

AGENDA

GALLUP CITY COUNCIL REGULAR MEETING TUESDAY, JUNE 26, 2018; 6:00 P.M. CITY COUNCIL CHAMBERS



Jackie McKinney, Mayor

Linda Garcia, Councilor, Dist. 1 Allan Landavazo, Councilor, Dist. 2
Yogash Kumar, Councilor, Dist. 3 Fran Palochak, Councilor, Dist. 4

Maryann Ustick, City Manager
Curtis Hayes, City Attorney

A. **Pledge Of Allegiance**

The members of the body and the public are invited to recite the Pledge of Allegiance.

B. **Roll Call**

C. **Approval Of Minutes**

Special and Regular Meetings of June 12, 2018

(Minutes will be disseminated on Monday, June 25, 2018)

D. **Discussion/Action Topics**

1. **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 Classic Auto Show**

The Business Improvement District (BID) is requesting approval of various street and parking lot closures for both events. The events will take place during the last weekend in July 2018. The BID is also requesting approval of a Special Dispenser's Permit to be issued for the Beer Garden to be in place for the entertainment events at the Courthouse Plaza on Saturday, July 28th.

Fiscal Impact: TBD - City staff to provide support services for the events.

Recommendation: The BID is recommending approval of their requests.

Speaker's Name Steve Gurley

Documents:

[EVENT PERMIT - 2018 RT 66 FREEDOM RIDE FLIGHT CRUISE GURLEY CAR SHOW.PDF](#)

2. Request For Street And Parking Lot Closures For The 4th Of July Stars And Stripes Honor Gourd Dance

City staff is recommending the closure of Aztec Avenue between 2nd and 3rd Streets and the closure of the Gallup Joint Utilities parking lot on Aztec Avenue for the event.

Fiscal Impact: TBD - staff to provide support services for the event.

Recommendation: Staff recommends approval.

Speaker's Name Ben Welch, Community Services Coordinator

Documents:

[EVENT PERMIT - 4TH OF JULY STARS AND STRIPES HONOR GOURD DANCE.PDF](#)

3. Request For Street Closures For A Simulated Active Shooter Exercise To Be Held At The Octavia Fellin Public Library On July 12, 2018

The City of Gallup Office of Emergency Management is requesting approval to close streets in close proximity of the Octavia Fellin Public Library to conduct the training exercise.

Fiscal Impact: TBD.

Recommendation: Staff recommends approval.

Speaker's Name Eric Babcock, Fire Chief

Documents:

[EVENT PERMIT - SIMULATED ACTIVE SHOOTER EXERCISE AT LIBRARY.PDF](#)

4. Request By Southwest Indian Foundation To Sublease A Portion Of The Gallup Cultural Center Parking Lot To Blunt Bros. Coffee

The Southwest Indian Foundation is requesting approval to sublease space in the city-owned parking lot, west of the Gallup Cultural Center, for the placement and operation of a business kiosk owned by Blunt Bros. Coffee.

Fiscal Impact: TBD - GRT revenue to be generated from private business operation.

Recommendation: Southwest Indian Foundation is recommending approval of their request.

Speaker's Name James Eby, Project Director, Southwest Indian Foundation

Documents:

[SWIF REQUEST TO SUBLEASE TO BLUNT BROS COFFEE.PDF](#)

5. Lodgers Tax FY19 Part 2 Grants To Subrecipients

Summary:

This is a request for council approval for Lodgers' Tax grant funding for the following applicants based on the recommendations of the Lodgers Tax Committee from their meeting on June 20, 2018

9th Annual Four Corners Youth TDFL Event: \$15,000
24 Hours in the Enchanted Forest Mountain Bike Event: \$10,000
Mario Estrada Softball Tournament: \$6,300

Recommended Action for FY19 Part 2 from the Lodgers' Tax Committee: \$31,300.00

Fiscal Impact: FY19 has a budgeted \$322,000 available for grants to subrecipients. In March, City Council approved awarding \$157,255 which leaves a balance of \$164,745.00. This means there is sufficient funding to award the recommended \$31,300 in Grants at this time.

Recommendation: Approval of recommended \$31,300 in Lodgers Tax Grants to Subrecipients for FY19 Part 2

Speaker's Name Jennifer Lazarz

Documents:

[Q2 FY 19 LODGERS REQUESTS.PDF](#)
[LT MINUTES JUNE 20 2018.DOCX](#)
[LODGERS TAX Q2.PDF](#)

6. Contract Approval And Budget Adjustment For Clean And Beautiful FY19

The City of Gallup in cooperation with the Keep Gallup Clean and Beautiful Board and the 2018 program volunteers submitted an application to the NMTD for a Clean and Beautiful Grant in the amount of \$26,200 and were awarded \$20,484 for the following purposes:

Education: PSA campaign and signage targeted at anti-litter, clean-up awareness, beautification, recycling.
Litter Reduction: Youth employment, 2 community clean-ups
Beautification: Retrofitting light fixtures on a portion of Coal Avenue with LED
Capacity building: working with student organizations to develop clean-up projects, working with community groups that do existing clean-ups to provide resources.

The grant will be executed in partnership between City of Gallup staff and the KGCB Board with community partnership and involvement. The PSA campaign will be outlined by the KGCB Board to meet with standards set by the national Keep America Beautiful Program and the Keep New Mexico True programs.

Fiscal Impact: A budget adjustment of \$20,484 in revenue and expenditures for the project

Recommendation: Approval of contract for FY19 Clean and Beautiful grant and budget adjustment for FY19 expenditures

Speaker's Name Jennifer Lazarz

Documents:

[GALLUP FY19 BUDGET LTR CLEANBEAUT.PDF](#)
[GALLUP FY19 CONTRACT LTR CLEANBEAUT.PDF](#)
[GALLUP FY19 AWARD LTR CLEANBEAUT.PDF](#)

7. MOTION TO TABLE: Ordinance No. C2018-9; An Ordinance Creating The "Keep Gallup Clean And Beautiful Board"

Staff recommends tabling the Ordinance until the next regular meeting. There are modifications that need to be made to the final version of the Ordinance.

Fiscal Impact: None.

Recommendation: Table Ordinance until the next regular meeting.

Speaker's Name Dennis Romero

8. Reappointment Of Juliana Dooley And Matthew Long To The Planning And Zoning Commission

The terms of Commissioners Juliana Dooley and Matthew Long have expired. Both Ms. Dooley and Mr. Long have expressed an interest in serving another term.

Fiscal Impact: None.

Recommendation: Reappoint Juliana Dooley and Matthew Long to the Planning and Zoning Commission.

Speaker's Name Mayor Jackie McKinney

Documents:

[REAPPOINTMENT OF COMMISSIONERS DOOLEY AND LONG.PDF](#)

9. Resolution No. R2018-19; Joint Resolution With McKinley County Directing The Allocation And Distribution For Fiscal Year 2019 Of Revenue Received

The proposed Joint Resolution was developed based on discussion with the County as to how the two governmental entities would use this coming fiscal year's projected Liquor Excise Tax funds. The County Commission will consider the proposed Resolution at its meeting on June 26, 2018.

Fiscal Impact: Income to the City as generated by the Liquor Excise Tax.

Recommendation: Staff recommends approval of Resolution No. R2018-19.

Speaker's Name Curtis Hayes, City Attorney

Documents:

[LET RESOLUTION JOINT DISTRIBUTION FY19 FINAL FOR ADOPTION JUNE 2018-26.PDF](#)

10. Approval Of Agreement With NCI For Detox, Shelter Care Center Administration And Operation Service

SUMMARY: The FY19 Liquor Excise Tax has allocated \$835,000 for the

Administration of Detox and Shelter Care Services.

Fiscal Impact: The Detox and Shelter Care Center Administration and Operations Service Agreement will be funded by Liquor Excise Tax (LET) revenue in the amount of \$835,000.

Recommendation: Approval of Agreement for Administration, Operation and Shelter Care Services for Detox and Shelter

Speaker's Name Debra L. Martinez

Documents:

[GALLUP DETOX LET CONTRACT FY19 835K FINAL.PDF](#)

11. Ordinance No. S2018-2; Amendment Of Ordinance No. S2017-5, Clean Water State Revolving Fund Loan For Wastewater Treatment Plant Capital Improvement Project

Ordinance No. S2017-5 approved CWSRF Loan 065 in the amount of \$1.925 million at an interest rate of 0.6%, amortized over 20 years, in order to finance the Wastewater Treatment Plant Capital Improvement Project (WWTP CIP).

A portion of the scope of work for this project was to rehabilitate the natural gas sludge drier at the WWTP; this portion of the CIP was budgeted for \$100,000. Inspections of the drier and further research has shown that the planned rehabilitation of this piece of equipment is not feasible at this time. During the course of the design process for the CIP, a number of electrical code issues were discovered, which are classified as potential safety hazards. Staff proposes to remove the sludge drier rehabilitation from this project and replace it with electrical system upgrades to bring the WWTP up to current electrical code.

Summaries for Change Orders 004 and 005 (Attachments 1 and 2) outline the changes in scope.

Changes to the scope will increase the principal borrowed under CWSRF Loan 065 as follows:

COR 004 AIS Cost Impact:	\$	
40,790		
COR 005 Electrical Code Violation Remedy and New MCC:	\$	277,781
Unspent Funds - Sludge Dryer Rehabilitation Allowance:	\$	(87,734)
TOTAL ADD TO NMED SRF LOAN	\$	
230,837		
Contingency	\$	
84,163		

Attachment 3 is an updated Loan Ordinance with loan principle updated. Attachments 4 and 5 are loan amortization schedules for the current and proposed loan principle.

Fiscal Impact: Annual debt service for Wastewater Enterprise Fund would increase from \$102,430 to \$119,190. If contingency is not used, debt service will be \$114,711.

Recommendation: Staff recommends amendment of Ordinance No. S2017-5 and approval of Change Orders 004 and 005

Speaker's Name Dennis Romero

Documents:

[ATTACHMENT 1 - CO 004 SUMMARY.PDF](#)

[ATTACHMENT 2 - CO 005 SUMMARY.PDF](#)

[ATTACHMENT 3 - PROPOSED AMENDMENT TO ORDINANCE S2017-5.PDF](#)

[ATTACHMENT 4 - CURRENT AMORTIZATION SCHEDULE FOR CWSRF LOAN 065.PDF](#)

[ATTACHMENT 5 - PROPOSED AMORTIZATION SCHEDULE FOR CWSRF LOAN 065.PDF](#)

12. Water Loading Station Card System Procurement-Supply & Install - Formal Bid No. 1813 - Award

The City of Gallup (City) opened bids for the installation of a bulk water fill station purchasing and accounting system for its Bataan Water Loading Station located at 412 Bataan Veterans' Road on May 24, 2018.

The City's bulk water fill station is a site where commercial business, agricultural operations and the general public can purchase large volumes of water at an accessible location. The City operates one bulk water fill station, with two delivery systems at the station, and allows for 24-hour daily access to bulk water. Customers can fill smaller tanks up to and including large commercial tanker trucks.

The City bulk water loading station has two points of sale on the west and east sides of the building. Each point of sale will house a dispensing/purchasing system. The new dispensing system will implement a pre-paid PIN system in addition to a coin/bill operated dispensing system. The purchasing/dispensing system will include online purchases via Visa/MasterCard in addition to the pre-paid PIN as well as a coin/bill integrated system. The selected system will be able to provide audit trails on all transactions, and address an outstanding audit finding.

The lowest, technically responsive bidder was ElechMech, Inc., of Aurora, IL. They submitted a bid of \$34,000 per station, including shipping and installation. Although this company is not a local vendor, they have made arrangements with a local electrical contractor to support them in the installation of the equipment.

Due to a malfunctioning valve on the East Side of the Loading Station, the Water Dept intended to purchase only one unit this FY to meet audit requirements and purchase/install the second unit in July 2018. As the purchase and installation for one unit was under the \$50,000 limit requiring Council consideration and approval, the purchase and installation of one unit was planned this FY.

However, Water Dept Staff have fixed the issue with the East Side valve and would like to move forward with the purchase and installation of both units this FY, for a total of \$68,000. As the cost for both units would push the procurement value above \$50,000, Staff is now coming to the Council for consideration, and hopefully approval to purchase/install both units.

At a minimum, one unit will be completely installed and operational by June 26, 2018. If Council approves this item, the second unit will be installed and operational by June 28, 2018.

Funds for the purchase and installation of both units are available in account 506-6063-444.48.20.

Fiscal Impact: \$68,000 expenditure from account no. xxx will cover the purchase and installation. A 10% contingency of \$6,800 would bring total authorized expenditure to \$74,800; however contingency will very likely not be used.

Recommendation: Staff recommends approval of Bid Award No. 1813 to ElecMech, Inc., up to \$74,800.

Speaker's Name Dennis Romero

Documents:

[ATTACHMENT 1 - FORMAL BID NO. 1813 EQUIPMENT SPECIFICATION.PDF](#)
[ATTACHMENT 2 - FORMAL BID NO. 1813 BID TABULATION.PDF](#)

13. **Budget Adjustment For Indian Hills Lift Station**

During January and February Regular Meetings, Council approved budget adjustments for emergency pumping services and replacement of Indian Hills Lift Station. The bid provided by the contractor and subsequent encumbrance did not include New Mexico Gross Receipt Taxes (NMGRT). Also, due to weather delays, it was necessary to conduct an additional 11 days of pumping operations at \$2500/day.

Additional costs for each project is as follows:

Emergency Pumping (11 extra days of pumping plus NMGRT) - \$34,022
Lift Station Construction - \$34,500

Work for both projects have been completed, and invoices have been submitted. Staff would like to pay out the amounts encumbered, however, this is not possible under state purchasing requirements. The Purchase Orders must be increased by the amounts above to complete payments and close out both projects.

Staff would like to use a combination of transferring FY18 unexpended funds and fund balance to make final payments.

Fiscal Impact: Fiscal impact will be a total of \$69,522 from FY18 unexpended funds and fund balance to make final payments.

Recommendation: Staff recommends approval of both budget adjustments and transfers to make final payments

Speaker's Name Dennis Romero

Documents:

[INDIAN HILLS LIFT STATION.PDF](#)

14. **Wastewater End Of Fiscal Year Budget Adjustment Request**

Two budget adjustments are requested to close outstanding FY18 invoices and operations.

Budget Adjustment 1 - Evoqua Water Technologies, LLC - Odor Control

The City uses an Evoqua product, Bioxide, to control odors in its wastewater collections system. The amount of Bioxide injected into the system for odor control is temperature dependent. With the past several months of warmer than

normal temperatures, the use of Bioxide increased during this FY. As the Indian Hills Lift Station was out of commission for two months, Staff estimated that the purchase order could cover estimated Bioxide use until the end of the FY. Evoqua will be sending in a series of invoices for June 2018 which will exceed the current purchase order limit. Staff requests approval to transfer unexpended funds from various FY18 wastewater accounts to cover these estimated costs in the amount of \$55,900.

Budget Adjustment 2 - CH2M O&M DBO Synchronization of Contract Year and Fiscal Year

During its February 27, 2018, Regular Meeting, Council approved Contract Amendment No. 2 - Annual Cost Adjustment to CH2M DBO Contract with City for Operation and Maintenance (O&M) Costs. Contract Year for this contract runs from January 1 through December 31, whereas the Fiscal Year for budgeting purposes runs from July 1 through June 30 of the following year. As part of this approval, an increase of \$101,295 was authorized for the new contract year. This amount was in error. The actual amount required was \$352,743. Staff requests an adjustment of \$251,448 from a combination of fund balance and unexpended FY18 funds to synch contract and fiscal years.

Fiscal Impact: Budget Adj 1 - no impact, as unexpended funds from other budgeted FY18 accounts will be used to cover costs Budget Adj 2 - impact of \$251,448 from a combination of fund balance and unexpended FY18 funds to completely synch contract year with fiscal year

Recommendation: Staff recommends approval of both budget requests to close out FY18 expenditures.

Speaker's Name Dennis Romero

Documents:

[ATTACHMENT 1 - BUDGET ADJUSTMENT REQUEST - ODOR CONTROL.PDF](#)

15. DISCUSSION ONLY: Cecil Garcia Fitness Center Rehabilitation Project Programming Document

Summary: Huitt-Zollars (HZI) of Albuquerque, NM has been commissioned by the City for a conceptual design study for a proposed rehabilitation of the Cecil Garcia Fitness Center. To that end, HZI has held two public input meetings.

To finalize the study, we need to present conceptual options for the City Council's consideration and input. Because of project funding constraints, a new facility is NOT being considered by this study. The scope of work focuses solely on rehabilitating the existing building shell.

Facility was originally constructed in 1979. City took over operation in 1999. Since then, the facility is now showing its age, and the usage of the building has outgrown the space as now configured.

Fiscal Impact: None at this time. However, if the City proceeds with rehabilitation of the facility, the conceptual estimate is ~\$2,000,000. A new facility will cost approximately twice what a rehabilitation project will cost.

Please note that all estimates are conceptual in nature with an error order of magnitude of -25% to +75%. Costs will be refined as the project is planned, programmed, designed, and constructed.

Recommendation: None. Staff is seeking City Council's input as to the City's preferred option in order to finalize the study. When finalized, the study will serve as the basis and justification for programming future design and construction funding as directed and prioritized by the City Council.

Fiscal Impact: See Discussion Above.

Recommendation: See Discussion Above.

Speaker's Name Stanley Henderson

Documents:

[C-G CECIL GARCIA FITNESS CENTER PROGRAM REPORT - DRAFT.PDF](#)
[ESTIMATING ACCURACY TRUMPET.PDF](#)

16. **DISCUSSION ONLY: Conceptual Design Report For Red Rock Park RV Campground Reconstruction Project**

Summary: Huitt-Zollars (HZI) of Albuquerque, NM has been commissioned by the City for a conceptual design study for a proposed reconstruction of the east RV campground at Red Rock Park. To finalize the study, we need to present conceptual options for the City Council's consideration and input.

Facility was originally designed and constructed in the 1970's. In its present condition, it cannot accommodate many of today's newer and larger RV models.

Fiscal Impact: None at this time. However, if the City proceeds with rehabilitation of the facility, the conceptual estimate is \$2,500,000.

Please note that all estimates are conceptual in nature with an error order of magnitude of -25% to +75%. Costs will be refined as the project is planned, programmed, designed, and constructed.

Recommendation: None. Staff is seeking City Council's input as to the City's preferred option in order to finalize the study. When finalized, the study will serve as the basis and justification for programming future design and construction funding as guided by the City Council.

Fiscal Impact: See Discussion Above.

Recommendation: See Discussion Above.

Speaker's Name Stanley Henderson

Documents:

[RED ROCK RV PARK- DRAFT062018.PDF](#)
[ESTIMATING ACCURACY TRUMPET.PDF](#)

E. Motion To Adjourn Into Closed Session

For the purpose of discussing pending litigation with Paso Robles Tank - Brown-Minneapolis Tank, Inc., pursuant to NMSA Section 10-15-1(H)(7)

F. Motion To Reconvene Regular Meeting

G. Certification For The Record Of The Matters Discussed During The Closed Session

H. Comments By Public On Non-Agenda Items

The public is invited to comment on items not appearing on the published meeting agenda.

I. Comments By Mayor And City Councilors

J. Comments By City Manager And City Attorney

K. Motion To Adjourn

Auxiliary aides for the disabled are available upon request. Please contact Alfred Abeita, City Clerk, at 505-863-1254 at least (1) week prior to the meeting or as soon as possible in advance of the meeting to make any necessary arrangements.

Pursuant to the "Open Meetings Act", NMSA 1978, Section 10-15-1 through 10-15-4 of the State of New Mexico, this Agenda was posted at a place freely accessible to the public 72 hours in advance of the scheduled meeting.