

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, June 25, 2019.

The meeting was called to order by Mayor Jackie McKinney. Upon roll call, the following were present:

Mayor:	Jackie McKinney
Councilors:	Linda Garcia Yogash Kumar (via telephone) Fran Palochak
Absent:	Allan Landavazo, Councilor
Also Present:	Maryann Ustick, City Manager Curtis Hayes, City Attorney

Mayor McKinney said Councilor Landavazo's absence shall be recorded as an excused absence.

Presented to the Mayor and Councilors for their approval were the Minutes of the Regular Meeting of June 11, 2019. Councilor Palochak made the motion to approve the aforementioned minutes. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

The Mayor and Councilors presented Bill Camarota with a Certificate of Appreciation for his outstanding contribution coordinating a three-day clean-up of the north side district's gated alley ways with the assistance of graduates of the RMCHCS Residential Treatment Program.

Presented to the Mayor and Councilors was the following Discussion/Action Topics:

1. Appointments to the Planning and Zoning Commission – Mayor Jackie McKinney

Mayor McKinney recommended the reappointment of Kent Wilson, Keegan Mackenzie-Chavez, Fran Pawlowski and Loren Miller, whose terms expired May 31, 2019 and have expressed interest in serving another term.

Commissioner Frank Kozeliski's term also expired; however, he agreed not to have his term renewed. Mayor McKinney recommended Johnty Cresto be appointed to the Commission. The term for all 5 appointees is for 2 years.

The Mayor and Councilors recognized those individuals who volunteer their time and effort to sit on the commission and provide an invaluable service, especially those willing to be reappointed.

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Councilor Palochak thanked Mr. Cresto for his experience and knowledge he will bring to the board.

Councilor Palochak made the motion to approve the reappointments of Kent Wilson, Keegan Mackenzie-Chavez, Fran Pawlowski and Loren Miller and the appointment of Johnty Cresto to the Planning and Zoning Commission for a term of two years starting June 1, 2019. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

2. **Public Hearing:** Proposed Transfer of Ownership of Existing Liquor License #0906 from the Estate of Armand Ortega to K.A. Rose, LLC d/b/a Mesa Lights, 2915 W. Highway 66 – Curtis Hayes, City Attorney

Mr. Hayes presented the information relative to conducting the public hearing on the proposed transfer of ownership of the license. He said the current location does not violate the distance requirements under the State Liquor Control Act and City Ordinance. The only criteria the Mayor and Councilors could disapprove the transfer of the license is if the proposed license transfer would be detrimental to the public health, safety or morals of the residents of the Local Option District.

Amelia Ortega-Crowther was duly sworn and said her family owned the Gallup Inn, also known as the Holiday Inn and the liquor license; however, they recently sold the Gallup Inn to K.A. Rose, LLC dba Mesa Lights and wanted the liquor license to go with the hotel.

Jay Mason, Attorney for K.A. Rose, LLC, was duly sworn and clarified the license will not change from the location, which has sat vacant for many years. He said Mr. Khalaf has obtained a franchise to operate the hotel which will also provide more options for meeting spaces to the community to hold functions. Mr. Mason requested the Mayor and Councilors' approval of the transfer.

Councilor Palochak commented on the number of vacant hotels within her district and the positive impact this will have in the city, contributing more meeting spaces to the community and allowing for the sale alcoholic beverages within the compound of the facility and not package liquor.

Councilor Palochak made the motion to approve the transfer of ownership of existing liquor license #906 from the Estate of Armand Ortega to K.A. Rose, LLC d/b/a Mesa Light at 2915 W. Highway 66. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

3. Annual Request for Street Closures for Arts Crawl Held on the Second Saturday of the Month – Rhonda Quintana

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Ms. Quintana provided information regarding the growth of the monthly event with approximately 2,000 attendants in June 2019, including local residents and tourists.

The Mayor and Councilors commended Ms. Quintana for taking over the event and doing a great job in a short amount of time.

Councilor Garcia made the motion to approve the annual request for street closures for Arts Crawl held on the second Saturday of the month. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

4. Request for Street and Parking Lot Closures and Request for Special Dispenser's Permit for the Route 66 Freedom Ride, Flight and Cruise Event and Gurley Motors Car Show – Francis Bee, Executive Director, Business Improvement District (BID)

Mr. Bee presented the requests for the closure of various streets and parking lots for both events as described in the Event Permit Application. The events will be held during the last weekend in July 2019. Mr. Bee provided details pertaining to each event, highlighting a change to the route motorcyclists will use to avoid a dip in the road on Aztec Avenue.

Councilor Palochak said the all-day event is one of her favorites and expressed her appreciation to the BID for organizing it.

Councilor Garcia and Mayor McKinney commented on the growth of the events, the positive impact the event has had on the downtown area and thanked all who assists with it.

Councilor Palochak made the motion to approve the request for street and parking lot closures and request for a Special Dispensers Permit for the Route 66 Freedom Ride, Flight and Cruise event and the Gurley Motors Car Show. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

5. Approval and Acceptance of the Quarterly Local Liquor Excise Tax Accountability Report for 1st Quarter Calendar Year 2019 – Maura Schanefelt, McKinley County DWI Program Manager

Ms. Schanefelt presented a detailed report summarizing the use of Liquor Excise Tax Funds by local programs and agencies during the first quarter calendar year 2019 in comparison to calendar year 2018. She said the JSACC is down from the previous year because they did not have a caseworker, although one was hired January 2019.

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In response to Mayor McKinney, Ms. Schanefelt verified the data presented was provided by NCI.

Councilor Garcia made the motion to approve and the accept the Quarterly Local Liquor Excise Tax Accountability Report for 1st Quarter Calendar Year 2019. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

6. **Presentation Only:** City of Gallup Behavioral Health Quarterly Reports – Debra Martinez, Behavioral Health Investment Zone (BHIZ) Program Manager and Sindy Bolanos-Sacoman, SBS Consulting

Ms. Martinez provided an update on the Behavioral Health Investment Zone (BHIZ). The highlights included the organization of several events with the Magistrate Court Judges, NCI and local emergency service providers, the hiring of a PARD Coordinator and the increase of shelter usage.

Ms. Bolanos-Sacoman presented data pertaining to clients receiving services at NCI and Rehoboth McKinley Christian Hospital (RMCH), including General Education Development (GED), counseling sessions, case management services, 30-day shelter use and reasons for leaving. She also shared success stories from previous clients and some of the programs accomplishments.

Ms. Ustick commented on the overall trend of protective custody from 2016 to 2019. She congratulated Ms. Martinez and Ms. Bolanos-Sacoman as well as all the other partners who have contributed to the programs and clarified this shelter is an unconditional shelter taking everyone including those with a zero Blood Alcohol Content (BAC) contrary to a recent editorial published in the Gallup Independent.

Councilor Palochak expressed her appreciation for the provided data as well as the success stories not always heard.

Mayor McKinney stated the shelter program is a large component of the decline in protective custody pick-ups. He thanked Ms. Martinez and Ms. Bolanos-Sacoman for all they have done with the program.

7. Approval of Agreement with NCI for Detox Administration and Operation – Debra Martinez, BHIZ Manager

Ms. Martinez presented the proposed agreement for the basic operation of the facility with the use of liquor excise tax funds in the amount of \$835,000. The agreement will take effect July 1, 2019 thru June 30, 2020.

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Councilor Palochak made the motion to approve the agreement with NCI for detox administration and operation from the FY 20 liquor excise tax in the amount of \$835,000. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

8. Approval of Gallup Detoxification Center Intensive Services Agreement – Debra Martinez, BHIZ Manager

Ms. Martinez presented the agreement in the amount \$141,000 for intensive services including counseling, case management and two counselors for more one-on-one treatment with high risk participants.

Mayor McKinney commented on the importance of the continuation of services upon completion of the program.

Councilor Garcia made the motion to approve the Gallup Detoxification Center Intensive Services Agreement. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

9. Professional Services Agreement for Rehoboth McKinley Christian Health Care Services Behavioral Health – Debra Martinez, BHIZ Manager

Ms. Martinez presented the Agreement with RMCHCS to utilize BHIZ funds for aftercare and GED Services in the amount of \$105,000. The contract is effective July 1, 2019.

Mayor McKinney commented on the importance of aftercare and thanked those involved.

Councilor Garcia made the motion to approve Professional Services Agreement for Rehoboth McKinley Christian Hospital (RMCH) Behavioral Health. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

10. Cultural Center Lease Agreement with Southwest Indian Foundation (SWIF) – Curtis Hayes, City Attorney

Mr. Hayes presented the proposed Lease Agreement with SWIF regarding the Cultural Center, highlighting four provisions including:

- The City may terminate the lease if it determines there is better use for the building, providing SWIF with 24 months' notice and a meeting prior to such termination.

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- In-kind contribution towards rent solely to the payment of SWIF personnel that work at the Cultural Center.
- Requires SWIF to maintain the Cultural Center as open to the public at least 50 hours per week
- Removes the east parking lot from the lease

Mr. Hayes said William McCarthy, SWIF Chief Executive Officer, was notified and is receptive of the changes.

Councilor Palochak made the motion to approve Cultural Center Lease Agreement with Southwest Indian Foundation. Seconded by Councilor Garcia. Roll Call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

11. Ordinance No. C2019-6; An Ordinance Amending the Special Events Ordinance to Remove Two References to Section 7-1-1 of the Gallup Municipal Code which has been Amended and no Longer Deals with Street Obstructions – Curtis Hayes, City Attorney

Mr. Hayes provided a brief overview of an amendment made in January 2019 to the Street Obstruction Ordinance. The amendments removed references to street obstructions as they are dealt with in other parts of the City Code and limited its scope to sidewalk obstructions. The Special Events Ordinance still refers to the old Street Obstruction Ordinance and the proposed amendment under the new Ordinance would remove the references to the old Street Obstruction Ordinance. The Special Events Ordinance still requires approval by the Council for requests to close streets for events.

Councilor Garcia made the motion to approve Ordinance No. C2019-6; Amending the Special Events Ordinance to Remove Two References to Section 7-1-1 of the Gallup Municipal Code Which Has Been Amended and No Longer Deals with Street Obstructions. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

12. FY 2019 Final Budget Adjustment Request – Patty Holland, Chief Financial Officer

Ms. Holland presented a list of line items that need to be increased for FY 2019. Due to the new system at the Department of Finance and Administration (DFA), it recognizes each line item and requires all line items to be appropriately funded prior to closing.

Mayor McKinney commented on the overall expenditure and revenue increase amounts.

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Councilor Palochak made the motion to approve FY 2019 Final Budget Adjustment Request. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

13. Construction Contract Award for FY 2019-2020 Whole Block Sidewalk Reconstruction Project – Stan Henderson, Public Works Director

Mr. Henderson presented the Whole Block Sidewalk Reconstruction Project to include:

- Marguerite Franco Street including a segment of Wilson Avenue;
- Bike Park periphery including South Cliff Drive and Mesa Avenue;
- Church Rock Street west from Toltec Drive to Tocito Drive;
- Linda Drive including Nizhoni Boulevard segment and
- Viro Circle south from Aztec Avenue to Copper Avenue

Bids were opened on May 21, 2019 with only one bidder. H.O. Construction of Albuquerque, New Mexico submitted a total bid for \$1,690,855. The engineer of record is DePauli Engineering and Surveying of Gallup, New Mexico. Their proposal for construction management and quality assurance is \$196,786.70.

The project has been budgeted in the City's Community Improvement Plan; however, to award the project in its entirety, the project budget is short \$550,000. This shortfall can be attributed to the high risk inherent in such reconstruction efforts. The work is not considered attractive by contractors and there is little to no bid competition for this work.

Among the myriad of issues facing a contractor, they will need to mobilize and demobilize in five different neighborhoods and will need five different neighborhood outreach meetings. Affected property owners will require personal hands-on communication and coordination. Roadway and driveway grades will require constant adjustment to prevent any exasperating or causing any storm drainage issues. Sidewalks will require ADA compliance and local traffic control must be maintained. Neighborhoods will be disrupted which will require continuous on-site management.

Mr. Henderson proposed making up the \$550,000 shortfall by taking \$250,000 from Fund 202 balance and \$300,000 from the General Fund balance.

Brief discussion followed regarding the potential construction schedule, which is expected to begin mid-July and concluding by the holiday season.

Mayor McKinney commented on the accumulation of budgeted CIP money from 2017 to 2020.

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Councilor Garcia made to the motion to approve the contract award for FY 2019-2020 Whole Block Sidewalk Reconstruction Project, including the transfer of \$250,000 from Fund 202 balance and \$300,000 from General Fund balance to the project budget. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

14. Resolution No. R2019-28; Coal Avenue Commons 2019 Legislative Grant Approval – Stan Henderson, Public Works Director

Mr. Henderson said as part of the 2019-2020 State budget, the State Legislature appropriated \$677,000 for the Coal Avenue Commons Construction Project. Mr. Henderson recommended accepting the State grant, approval of the resolution and the related budget adjustment.

Councilor Palochak made the motion approve Resolution No. R2019-28; Coal Avenue Commons 2019 Legislative Grant. Seconded by Councilor Garcia. Roll Call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

15. Resolution No. R2019-29; Coal Avenue Commons 2019 MAP Grant Approval – Stan Henderson, Public Works Director

Mr. Henderson presented the proposed Resolution to gather construction funds needed for the Coal Avenue Commons Project. New Mexico Department of Transportation has approved the City's Municipal Arterial Program (MAP) grant application for \$950,833. The MAP funding requires a 25% match from the City in the amount of \$316,944 for a total grant funding of \$1,267,777. Mr. Henderson proposed taking funds from Fund 202 cash balance for the City's match requirement.

Discussion followed regarding the total amount needed for the Project. Ms. Ustick said the Mainstreet Board will be submitting an application for funding their capital outlay which is believed to be about \$4 million.

Councilor Palochak made the motion to approve Resolution No. R2019-29; Coal Avenue Commons 2019 MAP Grant, the acceptance of New Mexico Department of Transportation's (NMDOT) MAP Funding in the amount of \$950,833, the 25% match from the City in the amount of \$316,944 from Fund 202 cash balance and the appropriate budget adjustments for the project funding as presented. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

16. Mill and Overlay 2019 COOP Grant Approval – Stan Henderson, Public Works Director

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The NMDOT approved \$145,157 in Local Government Road Funds (COOP) to the City of Gallup. Funding is used by Public Works (PW)/Street Department for its annual mill and overlay program. The COOP funding requires a 25% match from the City in the amount of \$48,386 for a total grant funding of \$193,543. This match has been budgeted within next year's Community Improvement Plan as part of the PW/Street Department's budget.

Brief discussion followed regarding the 50% reduction in funding from the previous year and reason for the reduction.

Mr. Henderson clarified the approval is to pull the City's match of \$48,386 out PW/Street Department Operations Fund.

Councilor Garcia made the motion to approve the Mill and Overlay 2019 COOP Grant Approval, the NMDOT's COOP funding in the amount of \$145,157, the City's 25% match in the amount of \$48,386 and appropriate budget adjustments for the project funding as presented. Seconded by Councilor Palochak. Roll Call: Councilors Garcia, Palochak, Kumar and Mayor McKinney all voted yes.

17. Resolution No. R2019-30; West Aztec Avenue Storm Drainage 2019 Legislative Grant Approval – Stan Henderson, Public Works Director

Mr. Henderson said as part of the 2019-2020 State budget, the State Legislature appropriated \$150,000 for the West Aztec Avenue Storm Drainage Project.

Councilor Palochak commented on the need for drainage improvements in this area of her district.

Mayor McKinney expressed his appreciation for the legislative funding the City received.

Councilor Palochak made the motion to approve the Resolution No. R2019-30; West Aztec Avenue Storm Drainage 2019 Legislative Grant Approval. Seconded by Councilor Garcia. Roll Call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

18. State Aviation 2018 Maintenance Funding Approval – Stan Henderson, Public Works Director

The NMDOT (State Aviation) has approved \$19,777 in funding for the Gallup Municipal Airport. Funding is for airfield maintenance and associated consumable items. Mr. Henderson apologized to Mayor and Council for the oversight of the 10% required match, which totals \$2,198. The match can be taken from the Airport's budget. Ms. Holland

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verified approval for use of the Airport's budget for the match requirement is not needed since the funds are already available in the Airport's budget.

Councilor Palochak made the motion to approve State Aviation 2018 Maintenance Funding. Seconded by Councilor Garcia. Roll Call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

19. Resolution No. R2019-25; Acceptance of the FY20 Keep Gallup Clean & Beautiful Grant Between the New Mexico Tourism Department and the City of Gallup – Elizabeth Barriga, Water Conservation Coordinator

Ms. Barriga presented the FY 20 Keep Gallup Clean & Beautiful Grant Award in the amount of \$8,950.

Discussion followed regarding the locations of the clean-ups and the amount of trash picked up at certain locations.

Mayor McKinney applauded the Solid Waste Department and Ms. Barriga for their efforts.

Councilor Palochak made the motion to approve Resolution No. R2019-25; Acceptance of the FY 20 Keep Gallup Clean & Beautiful Grant Between the New Mexico Tourism Department and the City of Gallup. Seconded by Councilor Garcia. Roll Call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

20. Resolution No. R2019-27; Directing the City Manager to Put the United States of America, Acting Through the Secretary of the Interior Through the Bureau of Reclamation on Notice that the City of Gallup will not Approve any Navajo Gallup Water (NGWSP) Project Operations Agreement Unless Certain Conditions and Requirements Are Met – Dennis Romero, Director, Gallup Water and Sanitation Department

Mr. Romero presented the proposed Resolution which provides for the following requirements to be included in an Operational Agreement between the City and Navajo Nation:

1. A governing committee concerning Project facilities under the operational control of either the City or Navajo Nation or both with authority to, among other things, develop rates, budgets and operating procedures;
2. Operating procedures relevant to jointly utilized facilities (e.g. Tolakai Pumping Station);

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3. Selection of a qualified operator of any Project facilities selected after and in accordance with a competitive process;
4. Recognizes the City's States of New Mexico Environmental Department Drinking Water Bureau requirements and;
5. Provides reasonable formulas for calculating rates including funding for emergency and routine repair and maintenance funds.

Councilor Palochak requested a change to the wording in item one to read that a governing committee will be comprised of both entities, the City of Gallup and Navajo Nation, and not either party. The Mayor and Councilors agreed to Councilor Palochak's proposed amendment.

Mayor McKinney commented on the importance of meeting New Mexico Environmental Department Drinking Water Bureau standards.

Councilor Palochak made the motion to approve Resolution R2019-27; Directing the City Manager to Put the United States of America, Acting Through the United States Secretary of the Interior Through the Bureau of Reclamation on Notice that the City of Gallup Will Not Approve Any NGWSP Project Operations Agreement Unless Certain Conditions and Requirements are Met, with the amendment of item one to state, "a governing committee concerning Project facilities under the operational control of both the City and Navajo Nation with authority to, among other things, develop rates, budgets and operating procedures." Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar and Mayor McKinney all voted yes.

Comments by Public on Non-Agenda Items

None.

Comments by Mayor and City Councilors

Councilor Garcia thanked Mr. Camarotta, Adrian Marrufo, Solid Waste Director, Ms. Barriga and crews for their recent help in cleaning up the north side district. She also thanked World Changers, Pastor Jay McCollum and Ben Welch who started work today with volunteers from all over the United States. She also announced she will not be having her neighborhood meeting this month.

Councilor Palochak commented on a promotion ceremony she attended for Erin Toadlena-Pablo who was recently promoted to Captain. She thanked City crews for all their work for Relay Life which raised about \$70,000 for cancer research and programs. She will host a neighborhood meeting at Tobe Turpen Elementary at 6:00 p.m. on Thursday, June 26, 2019.

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Mayor McKinney also commented on World Changers who are working on a number of projects and commended Pastor McCollum for his efforts and work ethic he instills in the youth. He also commended the Gallup Independent for the perfectly timed publication of an article regarding the Best of the Best Rodeo event. He also gave a brief update on the event and thanked City staff for their help. He invited everyone to attend the event.

Comments by City Manager and City Attorney



Ms. Ustick provided information regarding the Electric Rate Ordinance (No. C2016-4) Power Purchase Adjustment. Section K of the ordinance regarding the purchase price of power and projected increases will be passed on to City Electric customers. Unfortunately, this has not been done since 2015. Ms. Ustick provided the rate schedule attached to the agreement with Continental Divide Electric showing the actual price and the cost of purchasing power starting 2014 through 2024. Ms. Ustick pointed out the 2.53% increase for 2019 which will be passed on to customers starting this year, unless Section K is removed from the ordinance.

Mayor McKinney commented on the Council's approval of the yearly rate increases and requested Ms. Ustick make it her personal responsibility to ensure the increases approved by Mayor and Council are implemented going forward.

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



Jackie McKinney, Mayor


ATTEST:


Alicia Palacios, Deputy City Clerk