

MINUTES

TOWN OF MIAMI

REGULAR MEETING OF THE MAYOR AND COUNCIL MONDAY, OCTOBER 13, 2014 AT 6:30 PM

1. CALL TO ORDER:

Mayor Castaneda calls meeting to order at 6:30 pm.

2. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Castaneda led the pledge of allegiance, followed by Councilmember Baeza leading the invocation.

3. ROLL CALL OF COUNCIL MEMBERS:

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

STAFF PRESENT: Town Manager Heatherly, Town Attorney Smiley, Town Clerk Norris, Librarian Delvan Hayward, Engineering Department Paul Curzon, Senior Center Director Rashele Highbaugh and Police Chief Gillen.

4. CONSENT AGENDA:

- A. Consideration and possible action to approve Minutes of the September 22, 2014 Special Council Meeting.
- B. Consideration and possible action to approve the Town Payroll for September 18, 2014 to October 8, 2014.
- C. Consideration and possible action to approve Domestic Violence Awareness Month Proclamation.
- D. Consideration and possible action to approve Breast Cancer Awareness Month Proclamation.
- E. Consideration and possible action to approve Cities and Towns Week Proclamation.

Vice Mayor Hanson motioned to approve the consent agenda items A – E. Motion seconded by Councilmember Baeza. Mayor Castaneda questions two statements in the minutes, page six, 7 lines down and page 6, 15 lines down; thinks they may be incorrect would like to have those reviewed by the Clerk, to see if the statements were actually made. Vice Mayor Hanson amends her motion to approve the consent agenda items B – E. Amendment seconded by Councilmember Baeza. Mayor Castaneda calls for the vote. Vote – 7 in favor. MOTION PASSED. Vice Mayor Hanson motioned to table consent agenda item A – Minutes of the September 22, 2014 Special Council Meeting. Motion seconded by Councilmember Baeza. Mayor Castaneda 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 General Demands for August 21, 2014 to September 3, 2014.

Vice Mayor Hanson motioned to approve the demands and presentation of budget reports. Motion seconded by Councilmember Baeza. Councilmember Gonzales questions voided check. Rachelle explains that the check was in the printer when she was printing a different report. Town Attorney Smiley points out that the demands date on the agenda does not match the dates on the presented report so Council may not approve or discuss this item. [Dates should have been 9/18/14 through 10/8/14] Mayor Castaneda calls for the vote. Vote - 7 opposed. MOTION DENIED.

6. REPORTS / RECOGNITIONS:

- A. Department Reports.

Library, Delvan Hayward reports on library statistics and activities. Reports that the Hall of Fame will not be having their induction this month, they will probably have it in the spring. The Hall of Fame Committee will be having an informal presentation in the library this Saturday at 10:00 a.m.; they will be explaining what their plans are for the future. The Hall of Fame sponsors have asked Delvan for her "wish list" for the library. Update on "bike fund" for Jonathan Valdez; his bike was recovered. Delvan thanks Mr. Roy Plascencia, Library Assistant, for taking care of the library while she was away on vacation. Mrs. Hayward reports on the two State Library Workshops that she attended and reports on the Gila County Library District meeting that she and Roy attended in Tonto Basin. Announces that the library and the Class of 1964 is hosting a book signing this Sunday at the Bullion Plaza Museum; Virgil Alexander, who is a graduate of the Class of 1964.

Engineering Department, Paul Curzon reports that Phase 2 has one easement left; Sho Me Copper. Phases 3 – 5 are moving forward very rapidly. Reports on the ADOT sign project; finalization is near. Reports that he has been working on maps and organizing them, electronic mapping and working with CAG to provide accuracy of maps. Comments that Code Enforcement Officer Mrs. Jayme Richins is doing a great job; have created a policy of zero tolerance on blight. Mr. Curzon comments regarding being in the newspaper for his participation in the CERTS Program

Senior Center, Rashele Highbaugh reports on statistics and activities. Announces invitation to the Deals on Wheels Fundraiser on Saturday, November 8th at the Knights of Columbus.

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

Town Manager Heatherly gives the Public Works report. Reports that the Public Works Department has been having numerous problems out at the wastewater treatment plant, for the most part at the lift station. They had the engineers from AMEC and FNF come out to assess the problems and are trying to clear up the issues, they will be back here again for further investigations because we are still having problems there. Reports that the Public Works and DOC guys have been doing a really good job cleaning up around town. A mechanic has been hired, he started last week.

B. Town Manager Report.

Town Manager Heatherly reports he has met with Tri City Fire Department and has come to a tentative agreement. Nick Brennen, Tri City Fire Department Chief, is putting together a proposal. Reports on reimbursement from Southwest Risk for the break in at the Town pool. Reports on gas cards through MV Enterprises, internal controls and card restrictions have been implemented. Update on the Street Improvement Project. Reports that staff has been working on the utility billings; the Town has about \$470,000 in outstanding accounts, of those accounts about \$444,000 is out past 90 days overdue. They are looking at the Town ordinances to see what options the Town has in collecting on those accounts.

C. Mayor/Council Reports.

Councilmember Dalley reads aloud a "thank you" note from Mrs. Janet Soto for helping her family with having a memorial service in the Miami Veterans Memorial park for her husband.

Mayor Castaneda comments that Highway 60 looks real nice and gives "thanks" to the Public Works Department for doing such a good job. Mayor Castaneda also reports on the Elizabeth Eden showing at the Bullion Plaza Museum; the photos are all about the Town of Miami and they are very gorgeous pictures.

7. CALL TO THE PUBLIC:

Mr. Harvey Singh – Miami resident and business owner - Comments about an incident that happened at his store, The Fast Stop, in the early morning hours of September 26th. Mr. Singh comments regarding calling the Miami Police Department and it took them 46 minutes to arrive. Mr. Singh comments that there was no officer on duty and the officer showed up in his personal vehicle. Mr. Singh states all that was done was a one page police report. Mr. Singh comments that when the officer showed up he picked up the rock that was thrown through his window, with his bare hands. Mrs. Singh comments regarding waiting for the officer to show up and he lost a lot of business in the meantime. Mr. Singh states that the alarm company could not come to fix the alarm for approximately 7 days, so he stayed outside his store, in his car, to make sure it was safe. While he did this, he states that he had only seen a Miami Police officer one time. Mr. Singh comments regarding the Police Department telling him that they know who broke into his store and where they live, but did nothing to investigate it further. Mr. Singh asks Council and citizens to find out why the Police Department is not doing anything about this incident. Mr. Singh states that he is angry that the Police Department did nothing and the people of this town deserve better protection.

Mrs. Carolyn Gillis – Globe resident – Comments that she is present on behalf of the Domestic Violence Safe Home. Mrs. Gillen comments briefly on local statistics of domestic violence and how they help women and children. Wants to bring awareness that this is happening in our community and wants to work closely with all community organizations in Town to help the women and children affected. They are here to help the women and children and bringing awareness; working together to make lives better.

Mr. Richard Canizales – Miami resident – Comments that he is glad to see the Town Manager doing something about the issue with MV Enterprises. Mr. Canizales comments regarding a request he made to previous Town Manager, Jerry Barnes. Mr. Canizales put in a Public Records Request for

Mr. Barnes schedule and was told that that Mr. Barnes does not keep a schedule of any kind. On June 23, 2014 Council approved Mr. Barnes travel expenditures claim. Mr. Canizales states that the claims were past due by 30 days and should not have been paid. Mr. Canizales states that Town policy does not allow for claims to be paid if they are 30 days past due; Council does not even know their own policies and need to pay more attention to what is going on.

Councilmember Reiman responds to the criticism by stating that Mr. Canizales provided Council with a document that was adopted on 5/27/14 which is after the date of the expenditures, so Council is being accused of violating a process that was not in place or approved at that time.

Mr. Jon Cornell of KQSS Radio inquires about the trolley and who he would talk to about having it ready and putting it in the upcoming parade.

8. **UNFINISHED BUSINESS:** None.

9. **NEW BUSINESS:**

Councilmember Baeza motioned to move item F to the beginning of new business. Motion seconded by Vice Mayor Hanson. Mayor Castaneda calls for the vote. Vote – 7 in favor. MOTION PASSED.

F. Information and discussion only: To review the aged accounts payables and schedule of revenue receipts and expenditures for the Town of Miami.

Town Manager Heatherly presents this item to Council. This report is showing just shy of \$341,000 that is due to suppliers and vendors; it shows the aging report as well. This is a summary report of the invoices of what is owed to each of the vendors and suppliers, and how old some of them are. This report is going to be provided to Council on a monthly basis from now on. Councilmember Black comments that in the past he has asked the previous Town Manager how much the Town owed on outstanding bills and was told that the Town owed nothing, they are all paid off, and the Mayor agreed with him. Councilmember Black wants to know why this has not been brought to Council before now, this is an outstanding amount of money. Councilmember Black questions the amount of money owed to the IRS, why is that not on this report. Town Manager Heatherly explains that what is included in the report is everything the Town has an invoice for, if he can get that information he will include it on the report. Town Manager Heatherly explains that would most likely be a long term payable depending on the payment plan and terms for that. Town Attorney Smiley advises that this discussion may be an issue that was discussed in executive session in the past, if that is the case, it may not be discussed. Town Manager Heatherly comments that the Town also owes Gila County \$250,000. Town Manager Heatherly states that staff had to contact every vendor to get statements so that we know exactly how much was owed to each one. They were also dealing with the fact that many of the invoices had been entered multiple times and that the vendors also had been entered many times under several different names or spellings. Brief discussion regarding the \$250,000 that was owed to Gila County, it is believed that was settled a few months ago through an IGA with Gila County. Discussion regarding reimbursement checks coming in to pay some of these debts; is this not entirely accurate. Town Manager Heatherly explains that they will still show as a debt and are not paid until the reimbursement checks are received by the Town. Town Manager Heatherly states what staff wants to report is the receivables and the payables, so the receivable will be matching up with what we know is coming in and we know what is going to be going out, hopefully there will be more

receivables than payables. Finance Director Rachelle Sanchez explains the problem she has been dealing with as far as the invoices being entered into the computer improperly, a lot of the invoices need to be researched and adjustments need to be made to correct those entries. It is clarified that this is not entirely this year's debt, it goes back as far as 2012. Town Manager Heatherly comments that the Town was not run efficiently in the past and it needs to be fixed and staff is working on fixing the problems. Councilmember Black comments that Finance Director Rachelle has done an outstanding job, he is happy with what she has been doing. Town Manager Heatherly states he has provided a Statement of Expenditures and explains that it shows the breakdown of expenditures monthly, by department; it will be reported every month. There will also be a report to show the revenues. Councilmember Gonzales asks if these reports are coming from the Casselle program. Finance Director Sanchez explains that right now it is an Excel spreadsheet generated from the bank statements, as soon as she is done with updating the reconciliation, the reports will then be generated through Casselle. Councilmember Gonzales commends Finance Director Sanchez on utilizing the Casselle program and providing Council with this information. Councilmember Reiman questions the monthly shortfall in revenues. Town Manager Heatherly explains that expenditures are accounted for on an accrual basis, not on a cash basis. Another part of it is the fund balance on cash that was started with.

- A. Information, discussion and possible action:** To approve Special Event Liquor License application from Our Lady of the Blessed Sacrament Church for Our Lady's Fiesta Event to be held Sunday, November 2, 2014; 9:00 a.m. to 2:00 p.m.; located at 844 W. Sullivan St., Miami, AZ.

Councilmember Gonzales motioned to approve Special Event Liquor License application from Our Lady of the Blessed Sacrament Church for Our Lady's Fiesta Event to be held Sunday, November 2, 2014; 9:00 a.m. to 2:00 p.m.; located at 844 W. Sullivan St., Miami, AZ. Motion seconded by Councilmember Black. Mayor Castaneda calls for the vote. Vote – 6 in favor and 1 member absent (Councilmember Baeza – was out of his seat). MOTION PASSED.

- B. Information, discussion and possible action:** To approve Special Event Liquor License application from Miami Genesis for Miami Alumni Dinner to be held Saturday, October 18, 2014; 5:00 p.m. to 1:00 a.m.; located at Bullion Plaza Gym, 150 N. Plaza Circle, Miami, AZ.

Ms. Susan Hanson presents this item to Council. Councilmember Black questions how this is working, are they paying for the alcohol and Genesis is serving it. Ms. Hanson explains that Genesis is applying for the Special Event Liquor License and paying for everything. Discussion regarding Genesis running the bar and being part of the Town; is it a conflict. Councilmember Black comments that Genesis is running this, paying for everything and charging, liability insurance and bonding. A non-profit is actually running the building and the gym which is owned by the Town, it doesn't show in the Genesis contract that they can run an establishment in the gym. Mayor Castaneda explains that the Alumni is renting the gym. Councilmember Black states that Genesis is running a business inside the gym, during the dinner. Ms. Hanson explains that all the money that Genesis makes goes back into the Town; discusses some of the projects that Genesis is currently working on. Councilmember Black re-states that his issue is that Genesis is running a business inside the gym, they do not hold a contract to run a business inside the gym, the Town pays Genesis to manage the events and clean the gym. It does not state in that contract they can run a business inside the gym.

Open discussion and comments regarding there being a possible conflict with Genesis managing the events at Bullion Plaza Gym and requesting to have approval for a special event liquor license to sell alcohol at this upcoming event. Town Attorney Smiley states that she is having a problem with the diagram in the application, it does not provide enough information, which will help her to decide if there is a problem. Town Attorney Smiley states that it sounds to her like the Alumni Association has rented the gym, they have an agreement with the Town to rent the gym. Genesis has an agreement with the Town to act as a concessionaire to handle the rentals and to make sure that the property is cleaned up. This liquor license is outside of the scope of that, they are acting on behalf of the Town on the one hand and they are acting on behalf, apparently, this Alumni Association on the other hand. We don't know and have not been provided with any information as to any agreements between Genesis and the Alumni group with respect to this liquor license. Town Attorney states that she does not know that there is a conflict. If the Alumni association has asked Genesis to do this, and Genesis has agreed to do this, maybe she is missing Councilmembers Black objection as far a liability goes because it is the renter who is supposed to be providing insurance and would be liable if they had an issue, those things are supposedly taken care of in the rental agreement. Genesis would not be responsible. If there were some issues that come up because of Genesis services to the Alumni Association that would be between the Alumni Association and Genesis. Councilmember Black states that Genesis is buying alcohol and selling it to the Alumni so basically everything they sell they are responsible for, who are they covered under for insurance; the Town? Councilmember Black states that if Genesis is making profit from selling alcohol, the liability should fall on Genesis. Town Attorney Smiley states that is an accounting and tax issue for Genesis to address. Town Attorney states that she is afraid that she is missing Councilmember Blacks point. Councilmember Black states that he feels the Mayor and Vice Mayor should recuse themselves on anything that has to do with Genesis. Ms. Hanson comments that they do not have to recuse themselves because they do not earn anything as being a part of Genesis. Town Attorney Smiley explains that the law requires a member of a public body to not participate in the discussion and not vote for an item if they have a substantial interest in that item; defines substantial interest and remote interest. Councilmember Reiman motioned to approve Special Event Liquor License application from Miami Genesis for Miami Alumni Dinner to be held Saturday, October 18, 2014; 5:00 p.m. to 1:00 a.m.; located at Bullion Plaza Gym, 150 N. Plaza Circle, Miami, AZ. Motion seconded by Councilmember Baeza. Councilmember Black recuse himself from voting because he believes the paper work is not filled out properly. Mayor Castaneda calls for the vote. Vote – 6 in favor and 1 abstention (Councilmember Black). MOTION PASSED.

- C. Information, discussion and possible action:** To approve a Veterans Day Celebration on Tuesday, November 11, 2014 from 10:00 a.m. to 2:00 p.m.; consisting of a Veterans Day Parade, Ceremony and cookout and with the Town providing traffic control and barricades as deemed necessary by the Miami Police Department.

Councilmember Dalley presents this request to Council. Councilmember Baeza motioned to approve Veterans Day Celebration on Tuesday, November 11, 2014 from 10:00 a.m. to 2:00 p.m.; consisting of a Veterans Day Parade, Ceremony and cookout and with the Town providing traffic control and barricades as deemed necessary by the Miami Police Department. Motion seconded by Councilmember Black. Mayor Castaneda calls for the vote. Vote – 7 in favor. MOTION PASSED.

- D. Information, discussion and possible action:** To approve Eleventh Amended Interim Emergency Fire IGA (Intergovernmental Agreement) between Town of Miami and City of Globe providing emergency and administrative fire protection services for the Town of Miami.

Mayor Castaneda motioned to approve Eleventh Amended Interim Emergency Fire IGA (Intergovernmental Agreement) between Town of Miami and City of Globe providing emergency and administrative fire protection services for the Town of Miami. Motion seconded by Vice Mayor Hanson. Mayor Castaneda calls for the vote. Vote – 7 in favor. MOTION PASSED.

- E. Information, discussion and possible action:** To approve and direct staff to implement the proposed Employee Recognition Program as proposed or modified by Town Council.

Town Manager Heatherly presents this item to Council. Town Manager Heatherly explains to Council the research and time staff put in to putting this draft guidelines together. Town Manager Heatherly comments why he disagrees with the “completion of their probationary period” and “must not have any disciplinary action pending or on file for the current year” restrictions in the draft guidelines. Town Manager Heatherly discusses who can nominate an employee for recognition. Town Manager Heatherly explains the “review committee”, which will review nominations that are submitted and that the committee will have to have a vote of at least 3 members approving a nomination. Town Manager Heatherly explains that staff had many ideas on what would be given to an employee who were to receive an award; he suggests the employee be awarded a nominal gift certificate in the amount of \$25 to a local restaurant. Town Attorney Smiley comments about gift certificates and tax ramifications. Town Attorney Smiley advises changing that to say “an employee may be awarded a nominal gift in the amount of \$25.00 or less”. Brief discussion regarding if this policy is consistent with the Personnel Policy. Town Attorney Smiley states that it might be a good idea to make it part of the Personnel Policy as an amendment to it. Councilmember Reiman states that he feels employees don’t have to complete the probationary period but that there should be some kind of time period for employees under disciplinary action, maybe something like 2 months. Councilmember Reiman motioned to approve the implementation of the proposed Employee Recognition Guidelines. Motion seconded by Vice Mayor Hanson. Councilmember Gonzales states that he is happy that Council is doing this program but he would like to see, if possible, recognizing town citizens also. Councilmember Gonzales also questions why Department Heads would be excluded from being recognized; also why have four Department Heads to be making the decision, why not just let the Town Manager decide? Brief discussion regarding including Town citizens in the recognition program. Discussion regarding why the Department Heads would not be eligible in the program. Councilmember Gonzales suggests that all employees be included in the program. Town Manager Heatherly states that he would like to look at some of the suggestions of Council and bring it back to them for final approval. Councilmember Reiman amends his motion to table this item pending further review of possible changes. Vice Mayor Hanson seconds the amendment. Mayor Castaneda calls for the vote. Vote – 7 in favor. MOTION PASSED – ITEM TABLED.

- 10. CALL TO THE COUNCIL:** No response.

11. **ADJOURNMENT:**

Vice Mayor Hanson motioned to adjourn the meeting. Motion seconded by Councilmember Baeza. Mayor Castaneda calls for the vote. Vote - 7 in favor. MOTION PASSED.

Meeting adjourned at 8:47 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 13th day of October 2014. I further certify that the meeting was duly called and that a quorum was present.

DATED this 27th day of October 2014.



Karen Norris, Town Clerk

APPROVED:


Rosemary Castaneda, Mayor