

MINUTES
TOWN OF MIAMI
PUBLIC HEARING AND SPECIAL MEETING
OF THE MAYOR AND COUNCIL
MONDAY, JANUARY 16, 2017 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 Gonzales, Councilmember Black, Councilmember Castaneda, Councilmember Hanson and Councilmember Medina.

EXCUSED: Councilmember Mancha II.

STAFF PRESENT: Town Manager Heatherly, Town Attorney Smiley and Town Clerk Norris.

4. BUSINESS:

A. PUBLIC HEARING, DISCUSSION AND ACTION: To hold a public hearing and adopt Ordinance No. 351, amending the Miami Town Code, Title 13 Public Services, Chapter 13.04 Sewer System Use Regulations, Section 13.04.124 Rates for Sewage Collection within the Town Limits increasing rates and charges for wastewater services:

1) Open Public Hearing ~ Mayor Dalley.

Mayor Dalley opens the public hearing at 6:31 p.m.

2) Open Discussion and Public Comments regarding the adoption of Ordinance No. 351; to increase rates and charges for wastewater services.

Town Manager Heatherly gives a brief history of the rate study, rate increase and current proposed rate increase.

Mr. John Sauderman, Miami resident, states that his sewer rate is \$105.00 per month; who determined that rate and can he get a reduced rate?

Town Manager Heatherly states that yes the rate can be reduced, but we will have to review his account and check his water rate usage, after that, depending on the water rate usage the sewer amount can be lowered.

Open discussion regarding how the sewer rates are figured by the water usage rate. The sewer rates are based on the lowest 5 months of water usage of the prior calendar year of the residence.

Open comments, discussion and explanation of the account classifications; residential, commercial, mining etc.

Open discussion regarding rates charged per classification.

Mr. Jerry Lopez, Miami resident, asks about the 10 year rate study and if the rates are going to remain the same for 10 years. Town Manager Heatherly states "no", it will continue to increase in small increments over a period of time.

Councilmember Black comments regarding the rate study and the need for the rate increase in order to continue to operate and maintain the wastewater plant, those cost continue to go up every year.

Mr. Matt Kannegaard, Miami resident and local business owner, questions the formula used to determine the monthly rate and does the rate include the first 2,500 gallons used and increase every 2,500 gallons after that. Town Manager Heatherly explains the formula and how it works for parts thereof.

Councilmember Black comments regarding his personal experience of being double billed and that he has been told that there is a problem with the billing system. Councilmember Black also comments regarding disagreeing with putting the bulk of the rate increase on the residential rates and not the commercial rates. Feels that it is not right for the residents to pay a higher rate than the commercial businesses.

Discussion regarding the mining business rates and the mines water usage.

Mr. John Sauderman, Miami resident, comments regarding the number of retirees in the community, is there a possibility to get a rate cut due to retirement.

Open comments and discussion regarding the commercial rate increase that was passed a few years ago.

Mr. Carl Ayers, Miami resident, questions what rate would be charged if a person buys a house and does not have a previous calendar year to determine the rate. It is explained that the rate would start at the appropriate base rate until they have established a year history for the town to reevaluate the usage.

Open discussion and comments regarding collection of unpaid bills. Why has the Town allowed residents to slide and not pay their bills? The paying residents should not have to carry that bill, the Town needs to address this problem. Discussion regarding the "shut off" valves that will be installed at every resident with the construction of phases 3, 4 and 5. Brief discussion regarding other things that the Town is doing to collect from residents who are behind on their bills and/or have not been paying their bills at all.

Mr. Jim Matthews, Miami resident, comments regarding buying a house and he is being charged for the prior owners passed due bill.

Town Manager Heatherly comments on the Town now collecting new account deposit and a new account establishment fee. If the account remains in good standing for one year the deposit is refunded.

Mrs. Noreen Prader, Miami resident, comments regarding being behind on her sewer bill but has had many billing issues that have gone unresolved. Mrs. Prader states that she has been into the billing office several times a month and the issue with her bill still continues.

Discussion regarding the Town of Miami's fee's being high compared to other town's sewer rates across the state; some people disagree and comment that sewer rates are high all over the state.

Brief discussion regarding EPA being the agency that regulates the rates and the Town has to conform to the EPA rates in order to qualify for the USDA grants and loans. Councilmember Black asks to see the information that states the EPA regulates the rates.

Mr. Elvin Fant, Miami resident and business owner, comments regarding the town not having enough money to support all the things that need to be done, not only the sewers but the roads and better wages for employees and enough employees and equipment that is needed. Comments regarding bringing business and manufacturing into the town.

Discussion and comments regarding repairing the roads after the new sewer lines go in.

Open discussion and comments regarding the USDA loan and the Town's ability to show them sustainability to the treatment plant.

Brief discussion regarding a rate study that was done years ago and the Town was supposed to raise rates at that time and did not do it. The Town then had to do a new rate study, this most recent one and is obligated to raise the rates according to the study.

Brief discussion regarding green or irrigation meters so residents are not charged sewer rates for water used for lawns and landscaping.

Mr. Chuy Canizales, former Mayor of Town of Miami, comments regarding being disappointed in the proposed sewer rates. Mr. Canizales comments regarding when he

was Mayor and how the sewer project was initiated and the reason he resigned his position as Mayor. He was not happy with the way the money from WIFA and USDA was being handled. Mr. Canizales comments regarding commitments made from the mine to the Town in regards to the sewer plant that were not kept. Mr. Canizales comments regarding the mine owning the effluent water rights from the wastewater treatment plant.

3) Close Public Hearing ~ Mayor Dalley.

Mayor Dalley closes the public hearing at 7:52 p.m.

4) Council Discussion, Motion and Action.

Brief discussion regarding the cost of maintaining and operating the wastewater treatment plant.

Councilmember Black comments that he knows the rates need to be increased but he is going to vote no because he feels the commercial properties should be paying equal to what the residents are, or more. Residents should not be pulling this weight.

Vice Mayor Gonzales comments regarding there being a lot of senior residents in this town and they are on very tight budgets, he would like there to be some research done to see if there is some assistance available to them that would help with their sewer bills. Vice Mayor Gonzales states that he also feels if there was more money coming into the general fund that would help to keep the sewer fees lower or at least keep them steady where they are. Vice Mayor Gonzales comments regarding the effluent water, some cities/towns sell their effluent water, the Town of Miami cannot do this. Vice Mayor Gonzales comments regarding the maintenance and operation of the wastewater treatment plant.

Councilmember Medina comments on some of the positive things from the new lines already; issues of infiltration have been down.

Councilmember Medina moved to approve Ordinance No. 351, amending the Miami Town Code, Title 13 Public Services, Chapter 13.04 Sewer System Use Regulations, Section 13.04.124 Rates for Sewage Collection within the Town Limits increasing rates and charges for wastewater services. Seconded by Councilmember Castaneda. Brief discussion regarding what would happen if this ordinance is not approved tonight. Mayor Dalley calls for the vote. Vote – 5 in favor, 1 opposed (Councilmember Black) and 1 excused (Councilmember Mancha II). MOTION PASSED.

11. ADJOURNMENT:

Councilmember Castaneda moved to adjourn the meeting. Seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 6 in favor and 1 member excused (Councilmember Mancha II). MOTION PASSED.

Meeting adjourned at 8:09 p.m.

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Public Hearing and Special meeting of the Town Council of the Town of Miami, AZ held on the **16th** day of **January**, 2017.

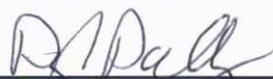
I further certify that the meeting was duly called and that a quorum was present.

DATED this **23rd** day of **January** 2017.



Karen Norris, Town Clerk

APPROVED:



Darryl Dalley, Mayor