

# MINUTES

## TOWN OF MIAMI SPECIAL MEETING OF THE MAYOR AND COUNCIL MONDAY, JUNE 22, 2015 AT 6:30 P.M.

### 1. CALL TO ORDER:

Mayor Dalley called the meeting to order at 6:30 p.m.

### 2. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Dalley led the pledge and Councilmember Medina led the invocation.

### 3. ROLL CALL OF COUNCILMEMBERS:

**Present:** Mayor Dalley, Vice Mayor Reiman, Councilmember Castaneda, Councilmember Hanson (arriving at 6:37 p.m.) and Councilmember Medina.

**Absent:** Councilmember Black and Councilmember Gonzales.

**Staff Present:** Town Manager Heatherly, Town Attorney Goodwin, Finance Director Rachelle Sanchez, and Town Clerk Norris.

### 4. CONSENT AGENDA: *All items listed below are considered consent calendar items and may be approved by a single motion unless removed at the request of a Councilmember for further discussion/action. Other items on the agenda may be added to the consent calendar and approved under a single motion.*

A. Consideration and possible action to approve Minutes of the June 8, 2015 Regular Council Meeting.

B. Consideration and possible action to approve the Town Payroll for May 25, 2015 to June 7, 2015.

Councilmember Castaneda motioned to approve the Consent Agenda. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 4 in favor and 3 members absent (Councilmember Black, Councilmember Gonzales and Councilmember Hanson). MOTION PASSED.

### 5. APPROVAL OF DEMANDS:

A. Consideration and possible action to approve the General Demands for June 4, 2015 to June 18, 2015.

Councilmember Castaneda motioned to approve the general demands for June 4, 2015 to June 18, 2015. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 4 in favor and 3 members absent (Councilmember Black, Councilmember Gonzales and Councilmember Hanson). MOTION PASSED.

- B.** Consideration and possible action to review and discuss the Revenues/Expenditures and Deposits report for activities through March, 2015, April 2015 and May 2015.

Finance Director Sanchez explains to Council that she is still unable to import the data needed to complete these reports and ask that Council table this again. Councilmember Medina motioned to table this item. Motion seconded by Mayor Dalley. Mayor Dalley calls for the vote. Vote – 4 in favor and 3 members absent (Councilmember Black, Councilmember Gonzales and Councilmember Hanson). MOTION PASSED – ITEM TABLED.

**6. REPORTS / RECOGNITIONS:**

**A.** Department Reports:

Development Department, Paul Curzon reports to Council that he is working on an Emergency Preparedness Development Plan. Gives a brief update on the Merritt Ramp Project and reports on the swimming pool. Reports regarding working with National Fire Protection Agency (NFPA) and processing purchase orders for needed equipment and/or services.

**B.** Town Manager Reports:

Town Manager Heatherly reports that Public Works Department has been up at Lobato Canyon two times in the last two weeks, working on clogged lines; trying to determine the cause of it.

Councilmember Hanson arrives at 6:37 p.m.

Reports briefly on the Merritt Ramp Project, repairing venting issues with the showers at the swimming pool, working on the Tri City Sanitary contract. Updates Council on the Mackey's Camp project and cooperation with Gila County in moving this project forward. Reports he is continuing to work on collection of documents/data for the USDA requirements. Reports that he is trying to set up a meeting with the Superior Court Judge and the Juvenile Detention Officer to get better control of the juvenile incidents happening in town. Reports on the swim meet that took place on Saturday and comments briefly on the swimming pool attendance. Reports on attending the U of A Leadership program.

**C.** Mayor/Council Reports:

Vice Mayor Reiman reports on the dedication ceremony of renaming the Miami Post Office which took place last Friday.

Mayor Dalley reports on the CAG meeting he attended in Payson. Comments briefly on the graffiti in the park; trying to get the cameras in the park fixed. Reports on the Concert in the Park that took place last Friday; it was well attended.

**7. CALL TO THE PUBLIC:**

Mr. Elvin Fant, Miami resident, comments regarding his business, LEI, presenting the Town of Miami with a final bill for services rendered. Mr. Fant comments regarding allowing the Town to carry a high

balance, but now that the Town has sold the building his business needs the payment in order to work out arrangements with the new building owners.

Mr. Jon Cornell, KQSS Radio, states that he made a video of the renaming ceremony at the Post Office and it is on their website if anyone would like to see it.

Mr. Jim Coates – Miami resident and business owner – comments regarding a comment/post on a social media site, made by Mayor Dalley. Mr. Coates comments regarding the post being in regards to graffiti in the park and that Mr. Coates should be helping with those issues. Mr. Coates comments regarding his military service and the properties that he owns in the Town. Mr. Coates comments regarding finding techniques to prevent the graffiti in the park and around town. Work on IDing and punishing the people committing those acts.

Mayor Dalley responds to Mr. Coate's comments by challenging residents of the town to help with cleaning up the park and the town as a whole. Comments that people need to step up and help keep the town clean. The park is for the Veterans and to thank them for their service. Mayor Dalley comments regarding having volunteers to help keep an eye on the park.

Mrs. Kathy Melvin, Globe resident, reports on the ceremony of renaming the Miami Post Office in honor of Manuel Mendoza. This is only the 3<sup>rd</sup> time this has ever happened in Arizona and is a real honor for the Town of Miami. Thanks the Mayor for his assistance with coordinating this event. Mrs. Melvin presents the Council with a framed copy of the actual law signed by President Obama renaming the Post Office. Mrs. Melvin also comments that Mr. Mendoza's family was in attendance at the ceremony and was very honored by the renaming of the Post Office.

8. **UNFINISHED BUSINESS:** None.

9. **NEW BUSINESS:**

**A. Information, discussion and possible action:** To authorize the Mayor to sign a letter from the Miami Town Council stating its approval for Bullion Plaza Museum to apply for a grant from Freeport-McMoRan for funds to improve the second floor facilities of the museum.

Mr. Tom Foster, Executive Director of the Bullion Plaza Museum, states that this item is just to give a report to Council on the grant for the second floor improvements of the museum. The grant has been awarded by Freeport McMoRan. Mr. Foster reports on the renovation of the 2<sup>nd</sup> floor. The grant is in the amount of \$37,500.00 and Resolution also donated an additional \$5,000.00 to replace some of the window sections. Mr. Foster reports that all work will be done by local contractors and there are no structural issues involved with this project. No action taken on this item.

**B. Information and discussion only:** Report from Town Manager explaining why the first and second payment of the wastewater project were not paid on time.

Mayor Dalley states that he has been asked by several people how the Town missed making the payments for the project. Mayor Dalley states that he is aware that it happened but is not sure how or why and asks the Town Manager if he will summarize the events of what happened in order to

clear this issue up once and for all. Town Manager Heatherly explains that it was a series of events of miscommunication and confusion and lack of staff follow up. Town Manager Heatherly states that the Town received a letter on March 17<sup>th</sup> requesting information to do direct withdrawal from the account. This was not filled out and returned as requested. After a Councilmember called USDA they then sent an email dated April 6<sup>th</sup>, which he never saw. If he seen that email staff would have still had time to make both of the payments on time. Mayor Dalley asks about the next payment that is due. Finance Director Sanchez states that payment went through on June 19<sup>th</sup>, in the amount of \$3,009.00. That came out of the account late, but that is on USDA because they do the automatic transactions. No action taken on this item.

**C. Information, discussion and possible action:** To eliminate requirement of Department Heads attending Council meetings; exempting the Finance Director.

Mayor Dalley comments that in the past it was an option for Department Heads to attend the Council meetings. Council then voted to require the Department Heads to attend the meetings. Mayor Dalley states that he would like to shorten the meetings and there are tabs in the Council books for the department reports. Councilmember Hanson states that she would like to have the Department Heads continue to be at the first meeting of each month to give their reports. Councilmember Castaneda agrees with Councilmember Hanson but states that this decision would ultimately be up to the Town Manager. Vice Mayor Reiman comments that if there was the opportunity to have discussion with the Department Heads at the meetings then it would be more meaningful to have them here, right now he feels it is nonsense because they cannot discuss issues with them and the meetings are not well attended by the public. Town Attorney Goodwin states although it is up to the Town Manager, Council can direct him to give directive to Department Heads to attend the meetings. Town Attorney Goodwin also comments that if a report is going to be given and discussion may be necessary it could be put on as an agenda item so that it can be discussed, if planned ahead. Town Manager Heatherly comments that it is not fair to require the Department Heads to attend the meetings but is also not fair to the Council to not require it either. It is beneficial to the Department Heads to attend the meetings so they are aware of what is going on with Town business. Town Manager Heatherly states that he will scan the Department Head reports and send them to Council with his narrative report he sends out. Town Manager Heatherly states that if there is a topic that comes up that a Department Head would need to be present for, to discuss with Council, he can make sure it goes on the agenda and have the employee present at the meeting. Mayor Dalley motioned to leave this item at the discretion of the Town Manager. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 5 in favor and 2 members absent (Councilmember Black and Councilmember Gonzales). MOTION PASSED.

**D. Information and discussion only:** To review financial audit report for fiscal year 2011/2012.

Town Manager Heatherly presents the 2011/2012 draft audit to Council. Town Manager Heatherly states that it took a lot of effort to get this audit done, the auditor did not have a lot of information to work with. Compared to the past audits, not a lot has changed, pretty much just the dates. Town Manager Heatherly expresses that the Town needs to start doing something different, something better. Town Manager Heatherly states this audit was for three years ago, and the 12/13 audit will be done in a few day and will be pretty much the same. Town Manager Heatherly reviews some of the findings reported by the auditor. Town Manager Heatherly comments on things that staff is not doing

such as ledgers, reconciliation of accounts to supporting documents and so forth; things that should be done on a monthly basis. There needs to be some controls put in place and better cash management; he is currently working on that. Town Manager Heatherly reports that these issues need to be resolved so that things can start to get better. Brief discussion regarding going all electronic; paperless. Town Manager Heatherly states that he will respond to the findings in this report and will copy each Councilmember with that, get this out of draft status and on final status. Brief discussion regarding the lack of records and what may have happened to those records, why are they missing and where they have gone. More discussion regarding concerns of going paperless or all electronic. No action taken on this item.

**E. Information, discussion and possible action:** To approve Town of Miami's Statement and Estimates of Revenues and Expenses as the Tentative Budget for Fiscal Year 2015/2016, set a public hearing date for the Town Council to hear taxpayers on the adoption of the final budget; and to direct staff to publish the tentative budget (estimates of revenues and expenses) along with a notice of public hearing.

Town Manager Heatherly states that this item is not ready for Council review. Need to have a special meeting or another worksession to fill in the holes to complete the tentative budget. Town Manager Heatherly requests that Council table this item and set a special meeting or worksession. Councilmember Hanson motioned to schedule a worksession on July 13<sup>th</sup> at 4:00 p.m. and then follow up with the regular Council meeting at 6:30 p.m. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 5 in favor and 2 members absent (Councilmember Black and Councilmember Gonzales). MOTION PASSED.

**F. Information, discussion and possible action:** To review, make recommendations and direction to staff regarding the ADOT (Arizona Department of Transportation) Transit Audit.

Town Manager Heatherly presents this audit to Council. This audit's findings are pretty much the same as the financial audits findings. This audit consisted of a mix of operational and financial practices. Town Manager Heatherly states that the Town has not been very thorough with this department and expresses that ADOT requires things be done in very specific ways. Town Manager Heatherly reviews some of the findings reported by ADOT and explains what staff is doing to make those corrections. Town Manager Heatherly explains that ADOT requires a TAC Committee be appointed and be utilized. He explains the purpose of the committee and states that he is working to get that committee together. Town Manager Heatherly explains the requirement of following federal guidelines for purchasing for the transit department. Discusses the lack of documentation of the drivers training and that is now being corrected. Town Manager Heatherly states that within 10 days he will have his response to the audit to ADOT. Brief discussion regarding bus shelters that were purchased and never installed; the areas need to be determined and the shelters installed. Discussion regarding the importance of marketing of the transit program. Mr. Jon Cornell of KQSS Radio has offered to help with that for free. Town Manager Heatherly states that the transit service is getting better but there is plenty of room for improvements. No action taken on this item.

**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)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney

regarding the Town's position regarding an intergovernmental agreement (IGA) with Tri-City Sanitary District for wastewater treatment services that is the subject of negotiations.

**H. Information, discussion and possible action:** To recess the regular meeting and hold an executive session pursuant to A.R.S. 38-431.03 (A)(3) for discussion or consultation for legal advice with the Town Attorney regarding legal liabilities related to the Town's accounting procedures and recommendations for improvements to the organization of the finance department to address potential legal liabilities.

Councilmember Medina motion to recess into executive session in order to discuss items G and H. Motion seconded by Councilmember Hanson. Mayor Dalley calls for the vote. Vote – 5 in favor and 2 members absent (Councilmember Black and Councilmember Gonzales). Recessed at 8:12 p.m.

Mayor Dalley calls the meeting back to order at 9:36 p.m. Councilmember Castaneda left a few minutes before Council exited the executive session. All other members present.

**10. CALL TO THE COUNCIL:**

Mayor Dalley announces the Safety Fair at Bullion Plaza on the 27<sup>th</sup> at 10:00 a.m.

Councilmember Medina expresses his concern for Boomtown Spree. He is thinking about making an editorial to volunteer to run the Boomtown Spree if no one else will do it.

**11. ADJOURNMENT:** Councilmember Hanson motioned to adjourn the meeting. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 4 in favor and 3 members absent (Councilmember Black, Councilmember Castaneda and Councilmember Gonzales). MOTION PASSED.

Adjourned 9:38 p.m.

**CERTIFICATION:**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special meeting of the Town Council of the Town of Miami, AZ held on the **22nd** day of **June** 2015.

I further certify that the meeting was duly called and that a quorum was present.

DATED this **13<sup>th</sup>** day of **July** 2015.



Karen Norris, Town Clerk

**APPROVED:**

  
Darryl Dalley, Mayor