

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at City Hall, 110 West Aztec, at 7:00 p.m. on Tuesday, July 13, 2010.

The meeting was called to order by Mayor Harry Mendoza.

Upon roll call, the following were present:

Mayor:	Harry Mendoza
Councilors:	John J. Azua Mike Enfield Allan Landavazo E. Bryan Wall
Also present:	R. David Pederson, City Manager & City Attorney

The Mayor and Councilors proceeded with the Agenda of the previous Work Session:

4. Recap of the 2010 National Junior High School Rodeo at Red Rock Park – Judi Starkovich, Executive Director, Administrative Services Division and Ben Welch, Executive Director, Parks and Recreation Division

Mrs. Starkovich said there were 842 contestants participating in this year's rodeo with most of the contestants and their families staying for the majority of the 10-day event. She presented copies of a preliminary income statement for this year's rodeo which currently reflects a profit of about \$58,000. Once the contractual obligations between the City and the National High School Rodeo Association have been completed, the income statement will reflect a net income or a loss close to a zero amount. The largest expense for the City is \$122,000 for the spider system to provide electricity to various campsites at Red Rock Park. She recommended that the City either build its own spider system or to provide improvements to the campsites that require electricity. For this year's rodeo, ticket sales improved even though there were few local residents attending the event. Overall, the rodeo went well with many compliments given to City officials regarding the event. City representatives will be traveling to Gillette, Wyoming on July 25, 2010 to submit the City's proposal to host the 2012 and 2013 Junior High School Rodeos. She said if the Mayor and Councilors prefer to make any changes on the proposal to let her know as soon as possible. Currently, the proposal consists of a \$70,000 reduction in the revenue sharing with the Association. Mr. Pederson said the proposal included a reduction of about \$50,000 since the Rodeo Council would not be able to provide a funding allocation to host the Junior High School Rodeo. Mr. Pederson said the proposal that was submitted to the Association in May included the City's usual commitment as submitted in previous years. There may be funds available from the Rodeo Council for hosting the Junior High School Rodeo based on information received by Senator George Munoz. Although there has been a proposal submitted to host the rodeo for 2012 and 2013, a final contract with the Association will still need to

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be negotiated. Councilor Wall asked if it was possible to increase the amount of money to the proposal during negotiations. Mr. Pederson responded yes. Discussion followed concerning the examination of the bids, the presentations conducted and the bids submitted by potential host cities, considerations for the City to alter its own bid and considerations for negotiating the final contract. Councilor Enfield asked how much money the City can use in order to negotiate a contract under the current proposal submitted. Mrs. Starkovich responded about \$50,000 to \$70,000. Mr. Pederson said if he receives information that the City should increase the dollar amount on its proposal, then he will authorize the increase as long as the dollar amounts are within the City's financial capacity. Mr. Pederson also reminded the Mayor and Councilors that the final contract regarding the financial commitments between the City and the Association still needs to be negotiated once the bid has been awarded. Councilor Landavazo said a representative from the national sponsor of the rodeo, Cinch Jeans & Shirts, expressed to local resident Walt Eddy that the rodeo belongs at Red Rock Park.

Mrs. Starkovich also said the tax reports submitted by the vendors at the rodeo indicate that sales went very well for the vendors.

Councilor Wall asked what about the spider system. Mrs. Starkovich said to comply with the provisions of the contract the City must provide electricity to the campsites at Red Rock Park. Since some of the campsites do not have access to power, the City has to rent a spider system in order to electrify the campsites lacking power. The vendor from which the City leased the spider system from this year was able to service the system for the duration of the rodeo in contrast to previous years where the City only leased the spider system and required on-call City personnel to service the system. The costs for only leasing the spider system in previous years was about \$15,000 per year whereas leasing the spider system and having the vendor providing service to the system cost about \$122,000. Mayor Mendoza said Lance Allgood, Executive Director, Gallup Joint Utilities, advised last year that a spider system could be built for about \$80,000. Mr. Allgood said the number of required campsites has doubled since last year. Mr. Allgood said if permanent campsite facilities were constructed it would cost about \$3,500 per space not including labor. Mr. Allgood said if the temporary campsites are going to be permanently installed, he recommended relocating about 100 of the campsites from the parking lot area. For permanent water and electrical improvements for about 650 campsites, Mr. Allgood said it would cost anywhere from \$250,000 to \$750,000. Mr. Pederson said the City would need to be cautious in considering the construction of 650 campsites since there is only one temporary event that the City has that draws the amount of people that will utilize all of the campsites. Councilor Enfield asked if the City ever considered adverting for bids for the construction of a spider system. Mrs. Starkovich said the matter has been discussed; however, the construction of the spider system has never been advertised for bid since the City is hosting the rodeo under a short term contract. Mr. Pederson and Mrs. Starkovich said the City

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would consider high dollar capital improvements for Red Rock Park should the Association select Gallup as the site for the rodeo for an extended period of time.

The Mayor and Councilors proceeded with the Agenda of the Regular Meeting.

Presented to the Mayor and Councilors were the Minutes of the Work Session and Regular Session of June 22, 2010.

Councilor Wall made the motion to approve the aforementioned Minutes. Seconded by Councilor Enfield. Roll call: Councilors Wall, Enfield, Landavazo, Azua and Mayor Mendoza all voted aye.

Presented to the Mayor and Councilors were the following Consent Agenda Items:

1. Re-appointment of Doug Decker, Larry Winn and Peter Tempest to the Trails and Open Space Advisory Board – Mayor Harry Mendoza

Mayor Mendoza presented recommendations for the appointments to the Board.

2. Request for Street Closures for the Inter-Tribal Indian Ceremonial Parades to be Held Thursday, August 12, 2010 and Saturday, August 14, 2010 – Louie Bonaguidi and Joe Tanner, Gallup Inter-Tribal Indian Ceremonial Association

Mayor Mendoza and Mr. Pederson advised that the Applications for the Event Permits are in proper order.

3. Request for Street Closure for the Gurley Motor Company Car, Truck and Motorcycle Show to be Held Saturday, July 31, 2010 – Steve Gurley and Esco Chavez

Mayor Mendoza and Mr. Pederson advised that the Application for the Event Permit is in proper order.

4. Award of Construction Contract for the Ford Drive Turning Lane Project – Stan Henderson, Executive Director, Public Works Division

Mr. Henderson presented the bid results for the project and recommended award of the bid to Star Paving Company in the amount of \$109,742.35.

Mayor Mendoza asked if there was any reason why there was only one bid submitted for the project. Ron Caviggia, Purchasing Director, said he was not sure why there was

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only one bid submitted since there were ten set of plans that were distributed to potential contractors for the project.

5. Ordinance C2010-6; An Ordinance Adopting the 2010 Compilation of the New Mexico Uniform Traffic Ordinance by Reference; Amending Section 6-1-1 of the Gallup Municipal Code – R. David Pederson, City Manager/City Attorney

Mr. Pederson said the proposed Ordinance would adopt the 2010 Compilation of the New Mexico Uniform Traffic Ordinance in place of the 2004 Compilation. The Ordinance would allow the City's Traffic Code to conform to state law while preserving the City's own Driving While Intoxicated and Driving While Distracted Ordinances.

6. Resolution R2010-24; Fiscal Year 2011 Budget Adoption – Judi Starkovich, Executive Director, Administrative Services Division

Mrs. Starkovich said the State Local Government Division granted interim approval of the City's budget for fiscal year 2011. Final approval of the City's budget by the Local Government Division is contingent upon submission of various budget changes by July 31, 2010. The budget changes include the reduction of the cigarette tax in the General Fund and the Recreation Special Revenue Fund. As a result of legislation earlier this year, House Bill 3 eliminated the monthly cigarette tax distribution to local governments. Another budget change consists of an increase in the Law Enforcement Protection Fund to actual amounts which are set by the Department of Finance and Administration. The net change to the fiscal year 2011 budget is zero as changes to revenues were offset by changes in expenditures.

Councilor Enfield made the motion to approve Consent Agenda Items 1-6. Seconded by Councilor Wall. Roll call: Councilors Enfield, Wall, Landavazo, Azua and Mayor Mendoza all voted aye.

### **Comments by Public on Non-Agenda Items:**

None.

### **Comments by Mayor and City Councilors:**

Councilor Landavazo expressed his concerns with allowing an out-of-town vendor to work on the City's Visitor's Guide when a local vendor was not considered to do the work. He said there was a local vendor that was interested in doing the work but was not given the opportunity to bid for the project. He said the City should support local businesses, especially when the local businesses are capable of doing the work. Based on a comparison between the out-of-town vendor that was awarded the contract and the local vendor that was interested in doing the work, the local vendor would have saved

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the City a minimum of \$10,000. Council Wall said he agreed with Councilor Landavazo. Mayor Mendoza said he spoke with the local vendor and assured the owner he would be given a chance to bid on the contract next year. Mr. Pederson said there were three times when the local vendor thought he would be given an opportunity to bid on the contract; however, every time the vendor wanted to submit a bid for the contract, there was a personnel change and the new employee would not have knowledge of the vendor's interest. In awarding this year's contract, Mr. Pederson said the departmental employee responsible for handling the contract misunderstood his direction by proceeding with the Gallup Visitor's Guide project and entered into a binding contract with the out-of-town vendor. Mr. Pederson said the departmental employee is not authorized to sign the contract since the Mayor and the City Manager are the only authorized officials to sign contracts on behalf of the City. Mr. Pederson said he assured the vendor that the problem will not happen again.

Councilor Enfield said he also receives complaints that local vendors are not given the opportunity to do business with the City. He asked about the dollar threshold for advertising for bids. Mr. Caviggia said the City advertises bids for materials costing \$20,000 or more. Councilor Enfield recommended advertising for bids when the dollar amount for materials is below \$20,000. Mr. Pederson said the City will sometimes act according to Councilor Enfield's recommendation and will always follow both the State and City's Procurement Code when purchasing goods and services. Mr. Pederson said not all of the City purchases are channeled through the City's Purchasing Department which is the reason for the problem in awarding the Visitor's Guide contract. Councilor Enfield asked about the dollar threshold for processing purchases through the Purchasing Department. Mr. Caviggia said anything costing \$1,000 or more should go through the Purchasing Department. For purchases that are handled by the Purchasing Department, Mr. Caviggia said his staff makes an extra effort to utilize local vendors whenever possible.

### **Comments by City Manager:**

Mr. Pederson said the Golf Course Task Force conducted its public meeting last night with minimal attendance by the public. Based on a show of hands at the meeting, there was a 2 to 1 ratio with the majority of people having a preference in restoring the current Fox Run Golf Course as opposed to building a new golf course. He is also receiving the same type of feedback from public when meeting people on the street. He said Mayor Mendoza's Task Force on Major Facilities will take place tomorrow morning at 10:00 a.m. Attorney General Gary King and his staff will also be here tomorrow to provide workshops on methamphetamine awareness, the Open Meetings Act and the Inspection of Public Records Act.

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There being no further business, Councilor Landavazo made the motion to adjourn the meeting. Seconded by Councilor Enfield. Roll call: Councilors Landavazo, Enfield, Wall, Azua and Mayor Mendoza all voted aye.

  
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Harry Mendoza, Mayor

ATTEST:

  
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Alfred Abeita, City Clerk

Approved 7/27/2010