

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 12, 2011.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor: Jackie McKinney

Councilors: Mike Enfield
Cecil Garcia
Allan Landavazo
E. Bryan Wall

Also present: Dan Dible, City Manager

Presented to the Mayor and Councilors were the Minutes of the Work Session and Regular Session of June 28, 2011.

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

Dudley Byerley provided an overview of the National Junior High Finals Rodeo which was recently held at Red Rock Park. There were 936 contestants participating in this year's rodeo, which is an increase of about 130 contestants. There were many complements received from the National High School Rodeo Association concerning the City's park facility, staff and volunteers. As a result of hosting this year's rodeo, he expects the City's lodgers' tax revenue to be up by \$100,000 and City-shared gross receipts tax revenue to be up \$60,000 to \$80,000. He said lodgers' tax funding will not be used for this year's rodeo since the event organizers are trying to meet their goals and expectations for the rodeo to break even. The total gate receipts for this year's rodeo were about \$175,000 which exceeded the gate guarantee of \$135,000 which was specified in the rodeo contract. The stall receipts were about \$111,000, advertising expense over \$65,000 and the trade show brought in about \$75,000. Various local businesses reported considerable increases in business activity during the event. The City will have the contract to host the rodeo in 2012 and 2013; however, the contract will go out for bid next January to host the rodeo in 2014 and 2015. He presented a sponsorship plaque to the Mayor and Councilors for the City hosting this year's rodeo.

Mayor McKinney said he attended the rodeo three different times as well as local businesses during the rodeo. He said it was an exceptional year for the City to host the rodeo.

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

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1. Appointment of Pete Juarez, Randal Henry and Lucy R. Saucedo to the Gallup-McKinley Veterans Committee – Mayor Jackie McKinney
2. Sale of Surplus Property to Anna M. Bond – R. David Pederson, City Attorney
3. Construction Contract Award for the Community Development Block Grant (CDBG) Sky City Public Housing Curtis Avenue Reconstruction Project – Stan Henderson, Executive Director, Public Works Division

Councilor Wall made the motion to approve Consent Agenda Items 1-3. Seconded by Councilor Enfield. Roll call: Councilors Wall, Enfield, Landavazo, Garcia and Mayor McKinney all voted aye.

Councilor Garcia made the motion to adjourn into closed session for the purpose of discussing the purchase, acquisition or disposal of real property or water rights by the City of Gallup. Seconded by Councilor Landavazo. Roll call: Councilors Garcia, Landavazo, Wall, Enfield and Mayor McKinney all voted aye.

The Mayor and Councilors adjourned into closed session, pursuant to Section 10-15-1-H.(8) of the Open Meetings Act, NMSA 1978.

Following the closed session, Councilor Landavazo made the motion to reconvene the Regular Session. Seconded by Councilor Garcia. Roll call: Councilors Landavazo, Garcia, Wall, Enfield and Mayor McKinney all voted aye.

Mr. Dible certified for the record that the only matters discussed during the closed session were the terms concerning the disposal of real property by the City of Gallup, pertaining to Discussion/Action Topic 6 of the current Agenda. The certification by Mr. Dible is made pursuant to Section 10-15-1-J of the Open Meeting Act, NMSA 1978.

Presented to the Mayor and Councilors were the following Discussion/Action Topics:

4. Suspension of Employee Longevity Pay – Dan Dible, City Manager

Pursuant to the discussion during the previous Work Session, Mr. Dible recommended deferring action on Item #4 until other matters, such as the City's Vehicle Policy and Personnel Rules and Regulations have been reviewed. He recommended that the Mayor and Councilors consider revisions to the Personnel Rules and Regulations by late October 2011. In addition to the review of the Personnel Rules and Regulations, Mayor McKinney recommended the creation of an employee review policy. No action was taken on Item #4.

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5. Resolution No. R2011-23; Adoption of Revised Fiscal Year 2012 Budget – Dan Dible, City Manager

Mr. Dible said the proposed Fiscal Year (FY) 2012 Budget will consist of the following conditions:

- A wage freeze for all non-union employees that are funded by all City funds.
- Closure of Harold Runnels Pool after the Labor Day weekend.
- Contracting out the Economic Development Division, including the grant preparation services and Convention/Visitors' Bureau functions.
- "At cost" utility services to be provided to City facilities.

The City's budget for FY 2012 is currently out of balance by \$526,740, which may be reduced even further based on additional pending actions.

Councilor Enfield made the motion to adopt Resolution No. R2011-23 and that the wage freeze as specified by the City Manager be applied across the board for all non-union employees. Seconded by Councilor Landavazo. Roll call: Councilors Enfield, Landavazo, Garcia, Wall and Mayor McKinney all voted aye.

6. Notice to McKinley County for the Termination of the Joint Law Enforcement Building Lease Agreement – Dan Dible, City Manager

Mayor McKinney said Item #6 was discussed during the closed session with Bob Rosebrough, Contract Attorney representing the City in this matter.

Mr. Rosebrough said the Joint Law Enforcement Building, which houses both the McKinley County Sheriff's Department and the Gallup Police Department, is located on land that is jointly owned by the County and City. The County incurred the debt service to generate funds for the construction of the Law Enforcement Building and is the fiscal agent for the repayment of the debt. The City is currently paying rent to the County in the amount of \$319,288.90 per year (\$26,607.41 per month). In accordance with the lease agreement for the Law Enforcement Building, the City has the right to give written notice to terminate the agreement, 364 days in advance. The City has made a proposal to the County, as presented in a settlement agreement, for the termination of the lease for the Joint Law Enforcement Building, as follows:

- The City would vacate the building no later than April 30, 2012.
- The City would convey to the County its undivided one-half interest in land on which the Law Enforcement Center is located.

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- In exchange for receipt of the City's interest of the land, the County would agree to offset any rental obligation by the City after July 1, 2011. The City would not have to pay the annual rent expense of \$319,288.00 for Fiscal Year 2012.
- The City will pay its share of utilities, maintenance, repair and insurance until it vacates the building.

Mr. Rosebrough recommended that the following motion be made and approved by the Mayor and Councilors: *Move to approve the settlement agreement that is presented and outlined; to authorize the Mayor and City Clerk to sign the settlement agreement on behalf of the City of Gallup which terminates the lease; and to present the settlement agreement to the County of McKinley for their consideration at their meeting on August 2, 2011. Furthermore, the City Manager shall be authorized to give the County a 364 day notice of termination if the County does not sign the settlement agreement on or before August 3, 2011.*

Councilor Enfield made the motion to proceed as previously stated by Mr. Rosebrough. Seconded by Councilor Landavazo. Roll call: Councilors Enfield, Landavazo, Wall, Garcia and Mayor McKinney all voted aye.

Comments by Public on Non-Agenda Items

Joe Menini, Member of the Gallup-McKinley County School Board of Education, asked for the City's assistance to address the lighting issues that exist along Highway 602. There have been three fatalities along Highway 602 from Aztec Avenue to Ellis Tanner Trading Company during the past three years. He asked the Mayor and Councilors to consider the safety of all citizens by working with the County and the State to install light poles along the highway.

Mr. Menini, speaking as a private citizen, presented a request on behalf of his family for the Mayor and Councilors to consider naming the new eastside fire station after his late father Carlo Menini. Mr. Menini said his father was volunteer firefighter for 20 years, was the first driver for the east side fire station #3, served in the United States Army during World War II and was held captive as a Prisoner of War, surviving the Bataan Death March. Mr. Menini said his family feels that it would be fitting to name the new fire station after his father who dedicated many years protecting the citizens of Gallup.

Comments by Mayor and City Councilors

Councilor Landavazo commended Mr. Dible and City staff for their thorough work on the new budget. Councilors Enfield and Wall concurred.

Councilor Garcia said he would like staff to move forward with the renovation of the bathrooms at El Morro Theater as soon as possible. He said lodgers' tax funds are to

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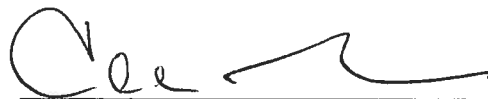
be used for the project and the bathrooms need to be brought into compliance with the Americans with Disabilities Act. Mayor McKinney said a meeting will be conducted on the matter with Mr. Dible and staff of El Morro Theater tomorrow morning.

Mayor McKinney also commended Mr. Dible and City staff for their work on the budget. He said staff was able to cut expenses without affecting the services to the citizens. The employee wage freeze will be temporary and will be reviewed in the upcoming months.

Comments by City Manager

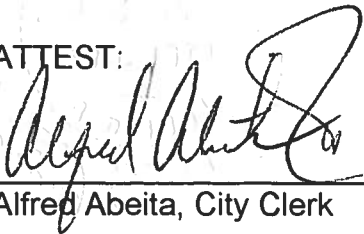
Mr. Dible thanked the Mayor and Councilors for their comments on the new budget. Mr. Dible presented information concerning the First Annual Residential Community Cleanup. City crews will dispose of unwanted junk, bulk items, appliances and furniture along the curbside away from any hazards, in specified areas of town on selected Saturdays, beginning July 16, 2011. Volunteer groups are available to assist residents in placing their waste items at the curb. Mr. Dible commended Lance Allgood, Executive Director, Gallup Joint Utilities and his staff for their work on this project.

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



Allan Landavazo, Mayor Pro Tem

ATTEST:



Alfred Abeita, City Clerk

Approved 7/26/2011