \$ 822,200
- City Special/Bond Funds = \$ 798,500
- City Enterprise/Bond Funds = \$ 2,811,500
- 3rd Party/Outside Funding = \$27,089,800

TOTAL FUNDING = \$31,522,000

For Proposed Project Listing, See Separate HO.



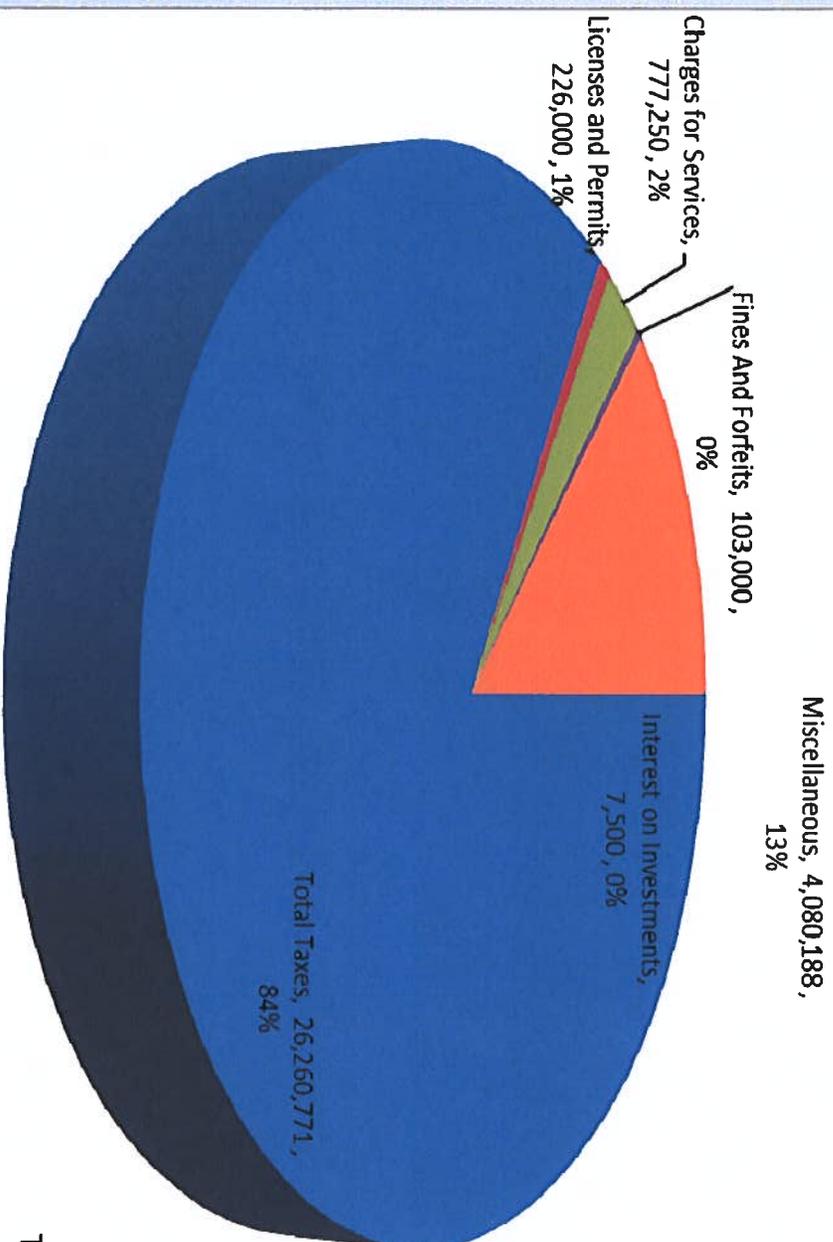
FY 20-2021-2022-2023-2024-2025 “FIVE YEAR” ESTIMATED FUNDING NEED



- City General Funds = **\$31,493,173**
- City Special Funds = **\$51,508,200**
- City Enterprise Funds = **\$42,022,064**
- 3rd Party/Outside Funding = **\$99,201,909**

TOTAL FUNDING = \$224,225,346

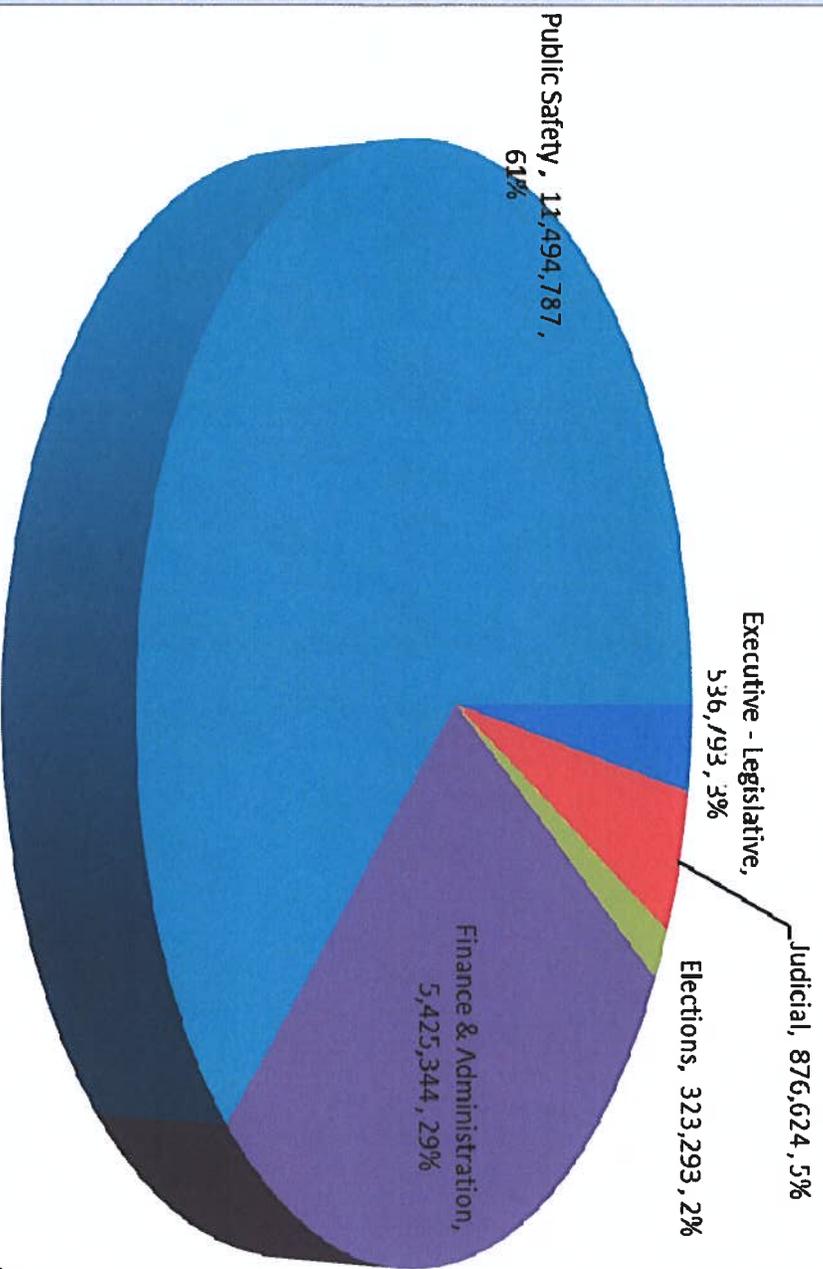
2021 Budgeted Revenue Pre Pandemic Estimates



Total Revenue \$31,454,709

- Total Taxes
- Licenses and Permits
- Charges for Services
- Fines And Forfeits
- Interest on Investments
- Miscellaneous

2021 Budget Expenditures



Total Expenditures \$30,632,199

- Executive - Legislative
- Judicial
- Elections
- Finance & Administration
- Public Safety



Questions???

