

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, January 11, 2011.

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. Resolution No. R2011-1; Annual Determination of Notice Under the Open Meetings Act – R. David Pederson, City Manager/City Attorney

Mr. Pederson presented the annual Resolution as required by the Open Meetings Act which provides the notice procedures for all City Council Meetings and Work Sessions. The City Council will continue to meet on the second and fourth Tuesdays of the month, with the Work Session beginning at 6:00 p.m. and the Regular Session at 7:00 p.m.

Councilor Wall said he would like to receive his agenda packet on the Thursday before every Council Meeting in order to have enough time to review the material. Mr. Pederson said staff will work on having the material ready for distribution as early as possible.

2. Resolution R2011-2; Amended Election Resolution for the March 8, 2011 Regular Municipal Election – Alfred Abeita, City Clerk

Mr. Abeita presented the Amended Resolution to add a third question to the ballot of the next Regular Municipal Election, concerning the imposition of a 1/8 of 1% Municipal Quality of Life Gross Receipts Tax in accordance with Ordinance No. S2010-4.

Councilor Wall said he believes the Mayor and Councilors did not follow the proper procedures to enact Ordinance No. S2010-4 during the last Regular Meeting. Based on Roberts Rules of Order, Councilor Wall said Mayor Mendoza cannot table the Ordinance at a prior meeting and then remove the Ordinance from the table at another

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meeting. Mayor Mendoza said the Council followed the proper procedures to enact Ordinance No. S2010-4 since Councilor Azua made the motion to remove the Ordinance from the table. Mr. Pederson concurred.

3. Resolution No. R2011-3; A Joint Resolution by the City of Gallup and the Jicarilla Apache Nation Concerning the Repayment Contracts with the Federal Government for the Allocable Share of Construction Costs of the Navajo-Gallup Water Supply Project – Lance Allgood, Executive Director, Gallup Joint Utilities Division

Mr. Allgood said the City and the Jicarilla Apache Nation (the project participants) must enter into repayment contracts with the federal government for their allocable share of the construction costs of the Navajo-Gallup Water Supply Project. Although the State of New Mexico is not a project participant, the State has agreed to provide a share of the construction cost of the project in the amount of \$50,000,000. During the negotiation of the repayment contracts, the Bureau of Reclamation advised that the State's funding allocation towards the construction cost of the project would not be recognized as reducing the cost to the federal government and therefore, would not reduce the allocable share of the construction costs that would have to be repaid by the project participants. The proposed Joint Resolution would request that the State Engineer's Office notify the Bureau of Reclamation that the State's funding allocation of \$50,000,000 should be accounted as reducing the federal cost share of the project, which reduces the allocable costs of the project to be repaid by the project participants.

Councilor Azua asked if there was a contingency plan in place in the event the State or the Bureau of Reclamation does not agree with the project participants. Mr. Allgood said if the State Engineer's Office does not agree with the project participants' position, then the project participants would seek assistance through the State Legislature. Mr. Allgood said if the Bureau of Reclamation does not concede to the project participants' position, then the project participants would seek assistance through the Secretary of the Interior. Mr. Allgood also said federal legislation requires that the project participants enter into repayment contracts with the federal government before proceeding with construction of the project.

In additional business, Mayor Mendoza read a letter from Patti Herrera to Phillip Silva, Water Supervisor, commending an employee by the name of "Lee" for his help and professionalism during a sewer backup that occurred on December 18, 2010.

Councilor Wall commended the Street Department for their work in removing the snow and ice in the downtown area after the snow storm this past weekend.

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Mr. Abeita announced the names of the individuals that filed their declarations of candidacy for municipal office earlier in the day. Persons filing for Mayor were: Jackie D. McKinney, Jon R. Whitsitt, Harry H. Mendoza, Emmett Bryan Wall, Yogash Kumar, Brent A. Detsoi, Ralph V. Rains, Esco D. Chavez and Mervyn Tilden. Filing for District 2 Councilor was: Roger Allan Landavazo. Persons filing for District 4 Councilor were: John J. Azua, Oscar Lee House, Cecil E. Garcia and Juan P. Delgado. Persons filing for Municipal Judge were: Linda Gasparich Padilla and Mark A. Diaz.

As requested by the Council during the previous Work Session, Mr. Pederson provided information concerning the timeframes in which the Council provided direction to City staff concerning the City's roofing projects:

Special Meeting of August 20, 2009: a limited discussion took place concerning the need for the roofing projects either as part of a bond issue or as projects in addition to a bond issue. The Mayor and Councilors agreed to add \$120,000 to the total amount of the roofing project at the Northside Recreation Center for engineering and design phase of the project based on the available funds the City received from the State. There was also discussion regarding the possible use the ¼ cent gross receipts tax increment to replace the roofs at City Hall, Bus Depot, Gallup Joint Utilities Building and Red Rock Park.

Special Meeting of December 10, 2009: discussion on the roofing projects took place during the presentation of the City's Infrastructure Capital Improvement Plan Project (ICIP) List. The initial concept of "must do" projects surfaced during the meeting as a recommendation was made to advertise all of the four roofing projects (Northside Senior Center, City Hall, Bus Depot and Red Rock Park) under one bid as a cost saving measure. There was no action taken by the Council. Staff was directed to develop three different project scenarios for the Council to consider after the 2010 State Legislative Session.

Regular Meeting of December 22, 2009: multiple projects were discussed to be funded by a proposed bond issue and ¼ cent gross receipt tax increment. Members of the Council felt there were sufficient funds available to proceed with the roofing projects; however, discussion evolved to financing the projects through the New Mexico Finance Authority or through a conventional bond issue. Staff was directed to develop alternative funding options for the proposed project to be considered by the Council at a later meeting.

Regular Meeting of January 12, 2010: the Council recommended proceeding with the roofing projects even through the 2010 State Legislative Session was

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pending. Mr. Pederson recommended only soliciting bids for the roofing projects to determine the actual costs for the projects versus the estimated costs. The Northside Recreation Center was selected as the first roofing project to proceed with.

Regular Meeting of January 26, 2010: a \$500,000 contract was approved for the Northside Recreation Center which was over and above the funds remaining from a prior State legislative appropriation. All of the bond issue projects were deferred at that time.

Regular Meeting of April 13, 2010: discussion took place on the availability of the funds generated by the ¼ cent gross receipts tax increment to pay for all of the pending roofing projects. Discussion also included the consideration of a bond issue to finance other capital projects.

Regular Meeting of May 25, 2010: the construction contract was awarded to replace the roof of the gymnasium of the Northside Recreation Center. Discussion also took place on the availability of the funds generated by the ¼ cent gross receipts tax increment to fund the remaining roofing projects and the four bond issue projects (artificial turf projects, Northside Recreation Center improvements, a new eastside fire station and Red Rock Park Americans with Disabilities Act (ADA) improvements).

Regular Meeting of October 26, 2010: the construction contracts were awarded to replace the roofs at City Hall, Bus Depot and Red Rock Park.

In July 2010, Mr. Pederson said he asked City staff about the status of the roofing projects and was advised that staff needed to transfer the funds for the projects and to create the project numbers required for the computer system. Once the funds were transferred to the appropriate accounts, the Purchasing Department proceeded with the bid process for the roofing projects which normally takes about 60 days.

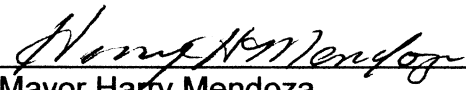
Councilor Landavazo said Mr. Pederson's explanation answers his questions regarding the time frames involved which finally led to the actual commencement of the roofing projects. Councilor Landavazo said he is not blaming anyone for the delay in the projects; however, he is hopeful that the recent situation concerning the water damage to City Hall will help improve the City's process in the future. Mr. Pederson agreed and said staff will do a better job to carry out the directives of the Council as effectively and efficiently as possible.

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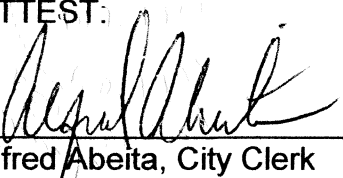
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There being no further business, the Work Session adjourned.

  
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Mayor Harry Mendoza

ATTEST:

  
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Alfred Abeita, City Clerk

Approved 2/15/2011