

Minutes of the Emergency Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at City Hall, 110 West Aztec, at 2:00 p.m. on Wednesday, November 3, 2010.

The meeting was called to order by Mayor Harry Mendoza.

Upon roll call, the following were present:

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

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

1. Formal Bid No. 1018; Construction Contract Award for the New Eastside Fire Station – Ron Caviggia, Purchasing Director

Mr. Caviggia said the award of the construction contract was tabled at the last Regular Meeting to address the concerns of the Mayor and Councilors regarding the subcontractors listed for the project. He said the proposed contractor for the project is comfortable with all of the subcontractors for the project and recommended award of the contract to FCI Constructors of New Mexico in the amount of \$1,403,851.82.

Mr. Pederson said six out of the eight bidders for the project had one subcontractor on their subcontractor lists that had performance issues. He said the primary contractor will be accountable for the subcontractors used for the entire project and the City will be adequately protected by the performance bond provided by the primary contractor. Mr. Caviggia said based on the New Mexico Administrative Code (Public Works Statute) which governs construction projects there is no legal relationship between the City and any of the subcontractors of the project. The only legal relationship for the project is between the City and the primary contractor.

Councilor Wall asked if there could be preferences for local contractors and subcontractors and if Request for Proposals (RFPs) could be used for the selection process. Mayor Mendoza said there is already a 5% bid preference in place for qualified resident contractors. Mr. Caviggia said there are two separate preference laws; one in the State Procurement Statute and another within the Public Works Statute for construction projects. Mr. Caviggia said under the Public Works Statute the State is the only entity that could grant preferences for construction projects since local

MINUTES

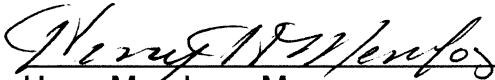
Emergency City Council Meeting – 11/3/2010

Page 2


jurisdictions are specifically forbidden from drafting their own preference laws for such projects. Although home rule municipalities may adopt their own procurement ordinance, municipalities may not side-step the Public Works Statutes which governs construction projects. Mr. Pederson said the State Legislature did not want to give local governments the authority to grant community preferences over other New Mexico businesses. Councilor Wall asked if a local preference would be given if bond money was not involved. Mr. Caviggia responded no. Mr. Pederson said the City cannot grant local preference for major construction and public works contracts. Mr. Caviggia said the State Purchasing Agent determines the contractors that are entitled to the 5% bid preference. Mr. Caviggia also said RFPs are allowed by law and are primarily used by educational institutions and for specialized buildings, such as hospitals and information technology service providers; however, the bid process is typically used for the majority of construction and public works projects.

Following discussion, Councilor Enfield made the motion to approve staff's recommendation to award the bid to FCI Constructors of New Mexico. Seconded by Councilor Landavazo. Roll call: Councilors Enfield, Landavazo, Wall, Azua and Mayor Mendoza all voted aye.

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.


Harry Mendoza, Mayor

ATTEST:



Alfred Abeita, City Clerk

Approved 11/9/10