

MINUTES

TOWN OF MIAMI

REGULAR MEETING OF THE MAYOR AND COUNCIL MONDAY, JUNE 8, 2015 AT 6:30 PM

1. CALL TO ORDER:

Mayor Dalley calls the meeting to order at 6:30 pm.

2. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Dalley led the pledge of allegiance, followed by Councilmember Medina leading the invocation.

3. ROLL CALL OF COUNCIL MEMBERS:

PRESENT: Mayor Dalley, Vice Mayor Reiman, Councilmember Black, Councilmember Castaneda, Councilmember Gonzales, Councilmember Hanson and Councilmember Medina.

STAFF PRESENT: Town Manager Heatherly, Town Attorney Goodwin, Town Clerk Norris, Librarian Delvan Hayward, Development Services Department Paul Curzon, Pool Manager Hannah Sartain, Senior Center Director Rashele Highbaugh and Police Chief Gillen.

4. CONSENT AGENDA:

- A. Consideration and possible action to approve Minutes of the May 27, 2015 Special Council Meeting.
- B. Consideration and possible action to approve Minutes of the June 1, 2015 Special Council Meeting.
- C. Consideration and possible action to approve the Town Payroll for May 11, 2015 to May 24, 2015.

Councilmember Castaneda motioned to approve the consent agenda. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

5. APPROVAL OF DEMANDS AND PRESENTATION OF BUDGET REPORTS:

- A. Consideration and possible action to approve the General Demands for May 21, 2015 to June 4, 2015.

Councilmember Castaneda motioned to approve the demands and presentation of budget reports as presented. Motion seconded by Councilmember Medina. Councilmember Gonzales states that he has questions on the demands but since Finance Director Sanchez isn't here this evening he will see if Town Manager Heatherly can possibly answer them. Councilmember

Gonzales questions the payments to D.O.C. (Department of Corrections), questioning if all the invoices are paid because normally in the past, it seems that there were more invoices to be paid. Town Manager Heatherly states that he believes that they are, but is not positive. Councilmember Gonzales asks about the "late fees" on the bank cards; how did that happen. Town Manager Heatherly states that he isn't sure why that happened, that would be a question for the Finance Director. Town Manager Heatherly states that he will find out answers to both of those questions for Councilmember Gonzales. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

6. REPORTS / RECOGNITIONS:

A. Department Reports.

Library, Delvan Hayward reports on library statistics and activities. Reports on donations to the library and reports on the Friends of the Library book sale. The Friends of the Library allowed her \$500 to purchase new books for the library. Reports on the dedication of the Arizona Room to Mr. Ed Pastor. Reports that they received the library IGA check in May; \$25,000.00. Ms. Hayward announces that she has been made an emeritus member of the Hall of Fame. June 12th is the kick-off of the Summer Reading Program, on June 19 is a book signing, from 9 am to 1 pm, by a local author, Joann Kannegaard. Announces that the Mayor has given the library some paint and they are going to use it to cover graffiti.

Police Department, Police Chief Gillen reports on statistics and activities.

Senior Center, Rashele Highbaugh reports on statistics and activities.

Pool Manager, Hannah Sartain reports on the swimming pool revenues and attendance counts.

Development Services Department, Paul Curzon gives a brief update on the Merritt Ramp project, ADOT Regulatory Sign project and update on the maintenance of the swimming pool.

B. Town Manager Report.

Town Manager Heatherly reports on issues Public Works has been having with the garbage truck; they are now resolved. Reports on the pump situation and that issue is almost completely resolved. Reports that he has a meeting this week with Tri-City Sanitary District, will be discussing a rough draft agreement. Continuing to work on resolving the issues with USDA. Reports on the termination of the lease of the lagoons with Freeport. Reports on the pool inspection that was done by the Health Department. Reports there was some vandalism to Town vehicles at the Town barn that happened over the weekend. Announces a budget worksession for Wednesday, June 17 at 2:00 p.m.

C. Mayor/Council Reports. None

7. CALL TO THE PUBLIC:

Ms. Kathy Melvin, Globe resident, Ms. Melvin does community outreach for Congresswoman Ann Kirkpatrick, announces the official renaming of the Miami Post Office in honor of Sgt. Manual Mendoza will be held on Friday, June 19th at 3:00 p.m. Ms. Melvin invites everyone to attend.

Mr. Ray Arrona, former Miami resident, comments regarding his parents being residents of the Town of Miami and questions the Council if the best years are behind us or ahead of us. Comments regarding the Council establishing good relationships and he would like to see more unity. Mr. Arrona states that he would like to meet with each Councilmember individually as time may allow. Mr. Arrona comments regarding a friend of his, Xavier Marin, who has the ability to harmonize and bring people together, his fee is \$500 for two hours of service. Mr. Arrona offers that to the Council, and urges them to take advantage of his services.

Mr. Xavier Marin, former resident of Miami, comments regarding having a passion for this community, would love to it to grow and prosper. Mr. Marin states he is a professional coach and facilitator and would like to offer his services to the Town.

8. UNFINISHED BUSINESS: None.

9. NEW BUSINESS:

A. Information, discussion and possible action: To approve Intergovernmental Agreement (IGA) with City of Globe providing the Town of Miami with a check in the amount of \$5,000.00 to be utilized by the Town of Miami to fund improvements to the Miami public pool.

Town Manager Heatherly presents the IGA to Council. The IGA has been reviewed by the Town Attorney. Councilmember Medina motioned to approve the IGA with City of Globe providing the Town of Miami with a check in the amount of \$5,000.00 to be utilized by the Town of Miami to fund improvements to the Miami public pool. Motion seconded by Councilmember Hanson. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

B. Information, discussion and possible action: To appoint 5 members to the Public Safety Personnel Retirement System Board:

- a) 3 Members to a 4 year term - Rachelle Sanchez, Karen Norris and S.G. Gillen;
- b) 2 Members to a 2 year term – Mayor Dalley and Officer Alonzo.

Town Clerk Karen Norris presents this request to Council. Councilmember Castaneda motioned to appoint 5 members to the Public Safety Personnel Retirement System Board - 3 Members to a 4 year term - Rachelle Sanchez, Karen Norris and S.G. Gillen and 2 Members to a 2 year term – Mayor Dalley and Officer Alonzo. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

- C. Information, discussion and possible action:** To approve bench replacement at Bullion Plaza, as a community project for Isaac Webb's Eagle Scout badge, and to provide a Town representative to monitor and, if necessary, assist the work being done.

Mr. Isaac Webb of Boy Scout Troup 101 is present to make his request to complete the bench project at Bullion Plaza to obtain his Eagle Scout badge. Mr. Webb states that he would like to make repairs to the bench at the Bullion Plaza Gym, he would like to reinforce the benches where they are defective. Councilmember Hanson motioned to accept this wonderful opportunity and to provide a Town representative to monitor and assist the work being done. Motion seconded by Mayor Dalley. Isaac states that Public Works Director, Wes Sukosky will oversee and assist with his project. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

- D. Information, discussion and possible action:** To approve the Town paying the expenses of sending only the Mayor and Town Manager (if needed) to the Annual League of Cities and Towns Conference in August 2015. Other Councilmembers who wish to go may do so at their own expense.

Councilmember Hanson presents this item to Council explaining that it is a wonderful opportunity to attend the Conference however, with the Town's current financial restraints it seems inappropriate for the Town to pay for all the Councilmembers to attend; except for the Mayor and if needed the Town Manager. Councilmember Medina motioned to approve the Town paying the expenses of sending only the Mayor and Town Manager (if needed) to the Annual League of Cities and Towns Conference in August 2015. Other Councilmembers who wish to go may do so at their own expense. Motion seconded by Councilmember Hanson. Mayor Dalley refers to the Town of Miami Council Rules and Procedures Section 15.2 – Use of Budgeted funds. Mayor Dalley reads that section aloud that each Councilmember is budgeted \$500 per year to spend, without prior approval of the Council. Mayor Dalley asks the Town Attorney for her opinion on this issue. Councilmember Medina comments regarding the appearance of the Conference being a paid vacation as it seems to be the same thing every year. Councilmember Black comments regarding attending the Conference for 6 years and every year they offer different classes and also comments regarding networking with constituents and meeting new people at the Conference has benefited the Town; explains regarding the donations of squad cars obtained over the years. Town Attorney Goodwin states that she believes that absent an amendment to the Council Rules the provision the Mayor read is correct and each Councilmember has \$500 as budgeted. Councilmember Medina and Councilmember Hanson rescind the motion and second on this item.

- E. Information, discussion and possible action:** To approve Intergovernmental Agreement (IGA) with Arizona Department of Revenue (ADOR) regarding the administration, collection, audit and/or licensing of transaction privilege tax, use tax, severance tax, jet fuel excise and use taxes and rental occupancy taxes imposed by the State, Cities and Towns.

Town Manager Heatherly presents this item to Council, explaining that is basically a housekeeping item that was requested by ADOR. It gives the State the ability to administer, collect and distributed to the cities and towns all the taxes listed in the item. Councilmember

Hanson motioned to approve this IGA as stated with the Arizona Department of Revenue. Motion seconded by Councilmember Medina. Town Attorney Goodwin points out that the motion should include that the Town Managers information be included in the blanks requiring this information. Councilmember Hanson would like to include that in her motion for section 2.1 and 3.1 and anywhere else in there per the Town Attorney. Councilmember Medina reaffirms his second. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

F. Information, discussion and possible action: To review property appraisal and bids received and to approve the sale of any or all of the properties to the highest bidder or to reject all bids as to any one or all of the properties and direct staff to go out for bids again:

- a. 618 W. Sullivan St.
- b. 700 W. Sullivan St. and
- c. 196 N. Keystone Ave.

Town Manager Heatherly presents this item to Council, explaining that KB Evaluations completed the property appraisals. Town Manager Heatherly explains how the average appraisal for each property was figured. 618 W. Sullivan appraised at \$110,000.00; 700 W. Sullivan appraised at \$70,000.00 and 196 N. Keystone appraised at \$120,000.00. The Town received 4 bids for the properties, 3 from one individual. Mr. Frank Dalmolin bid on all three properties and Mr. Ray Webb bid on one property. Mr. Webb bid on the Keystone property in the amount of \$85,277.00. Mr. Dalmolin's bid on the Keystone property was \$30,000.00. Mr. Dalmolin's bid for 618 W. Sullivan was \$45,000.00 and 700 W. Sullivan was \$30,000.00. Town Manager Heatherly explains the values as opposed to what people are willing to pay for the property. The big issue right now is the Town's need for cash. Town Manager Heatherly comments briefly regarding the cost of closing fees. Town Manager Heatherly discusses some of the Town's upcoming expenses; repairs to the pumps. Town Manager Heatherly explains how he would like to see the money disbursed if the Council decides to accept the bids. Suggests putting \$10,000 into a fire reserve fund and gives an estimate of what would need to be put away for USDA. The maintenance side of the reserve would be around \$34,000 and the payment reserve would need to be about a minimum of \$9,000, if the Town became tardy then the maximum amount that would need to be put in there would be \$36,000. Would also like to use \$36,000 to pay local and other vendors that the Town owes money to. Councilmember Hanson asks Mr. Ray Webb what he would like to do with Keystone property. Mr. Webb explains that initially he needs to do some finish up work and keeping with the historic status of the building in mind. He would like to use it for office space and various other small business ventures. Discussion and comments regarding selling the Keystone property including the fenced in property. Town Manager Heatherly explains that he will have to get in touch with ADOT regarding the issues of the transit lot. Discussion regarding if a certain strip of property is included in with the Keystone sale. Town Manager Heatherly is not exactly sure about that piece of property but will certainly look into that and report back. Open discussion and comments regarding restrictions or liens on the Keystone property. Town Manager Heatherly states that he did not find any restriction regarding that property. Town Manager Heatherly comments based on the Town's needs, he would recommend selling the properties. Councilmember Black motioned to sell the properties with the stipulation that we find out about the lot that was donated to the Town (strip of property by the Keystone property) to Frank Dalmolin and Ray Webb. Motion seconded by Councilmember Hanson. Town Attorney adds

that the motion should be subject to the final preparation of the purchase contracts and acceptance of the terms by the buyer. Councilmember Black states that he will amend his motion to include that. Councilmember Hanson seconds the amendment. Councilmember Castaneda states that she has concerns about the transit lot area. Town Manager Heatherly states he agrees that issue needs to be investigated further. Town Attorney Goodwin comments regarding concerns and need for further investigation of the Keystone property. Councilmember Black rescinds his motion and makes a new motion to move forward with the sale of the two properties on Sullivan Street and when the Town gets clearance on the Keystone property, move forward with that. Councilmember Hanson seconds the new motion. The Town Attorney clarifies that is subject to the final preparation of the purchase contracts and acceptance of the terms by the buyer. Councilmember Black states "yes". Councilmember Gonzales states that he agrees with Councilmember Castaneda regarding the transit yard and does the Town have a plan on where that will be moved to. Town Manager Heatherly comments that he has a few ideas but did not want to pursue anything until Council made a decision on the sale of the property. Discussion regarding possibly making a deal with Mr. Webb to continue to park the vans on the property or to move the vans to the public works barn location. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member opposed (Mayor Dalley). MOTION PASSED.

G. Information, discussion and possible action: To recess the regular meeting and hold an executive session pursuant to A.R.S. §38-431.03 (A) (1) for discussion or consideration of assignment, dismissal, or disciplining of Town Manager Joseph Heatherly; and pursuant to A.R.S. § 38-431 (A)(3) for discussion or consultation for legal advice with the Town Attorney regarding same.

Councilmember Medina motioned to recess into executive session. Motion seconded by Councilmember Hanson. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

Recessed at 7:41 p.m.

Mayor Dalley calls the meeting back to order at 10:23 p.m.

H. Information, discussion and possible action: To discipline or dismiss Town Manager Joseph Heatherly.

Mayor Dalley motioned to obtain a Hearing Officer to get facts on this matter. Motion seconded by Councilmember Black. Vice Mayor Reiman comments regarding concerns of the cost of a hearing, feels there are other actions that can be taken in regards to this investigation. Councilmember Medina states that he agrees with Vice Mayor Reiman, has concerns regarding the costs. Mayor Dalley comments regarding the Town has spent money for the investigation and there is a lot involved in this issue and feels it needs to go to the next level. Councilmember Black states that this is a delicate situation and the Town Manager is the head of all the employees and feels the Council needs to move forward from the outside agencies opinion. Councilmember Gonzales states that this is going to cost the Town money and feels that the Town needs to get the true facts and that the Town should move forward with an outside agency to obtain that. Councilmember Black states that the allegations are very personal to the employees and Council owes it to the employees and themselves to get to the bottom of this issue, get the facts and then move forward with what to do next. Mayor Dalley comments that

the Town Attorney advised and recommended that the Town bring in an HR (human resource) specialist to investigate. The Town did that and the investigator gave her opinion and now Council is split on believing this person who was recommended by the Town Attorney to do this investigation. Councilmember Medina comments that he feels this report is based on hearsay and not facts. Open discussion and comments regarding other options available to the Town to address these types of situations and team building strategies by utilizing CAG, APS and the League of Arizona Cities and Towns to provide training to the Town Manager and employees. Councilmember Black states that he agrees with Councilmember Medina that training is a great suggestion but it still does not address the issue of these complaints, the Town needs to get to the bottom of these complaints. Councilmember Hanson comments regarding the employees saying one thing and the Town Manager another thing, in the end, there is still this and that. The Town needs to provide training, which the Town has never done, at least it will provide training throughout the staff. Open discussion regarding how often would the Town provide training. Mayor Dalley calls for the vote. Vote 3 in favor and 4 opposed (Vice Mayor Reiman, Councilmember Medina, Councilmember Hanson and Councilmember Castaneda). MOTION FAILS. Councilmember Hanson motioned to implement, as soon as possible, utilizing CAG, the League and APS and any services we know, to put together some kind of complete employee training, start from top to bottom including the Manager, Department Heads and all employees; working with team building besides how to make our proposed employee packet work and whatever expense that is, the Town needs to cover it. Motion seconded by Councilmember Medina. Mayor Dalley comments that this will cost the Town money and will not involve getting the facts of the employee complaints. Brief discussion regarding how the training would be implemented. Discussion regarding the Town Manager and Town Clerk putting together a plan and bringing it back for approval by Council. Mayor Dalley calls for the vote. Vote – 4 in favor and 3 opposed (Mayor Dalley, Councilmember Black and Councilmember Gonzales). MOTION PASSED.

- I. **Information, discussion and possible action:** To appoint a Council liaison to Town Manager Staff meetings and define the role of the liaison.

Mayor Dalley presents this item to Council. Mayor Dalley comments that with what has been going on with the employees he thinks it would be a smart idea on the Town's part to send a representative to monitor and watch, not participate, in the Town department staff meetings. Councilmember Castaneda states she feels this is just another tool to undermine the Town Manager, does not feel that he needs a babysitter and that there is not one person on this Council who can go "toe to toe or head to head" with him. Vice Mayor Reiman agrees and states that the liaison between staff and Council is the Town Manager. Councilmember Hanson comments regarding the Administrative form of government, the Town had that in the past, it didn't work, now the Town follows the Council/Manager form of government. Mayor Dalley comments that it was practiced under the Town Manager Jerry Barnes, so what is good for the goose is good for the gander. Councilmember Gonzales comments that the staff meetings are held with the department heads and for a while now he has not been receiving reports from the department heads, it is the Town Managers responsibility to keep the Council informed on matters of the Town. Councilmember Gonzales states for the last two weeks he has not received reports from the Town Manager and questioned the Town Manager why he has not been reporting. Councilmember Gonzales explains that this is the reason why he supports this, if the Manager can't keep the Council informed. Councilmember Black comments regarding attending the Department meetings for the last 5 weeks and they are more informative than

what they get here. Brief discussion regarding the Councils ability to go and talk with the Town Manager anytime they want more information or have questions. Town Manager Heatherly comments that he gets reports from the department heads, they are to give them to him every Friday and he picks them up on Saturday, he cannot make them give him the reports, therefore he cannot report what isn't given to him. Councilmember Hanson motioned to not have a Council liaison and maintain the Town Manager in control of his meetings. Motion seconded by Councilmember Castaneda. Mayor Dalley calls for the vote. Vote – 4 in favor and 3 opposed (Mayor Dalley, Councilmember Black and Councilmember Gonzales). MOTION PASSED.

10. CALL TO THE COUNCIL:

Councilmember Hanson reports on the first Music in the Park that took place last weekend. Announces the Splash Bash at the pool this Saturday and Music in the Park the following Saturday.

Councilmember Medina comments regarding working at the mine for 4 different companies, 46 year years and he is proud to say that he is the only one he knows of that has worked in every department. Comments regarding the transitioning period each time a new company took over and the training they provided. He is proud of this Council being able to disagree, it shows that there is no corruption going on.

11. ADJOURNMENT:

Councilmember Black motioned to adjourn the meeting. Motion seconded by Councilmember Castaneda. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

Meeting adjourned at 10:56 p.m.

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular meeting of the Town Council of the Town of Miami, AZ held on the 8th day of June, 2015.

I further certify that the meeting was duly called and that a quorum was present.
DATED this 22nd day of June 2015.



Karen Norris, Town Clerk

APPROVED:



Darryl Dalley, Mayor