

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, September 13, 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

Mayor McKinney presented a Commendation and a Certificate of Retirement honoring Denise Kettering, Administrative Specialist, Gallup Joint Utilities Administration, for 25 years of service. Lance Allgood, Executive Director, Gallup Joint Utilities Division, accepted the award on Mrs. Kettering's behalf.

Mayor McKinney presented a Proclamation to Sammy "C" Chioda proclaiming the name of the City of Gallup TDFL Field to be, now and forever: *"The Sammy "C" Chioda TDFL Field."*

Presented to the Mayor and Councilors were the Minutes of the Special Session of August 17, 2011 and the Work Session and Regular Session of August 23, 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.

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

1. Appointments of Bernadette (Brenda) Duran and Terry Proffitt to the Labor Management Relations Board – Mayor Jackie McKinney
2. Construction Contract Award for Multiple Roadway Retaining Walls – Stan Henderson, Executive Director, Public Works Division
3. Resolution No. R2011-27; Fiscal Year 2011-12 New Mexico Department of Transportation Cooperative Funding Agreement – Stan Henderson, Executive Director, Public Works Division

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4. Resolution No. R2011-26; Fiscal Year 2012 Budget Adjustment for Harold Runnels Pool and Law Enforcement Protection Funding – Judi Starkovich, Executive Director, Administrative Services Division
5. Fiscal Year 2012 Auction – Judi Starkovich, Executive Director, Administrative Services Division

Councilor Enfield made the motion to approve Consent Agenda Items 1-5. Seconded by Councilor Landavazo. Roll call: Councilors Enfield, Landavazo, Garcia, Wall and Mayor McKinney all voted aye.

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

6. Fiscal Year 2012 Lodgers' Tax Appropriations – Judi Starkovich, Executive Director, Administrative Services Division

Since Mrs. Starkovich was not present during the meeting, Mayor McKinney recommended conducting a Special Council Meeting at a later time to discuss and take action on the proposed lodgers' tax appropriations. As discussed during the previous Work Session, the Mayor and Councilors have questions that need to be answered concerning the proposed allocations.

Councilor Enfield said the Mayor and Councilors already have information relating to some of the proposed allocations and would recommend approval of the funding requests submitted by the Red Rock Balloon Rally, Wild Thing Championship Bull Riding, Chamber of Commerce for the "Catch the Kid" Contest, and the Gallup Film Office. Discussion followed concerning the allocations that have already been committed or spent since July 1, 2011.

Mr. Dible said he previously addressed the Lodgers' Tax Committee regarding the City's concern to maintain a healthy balance in the lodgers' tax budget. Under the current proposal, the beginning balance of the lodger's tax fund is \$731,872. Taking into consideration the recurring revenue of \$1,030,000, the City's proposed expenditures of \$1,001,605 and the proposed allocation of \$193,958 results in an ending balance of \$479,309. Although the non-recurring lodgers' tax revenue is over \$1 million and continues to grow every year, the current trend of expending and allocating lodgers' tax funds will result in the total depletion of lodgers' tax reserves in about three years. He does not discourage the allocation of funds to address current needs; however, he recommended consideration of a strategic, long term plan for maintaining a sufficient balance in reserve. Councilor Landavazo said state statute requires the use of lodgers' tax funds within two years of the close of the fiscal year in which they were collected.

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Mr. Dible said the City is not hoarding funds as the use of lodgers' tax funds consists of recycling new funds with the funds in reserve.

In determining the prioritization in allocating lodgers' tax funds, Councilor Enfield said the criteria should consist of giving preference to the events that generate the most lodgers' tax.

Discussion followed concerning the proposed appropriation of funds and the timing of the events that have already occurred and the events that are to take place in the near future. Although clarification is needed on some of the proposed allocations as presented, Mayor McKinney recommended the consideration of only the lodgers' tax allocations for events that are scheduled during the upcoming days or weeks and the events that have already taken place and have conducted their events subject to receiving lodgers' tax funds.

Raymond Pinto asked about an allocation for Harold Runnels Pool. Mayor McKinney said the Harold Runnels Pool is not part of the lodgers' tax funding allocations and a Resolution authorizing a budget adjustment to keep the pool open until the end of October 2011 was previously approved by the Council. Mr. Pinto said his group is in the process of obtaining donations for the operation of the pool. Mayor McKinney also asked the proponents of the pool to submit their recommendations for funding to the City Manager prior to the second regular meeting in October 2011. Mr. Dible said a separate trust and agency fund will be created specifically for donations for Harold Runnels Pool. The creation of a trust and agency fund will assure donors the funds will only be used for the pool. Betta Duncan asked for a letter of introduction from the Mayor and Councilors to be used in soliciting donations from corporate and other governmental entities for the pool. Mayor McKinney asked Mr. Dible if the City is legally able to solicit funds for the pool. Mr. Dible said he will contact Lynn Isaacson, the City's attorney, for a legal opinion on the matter and to see if donations for the pool will be tax deductible for the contributors. Mr. Dible also said the City is able to write a letter stating that a separate trust and agency fund will be created for the donations for the pool. Ms. Duncan said she wants to assure potential contributors that the donated funds will be used for a legitimate project. Mayor McKinney asked Ms. Duncan and the members of her committee to meet with Mr. Dible next week regarding the matter.

The Mayor and Councilors examined the proposed allocations and requests for lodgers' tax funding. Councilor Enfield recommended increasing the allocation of lodgers' tax funds in the amount of at least \$25,000 for the Red Rock Balloon Rally. Councilor Wall recommended increasing the lodgers' tax allocation from \$4,000 to \$10,000 for Wild Thing Championship Bull Riding. Councilor Enfield said the Gallup Film Office has already expended all of its lodgers' tax funding. Mr. Dible recommended the allocation of lodgers' tax funds in the amount of \$12,000 for the Gallup Film Office.

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Cassie Henderson, President of the Gallup Lions Club, asked for an increased allocation of lodgers' tax funds to \$25,000. She said costs for the rodeo are continuing to increase for their week-long event. Mayor McKinney said he would like to review the funding history for the Gallup Lions Club and since their event is not within the upcoming weeks he would like to table the proposed allocation for the Lions Club until the Special Council Meeting next week. Ms. Henderson provided an overview of the children's eye care program and backpacking programs provided by the Gallup Lions Club. For clarification, Councilor Landavazo said the proceeds from the Lions Club Rodeo are used for the eye care program and backpacking program as the lodgers' tax funds that are allocated to the Gallup Lions Club are used to promote the rodeo.

Mayor McKinney recommended the allocation of lodgers' tax funds in the amount of \$5,000 to the Chamber of Commerce for the "Catch the Kid" contest. Councilor Landavazo recommended appropriating the lodgers' tax funds in the amount of \$1,500 for Charity Invitational, \$10,000 for Squash Blossom Classic and \$14,000 for TDFL since the events will be occurring during the upcoming days. Mayor McKinney recommended allocating \$8,000 to Knifewing, \$5,000 for Gallup Christian School and \$3,000 for the Old Timers Softball event that was recently held.

Councilor Landavazo asked if the proposed allocation for Adventure Gallup in the amount of \$7,500 is for an expenditure that needs to be reimbursed. Mary Jean Christensen responded yes believing that lodgers' tax funds were totally reimbursable. Mayor McKinney said lodgers' tax funds should be applied for prior to the commitment of funds for an event or project. Mrs. Christensen said the paper work was not submitted in time due to their large mapping project. Mrs. Christensen said the map will be distributed to regional bicycle shops to promote the trails system in the Gallup area. Councilor Landavazo said the mapping project cost Adventure Gallup about \$31,000 to produce. Mrs. Christensen also said the organizations that have not been mentioned to this point and are proposed to receive lodgers' tax allocations need to proceed with their promotional and advertising campaigns for their events as soon as possible. Mrs. Christensen expressed concerns with some of the event representatives not being present while the Mayor and Councilors are altering some the requests for funding. In addition to Adventure Gallup, Mrs. Christensen spoke in favor of the allocations for the Gallup Inter-Tribal Indian Ceremonial, Land of Enchantment Opera and TDFL. Mayor McKinney said the lodgers' tax allocations were publicized by notice of the City Council Meeting Agenda and if the event organizers feel their requests are underfinanced, the organizers would have been present during the current meeting. Mayor McKinney said he and the Councilors are not refusing to fund any of the proposals listed but to fund the allocations that are currently due and to consider the remaining proposals at the Special Council Meeting next week.

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Ben Welch, Executive Director, Recreation Division, said he received a text message from Sammy Chioda advising that the requested lodgers' tax funds are to be used for this year's event, which is expected to double in size.

Councilor Wall recommended utilizing the lodgers' tax funds that have been allocated and to proceed with the bathroom project at El Morro Theater. Mayor McKinney said Mr. Dible could direct staff to generate construction plans, solicit quotes and to proceed with the bathroom project.

The Mayor and Councilors examined the proposed requests for lodgers' tax funding and following discussion, recommended approval of the following allocations: Wild Thing Championship Bull Riding, \$10,000; Red Rock Balloon Rally, \$25,000; Chamber of Commerce/State Tourism Department ("Catch the Kid" Contest), \$5,000; Squash Blossom Classic, \$10,000; Charity Invitational, \$1,500; Knifewing, \$8,000; Gallup Old Timers Softball Tournament, \$3,000; Gallup Christian School, \$5,000; Gallup Film Office, \$12,500; TDFL, \$14,000; and Adventure Gallup, \$7,500. Councilor Enfield made the motion to approve the previously listed lodgers' tax fund allocations. Seconded by Councilor Wall. Roll call: Councilors Enfield, Wall, Landavazo, Garcia and Mayor McKinney all voted aye.

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

None.

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

Councilor Enfield presented an overview of the Wild West Day activities which was held this past weekend. There were about 25 participants for the rock climbing event, over 150 people in attendance at the Native American dances and 60 participants for the sunset hike. The arts crawl and shoot out events were well attended and the world's largest Navajo taco measured over 10 feet in diameter. The coverage on the world's largest Navajo taco was provided by international, national, state and regional media outlets through the internet, television, newspaper and radio reports. He commended Mayor McKinney for his participation with the world's largest Navajo taco and for his acting skills during the shoot-out.

Councilor Landavazo presented finalized copies of a large, two-sided color map created by Adventure Gallup and Beyond in conjunction with Gallup Journey magazine. The map showcases the points of interest, outdoor attractions and trail systems throughout the Gallup area, including the High Desert Trail System, Mentmore Climbing Area, Zuni Mountain Trail System and Red Rock Park Trails. The cost for the mapping project is about \$31,000 as 10,000 maps were produced for distribution. The map will also appear on Adventure Gallup's website and copies of the map are being distributed by

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Rep. Patty Lundstrom to various legislators at the current Special Legislative Session. Councilor Landavazo also encouraged citizens to “buy Gallup, believe Gallup.”

Councilor Garcia expressed his concerns with residents failing to remove their garage sale signs after their sales have been conducted. He said some residents will leave their signs posted and affixed to City property for a number of days which creates many eyesores throughout the community. Clyde “C.B.” Strain, City Planner, said the City’s code enforcement officers currently remove the signs that are not removed by the residents. Mr. Strain said his office will increase enforcement of the problem which occurs on a constant basis. Councilor Garcia recommended assigning additional employees as code enforcement officers to address the City’s backlog of code violations.

Mayor McKinney commended the State Department of Tourism’s “Catch the Kid” promotion which encouraged New Mexicans to travel within their own state. He also commended Adventure Gallup and Beyond for the creation of the map highlighting the points of interest around the Gallup area. He has been reviewing the current listing of the City’s advisory boards and commissions. Under the Business Improvement District (BID) By-Laws, the City Council needs to determine the viability of the BID, which also requires the appointment of three new citizen members by January, 2012. He feels the future viability of the BID is linked with the composition of the Board of Directors. Article 5, Section 3 (b) of the BID By-Laws places the board appointments after and contingent upon the BID viability consideration by the City Council. He recommended having all six citizen members of the BID Board of Directors submit letters of resignation and if they are interested in continuing to serve on the Board, to reapply for appointment to the Board by September 23, 2011. He understands that the By-Laws envision for all terms to expire January, 2012; however, he believes it would be in the community’s best interest to have a public hearing on the viability of the BID after the appointment of the three new members of the BID Board of Directors at the September 27, 2011 Regular Council Meeting. He feels the proposal satisfies the intent, if not the exact terms of the By-Laws. He thanked all the members of the BID Board of Directors and is hopeful the members will reapply for their positions. He will refer the matter to Mr. Dible and instruct him to send letters to all of the members of the BID Board of Directors advising each member of the Mayor’s proposal. Councilor Landavazo asked if the boards and commissions that were appointed by the previous administrations will be restructured. Mayor McKinney said the current list of boards and commissions are currently being reviewed since some of the boards and commissions are outdated, inactive and no longer functioning.

### **Comments by City Manager**

Mr. Dible said there is one area remaining in the City’s Residential Community Cleanup

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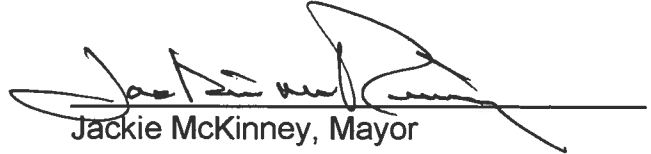
Campaign. He has been asked to consider the demolition of dilapidated houses within the community as approximately \$50,000 to \$100,000 of the City's infrastructure gross receipts tax funds could be used for the demolition projects every year. He instructed the City Clerk to place the matter on the agenda of the next regular meeting. He also presented a copy of a proposed reorganizational chart of the City's divisions and departments. A copy of said chart is attached hereto and made a part of these official Minutes. Under the City's Personnel Rules and Regulations the City Manager has the authority to reorganize the City's divisions, departments and employees. He proposed the consideration of an administrative ordinance or resolution that clearly identifies the organization of the City. He recommended the consideration of a policy that would determine the at-will status of certain employees as well as the classifications of employees. Referring to the proposed reorganizational chart, he recommended the creation of a General Services Department, which will consist of the Information Technology Division, Purchasing Division, Warehouse, Vehicle Service Center and the Municipal Building. He recommended the appointment of Rick Snider to be the Executive Director of the General Services Department. The position of General Services Director will be funded through the general fund with funds from a vacant management position within the Fire Department that will not be filled. Since Mr. Snider is currently working as the Deputy Information Technology Director overseeing the Customer Services Department, Mr. Dible is recommending the recruitment of a Customer Services Supervisor to be funded by the joint utilities fund. He recommended the inclusion of the Finance Division, Customer Services Division, Utility Processing Division and Risk Management Division in the Administrative Services Department. He recommended combining the Parks Division and Recreation Division to be headed by Vince Alonzo as the Executive Director of the Parks and Recreation Department. There will be no changes for the Gallup Joint Utilities Department, Police Department and Fire Department. The Public Works Department will remain the same with the exception of moving the Vehicle Service Center to the General Services Department. The following six divisions will report directly to the City Manager: Golf Course, Human Resources, City Clerk, Planning, Library and El Morro Theater. The division heads of the previously listed divisions will not rank equally with the department heads. The core management team of the City will consist of the 7 department heads, plus the City Attorney, Human Resources Director, City Clerk, City Planner and City Manager.

Councilor Wall commended the City's crews for their work last weekend during City's Community Cleanup Campaign. He received many compliments from his constituents regarding the program. Mr. Dible agreed.

Mayor McKinney said the deadline for applications for the City Attorney's position ends tomorrow, September 14, 2011. He said the applications will be reviewed and will interviews with potential candidates will be scheduled as soon as possible.

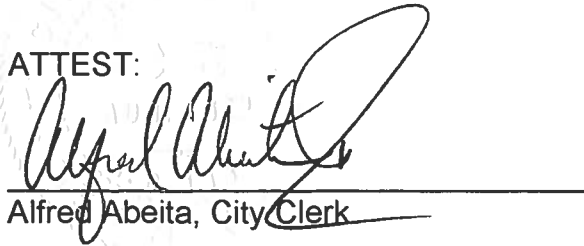
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There being no further business, Councilor Enfield made the motion to adjourn the meeting. Seconded by Councilor Garcia. Roll call: Councilors Enfield, Garcia, Landavazo, Wall and Mayor McKinney all voted aye.



Jackie McKinney, Mayor

ATTEST:



Alfred Abeita, City Clerk

Approved: 9/27/11