

MINUTES

TOWN OF MIAMI

REGULAR MEETING OF THE MAYOR AND COUNCIL MONDAY, JUNE 27, 2016 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 Castaneda, Councilmember Gonzales, Councilmember Hanson and Councilmember Medina.

ABSENT: Councilmember Black.

STAFF PRESENT: Town Manager Heatherly, Town Attorney Smiley, Town Clerk Norris, Accounting Clerk Lopez and Police Chief Gillen.

4. CONSENT AGENDA:

- A. Consideration and possible action to approve Minutes of the June 13, 2016 Regular Meeting.
- B. Consideration and possible action to approve the Town Payroll for June 16, 2016.

Vice Mayor Reiman motioned to approve the consent agenda. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

5. APPROVAL OF DEMANDS AND PRESENTATION OF BUDGET REPORTS:

- A. Consideration and possible action to approve the General Demands for June 9, 2016 to June 22, 2016.

Council asked several questions about various demands. Councilmember Castaneda motioned to approve the general demands for June 9, 2016 to June 22, 2016. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black) MOTION PASSED.

6. REPORTS / RECOGNITIONS:

A. Department Reports.

Police Chief Gillen, Police Department report of statistics and activity. Reports on the press conference for the prescription medication drop off box installed at the Police Department. Gives a brief update on the Garcia case, incident involving the Hostetler pool break in; a plea agreement was made and a sentencing hearing will be on July 27th.

B. Town Manager Report.

Town Manager Heatherly reports that Public Works is working on getting all the coolers working at the Town facilities. The cooler at the concession stand in the park is working and the park rules sign has been put up. Reports that they are still having problems with the a/c units at the gym. Met with Code Enforcement and the Project Engineer to look at the franchise agreements to monitor the work and clean up repairs of the franchisees. Continuing to work on a sign ordinance to bring to Council for consideration. Merritt Ramp project update. Update on Mackey's Camp water crossing. Comments briefly regarding the pool; has been hearing good things and things are running smoothly there. Senior Center had to replace a faucet and will be purchasing a new refrigerator. Continuing to go through the administration; finance, human resources, utilities and blight issues. Working to complete the employee evaluations. Report on meeting with the Gila County Sheriff's Department and group task force regarding public safety issue.

C. Mayor/Council Reports.

Councilmember Castaneda announces that a lifelong Town of Miami resident has passed away. Mr. John Michael Benson passed away last night, he was a great friend and loved the Town of Miami.

Councilmember Medina announces that Boomtown Spree planning is still on track. They welcome any ideas for the event. They are planning tentatively to get together in August to discuss where they are with the event planning.

Councilmember Gonzales comments on the Music in the Park last Saturday. The band was great and encourages the community to come out and enjoy the Music in the Park events.

Mayor Dalley announces the Pinal Mountain Little League girls softball team will be going to the state tournament in Fountain Hills. The boys team is leading, undefeated, so far in the boys tournament.

7. CALL TO THE PUBLIC:

Mr. Ruben Gutierrez, Miami resident, addresses Council regarding a problem he is having with a mobile home he placed at 236 N. Miami Avenue. He purchased a demolition permit in order to clear the property and then purchased a mobile home to put on the property. He spoke to the Town Code Enforcement Officer Mr. Gary Leveque regarding putting the mobile home on the property and then purchased a permit to place the mobile home. He purchased the mobile

home and had it delivered and set on the property. He was then told that the mobile home was too big for the property and would have to be moved or he would have to cut 3 feet off of the mobile home. Mr. Gutierrez states that he talked to the Town Manager regarding a variance and was told that he would not be granted one. Mr. Gutierrez feels that he is being treated unfairly. He comments regarding issues with some of the other homes in that area. Mr. Gutierrez has talked to the surrounding neighbors regarding his mobile home and asked them to sign his petition requesting the Town to allow the mobile home to stay on the property. Mr. Gutierrez would like Council to review this issue and provided a written account of the problem and copy of the signed petition for review and further consideration.

Mayor Dalley reads a written statement from Mr. Daniel Mulcher, Miami resident, regarding some of the people in Miami are going hungry due to the food bank moving to Globe. Some cannot afford to pay to ride the transit bus to get to the food bank in Globe. It is hot and the people are in need of food and water.

8. UNFINISHED BUSINESS: None.

9. NEW BUSINESS:

A. Information, discussion and possible action: To approve Resolution No. 1178; adoption of tentative budget for fiscal year 2016/2017, proposing an expenditure limitation for the same year; and setting a date for public hearing on the tentative budget and adoption of a final budget.

Town Manager Heatherly presents the tentative budget to Council. Town Manager Heatherly states that there is no increase in the property tax or sales tax, that will remain the same rate as last year. There is no increase in employee count but he did include a 3% wage increase for staff contingent upon the budget getting approved and employee evaluations. Comments regarding the improvement in the accounts payables over the last year. Comments briefly regarding Public Safety Personnel Retirement System being underfunded and explains why it is underfunded. Comments briefly on the 2.4% utility rate increase to begin in January 2017. Comments on the increase in the debt reserves, which will be an expense to the Town. The USDA loan repayments are included in the budget. Town Manager Heatherly explains that, as presented, this budget is assuming the Town will be selling the fire truck and a few other assets. Brief review of the budgeted capital. Brief discussion regarding what to do with the public safety issue; we will have some time to make the right decision and not rush into a decision regarding that issue. As presented, the budget is balanced. Vice Mayor Reiman motioned to approve Resolution No. 1178; adoption of tentative budget for fiscal year 2016/2017, proposing an expenditure limitation for the same year; and setting a date for public hearing on the tentative budget and adoption of a final budget. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED. Town Attorney Smiley states that the Council needs to set a date for the Public Hearing. Vice Mayor Reiman motioned to set the Public Hearing date as July 11th. Motion seconded by Councilmember Castaneda. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

B. Information, discussion and possible action: To approve Resolution No. 1179; supporting the Industrial Development Authority of Gila County's pursuit of an EPA Brownfields Area Wide Planning Grant focused on the Downtown Area of Miami, AZ.

Ms. Sandy Palmer and Mr. Fred Barcon of the Industrial Development Authority of Gila County present this request to Council. The purpose of this EPA Brownfields grant is to develop a Master Plan for the reuse and redevelopment of existing Brownfields buildings and properties. This grant will accomplish the first step in the process of revitalizing the downtown district by developing a master reuse plan which will include a community garden, food pantry (food bank), health clinic and youth center. The IDA will work with the Town of Miami to identify grants for the Town of Miami to pursue to establish and run a community food garden. Brief discussion regarding bringing in health care within local walking distance. The IDA will work with the Town to identify grant funds to establish a health clinic and youth center. This planning grant will include environmental assessment, architectural blue prints, master reuse plan and strategic plan with identified funding sources to execute the projects. It is stated that the IDA will be working with FLW Taliesin Group on this project. Brief discussion regarding what the Town of Miami will be expected to put in. It is explained that the EPA grant is a no matching funds or "in-kind" grant, they just need a resolution of support from the Town. The resolution does not obligate the Town to anything now or in the future. Discussion regarding the IDA working with and keeping the Town of Miami involved in the whole process. Councilmember Medina motioned to approve Resolution No. 1179; supporting the Industrial Development Authority of Gila County's pursuit of an EPA Brownfields Area Wide Planning Grant focused on the Downtown Area of Miami, AZ. Motion seconded by Mayor Dalley. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

C. Information, discussion and possible action: To approve ratification of Intergovernmental Agreement (IGA) between Gila County and Town of Miami for the Cobre Valley Community Transit System.

Town Manger Heatherly presents this item to Council and explains that this is just requesting Council ratification of the IGA. The IGA is the same contract as before with Gila County, for the transit system, except Gila County now has a higher contribution. Councilmember Medina motioned to approve ratification of Intergovernmental Agreement (IGA) between Gila County and Town of Miami for the Cobre Valley Community Transit System. Motion seconded by Councilmember Castaneda. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

D. Information, discussion and possible action: To request Gila County not terminate the Consolidated Administration and Operation of Limited Jurisdiction Courts Intergovernmental Agreement (IGA) for at least one year.

Town Manager Heatherly presents this item to Council. There is currently an IGA in place with the County for Magistrate service. The County has looked at the IGA and feel that they are not really doing the Town a whole lot of good, they suggested to terminate the IGA and let the Town do what we want to do for a Magistrate. Town Manager Heatherly explains why he feels now would not be a good time to terminate the IGA with Gila County. He has discussed this with the Gila County Manager and he feels it would be ok to leave in place if the Town will continue to make its current payments. Brief discussion regarding the statement in the IGA requiring written

notice to terminate the IGA, if no written notice is given it automatically renews for another year. Town Attorney Smiley states that the intent in bringing it before Council is just to affirm the Council's intent to go forward and continue the relationship with Gila County on this. Councilmember Castaneda motioned to request Gila County not terminate the Consolidated Administration and Operation of Limited Jurisdiction Courts Intergovernmental Agreement (IGA) for at least one year. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

E. Information, discussion and possible action: To approve, subject to funding agency approval, Change Order #19: \$49,376.76, increase in Kinkaid Civil Construction's contract price for additional excavation, grading, slurring backfill, and realignment work for the jack and bore and receiving pits due to an obstruction under the northern bridge abutment at Turner Street, as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this change order to Council and gives a brief overview of what happened to require this change order. Brief discussion regarding the existing sewer line in this area and why it needed to be relocated. Discussion regarding putting the new line in right where the old line currently is; it is a lot of money to reroute the new line. Discussion regarding impressing upon Kinkaid to explore all other alternatives before taking excessive and expensive action. Councilmember Castaneda motioned to approve, subject to funding agency approval, Change Order #19: \$49,376.76, increase in Kinkaid Civil Construction's contract price for additional excavation, grading, slurring backfill, and realignment work for the jack and bore and receiving pits due to an obstruction under the northern bridge abutment at Turner Street, as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

F. Information, discussion and possible action: To approve, subject to funding agency approval, Change Order #20: \$2,613.38, increase in Kinkaid Civil Construction's contract price to cover the cost for a three month extension of the Arizona Eastern Railway Company Right-of-Entry permit, as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this item to Council and explains that it is pretty straight forward. It is a three month extension of the Arizona Eastern Railway Company Right-of-Entry permit. Councilmember Castaneda motioned to approve, subject to funding agency approval, Change Order #20: \$2,613.38, increase in Kinkaid Civil Construction's contract price to cover the cost for a three month extension of the Arizona Eastern Railway Company Right-of-Entry permit, as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

G. Information, discussion and possible action: To approve, subject to funding agency approval, Change Order #21: \$22,012.32, increase in Kinkaid Civil Construction's contract price for removal and replacement of additional asphalt due to poor compaction by others around unanticipated utilities running parallel with the

sewer trench from manhole A1-21 to A1-23, as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this to Council explaining that this change order is needed due to poor compaction by others around unanticipated utilities running parallel with the sewer trench. Brief discussion regarding the poor compaction and problems it has caused on Gordon Street. Vice Mayor Reiman motioned to approve, subject to funding agency approval, Change Order #21: \$22,012.32, increase in Kinkaid Civil Construction's contract price for removal and replacement of additional asphalt due to poor compaction by others around unanticipated utilities running parallel with the sewer trench from manhole A1-21 to A1-23, as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

H. Information, discussion and possible action: To approve, subject to funding agency approval, Change Order #22: \$259,621.68, decrease in Kinkaid Civil Construction's contract to remove the Bloody Tanks Wash area from this phase of the project. This portion of the project will be included in a later phase of construction once a sewer redesign is completed, as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this item to Council explaining that this item is being removed because there is no easy solution to this problem. The sewer line is on top of a water line which is a major "no, no". It was decided to pull this item out to look at other alternatives for this area and include it in one of the future phases. Councilmember Castaneda motioned to approve, subject to funding agency approval, Change Order #22: \$259,621.68, decrease in Kinkaid Civil Construction's contract to remove the Bloody Tanks Wash area from this phase of the project. This portion of the project will be included in a later phase of construction once a sewer redesign is completed, as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Discussion regarding these lines being videoed and where the videos are; no one knows. Discussion regarding whether or not there should be a decrease in time since they will not be doing this part of the project. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

Councilmember Castaneda motioned for a 5 minute recess. Motion seconded by Mayor Dalley. Vote – 6 in favor and 1 member absent (Councilmember Black). 8:14 p.m.

Return from recess at 8:22 p.m. All members present, Councilmember Black absent.

I. Information, discussion and possible action: To approve, subject to funding agency approval, Change Order #23: \$118,685.47, increase in Kinkaid Civil Construction's contract price and an eight day increase in contract time to cover changes in the scope of work and sewer realignments along Sykes Alley, Chisholm Avenue, and Sullivan Street due to unknown gas line conflicts, constructability issues and safety concerns, as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this item to Council explaining that this one was a big challenge. Sykes Alley is very narrow and there are water and gas lines in there as well. It is

also one of the main catch basins for water flow. The lateral lines that are in there now are in very bad shape and they have been tapped into very poorly. Another question is how we are going to do all the work that needs to be done there without damaging the structural integrity of the buildings along the alley. This prompted the Town to find a better way to run the sewer line. Town Manager Heatherly states they came up with running the line down Sullivan Street and explains why that was the best alternative. Councilmember Medina motioned to approve, subject to funding agency approval, Change Order #23: \$118,685.47, increase in Kinkaid Civil Construction's contract price and an eight day increase in contract time to cover changes in the scope of work and sewer realignments along Sykes Alley, Chisholm Avenue, and Sullivan Street due to unknown gas line conflicts, constructability issues and safety concerns, as recommended by the Wastewater Advisory Board. Motion seconded by Mayor Dalley. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

J. Information, discussion and possible action: To approve, subject to funding agency approval, Change Order #24: \$27,064.88, increase in Kinkaid Civil Construction's contract price and a 19-day increase in contract time to cover costs for extra work associated with an underground storage tank encountered during sewer installation at approximately Station 104+10, as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this item to Council explaining that this was a big surprise to everyone. At the old 76 station they found an old underground leaky tank and the sewer line is going to have to be rerouted around the tank. It has been discovered that the tank is actually on County property. Brief discussion regarding the easement and if there needs to be an additional easement for the reroute of the line. The Town will have to look into this issue. Councilmember Castaneda motioned to approve, subject to funding agency approval, Change Order #24: \$27,064.88, increase in Kinkaid Civil Construction's contract price and a 19-day increase in contract time to cover costs for extra work associated with an underground storage tank encountered during sewer installation at approximately Station 104+10, as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

K. Information, discussion and possible action: To approve, subject to funding agency concurrence, payment application for Kinkaid Civil Construction, in the amount of \$341,473.48 for Phase 2 Construction Services (\$0.00 due from WIFA; \$341,473.48 due from USDA), as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this item to Council stating this is through the month of May. Brief discussion regarding where the Town is with the funding and the money for the overall project. It is stated that the Town should not go over what was budgeted for Phase 2. Vice Mayor Reiman motioned to approve, subject to funding agency concurrence, payment application for Kinkaid Civil Construction, in the amount of \$341,473.48 for Phase 2 Construction Services (\$0.00 due from WIFA; \$341,473.48 due from USDA), as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

- L. Information, discussion and possible action:** To approve, subject to funding agency concurrence, payment application for AMEC, in the amount of \$56,980.60 for Design and Construction Management Services (\$0.00 due from WIFA; \$56,980.60 due from USDA), as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this item to Council and explains that this is mainly for construction management and the RPR (resident project representative) person. Mayor Dalley motioned to approve, subject to funding agency concurrence, payment application for AMEC, in the amount of \$56,980.60 for Design and Construction Management Services (\$0.00 due from WIFA; \$56,980.60 due from USDA), as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Discussion and explanation of line item charge number 6 – Final Design. Town Manager Heatherly explains lump sum bids, they are picking out areas where the contract was done and that is what they are going to pay for for this window of time. They are going to get this amount of money no matter what happens, that was how it was bid. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

- M. Information, discussion and possible action:** To approve, subject to funding agency concurrence, payment application for Gust Rosenfeld, in the amount of \$6,407.02 for Legal Services (\$0.00 due from WIFA; \$6,407.02 due from USDA), as recommended by the Wastewater Advisory Board.

Town Manager Heatherly presents this item to Council explaining that this is very straight forward. It is for easements for Phases 3-5. Councilmember Castaneda motioned to approve, subject to funding agency concurrence, payment application for Gust Rosenfeld, in the amount of \$6,407.02 for Legal Services (\$0.00 due from WIFA; \$6,407.02 due from USDA), as recommended by the Wastewater Advisory Board. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

- N. Information, discussion and possible action:** To approve, subject to funding agency concurrence, AMEC Contract Amendment No. 28, in the amount of \$155,540.00 this includes funds for the extension of Construction Management services, including Resident Project Representative (RPR) and Resident Engineer (RE) services, for the completion of the Phase 2 construction (\$0.00 due from WIFA; \$155,540.00 due from USDA), as recommended by the Wastewater Advisory Board.

Town Manager Heatherly clarifies that the amount of this item has been changed to \$108,080.00 and that this is a contract amendment and not a pay application. Councilmember Medina motioned to approve, subject to funding agency concurrence, AMEC Contract Amendment No. 28, in the amount of \$108,080.00 this includes funds for the extension of Construction Management services, including Resident Project Representative (RPR) and Resident Engineer (RE) services, for the completion of the Phase 2 construction, as recommended by the Wastewater Advisory Board. Motion seconded by Mayor Dalley. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

O. Information, discussion and possible action: To approve, subject to funding agency concurrence, AMEC Contract Amendment No. 29, in the amount of \$84,135.00 this includes funds for additional design services for Phases 2-5, utility coordination effort for Phases 3-5, and existing utility investigation effort for Phases 3-5 of the Town of Miami Wastewater Collection System Project (\$0.00 due from WIFA; \$155,540.00 due from USDA), as recommended by the Wastewater Advisory Board.

Town Manager Heatherly clarifies that this item is also a contract amendment and not a pay application. Councilmember Medina motioned to approve subject to funding agency concurrence, AMEC Contract Amendment No. 29, in the amount of \$84,135.00 this includes funds for additional design services for Phases 2-5, utility coordination effort for Phases 3-5, and existing utility investigation effort for Phases 3-5 of the Town of Miami Wastewater Collection System Project, as recommended by the Wastewater Advisory Board. Motion seconded by Mayor Dalley. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

10. CALL TO THE COUNCIL:

Mayor Dalley announces that he will be out of the country July 5th through the 20th.

Councilmember Medina announces he will be out of town tomorrow through the 6th or 7th.

11. ADJOURNMENT:

Councilmember Castaneda motioned to adjourn the meeting. Motion seconded by Vice Mayor Reiman. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Black). MOTION PASSED.

Meeting adjourned at 9:13 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 27th day of June, 2016.

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

DATED this 11th day of July 2016.



Karen Norris, Town Clerk

APPROVED:



Donald Reiman, Vice Mayor