

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico held at Gallup City Hall, 110 W. Aztec Avenue, at 6:00 p.m. on Tuesday, July 28, 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 submit comment on non-agenda items later in the meeting.

Upon roll call, the following were present:

Mayor:	Louie Bonaguidi
Councilors:	Linda Garcia Michael Schaaf Yogah 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 July 28, 2020.

Councilor Palochak made the motion to approve the minutes of the Regular Meeting of July 28, 2020. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

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

- 1. Ordinance No. S2020-7; Authorizing the Execution and Delivery of a Loan Agreement and Intercept Agreement By and Between the City of Gallup and NMFA to Refinance GRT Bonds – Patty Holland, Chief Financial Officer**

Ms. Holland presented the proposed Ordinance to refinance the 2010A Bonds, reducing the current year obligation in addition to payments for the remaining life of the bond and to allow the City's General Fund some flexibility to help manage the impact of the COVID-19 crisis. Due to the lowered interest rate, the bond obligation will be reduced by almost \$850,000. Ms. Holland said if the ordinance is approved a budget adjustment of \$90,000 will be needed to cover the closing costs and legal fees. No additional cash will be available at this time but it will be a possibility in the future.

Brief discussion followed regarding the overall savings and impact.

Councilor Schaaf made the motion to approve Ordinance No. S2020-7; Authorizing the Execution and Delivery of a Loan Agreement and Intercept Agreement By and Between the City of Gallup and New Mexico Finance Authority (NMFA) to Refinance the GRT

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Bonds and a budget adjustment of \$90,000 to pay for the issuance costs. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

2. Resolution No. R2020-24; 4th Quarter FY 2020 Budget Adjustments and Report of Actuals – Patty Holland, Chief Financial Officer

Ms. Holland presented the proposed resolution which encompasses all budget changes processed April 1, 2020 through June 30, 2020. She provided an overview and highlighted certain budget revisions made during the quarter and the required report to be submitted to the Department of Finance and Administration (DFA).

Councilor Palochak made the motion to approve Resolution No. R2020-24; 4th Quarter FY 2020 Budget Adjustments and Report of Actuals. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Schaaf and Mayor Bonaguidi all voted yes.

3. AVA LLC ABA Land Ltd. Co. and Love's Travel Shop & Country Stores Inc., Final Subdivision Plat Approval – C.B. Strain, Planning Director

Mr. Strain said the properties currently consist of four (4) unplatted tracts of land and one (1) platted lot and explained the purpose of the subdivision is to reconfigure the existing properties by replatting the existing tracts into three (3) individual lots. Also included in the subdivision is the vacation of several existing unoccupied public utility and access easements. With approval of the Gallup Planning and Zoning Commission, Mr. Strain requested approval of the vacation, completing the approval process and to allow recording of the final plat with the McKinley County Clerk.

Councilor Palochak made the motion to approve AVA LLC, ABA Land Ltd. Co. and Love's Travel Shop & Country Stores Inc., Final Subdivision Plat Approval. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Schaaf, Garcia and Mayor Bonaguidi all voted yes.

4. Navajo Gallup Water Supply Project (NGWSP) Reach 27.11 Easement Agreement with Rico Land & Cattle Co. – Curtis Hayes

Mr. Hayes provided information regarding the application process for applying for funding. He presented a map of reach 27.11, which extends south from Gallup and will supply water to Navajo Tribal Utility Authority. Mr. Hayes said the agreement will allow for Rico Land and Cattle Co. to purchase water in the future at "in-city" rates and provided details about the land surrounding the reach.

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Councilor Garcia mad the motion to approve the NGWSP Reach 27.11 Easement Agreement with Rico Land & Cattle Co. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Palochak, Schaaf and Mayor Bonaguidi all voted yes.

- 5. Resolution No. R2020-25; Request for Water Service Outside the City Limits – Dennis Romero, Gallup Joint Utility Executive Director**

Mr. Romero presented the proposed Resolution in response to a request submitted by Mike McConnel, owner of Kachina Rentals, LLC, for water service outside city limits. Mr. Romero also presented a map of water lines and explained a plan to service William Acres with water in the future. He recommended approval of the resolution.

Councilor Garcia made the motion to approve Resolution No. R2020-25; Request for Water Service Outside the City Limits. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

- 6. Request to Approve Amendment No. 4 to the Wastewater Treatment Facility Design, Build and Operate (DBO) Contract with CH2M Hill (Jacobs) – Dennis Romero, Gallup Joint Utilities Executive Director**

Mr. Romero provided details regarding a recent name change from CH2M Hill to Jacobs and explained two (2) items comprised in the amendment, including the contract terms being changed from calendar year to the City's fiscal year, the annual pass through costs and an itemized table of those annual costs. Mr. Romero said the adjustment to the annual service fee do not require documentation in the form of a contract amendment and noted that due to the completion of the Waste Water Treatment Plant Capital Project upgrades, there is a net reduction of \$107,552 in the annual service fee per the term of the DBO contract. The savings from that will be included in the first loan payment which is due in one (1) year.

Councilor Kumar made the motion to approve Amendment No. 4 to the Wastewater Treatment Facility Design, Build and Operate Contract with CH2M Hill (Jacobs). Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

- 7. Request for Budget Adjustment for Change Order No. 1–Highway 491 16-inch Waterline Replacement Project – Dennis Romero, Gallup Joint Utilities Executive Director**

Mr. Romero said the Council approved the project in February 2020 and awarded the project to Adame Construction. However, while attempting to bore under Highway 491, the subcontractor encountered extremely hard rock that could damage equipment and

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pose a safety risk to employees. Mr. Romero included a cost proposal for approximately 120 hours of extended overhead and mobilization of other equipment. The proposed subcontractor cost is \$92,160.45, excluding the prime contractor's profit and overhead or tax, which could increase the total by about \$22,634, totaling \$114,794 for the change order. Mr. Romero requested a budget adjustment in the amount of \$108,000 from the Water Enterprise Fund cash reserve to cover costs associated with change order and leave a balance of \$9,700 for other minor project issues that may arise.

Councilor Palochak made the motion to approve the budget adjustment for Change Order No. 1–Highway 491 16-inch Waterline Replacement Project. Seconded by Garcia. Roll call: Councilor Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

8. Budget Adjustment for FY2021 Fire Protection Fund Distribution Award – Jesus Morales, Fire Chief

Chief Morales presented the budget adjustment of FY 2021 Fire Protection Distribution in the amount of \$616,698 and provided a specific breakdown, highlighting the projected minimum distribution amount of \$408,043 for the FY 2021 Fire Fund Budget, budget increase of \$208,655 in revenue and expenditures, \$142,352 loan payment to the New Mexico Finance Authority and the total distribution of \$474,089 to Fund 209.

Discussion followed regarding the annual loan payment of \$142,352 to the New Mexico Finance Authority.

Councilor Kumar made the motion to approve budget adjustment of Fund 209 revenue increase in the amount of \$208,655 and expenditure increase in the amount of \$474,089 for FY 2021 Fire Protection Fund Distribution Award. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

9. Walmart Community Grant Award – Jesus Morales, Fire Chief

Chief Morales presented the request for the budget adjustment in the amount of \$2,500 for a grant from the Walmart Community Grants Team for the purchase of Automated Defibrillators (AEDs).

Councilor Palochak made the motion to approve the Walmart Community Grant Award in the amount of \$2,500. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Garcia, Kumar and Mayor Bonaguidi all voted yes.

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Public Comment on Non-Agenda Items

Janie Hall expressed appreciation for the Mayor and Councilors' support of the Black Lives Matter Movement, including a written message from the Mayor on June 3rd and the approval of street closure for a street mural project dedicated to the movement on June 18th. Ms. Hall provided statistics of systemic racism in the United States and asked the City Council to take a pledge created by My Brother's Keeper Alliance, asking local government bodies to address the use of police force and policies within their cities.

Comments by Mayor and City Councilors

Councilor Garcia reminded everyone about the community wide clean-up, which will be on the north side of town. The cleanup area on August 1, 2020 will include the Allison Housing area to the Miyamura Overpass. On August 22, 2020, the community cleanup will take place in the Chihuahuita neighborhood. She also thanked the Solid Waste Department staff for their work with the extra pick-ups.

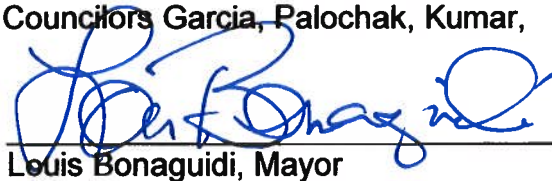
Councilor Palochak also commented on the community wide clean-up and encouraged Stagecoach residents to clean their yards in time for the August 22nd pick-up. She also provided information regarding the Farmer's Market opening date of August 1, 2020 at the Lowe's parking lot, from 8:00 a.m. until 11:30 a.m. and encouraged attendants to practice social distancing and masks.

Comments by the City Manager and City Attorney



Ms. Ustick said Governor Lujan-Grisham has recently approved \$150 million in federal CARES Act funding, which will be given to the state, then passed down to local governments to help small businesses and provided information on the application process to receive the funding. If approved by the State, the item will be brought back to the City Council for their approval.

Clyde (C.B.) Strain, Planning & Development Director, provided an update on the Coal Avenue Commons Project, including the completed construction and details on planned construction. He also provided a time-frame for construction and plans to address issues with parking.

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



Louis Bonaguidi, Mayor


ATTEST:


Alicia Palacios, Deputy City Clerk