

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, June 23, 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 Regular Meeting of June 9, 2020.

Councilor Schaaf said on page 3, under Discussion/Action Topic #4, the Minutes should reflect that the entire Council all voted yes to approve the ordinance repealing the ban on the sale of alcohol at convenience stores.

Councilor Schaaf made the motion to approve the Minutes of the Regular Meeting of June 9, 2020 with the previously stated correction. Seconded by Councilor Kumar. Roll call: Councilors Schaaf, Kumar, Garcia, Palochak and Mayor Bonaguidi all voted yes.

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

- 1. Fiscal Year (FY) 2021 Preliminary Budget for McKinley County Metropolitan Dispatch Authority – Georgene Dimas, Director, McKinley County Metropolitan Dispatch Authority**

Ms. Dimas provided an overview of the proposed preliminary budget for FY 2021. The budget has been previously approved by the Metro Dispatch Authority Board and the McKinley County Board of Commissioners. Ms. Dimas and Sara Saucedo, County Finance Director, answered questions regarding the sources of revenue for the Metro Dispatch Authority and why the proposed budget has an increase of \$230,000 for the new fiscal year when budgets for other entities have been reduced. Discussion followed concerning the proposed expenses for FY 2021 for the radio maintenance agreement (which was covered by the County Fire Department last year), the roof repair needed for the building and the anticipated loss in gross receipts tax revenue. Anthony Dimas,

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County Manager, said there are left over funds from this year's budget due to the cancelation of travel and a decision was made to include the costs for the radio maintenance agreement under the Metro Dispatch Authority since County and City departments are utilizing the system. Mr. Dimas said the proposed budget is a zero based budget and a cash carry-over of \$230,000 will be used for the budget increase.

Councilor Garcia made the motion to approve the Fiscal Year 2021 Preliminary Budget for the McKinley County Metropolitan Dispatch Authority. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

2. Fiscal Year 2021 Preliminary Budget for McKinley County Adult Detention Center – Tony Boyd, Warden, McKinley County Adult Detention Center

Mr. Boyd provided a brief overview of the proposed preliminary budget for Fiscal Year 2021.

Councilor Palochak made the motion to approve the Fiscal Year 2021 Preliminary Budget for the McKinley County Adult Detention Center. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

3. Approval and Acceptance of the Quarterly Local Liquor Excise Tax Accountability Report for 1st Quarter Calendar Year 2020 – Maura Schanefelt, McKinley County DWI Program Manager

Ms. Schanefelt presented the report which summarizes the use of liquor excise tax funds by local programs and agencies during the quarter. The report is prepared on a calendar year basis to comply with State requirements. Ms. Schanefelt also provided information about the contract services provided by various agencies, including Sexual Assault Services of Northwest New Mexico.

Councilor Schaaf made the motion to approve and accept the Quarterly Local Liquor Excise Tax Accountability Report for 1st Quarter Calendar Year 2020. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes.

4. Budget Adjustment for Bond Payment – Patty Holland, Chief Financial Officer

Ms. Holland said the Council recently approved a budget adjustment for an early principal payment on the City's Series 2011 General Obligation Bonds. The purpose of the early payment is to utilize funding proceeds to protect the mil levy rate calculation. She recently

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received information regarding the amount of interest that needs to be paid; therefore, she recommended a budget adjustment in the amount of \$4,914 to cover the interest expense.

Councilor Palochak made the motion to approve the budget adjustment in the amount of \$4,914 for the interest payment for the bond. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

5. Discussion About the Rescheduled Best of the Best Rodeo Event – Jennifer Lazarz, Tourism and Marketing Manager

Ms. Lazarz said on April 28, 2020, the Council voted to cancel the Best of the Best Rodeo, which was originally scheduled for June 2020 and to reschedule the event for dates in August 2020. Circumstances impacting the rodeo have changed over the past month and require Council discussion and action for the event. Such circumstances include: 1) the Governor's Public Health Order has not lifted the limitations on mass gatherings; 2) due to budget cuts, Red Rock Park no longer has adequate staffing to host large events; 3) there is no funding for overtime for City personnel from multiple departments to assist with the operation of the event; and 4) the Lodgers' Tax Fund and General Fund cannot absorb the losses incurred by the possibility of reduced participation over previous years. The current fiscal impact for canceling the event is \$80,231.54, which includes the General Fund loss of \$64,512.39 and Lodgers' Tax expenditures of \$15,719.15. Staff recommends the cancelation of the 2020 Best of the Best Rodeo and a budget adjustment to cover the expenditures in the amount of \$80,231.54.

Councilor Kumar recommended having a cancelation clause in the promotion contract for the future events.

Councilor Kumar made the motion to approve the cancelation of the Best of the Best Rodeo. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

6. Appointments to the Planning and Zoning Commission – Mayor Louie Bonaguidi

Mayor Bonaguidi recommended the re-appointment of Matt Long and the new appointment of Kyle Spolar to the Planning and Zoning Commission.

Councilor Schaaf spoke in favor of the proposed appointments to the Commission. Councilor Schaaf also made the motion to approve the appointments of Matt Long and Kyle Spolar to the Planning and Zoning Commission. Councilor Palochak asked who

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Mr. Spolar will be replacing. Mayor Bonaguidi said Mr. Spolar will be replacing Juliana Dooley. Councilor Palochak commended Ms. Dooley for her work as a Commissioner and thanked her service. Mayor Bonaguidi agreed with Councilor Palochak's comments.

Councilor Palochak seconded the motion made by Councilor Schaaf to appoint Matt Long and Kyle Spolar to the Planning and Zoning Commission. Roll call: Councilors Schaaf, Palochak, Kumar, Garcia and Mayor Bonaguidi all voted yes.

7. Resolution No. R2020-18; Revised Community Development Block Grant (CDBG) Resolution for 2020 Project – Stanley Henderson, Public Works Director

Mr. Henderson said City staff is working with the Northwest New Mexico Council of Governments on a CDGB application for the West Logan Avenue Reconstruction Project, which is due on July 17, 2020. The Mayor and Councilors approved a resolution for the submission of the application at the May 26, 2020 Regular Council Meeting. Since then, staff has received more accurate project costs from the City's on-call engineer and has updated the resolution accordingly. The only changes to the resolution affects the phased project amount and match. The project cost is currently estimated at \$1.56 million. Staff is applying for the maximum CDBG funding of \$750,000, which will require a match from the City in the amount of \$75,000. The potential balance required is \$735,000 to meet the estimated cost of \$1.56 million. Funding for the match and the potential balance is not available at this time.

Councilor Palochak spoke on behalf of the project and stressed the need for the improvements on West Logan Avenue.

Councilor Kumar said the City should come up with the funding for the match and potential balance for the project.

Following discussion, Councilor Palochak made the motion to approve Resolution No. R2020-18; Revised CDBG Resolution for the 2020 Project Selection. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

8. Resolution No. R2020-19; Revised Infrastructure Capital Improvement Plan (ICIP) Resolution for CDBG Funding of the West Logan Avenue Reconstruction Project – Stanley Henderson, Public Works Director

Mr. Henderson said the State has a grading criteria for the CDBG application process and by increasing the priority of the West Logan Avenue Reconstruction Project on the

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City's ICIP, the City will receive additional points and a more favorable project consideration for award. The proposed Resolution will replace the Red Rock Performers Quarters with the West Logan Avenue Reconstruction Project as priority #5 on the ICIP, maintains the Red Rock Performers Quarters as a priority project on the ICIP and it moves all subsequent projects down by one spot.

Councilor Palochak made the motion to approve Resolution No. R2020-19; Revised ICIP Resolution for CDBG Funding of West Logan Avenue Reconstruction Project. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

9. West Logan Avenue Reconstruction Project Design Award – Stanley Henderson, Public Works Director

Mr. Henderson presented a proposal from DePauli Engineering and Surveying (DES) in the amount of \$157,415.11 for the design of the West Logan Avenue Reconstruction Project. DES is also the project engineer for the City's Whole Block Sidewalk Reconstruction Project. Based on discussions with DES, staff is preparing to close out the Whole Block Sidewalk Reconstruction Project in July with the contractor and engineer. The Whole Block Sidewalk Reconstruction Project has a contingency of \$529,000. Of the contingency, staff estimates that \$300,000 will be needed for final quantities settlement with the contractor and \$50,000 will be needed for the final payment to DES. The remaining balance of \$179,000 may be used for the project development of the West Logan Avenue Reconstruction Project. Mr. Henderson recommended the transfer of \$160,000 from the Whole Block Sidewalk Reconstruction Project budget (project #CI1902) to the West Logan Avenue Reconstruction Project budget and to approve the award of the project development design of the West Logan Avenue Reconstruction project to DES in the amount of \$157,415.11 including gross receipts tax. By proceeding with the design of the West Logan Avenue Reconstruction Project, it will strengthen the City's CDBG application for the project.

Councilor Kumar made the motion to approve the West Logan Avenue Reconstruction Project Design Award; to transfer \$160,000 from the Whole Block Sidewalk Reconstruction Project budget (CI1902) to the West Logan Avenue Reconstruction Project budget; and to approve the award of the project development design to DePauli Engineering and Surveying for \$157,415.11 including New Mexico gross receipts tax. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

10. Airport Pavement Preservation Contract Award – Stanley Henderson, Public Works Director

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Mr. Henderson said bids for the pavement preservation of the airport apron were opened on May 26, 2020. With the use of an aerial illustration, he provided an overview of the scope of work to be done, which includes crack sealing, seal coating and new pavement markings on the airport ramp in front of the airport terminal. For the Mayor and Councilors' consideration and approval are the following: 1) New Mexico Department of Transportation (NMDOT) Aviation Grant in the amount of \$8,500; 2) Task Order B from Armstrong Consultants in the amount of \$35,743.13 for the design and construction management; 3) construction award to the apparent low bidder American Airport Maintenance in the amount of \$131,675.51; and 4) a future Federal Aviation Administration (FAA) Grant in the amount of approximately \$153,000. The proposed project is the first phase of a three phase pavement improvement project at the airport.

Councilor Kumar made the motion to approve the Airport Pavement Preservation Contract Award, approve NMDOT's Aviation Grant GUP-20-01 for \$8,500, approve award of Task Order B from Armstrong Consultants for \$35,743.13 including New Mexico gross receipts tax, approve award of construction contract to American Airport Maintenance for \$131,675.51 including New Mexico gross receipts tax and to approve the acceptance of a future FAA grant for \$153,000 or thereabouts. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

11. Resolution No. R2020-17; Resolution for 19-2020 NMDOT Co-Op Funding Extension – Stanley Henderson, Public Works Director

Mr. Henderson presented the proposed resolution requesting a time extension from the NMDOT for its FY 2020 cooperative funding grant. The COVID-19 health emergency has created unforeseen City revenue shortfalls, operation budget reductions and personnel layoffs. As a result, the Street Department does not have the resources to run its annual mill and overlay program this year. The proposed resolution would request a time extension for the co-op grant from December 31, 2020 to December 31, 2021.

Councilor Kumar made the motion to approve Resolution No. R2020-17; Resolution for 19-2020 NMDOT Co-Op Funding Extension and to extend the co-op grant funding from December 31, 2020 to December 31, 2021. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Garcia, Palochak and Mayor Bonaguidi all voted yes.

12. FAA Coronavirus Aid, Relief and Economic Security (CARES) Act Grant Approval – Stanley Henderson, Public Works Director

Mr. Henderson said as part of the FAA's CARES Act program, the FAA has made \$20,000 available to the City for the Gallup Municipal Airport costs, including operation. Funding will be used for utilities and other allowable operational costs at the airport. Mr.

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Henderson recommended acceptance of the grant and to authorize the City Manager as the City's authorized representative to execute this grant.

Councilor Schaaf made the motion to approve the FAA CARES Act grant in the amount of \$20,000. Councilor Garcia made an amendment to the motion: "and to authorize Maryann Ustick as the City's authorized representative to execute the grant." There was no objection by Councilor Schaaf regarding the amendment. The motion, as amended, was 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

Mayor Bonaguidi on behalf of the City Council presented a Commendation to Stanley Henderson, Executive Director, Public Works Department, honoring him for 25 years of service to the City. Mr. Henderson will retire from City employment at the end of the month. The Mayor and Councilors thanked Mr. Henderson for his service to the City, recognized him for his professionalism and they shared their experiences on how Mr. Henderson provided assistance to them with their projects, programs and constituent concerns. On behalf of the Northside Neighborhood Association, Councilor Garcia presented Mr. Henderson with a card and a silver watch as a token of their appreciation for his service.

Comments by City Manager and City Attorney

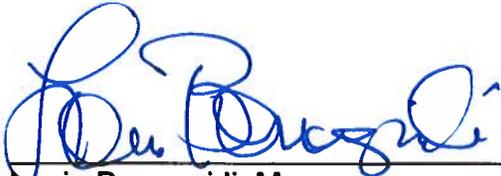
Ms. Ustick commended Mr. Henderson for his incredible work ethic and for his ability to get the job done beyond all challenges. Ms. Ustick also provided information on the City's fireworks display, which will be held on the evening of Friday, July 3, 2020. Due to the public health order, citizens are asked to refrain from coming into close contact with one another and to remain in their vehicles.

Mr. Hayes echoed the comments expressed about Mr. Henderson and thanked him for sharing his wealth of knowledge on regulations pertaining to the airport.

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

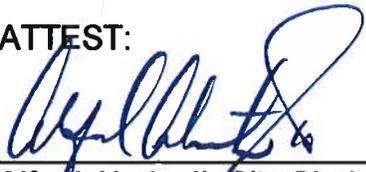
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Louie Bonaguidi, Mayor

ATTEST:



Alfred Abeita II, City Clerk

Approved 7/14/2020