

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico held in the Council Chambers at Gallup City Hall, 110 West Aztec Avenue at 6:00 p.m. on Tuesday, January 27, 2026.

The meeting was called to order by Mayor DePauli.

Upon roll call, the following were present:

Mayor: Marc DePauli

Councilors: Linda Garcia
Sierra Yazzie Asamoa-Tutu
Sarah Piano
Ron Molina

Also present: Frank Chiapetti, City Manager
David Eason, City Attorney

Mr. Eason certified, for the record the only matters discussed during the Closed Session on January 20, 2026 were matters pertaining to threatened or pending litigation in which the City is or may become a participant and the City's acquisition of real property; pursuant to NMSA 1978 Section 10-15-1-(H)(7) and (8) of the New Mexico Open Meetings Act.

Comments by Public on Non-Agenda Items

None

Presented to the Mayor and Councilors were the following Presentation and Information Items:

1. NMHSCA All-State Volleyball Recognition – Mayor DePauli

Mayor DePauli presented certificates of athletic achievement to each of the following athletes for being selected to the All-State Volleyball Teams by the New Mexico High School Coaches Association for their exceptional abilities.

4A Volleyball

- Brena Saucedo (Miyamura High School): 2nd Team Middle Blocker

2A Volleyball

- Chloe Fredrickson (Rehoboth High School): 1st Team Middle Blocker
- Shanoah Eddie (Rehoboth High School): 2nd Team Setter

2. NMHSCA All State Soccer Recognition – Mayor DePauli

Mayor DePauli presented certificates of athletic achievement to each of the following athletes for being selected to the All-State Soccer Teams by the New Mexico High School Coaches Association for their exceptional abilities.

4A Girls

- Gabriela Sanchez (Miyamura High School): 2nd Team Defender
- Iris Day Chief (Miyamura High School): 1st Team Goalie

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- Adyson Spolar (Miyamura High School): 2nd Team Mid Fielder
1-3A Girls

- Lauryn Keedah (Rehoboth): 2nd Team Forward
- Maryann Blystra (Rehoboth): 2nd Team Goalie
1-3A Boys

- Johnny Zylstra (Rehoboth): 2nd Team Forward

3. NMHSCA All State Football Recognition – Mayor DePauli

Mayor DePauli presented certificates of athletic achievement to each of the following athletes for being selected to the All-State Football Teams by the New Mexico High School Coaches Association for their exceptional abilities.

- Jayson Bruner (Gallup High School): Honorable Mention Receiver

4. RMCH Update – Wayne Gillis

Mr. Gillis delivered a PowerPoint presentation covering the 2025 year-end summary and the strategic outlook for 2026. He reported a \$10 million profit for 2025, marking a 6-year high and a successful turnaround from a \$23 million loss in 2022 and \$7 million loss in 2024, confirmed that disciplined expense control was the primary driver of current profitability, increased cash-on-hand from 0 to 90 days and strategic goal of 100 days and explained the financial performance for 2022 and confirmed the 2022 form 990 was filed late November. He announced the transition from stabilization to a focus on clinical and financial growth, set the objective to become a 5-star hospital in New Mexico by focusing on patient-centered care and national benchmarking and prioritized benefits of the existing square footage to expand services while avoiding new construction costs. Mr. Gillis detailed growth strategies including Strategy 1 (Clinical Growth) which set a target of 95% provider schedule utilization to maximize patient access and resolve scheduling inefficiencies and Strategy 2 (Hospital Growth) where focus is on high-demand and high-reliability service lines such as surgical, medical and diagnostic through disciplined execution and specified initiated plans for aggressive physician recruitment to overcome current workforce constraints.

Discussion followed regarding expense reduction, ER contract status, Medicare and Medicaid reimbursements, recruitment issues related to available housing, malpractice issues, general doctor shortages, Bill Patten's involvement, commitment to indigent care and community health promotion; gratitude to the existing providers and the Hospital Boards top priorities.

5. Housing Information Presentation – Tammy Parker, Community & Economic Program Manager

Ms. Parker presented a strategy for community financial resilience, citing the failure of the post WWII suburban model to sustain long-term infrastructure costs. She identified a systemic "Housing Trap" that prevents price corrections and urged a shift from top-down

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planning to bottom-up, incremental growth. She provided key recommendations including administrative reform, the removal of parking mandates and incentivizing infill development over subsidized sprawl to bridge the city's productivity gap.

Discussion followed regarding Ms. Parker's efforts, community-wide consensus of the need for housing, unit types, and specific site placement; new developments locations; strategies and the importance of community feedback and Council's ultimate authority for legislative implementation.

Scott, local contractor, shared his experience with the City; commending the positive interactions and collaboration with City Staff, discussed scarcity of available workforce and provided an update on his project's progress; listing the completed amenities and confirmed an upcoming grand opening.

Further discussion followed regarding implementation of housing strategies, universal support on the cause of housing the difficulty transitioning from public to local policy, the issue on the, "Not in My Backyard" paradox, where the general need is accepted but the types and locations remain contentious.

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

1. Approval of Minutes from the Regular Meeting held on December 16, 2025
2. Resolution No. R2026-1; Annual Determination of Notice Under the Open Meetings Act
3. Tourism Office Budget Adjustment Request – Matt Robinson, Tourism & Marketing Manager

Councilor Molina made the motion to approve items 1 – 3 of the Consent Agenda. Seconded by Councilor Piano. Roll call: Councilors Molina, Piano, Garcia, Yazzie and Mayor DePauli all voted yes.

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

1. Resolution R2026-10; 2nd Quarter FY 2026 Budget Adjustments and Report of Actuals – Patty Holland, Chief Financial Officer

Ms. Holland presented proposed Resolution R2026-10, encompassing the quarterly reports formatted per Department of Finance and Administration (DFA) requirements. A copy of the report is attached hereto and made a part of these official minutes. She noted the City manages over 70 funds; the Adjusted Budget Report is condensed to meet DFA's specific reporting. She reviewed the Budgeted Revenue, Transfers, Expenditures and Cash-on-Hand, which includes grant and loan proceeds. Ms. Holland reaffirmed the DFA mandate that no fund may conclude with a negative cash balance, reported the Quarterly Report Recap, detailed actuals related to pending grant and loan reimbursements, stated a new staff member was hired to expedite the drawdown process and reduce turnaround time, stated the City continues to maintain a minimum of 20% in

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operating revenue to protect the general fund, addressed challenges reconciling the State's cash-basis requirement with the City's accrual-basis in the system and underlined no discrepancies or major adjustments were needed.

Discussion followed regarding a year -over-year comparison of Cash-on-Hand and the current liquidity of the general fund, specifically its role in covering emergency expenditures, grant reimbursement reporting, the allocation of Senior Center Funds and a status report on Navajo Gallup Funding.

Councilor Piano made the motion to approve Resolution R2026-10. Seconded by Councilor Garcia. Roll call: Councilors Piano, Garcia, Yazzie, Molina and Mayor DePauli all voted yes.

2. Request a Budget Adjustment in the Amount of \$22,000. from Fund 603 –
Amanda Carey, Vehicle Shop Manager

Ms. Carey requested \$22,000. to fund safety incentives for approximately 60 Police and Fire Department employees, clarifying that these departments were excluded from the previous budget adjustment because their safety hours had not yet been submitted. Now that data has been provided, the funds will allow for the standard \$500. incentive per employee.

Councilor Molina made the motion to approve the budget adjustment. Seconded by Councilor Garcia. Roll call: Councilors Molina, Garcia, Piano, Yazzie and Mayor DePauli all voted yes.

3. Recommendation of Award of ITB 2613 for Supply of Well Field Electrical Equipment to Border States Industries of Farmington New Mexico – Jan Boone, Water and Wastewater Superintendent

Mr. Boone recommended awarding the purchase of seven (7) step-up transformers with motor controllers for PODs 8 and 13; provision for future projects 9 and 11.

Discussion followed regarding the initial lack of bids attributed to the 2400-volt specification, common voltage limited part availability; therefore, a design shift to a less common voltage was proposed to streamline part sourcing and reduced lead times.

Councilor Piano made the motion to award the bid. Seconded by Councilor Molina. Roll call: Councilors Piano, Molina, Yazzie, Garcia and Mayor DePauli all voted yes.

4. Approval of Resolution No. R2026-7; to Accept State of New Mexico Capital Outlay Grant Agreement, 25-J5957 for the Wastewater Treatment Plant – Nicole Hawthorne Wastewater Assistant Superintendent and Keegan Mackenzie Chavez, City Project Manager

Ms. Mackenzie-Chavez noted a required correction to the Grantee name on page 4 of the agreement. She introduced the proposed Resolution for a Capital Development Program, explaining that it targets projects already funded but facing a budget shortfall. She indicated the program would allow for a maximum allocation of \$1 million to bridge

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funding gaps needed for completion and explained funding is earmarked for the development of a non-potable water system.

Brief discussion followed regarding the impact of approval, noting that it would facilitate completing of phases 1 and 2 of the Wastewater Treatment Plant project and clarification provided pertaining the official representative designated in the Resolution and the Agreement to ensure consistency with the pending motion.

Councilor Piano made the motion to approve Resolution R2026-7, subject to the amendment of item 2 of the Resolution. Seconded by Councilor Garcia. Roll call: Councilors Piano, Garcia, Yazzie, Molina and Mayor DePauli all voted yes.

5. Approval of Resolution No. R2026-8; To Accept State of New Mexico, Energy, Minerals and Natural Resources Department Government Service Agreement, EMNRD No. 26-521-0300-0114 – Keegan Mackenzie-Chavez, City Project Manager

Ms. Mackenzie-Chavez presented Resolution R2026-8, a grant proposal aimed at upgrading energy efficiency in older housing, which would serve as a foundational step enabling the City to apply for funding annually through the Community Energy Efficient Development (CEED) program. Ms. Mackenzie-Chavez noted the plan would include energy audits to assess needs for roofing, windows and insulation as well as public outreach and allow for the hiring of a consultant to expedite the process since the deadline was extended due to a lack of applicants, requiring an accelerated schedule.

Councilor Garcia made the motion to approve Resolution R2026-8. Seconded by Councilor Yazzie. Roll call: Councilors Garcia, Yazzie, Molina, Piano and Mayor DePauli all voted yes.

Mayor DePauli opened the Public Hearing regarding the condemnation of properties at 3402 Blue Hill Avenue, 709 B and C South Sixth Street, 100 West Jefferson Street and 105 Mine Run. Citing Section 3-18-5 NMSA 1978, Mayor DePauli clarified the Council's authority to require the removal of structures deemed a menace to the public health and safety. He emphasized that the proceedings are quasi-judicial, requiring strict adherence to due process and fairness. Before proceeding, Mayor DePauli polled the Council regarding potential conflicts of interest, financial gains or ex-parte communications and invited the audience to challenge the participation of any Councilor based on these standards.

Mayor DePauli detailed the rules of conduct for the condemnation hearings, emphasizing fairness and due process. He noted that the Council would hear from City Staff followed by property owners with opportunities for cross-examination by both parties. He provided key constraints include a 5-minute speaking limit and a requirement that all testimony be given under oath. Mayor DePauli reminded the Council that their determination must rely strictly on the evidence provided during the hearing. Following the address, City Clerk Alfred Abeita swore in all potential witnesses.

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6. Resolution No. R2026-5; Condemnation of Real Property Located at 3402 Blue Hill Ave Lynn Devlin – Clyde "C.B." Strain, Planning and Development Director

Mayor DePauli noted that Ms. Devlin, the property owner, was not in attendance.

Mr. Strain testified that the property reached a state of extreme disrepair due to a lack of regular maintenance, rendering the structure a nuisance and a hazard to public health, safety and welfare. He informed the Council that no action has been taken by Ms. Devlin to repair or remove the structure. Mr. Strain further reported that the City's Building Inspector and Code Compliance Officer have determined the structure is so ruined, damaged and dilapidated and so covered in ruin, rubbish and debris as to constitute a menace to public comfort and safety. To support the reported findings, Mr. Strain presented photographic evidence, the Building Inspector's structural survey, a history of code enforcement cases and other supporting documentation.

Mr. Strain referenced NMSA 1978, Chapter 3, Article 18, and clarified that should the property owner of record fail to remediate or remove the identified structure, rubbish, wreckage and debris within the timeframe established by Resolution R2026-5, the City is authorized to solicit bids for demolition and cleanup. He further explained the procurement process, stated that the lowest bid will be presented to City Council for approval, upon approval of a contract the city will proceed with the necessary demolition and removal, subsequently placing a lien on the property to recover all associated costs.

Mr. Strain testified that the property at 3402 Blue Hill Avenue is abandoned and unoccupied, posing a significant nuisance and safety hazard to the neighborhood, noted utilities have been disconnected and the structure has been tagged as "Unfit for Human Occupancy." City Staff boarded up the structure and cleaned the site multiple times. Mr. Strain highlighted a long-standing history of non-compliance, noting that the property owner currently owes \$3,663. in existing liens and has been the subject of 13 Code Enforcement cases and 36 letters distributed between 2013 and 2026, to which the property owner has been non-responsive. Mr. Strain presented photographic evidence documenting the deterioration of the interior and exterior of the structure including damaged stucco, broken wooden fence, broken windows and significant damage to the ceilings, walls and flooring. He noted extensive water infiltration created unsanitary and unsafe conditions, including potential mold growth. He addressed the property's impact on the neighborhood, citing recurring issues with unauthorized entry by transients and the accumulation of trash, personal belongings and human and animal waste. Mr. Strain stated the property has remained vacant for approximately 19 years with the owner's original belongings still abandoned on-site.

Staff recommended condemnation of the property and order of the removal of said structure, ruins, rubbish wreckage and debris as mandated in Resolution No. R2026-5 under the authority granted to the municipality by NMSA 1978, Chapter 3, Article 18, Section 3-18-5

Councilor Molina stated that the property is located within his district and expressed concern regarding the impact of its demolition on the neighborhood. He noted that a

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house on the adjacent lot had been previously demolished and shared his preference for the structure to be rebuild rather than creating a second vacant lot in the area. He characterized the neighborhood as a desirable location and indicated an interest in the property being acquired by a new owner who could rehabilitate the structure.

Mr. Strain clarified that the recommendation for condemnation is based on the authority granted under New Mexico State Statute. He stated that while the Council has the authority to condemn the property, Staff could delay soliciting demolition bids if a potential buyer expressed interest. Regarding the physical condition of the building, Mr. Strain reported that the structure is currently sound, the walls are not caving in and it is not in danger of immediate collapse. He noted that although water damage exists that could accelerate deterioration, the building has not yet reached that point. He further confirmed there has been no communication between the owner and City Staff and explained that the law does not require immediate demolition, leaving a specific timeline to staff discretion.

Mr. Strain said the recommendation is based under the guidance of the New Mexico State Statute that you have the authority to do so, however, it can be condemned and staff could hold off on soliciting bids to demolish the structure if someone was to show interest in buying the property. He said the structure itself is sound, walls are not caving in and is not in danger of collapse, there is water damage that could make things worse very quick but it is not to that point yet there has been no communication between the owner and staff. He explained there is nothing that states the structure must be demolished immediately and is up to staff on a timeframe.

Councilor Molina requested information regarding the current status of the property taxes.

Mr. Strain stated that property tax status is not a component of the condemnation process and consequently, staff is unaware of whether the taxes had been paid.

Councilor Molina spoke in favor of condemning the property and pursuing City ownership and expressed certainty in avoiding demolition.

Mr. Chiapetti concurred with Councilor Molina's recommendation. He estimated demolition costs between \$30,000. and \$50,000, noting that the property's resale value likely would not recoup the expense. He suggested that local contractors could refurbish the home for \$50,000 to \$100,000., which would resolve outstanding liens and potential property taxes. Mr. Chiapetti recommended a 60 to 90-day period to seek a buyer for refurbishment before proceeding with demolition.

Councilor Molina supported the recommendation to set a 90-day limit for refurbishment efforts prior to demolition.

Mr. Eason noted that the City cannot redevelop the property without obtaining clear title. He suggested foreclosing on existing City liens and performing site cleanup to establish additional liens as a mechanism for acquisition. He clarified that since the property owner has been nonresponsive for over 15 years and remains the only party capable of

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conveying title, the City must pursue legal title before a third-party developer can be involved.

Councilor Molina inquired whether certified letters had been sent to the property owner.

Mr. Strain confirmed that multiple certified letters had been issued and noted that the most recent notice regarding the hearing was signed as received, confirming the owner had been successfully notified.

Mayor DePauli inquired of Mr. Eason and Mr. Chiapetti whether the City could acquire the tile to the property in the absence of an existing mortgage or lien.

Mr. Eason confirmed feasibility of acquiring title through the previously discussed foreclosure mechanism. He noted that private lender in unlikely due to the property's prolong vacancy and collateral degradation. He advised that while property tax liens likely exist and hold seniority, the City could still obtain title by foreclosing on existing or new cleanup liens, thereby allowing the City to manage or redevelop the property.

Councilor Piano commented on staff's efforts to establish contact with the owner over the years and inquired about the financial liability for demolition, specifically asking if the City would be responsible for the costs if the owner fails to reimburse the City.

Mr. Strain clarified any City-placed liens attach to the property title and must be satisfied before the property is sold.

Mr. Eason noted that further title work could identify specific encumbrances, such as mortgages or similar liens and advised that for the record, current property tax documentation from the McKinley County website should be formally introduced as evidence and confirmed property taxes had been paid.

Planning Manager Nikki Lee reported that \$20,000. for liens was settled in 2019 by a mortgage company. Since then, new City liens have accumulated for emergency board-ups and yard clean-ups from 2013 to 2019. Ms. Lee noted that the property owner, Ms. Devlin, disclaimed responsibility for the property and requested no further contact.

Councilor Molina requested clarification on whether the City placed the initial liens and the purpose of said liens.

Ms. Lee clarified that the liens resulted from City-initiated yard clean-ups and emergency board-ups from 2013 to 2019.

Councilor Molina reiterated opposition to the demolition of the property and requested that staff explore options for the City to acquire the title.

Mr. Eason advised that the proposed Resolution be amended to maintain the condemnation status while directing Staff to investigate title acquisition alternatives to demolition.

Councilor Molina inquired whether a postponement of action on the item was necessary under the current circumstances.

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Mr. Eason advised that postponement was not required, as the statutory standards for condemnation had been met; he recommended moving for adoption with a condition that Staff explore alternative title acquisition methods excluding demolition.

Mayor DePauli requested clarification regarding a direct purchase of the property by a developer.

Mr. Eason explained that a developer could acquire the title subject to existing liens, which would impact the purchase price. He noted that for the City to obtain the title, it would need to initiate a foreclosure action, involving all necessary parties and have the title conveyed via a special master process. He noted that he was unaware of the age of the current liens but newly established liens could present defenses to foreclosure and title acquisition remained a viable path. He clarified that the City would likely only recover costs related to foreclosure and established liens, recommended that the property be condemned per the Resolution, with an added instruction for Staff to pursue rehabilitation or refurbishment instead of demolition and estimated this legal process could exceed six months.

Councilor Yazzie requested clarification on Section 5 of the Resolution, noting that the language permits rather than mandates municipal removal of the structure and concluded that approving the Resolution as written is a logical first step at this time.

Mayor DePauli concluded the City's witness testimony and closed that phase of the hearing. He invited testimony from witnesses in opposition to the Resolution or representing Ms. Devlin, noting the property owner was not in attendance and inquired if any members of the audience wished to provide evidence or testimony in support of the Resolution.

George Anast, Mentmore resident and realtor, testified regarding his 10-year history attempting to contact Ms. Devlin to acquire and refurbish the property and expressed a preference for alternatives to demolition.

Mr. Chiapetti commended the improvements made to a property located southeast of Genaro's Restaurant and thanked Mr. Anast for his contributions to the community with regard to that project.

Mayor DePauli issued a final call for testimony or evidence in opposition to the Resolution. There being no further testimony, he asked the Council whether they required a summation of evidence or were prepared to proceed to deliberations.

Councilor Molina made the motion to adopt Resolution No. R2026-5, conditioned upon Staff seeking alternative mechanisms to refurbish the property and avoiding demolition of the structure. Seconded by Councilor Piano.

Mayor DePauli proposed an amendment to the motion to establish a 120-day deadline for the property owner to begin rehabilitation efforts, starting at the conclusion of the 10-day challenge period.

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Councilor Molina made the motion to adopt Resolution No. R2026-5, with the conditions that Staff pursue alternative mechanisms for property refurbishment in lieu of demolition and that a 120-day deadline be established for the owner to commence rehabilitation efforts following the 10-day challenge period. Seconded by Councilor Piano. Roll call: Councilors Molina, Piano, Garcia, Yazzie and Mayor DePauli all voted yes.

Mayor DePauli noted that the Council had not taken similar action for approximately one year.

Mr. Strain provided notice to Council regarding further code enforcement actions and the subsequent accumulation of additional liens on the property.

7. Resolution No. R2026-4; Condemnation of Real Property Located at 709 B & 709 C S. 6th Street Alourdes Rosales, Magdalena Martinez, Martha Caraveo, Josephine Rosales – Clyde “C.B.” Strain, Planning and Development Director

Mayor DePauli announced that the Public Hearing would continue, following the same procedural format as the previous agenda item.

Mr. Strain stated that McKinley County serves as the official record keeper for property ownership; he noted that while the County Property Card lists four owners, only two Magdalena Martinez and Martha Caraveo are presently living.

Mayor DePauli called for testimony and evidence from Mr. Strain for Council's consideration.

Mr. Strain testified regarding the property located at 709 B and 709 C South 6th St., (further described as Lot 5A-2 Less the E. 25' of the Replat of Lots 5A & 7A, Block 14, C.F. Vogel Addition). He clarified that while the property contains three dwelling units, the City's presentation is limited to two units B and C. Mr. Strain reported that the structures have fallen into disrepair due to a lack of maintenance and fire damage, rendering them hazard to the public health, safety and welfare. He noted that the owners of record have taken no action to repair or remove the structures. Based on inspections by the Building Inspector and Code Enforcement Officer, Mr. Strain stated the premises are so covered with ruin, rubbish and debris constituting a menace to the public comfort, health, peace and safety. Mr. Strain submitted into the record photographs of the properties, the Building Inspector's structural surveys, relevant code enforcement case files and supporting documentation. Mr. Strain identified the location of the structures in the Chihuahuita area, noting Unit B is situated near the alley and Unit C is located in front of Unit B. He reported multiple exterior and interior issues, including damage to the stucco, roofs and windows; fire and smoke damage and holes in the exterior walls. He noted that the ceilings and drywall have collapsed in certain area and that multiple board-ups have been performed. Mr. Strain stated that the unsecured structures have resulted in the accumulation of trash and debris, unsanitary conditions and have been the site of small fires. He testified that while two of the units are being presented for condemnation, the third structure on the property, which is not part of the current action is occupied by owner Magdalena Martinez.

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Mayor DePauli provided Council and the City Attorney opportunity for questioning the witness.

Councilor Piano clarified Ms. Martinez's home would not be condemned.

Mr. Strain said the condemnation would apply to the property but the occupied structure would not be condemned.

Sandra Martinez, Daughter of Magdalena Martinez, testified that a fire occurred in one of the structures. She stated that while she previously intended to rehabilitate the houses, she acknowledged their current state of disrepair and expressed no opposition to the condemnation or demolition of the proposed properties.

Mayor DePauli opened the floor for any witnesses wishing to testify in support of the condemnation.

Councilor Yazzie inquired whether the demolition of the two units would negatively impact the safety or stability of the remaining middle structure and the City's strategy for property acquisition given the current tenancy.

Mr. Strain confirmed that the three units are separate structures with independent utility connections. He stated that the demolition contractor would be required to implement measures to ensure the middle structure remains unaffected during the process and clarified that the city could only acquire the property through foreclosure, which is not the current intent. He stated the City's objective is to establish a payment plan with the property owners to recover costs for existing liens and forthcoming demolition expenses and noted the City's intent is not to displace any residents but to mitigate threats to the current occupant by removing the vacant structures and the safety risks associated with vacant buildings.

Councilor Yazzie requested clarification on the potential outcomes or enforcement measures if the property owners fail to fulfill their obligations under a payment plan.

Mr. Eason suggested that staff could replace the liens with a mortgage to provide the owners more time for repayment, noting that demolition costs must be included in the recovery.

Councilor Molina asked what the demolition fees would be.

Mr. Strain provided a preliminary estimate of approximately \$15,000. to \$20,000. per structure, totaling an estimated \$40,000. for the demolition of both units, exclusive of mandatory asbestos testing and potential abatement.

Councilor Garcia asked Ms. Martinez who would be making the payments,

Ms. Martinez stated she would assume responsibility for the repayment and indicated a month payment capacity of \$400. to \$500., noting her initial cost expectation of \$60,000., provided information regarding refurbishment of the units done in the 1980's, highlighting the presence of salvageable wood paneling and the building's adobe construction, which Mr. Strain said is less likely to have asbestos.

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Councilor Yazzie asked Ms. Martinez if her mother was in favor of the demolition and asked if the family could independently contract for the removal of the buildings.

She reported that while the demolition is a source of distress for her mother, they acknowledged the necessity of removing the unit nearest to the alley and noted that while they previously intended to refurbish the second unit, the presence of multiple owners has complicated the decision-making process. She explained the structures could possibly be fixed but it would take time to do so.

Councilor Garcia requested clarification on the current owners.

Ms. Martinez clarified the ownership of the property, stating that two of the recorded owners, Alourdes and Josephine Rosales were deceased and identified the surviving owners as sisters, Magdalena Martinez and Martha Caraveo. She reported efforts to update McKinley County records and plans to submit Josephine Rosales' death certificate to the County to facilitate the removal of her name from the property.

An inquiry was made by Mr. Eason to determine if the ownership interest is held in joint tenancy or as tenants in common.

Ms. Martinez testified regarding the property's ownership history, noting uncertainty regarding current interests. She stated her understanding that her grandfather had transferred the title the female family members and removed her uncle. She noted that Ms. Caraveo resides in Gamerco.

Mr. Eason estimated demolition costs between \$40,000 and \$45,000 and presented two financing scenarios for the debt including a 12% rate which would result in approximately \$500 monthly payments and a 6% rate that would result in approximately \$300 monthly payments. Ms. Martinez stated a \$500 would be difficult, while \$300 would be feasible.

Mayor DePauli opened the floor for testimony in opposition to the condemnation. No testimony was offered.

There being no further testimony, Mayor DePauli asked Council whether they required a summation of evidence or were prepared to proceed to deliberations.

There being no further testimonies, Councilor Piano made the motion approve Resolution R2026-4, including a provision of 6% should Council proceed with demolition. Seconded by Councilor Molina. Roll call: Councilors Piano, Molina, Garcia and Mayor DePauli voted yes. Councilor Yazzie voted no. Motion carried.

8. Resolution No. R2026-3; Condemnation of Real Property Located at 100 W. Jefferson Avenue William Romero – Clyde "C.B." Strain, Planning and Development Director

Mayor DePauli announced that the Public Hearing would continue, following the same procedural format as the previous agenda item. He confirmed the owner, William Romero was not in attendance.

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Mr. Strain reported that the principal dwelling structure located at 100 W. Jefferson Ave. (Lots 9 & 10, Block 3, Ritchey Addition has experienced fire damage and a lack of regular maintenance. He stated that the current condition of the property constitutes a hazard and a threat to public health and safety. He reported no action has been taken by the owner of record, William Romero, per McKinley County records, to repair the structure or remove it from the property at 100 W. Jefferson Ave. Mr. Strain presented the findings of the City of Gallup Building Inspector and Code Compliance Officer, stating that the structure and premises are ruined, damaged and dilapidated and contain wreckage and debris. He reported that staff determined the property's condition to be a menace to public comfort, health, peace and safety. Supporting documentation, including property photographs, the Building Inspector's structural survey code and enforcement case history was entered into the record via the agenda packet.

In response to Mayor DePauli's inquiry regarding occupancy at the time of the 2019 fire, Mr. Strain testified that residence was believed to be occupied when the fire occurred.

Mr. Strain presented photographs of 100 W. Jefferson Ave, characterizing the structures a safety hazard and neighborhood nuisance. He reported that a demolition permit was issued in 2019, but minimal abatement of structural damage followed. Mr. Strain noted that no further repairs have been made since 2020, utilities are disconnected and the structure is designated, "Unfit for Human Occupancy." While nothing the owner has kept the structure secured, Mr. Strain testified that the building remains hazardous, unlivable and structurally damaged beyond repair. Pictures depicted damages from fire that previously occurred, severe damage from fire needs new framing, wall insulation, property has become storage area for personal items.

Councilor Piano clarified the proposed recommendation is to condemn the property and demolish it.

Councilor Garcia inquired if the structure is salvageable. Mr. Strain responded that the severity and cost of repairing the fire damage would exceed the cost of total demolition. Councilor Garcia expressed interest in involving organizations such as Habitat for Humanity to assist with rebuilding on the property Councilor Garcia expressed hope in bringing in other organizations such as Habitat for Humanity to help rebuild on the property. Mr. Strain stated that no organizations have offered such services and reiterated his assessment that the structure is damaged beyond repair.

Councilor Molina inquired about the history of communications with the property owner, William Romero. Ms. Lee reported that Building Inspector John Margis was in contact with Mr. Romero following the 2019 fire, however, code enforcement cases have been limited since then. She stated Code Enforcement Officers were there to take photographs that time and noted that the property owner has been responsive to city inquiries regarding issues at the location

Councilor Piano inquired whether Mr. Romero had indicated an intent to refurbish the property. Ms. Lee responded that, beyond the previously mentioned demolition permit

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that was pulled by the owner, no significant work had been performed inside the structure except for the removal of personal belongings.

Mayor DePauli opened the floor for public testimony in support of or opposition to the condemnation; no further testimony was offered. Mayor DePauli inquired if the Council required a summation of evidence or if they were prepared to proceed to deliberations. The Council indicated they reached a complete understanding of the issues and moved to proceed.

Councilor Garcia made the motion to approve Resolution No. R2026-3. Seconded by Councilor Molina. Roll call: Councilors Garcia, Molina, Yazzie, Piano and Mayor DePauli all voted yes.

9. Resolution No. R2026-2; Condemnation of Real Property Located at 105 Mine Run, JVM Properties LLC, in Care of Ted A. Kathleen Ted A. & Kathleen Sowers - Clyde "C.B." Strain, Planning and Development Director

Mayor DePauli noted the presence of Mr. and Mrs. Sowers and the property owners. He outlined the hearing procedure, stating that their testimony and evidence would be presented following the report by Mr. Strain and any subsequent testimony in support of the condemnation.

Mr. Strain presented testimony regarding the structure at 105 Mine Run (N. 250.09' of Block 4, Thomas Boardman Replat). He reported that due to fire damage and a lack of maintenance, the structure has fallen into disrepair, rendering it a public health and safety hazard. Mr. Strain stated that the property owners have taken no action to repair or remove the structure, further noting that the City of Gallup Building Inspector and Code Enforcement Officer determined the premise to be a dilapidated state, creating a menace to public safety. In support of those findings, Mr. Strain submitted for the record, photographic evidence, the Building Inspector's building survey, Code Enforcement case files and other supporting documentation. He said the structure was an abandoned auto repair shop, designated and tagged "Unfit for Human Occupancy," noted two fire related incidents in 2021 and 2025 and no longer has active utilities. According to Mr. Strain, the property has become a neighborhood nuisance and safety hazard due to irreparable structural damage, the owner's difficulty preventing unauthorized occupancy within the structure and inside the inoperable vehicles parked on-site. He cited a history of six code enforcement cases, 11 issued notices and 24 calls for service from the Police Department between 2020 and 2026. Mr. Strain presented photographs depicting major fire and smoke damage to the interior and exterior walls originating from the 2021 incident. He reported that the roof structure has collapsed compromising the structure itself and creating a risk in total collapse. Additional documented conditions included weeds, trash, debris, damaged fencing and graffiti. Mr. Strain stated his belief that Gallup Police Department Staff could provide testimony regarding instances of drug use on the property.

Mayor DePauli opened the floor for questions from the City Council and the City Attorney directed to Mr. Strain.

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Councilor Piano requested clarification of the staff recommendation. Mr. Strain reiterated that Staff recommended the condemnation of the real property and an order for the removal of the structure, ruins, rubbish, wreckage and debris as mandated in Resolution No. R2026-2

Mr. Eason questioned the average amount of staff time allocated to the six (6) code enforcement cases associated with the property. Ms. Lee detailed the administrative process and notice granted to the owners by staff for several extensions to boarding up the structure. She reported that despite these efforts, the property was repeatedly breached, leading to further citations and extensions. Ms. Lee estimated that each case required approximately 10 hours of staff time and outline specific tasks involved; including site patrols and photographic documentation, property research and filings, compiling and organizing case documentation and records of any contact with the owners or authorized agent. She characterized the process as extensive, involving both field and office work, further noting that cases dating back to 2012 were particular labor-intensive due to the manual record-keeping systems in place prior to current technological advancements.

Mr. Chiapetti testified that the structure is beyond repair and recommended condemnation. He noted that the mortgage holders and owners are in agreement regarding the building's removal. He proposed a 90-day window for demolition at the owner's expense as an alternative to the foreclosure process. Mr. Strain stated that the Resolution is structured to allow for owner-initiated abatement, which in this case would require submission of a demolition permit within the specified timeframe. He noted that any extension of this period would necessitate an amendment to the Resolution and confirmed the Planning Department's support for this action.

Public testimony in support of the condemnation concluded. Mayor DePauli called Mr. and Mrs. Sowers to testify.

Ted Sowers, owner of Foreign Automotive, testified that he does not oppose the condemnation. He described the structure's original construction as a barn with tin exterior and sheetrock interior, noting that while the roof was destroyed, the service bays remained intact. Mr. Sowers cited several factors regarding the duration of the demolition process, including the property's purchase, difficulties contacting vehicle owners for removal and security issues regarding transients. He further noted the time require to remediate weed and vehicle citations, stating that the process has only recently becomes feasible. Mr. Sowers reported that that he lost staff during this period and noted the difficulty of hiring new technicians. He stated his intension to begin work this spring and expressed a desire to repurpose the tine due to its value. Regarding costs. He reported receiving demolition estimates between \$40,000 and \$50,000., though he stated he could complete the work at a lower rate. He noted a lack of direct mail notifications and expressed challenges as a small business owner in maintaining a workforce. Acknowledging the structure's current condition, Mr. Sowers requested that the City refrain from placing a lien on the property and requested a 90-day extension to complete the demolition.

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Mayor DePauli acknowledged the recent passing of Mr. Sower's father. The Mayor confirmed that Mr. Sowers agreed to Mr. Chiapetti's 90-day proposal for the demolition of the structure at the owner's expense.

Mr. Eason clarified that the statute requires the owner to commence structure removal within 10 days of the Resolution's service. In response to inquiry, Mr. Sowers confirmed his ability to commence demolition within that 10-day timeframe. Mr. Eason added that the statutory definition of the term is vague.

Mr. Strain noted that verification from the Construction Industries Division (CID) is required to determine the regulations governing commercial demolition by property owners or licensed contractors, therefore, permit eligibility is contingent upon the State's determination. Mr. Strain stressed, if property owners are authorized, proof of asbestos testing and if applicable, proof of abatement must be submitted to Planning and Development staff.

In response to an inquiry from Mr. Eason regarding the timing of property acquisition relative to the fire, Mr. Sowers testified that he believed the property is held under a joint escrow agreement, explained the parcel encompasses the area from the alleyway of Burger King to Aztec Avenue, agreed with Mr. Eason's statement regarding gained interest in the property through installment payments to the original owner and confirmed his occupancy of the building from 2021 to 2028 at which point the fire occurred and he moved next door.

Councilor Molina stated that the City's objective is to address and curtail any illegal activity rather than interfere with legitimate or potential business operations. Mr. Sowers testified to his efforts to secure the property through the installation of chain-link fencing and ongoing coordination with law enforcement. He noted that despite these measures, unauthorized activity on the property persists.

Mayor DePauli opened the floor for public testimony in opposition to the condemnation; no further testimony was offered. Mayor DePauli inquired if the Council required a summation of evidence or if they were prepared to proceed to deliberations. The Council indicated they reached a complete understanding of the issues and moved to proceed.

Councilor Piano inquired whether the proposed Resolution could be approved contingent upon the pending determination from the CID. Mr. Strain advised that such contingencies are not a standard component of the Resolution and should not preclude its approval.

Councilor Piano made the motion to approve Resolution No. R2026-2, with understanding the property owner will commence structure removal within 10 days. Discussion followed regarding the technical definition and legal interpretation of the 10-day commencement.

Mr. Strain noted that, pursuant to State Statute, a demolition permit remains valid for 6 months from the date of issuance for the commencement of work.

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Joe Mesich, property owner, requested clarification on the conflicting timelines between municipal code and state statutes regarding the two proposed demolition scenarios. Mr. Strain committed to consulting with the State and notifying Mr. Sowers of the determination.

Mr. Eason recommended that, due to the current status of the property title, any potential permit should include Mr. Mesich and Mr. and Mrs. Sowers to ensure all interested parties are represented in the application.

City Clerk Alfred Abeita advised Council to start with the adoption of the Resolution for the record.

Councilor Piano made the motion to approve Resolution R2026-2; condemnation at 105 Mine Run, JMV Properties LLC, in Care of Ted A. Kathleen Ted A. & Kathleen Sowers. Seconded by Councilor Molina. Roll call: Councilor Piano, Molina, Yazzie, Garcia and Mayor DePauli all voted yes.

Comments by Mayor and City Councilors

Mayor DePauli announced the signing of the federal Energy and Water Development, noting a \$76 million funding cap for the City. He expressed appreciation to everyone involved in the advocacy process. He further noted that negotiations for the Operation, Maintenance, and Replacement contract are commencing and are expected to be an extended process.

Councilor Yazzie expressed appreciation to the organizers of the Martin Luther King Jr. Day event, noted the attendance of Mayor DePauli and Councilor Garcia and plans to expand the event in future years. Additionally, she announced the first Community Meet N' Greet and noted the upcoming attendance of the Mayor and Council at the State Legislative Session and Gallup-McKinley Day in Santa Fe.

Councilor Molina expressed appreciation to Mr. Gilles and his associates for the ongoing improvements at Rehoboth McKinley Christian Hospital (RMCH) and noted challenges regarding the recruitment of local physicians. Councilor Molina also acknowledged the efforts of the Council and staff in completing the condemnation hearing process.

Comments by City Manager and City Attorney

Mr. Chiapetti stated that the City maintains no affiliation with Immigration and Customs Enforcement (ICE) and does not participate in its operations. He emphasized that the City represents all residents regardless of documentation status and encouraged individuals to report crimes, including extortion, domestic violence, and sexual assault, without fear of inquiry into their nationality. Mr. Chiapetti clarified that while criminal background flags are outside local jurisdiction, the City remains committed to public safety for its immigrant and Native American populations. He offered to meet directly with any resident at City Hall to serve as an advocate for those hesitant to contact law enforcement.

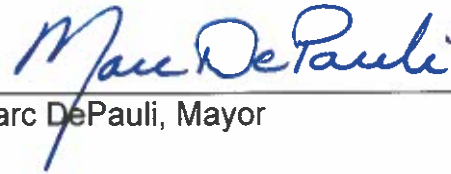
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Mr. Eason stated that, under federal law, the city, county, and state are under no legal obligation to assist or cooperate with Immigration and Customs Enforcement (ICE) or U.S. Border Patrol operations.

There being no further business, Councilor Molina made the motion to adjourn the meeting. Seconded by Councilor Piano. Roll call: Councilors Piano, Molina, Garcia, Yazzie and Mayor DePauli all voted yes.



A handwritten signature in blue ink, reading "Marc DePauli", positioned above a horizontal line.

Marc DePauli, Mayor



A handwritten signature in blue ink, reading "Alicia Martinez", positioned above a horizontal line.

Alicia Martinez, Deputy City Clerk

