

Minutes of the Work Session of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at City Hall, 110 West Aztec, at 6:00 P.M. on Tuesday, October 26, 2010.

The meeting was called to order by Mayor Harry Mendoza.

At such meeting, the following were present, constituting a quorum:

Mayor: Harry Mendoza

Councilors: John J. Azua
Mike Enfield
Allan Landavazo
E. Bryan Wall

Also present: R. David Pederson, City Manager &
City Attorney

The following items that will be considered during the next Regular Session were presented to the Mayor and Councilors for discussion only:

1. Formal Bid No. 1018; New Eastside Fire Station, Correction to Previous Recommendation for Award on September 28, 2010 – Ronald M. Caviggia, Purchasing Agent

Mr. Caviggia said the Mayor and Councilors previously awarded the project to Kingston Contracting on September 28, 2010. In reviewing the bid, Kingston Contracting listed themselves on the original Subcontractors Listing Form for several categories of work including paving. This is completely proper as long as the contractor is specifically licensed for the category of work. Although Kingston Contracting is licensed to perform concrete work, it was discovered Kingston did not possess the license required to perform asphalt work. Kingston Contracting indicated that they anticipated having the license for the asphalt work but had not yet been issued the license. Following licensing verification with the State Construction Industries Division, the Purchasing Department found the bid submitted by Kingston Contracting as non-responsive and not eligible for award of the construction contract. As a result, he recommended award of the construction contract to the apparent second-low bidder, FCI Constructors of New Mexico as the low, responsive bidder possessing the qualifications and licenses needed for the project.

Mayor Mendoza recommended tabling the award of the construction contract until the first Regular Meeting in November 2010 since some of the Councilors have concerns regarding the matter. Mr. Pederson concurred. Councilor Wall asked if discussing the matter in a Special Session would be required. Mr. Pederson responded no since the matter can be resolved before the next Regular Meeting. Mayor Mendoza suggested if the Councilors have concerns on the matter, they can meet with Mr. Pederson before the next Regular Meeting. Mr. Caviggia said as part of the bid terms and conditions,

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the bidders are required to hold their bids open for 45 days and would need to check if the date of the next Regular Meeting will be suitable for awarding the construction contract at that time. Mayor Mendoza said if the City is facing any type of violation for not awarding the bid in a timely manner, a Special Session could be held to award the contact within the required timeline. Mr. Pederson concurred.

2. Formal Bid no. 1019; Recommendation for Award for the City Hall & Greyhound Bus Depot Re-Roofing Projects – Ronald M. Caviggia, Purchasing Agent

Mr. Caviggia presented the results of the bids submitted for the roofing projects. He recommended award of the contract to Acuity Building Corporation in the amount of \$158,333.18.

Mayor Mendoza asked if there were any local contractors submitting bids for the project. Mr. Caviggia responded no. Councilor Wall asked if the proceeds from the recent bonds issue will be used for the projects. Mr. Caviggia and Mr. Pederson responded no since money from the General Fund will be used for the projects. Councilor Landavazo said there is a large difference in the dollar amount submitted by Acuity Building Corporation and the remaining five bidders. Mr. Caviggia said he and the City's consultant reviewed the bid with Acuity Building Corporation to ensure the dollar amount of the bid they submitted was valid. Councilor Landavazo said he did not want to see change orders submitted by the Acuity Building Corporation after the project commences. Mr. Caviggia said the details of the project are straight forward; simply to remove and replace the existing roofs of both facilities. Councilor Wall asked about the bond requirements for the projects. Mr. Caviggia said there is performance and payment bonds required by law for projects costing \$60,000 or more and the City may request a bond on projects for any amount. Councilor Enfield asked about the starting date for the projects. Mr. Caviggia said work may commence after the contractor complies with bonding and insurance requirements, which may take about 2-3 weeks. Councilor Wall asked about the estimated costs for the projects. Mr. Caviggia said the bid submitted for the roofing project for City Hall came in lower than the estimated costs and the bid for the bus depot came in at the estimated cost.

3. Formal Bid No. 1020; Recommendation for Award for the Red Rock Park Re-Roof Project – Ronald M. Caviggia, Purchasing Agent

Mr. Caviggia presented the results of the bids submitted for the project. The two apparent low bidders were found non-responsive since their bid specifications contained material deficiencies. After verification with the State Purchasing Department, the third apparent low bidder did not have a Resident Contractors In-State Preference Number and is not entitled to the 5% bid preference. In evaluating the bid

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submitted by the fourth apparent low bidder, DKG & Associates, by applying the 5% bid preference, the bid is lower than the bid submitted by the third apparent low bidder. He recommended award of the contract to DKG & Associates in the amount of \$420,147.00.

Councilor Landavazo asked about the calculation of the 5% bid preference to the bid submitted by DKG & Associates in the amount of \$420,147.00. Mr. Caviggia said the application of the 5% is to the base bid amount without taxes: base bid of \$388,800.00 x 5% = \$369,360.00. Mr. Caviggia also said the application of the 5% bid preference is for bid comparison purposes only and the City would need to pay the full bid amount of \$420,147.00. Councilor Wall asked about the non-responsive bidders' opportunity to respond for not being awarded the bid. Mr. Caviggia said the non-responsive bidders have an opportunity of filing a protest within seven days.

4. Lodgers' Tax Funding Allocations, Continued Discussion from the Regular Meeting of September 28, 2010 – R. David Pederson, City Manager/City Attorney

Mayor Mendoza said Item 4 will be discussed during the next regular meeting when representatives from the Lodgers' Tax Committee are present.

5. Task Force Recommendations:
 - a. Business Regulation and Promotion – Councilor Allan Landavazo

Councilor Landavazo presented a summary of his task force recommendation which were originally submitted to the Mayor and Councilors on September 21, 2010. A copy of said recommendations are attached hereto and made a part of these official Minutes.

Mayor Mendoza thanked Councilor Landavazo and the Business Regulation and Promotion task force members for their work. Mayor Mendoza asked about modifications or implementation of the recommendations. Mr. Pederson said there are some recommendations that staff can work on since it would involve amending existing policies; however, ordinance additions and changes will require available funding and approval by the Mayor and Councilors. Councilor Landavazo said his task force recommended an ordinance that will entirely prohibit panhandling. Mr. Pederson said the Mayor and Councilors would not be able to adopt an ordinance prohibiting panhandling since it would violate the constitutional rights of free speech by individuals. Mr. Pederson also said public intoxication is not a crime and additional funds may need to be allocated to the Police Department for the enforcement of the City's existing Protective Custody Ordinance. Discussion followed concerning public intoxication and protective custody enforcement issues.

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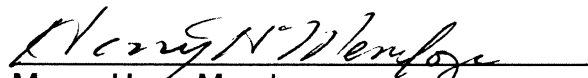
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b. Sports and Recreational Facilities – Councilor John J. Azua

Councilor Azua presented a summary of his task force recommendations which were also presented to the Mayor and Councilors on September 21, 2010. He said it was the consensus of his task force is not to change any of the existing ordinances regulating the City's sports and recreational facilities. The task force realizes the City's current budgetary constraints and how it was able to include the artificial turf projects under the recent bond issue. The task force members are also aware of the City's options for possibly imposing the remaining gross receipts tax increments available with voter approval. The task force would strongly recommend that the revenues derived from the tax increase, if passed, to be used to fund sports and recreational facilities. The task force recommends the maintenance of the City's existing recreational facilities, including the maintenance and modernization of the lighting at all of the facilities; to ensure the proper installation of artificial turf at the TDFL field and the fields at the Sports Complex, and to ensure the proper training of City personnel to maintain the improvements made to City recreational facilities. The task force members also support the empowerment of the Sports Commission to enforce the equal treatment of all recreational leagues and participants. The task force members do not support the closure of recreational facilities; however, they support the continuation of maintaining the existing facilities the City has.

Mayor Mendoza thanked Councilor Azua and the Sports and Recreational Facilities Task Force for their work. Mayor Mendoza asked about the percentage for the tax increment the City has available to impose. Mr. Pederson responded 1/8 of 1%. Mr. Pederson also said the Sports and Recreation Facilities Task Force also supports the City in pursuing an updated Memorandum of Agreement with the Gallup-McKinley County School District for usage of all athletic facilities in the community. Since the City has experienced a cost savings in some of the projects under the recent bond issue, Mr. Pederson said the City may be able use some of the bond proceeds to address the lighting issues at some of the older recreational facilities. Mr. Pederson also said he asked the members of the Sports Commission to define their roles and duties as members of the Commission.

Mayor Mendoza called for a ten minute recess prior to commencing with the next Regular Session. The Work Session adjourned.


Mayor Harry Mendoza

ATTEST


Alfred Abeita, City Clerk

Approved 11/9/2010

Business Promotion

1. Work place resource development.
 - A. Form a task force to develop resource idea.
 1. Mid School curriculum – prepare the future work force
 2. High School curriculum – prepare the future work force
 3. Branch College curriculum – prepare the future work force
2. Develop business expansion incentives. (city staff)
 - A. Incentives for local business to expand
 - B. Incentives for outside businesses to expand – new business start-up in Gallup.
3. Work with DOT/STATE LEGISLATORS to landscape On/Off ramps
4. Change business registration schedule to bring businesses into compliance. (stagger registration so staff can have time to inspect)
 - A. Business should be code compliant before they get their registration for the year.
5. Implement a no panhandling ordinance.
6. Implement a tougher public intoxication ordinance
7. Develop a comprehensive marketing plan for the city and implement
 - A. Form a marketing committee to work on this project. (agency quality)
8. Economic Development – develop a land bank so the city can respond to outside requests.....what's available for expansion/development.
9. Economic Development – explore a city operated CDFI (Community Development financial Institution) to help capitalize or jumpstart projects/expansion.
10. Fund Film Liaison Position.
11. Draft an update/rewrite of the Lodgers Tax guidelines
 - A. Form a committee of three to four people. (Lodgers Tax Rep City Council Rep/Reps – City Staff Rep.

12. Fund Lodgers Tax Committee with 35% of collected Lodgers Tax.

Business Regulation

1. Revise current ordinance regarding the amount of parking needed to reflect current and changing conditions.
2. Council support for decisions made by Planning and Zoning.
3. Budget for condemning/demo of blighted property.