

MINUTES

TOWN OF MIAMI

**JOINT MEETING OF THE MAYOR AND COUNCIL
AND
TOWN OF MAIMI, ARIZONA MUNICIPAL PROPERTY CORPORATION (MPC)**

MONDAY, MARCH 9, 2015 AT 6:30 PM

REGULAR MEETING OF THE TOWN COUNCIL IMMEDIATELY FOLLOWING

1. CALL TO ORDER JOINT MEETING:

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

2. A. ROLL CALL OF COUNCIL MEMBERS:

Mayor Dalley, Vice Mayor Reiman, Councilmember Black, Councilmember Castaneda, Councilmember Gonzales (arriving at 6:54 p.m.), Councilmember Hanson (arriving at 6:32 p.m.) and Councilmember Medina.

B. ROLL CALL OF THE MUNICIPAL PROPERTY CORPORATION BOARD:

Tom Foster, Julie Reiman, Joe Sanchez, Joe Rocha and Jay Spehar.

Councilmember Hanson arrives at 6:32 p.m.

Mr. Foster calls the MPC Board to order at 6:30 p.m.

3. Information, Discussion and possible action:

A. By the Miami Town Council:

1. Consideration and possible adoption of Resolution No. 1157; revoking Resolution No. 1135 and instead approving the form and authorizing the execution and delivery of an Amendment No. 3 to WIFA Loan Agreement, a Town lease, approving the execution and delivery by the Town of Miami, Arizona Municipal Property Corporation of such ground lease and Town lease and approving the form and authorizing the execution and delivery of the government documents (as such term is defined herein), the negotiation of a note to the United States Government, acting through Rural Utilities Services, United States Department of Agriculture, providing for the transfer of certain moneys for the payment thereof and making certain covenants and agreements with respect thereto and authorizing the taking and all other actions necessary to the consummation of the transactions contemplated by such Town lease and government documents and this resolution.

Mr. Michael Cafiso of Greenberg Traurig, LLP presents this item to the Board and Council. Mr. Cafiso brings Council up to date on the steps necessary to bring the project along and up to date. Mr. Cafiso explains that each time the Town incurs debt to do the collection system project the Town has to meet certain "tests". One is a coverage test which means the Town is producing enough revenues on a current basis to pass the test. This basically speaks to the health of the financial situation of the utility system. The other is the additional debt test. This is protecting the next set of lenders from having too much debt outstanding. Because of past issues of not increasing the rates and collecting the revenues, the Town was not able to meet those tests and incur additional debt. Staff has taken action to correct those issues and is now working with WIFA to get exceptions to those two tests so the Town can proceed with borrowing additional money. WIFA was very cooperative and will allow the Town to proceed with the transactions on the table tonight. Mr. Cafiso explains that the Town has borrowed a certain amount of money from WIFA, the documents used to borrow the money create the base documents for how the Town has been borrowing money from Rural Development. At each new borrowing from Rural Development the Town has paid back a portion of the money that was borrowed from WIFA. Tonight they are asking the Council to approve the revocation of the prior action, which is no longer valid, and adopt a new resolution which includes an amendment to the loan agreement with WIFA and provides for approval of new documents to be a new financing. It includes the lease agreement with the Municipal Property Corporation. Mr. Cafiso explains the structure of this transaction through the MPC. Mr. Cafiso explains the two resolutions that the MPC will be considering tonight. One is approval of their side of the transaction, the lease agreement with the Town and all the various loan documents that need to be executed to finalize the loan with Rural Development. The second is the Loan Resolution Security Agreement. Mr. Cafiso explains that this is kind of a "do over" from what the Town did in 2013, fixing those problems. Mayor Dalley asks about the loan amount. Mr. Cafiso states the total loan amount is 3.25 million, the Town has paid back \$560,000 and is planning on paying back an additional \$672,500 as part of the Phase 2 funding project. Mr. Cafiso states that the original budget hasn't changed and we are well within the parameters of the original budget. Discussion regarding the Town having to comply with the set requirements; the Town does not want to be in violation of the covenants described. Brief discussion regarding the requirement for having reserves for repairs and replacement and reserves for debt service. Discussion regarding the Town being allowed to build the required reserves over a period of time. Discussion regarding the amount of money that is required to be in reserve. Mr. Cafiso states a Debt Service Reserve fund of 10 percent of the principal amount of the loan and also requires a Repair and Replacement fund. Councilmember Medina motioned to approve Resolution No. 1157; revoking Resolution No. 1135 and instead approving the form and authorizing the execution and delivery of an Amendment No. 3 to WIFA Loan Agreement, a Town lease, approving the execution and delivery by the Town of Miami, Arizona Municipal Property Corporation of such ground lease and Town lease and approving the form and authorizing the execution and delivery of the government documents (as such term is defined herein), the negotiation of a note to the United States Government, acting through Rural Utilities Services, United States Department of Agriculture, providing for the transfer of certain moneys for the payment thereof and making certain covenants and agreements with respect thereto and authorizing the taking and all other actions necessary to the consummation of the transactions contemplated by such Town lease and government documents and this resolution. Motion seconded by Councilmember Hanson. Mayor Dalley calls for the vote. Vote – 5 in favor, 1 member opposed (Councilmember Black) and 1 member absent (Councilmember Gonzales). MOTION PASSED.

Councilmember Gonzales arrives at 6:54 p.m.

B. By the Town of Miami, Arizona Municipal Property Corporation:

1. Consideration and possible adoption of Resolution No. 0003; revoking Resolution No. 0002 and authorizing and providing for the incurrence of indebtedness in the principal amount of not to exceed \$5,000,000 for the purpose of providing a portion of the cost of acquisition and constructing a wastewater collection system authorizing making of promissory note(s),

security instruments and pledges of revenues to evidence and secure the payment of said indebtedness and for related purposes.

Julie Reiman motioned to approve Resolution No. 0003; revoking Resolution No. 0002 and authorizing and providing for the incurrence of indebtedness in the principal amount of not to exceed \$5,000,000 for the purpose of providing a portion of the cost of acquisition and constructing a wastewater collection system authorizing making of promissory note(s), security instruments and pledges of revenues to evidence and secure the payment of said indebtedness and for related purposes. Motion seconded by Jay Spehar. Tom Foster calls for the vote. Vote – 5 in favor. MOTION PASSED.

2. Consideration and possible adoption of a resolution authorizing the negotiation of a note to the United States Government, acting through Rural Utilities Service, United States Department of Agriculture, for the purpose of financing a project for the Town of Miami, Arizona, and approving the form and authorizing the execution and delivery of a Town lease and agreements required in connection with the negotiation of the note and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by such Town lease and agreements and this resolution.

Joe Rocha motioned to approve resolution authorizing the negotiation of a note to the United States Government, acting through Rural Utilities Service, United States Department of Agriculture, for the purpose of financing a project for the Town of Miami, Arizona, and approving the form and authorizing the execution and delivery of a Town lease and agreements required in connection with the negotiation of the note and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by such Town lease and agreements and this resolution. Motion seconded by Joe Sanchez. Tom Foster calls for the vote. Vote – 5 in favor. MOTION PASSED

4. **Adjourn Joint Meeting:** Meeting adjourned at 6:59 p.m.

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Joint Town of Miami, Arizona, Municipal Property Corporation Meeting and the Town Council of the Town of Miami, AZ held on the 9th day of March, 2015.

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

DATED this 23rd day of March 2015.



Karen Norris, Town Clerk

APPROVED:



Darryl Dalley, Mayor

**REGULAR MEETING OF THE MAYOR AND COUNCIL
MONDAY, MARCH 9, 2015**

1. CALL TO ORDER:

Mayor Dalley calls the meeting to order at 6:59 pm.

2. PLEDGE OF ALLEGIANCE/INVOCATION:

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

4. 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, Senior Center Director Rashelle Highbaugh, Librarian Delvan Hayward, Engineering Department Paul Curzon and Dale Metz, Public Works Director Wes Sukosky and Police Chief Gillen.

5. CONSENT AGENDA:

- A. Consideration and possible action to approve Minutes of the February 23, 2015 Special Meeting.
- B. Review and approval of February 28, 2015 Alex Nader Day Proclamation.
- C. Consideration and possible action to approve the Town Payroll for January 19, 2015 to February 1, 2015.
- D. Consideration and possible action to approve the Town Payroll for February 2, 2015 to February 15, 2015.

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

6. APPROVAL OF DEMANDS AND PRESENTATION OF BUDGET REPORTS:

- A. Consideration and possible action to approve General Demands for February 19, 2015 to March 4, 2015.

Councilmember Castaneda motioned to approve the General Demands for February 19, 2015 to March 4, 2015. Motion seconded by Councilmember Medina. Councilmember Black questions the payment Gila County Landfill fees, the invoice is missing; how much does the Town owe? Town Manager Heatherly states over \$20,000.00. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

6. REPORTS / RECOGNITIONS:

A. Department Reports.

Police Department, Police Chief Gillen reports on statistics and activities. Reports on implementing a Block Watch Program.

Public Works Department, Public Works Director Sukosky reports on the ongoing issues at the lift station and the continuing issues with the pumps and repairs to the pumps.

Senior Center, Rashelle Highbaugh reports on statistics and activities.

Library, Delvan Hayward reports on library statistics and activities. Briefly reports on the Friends of the Library quarterly meeting. Mrs. Hayward comments regarding the retirement of Globe Librarian, Marion Steele.

Engineering Department, Dale Metz gives an update report on the acquisition of easements. Paul Curzon reports that ADOT has signed off on the Sign Project, has been working on getting the pool ready to open for the summer, Merritt Ramp Project update and reports that he has been working on collecting data for safety and security for Town facilities.

B. Town Manager Report.

Town Manager Heatherly reports that ADOT has scheduled consultants to be here next Monday to do the Transit audit, fiscal years 11/12, 12/13 and 13/14 have been sent to the Town auditor and they should be done with them by mid-April. Reports on meeting with Gila County regarding the Mackey Camp Project. Briefly reports on getting letters requesting donations for the swimming pool out this week.

C. Mayor/Council Reports.

Councilmember Medina comments briefly regarding adding a note on certain departmental reports such as whom would be contacted regarding a question in a report such as on the consent agenda reports. This information along with a contact phone number would probably save on public embarrassments and expedite this part of the agenda moving on to more pressing issues. Councilmember Medina comments briefly regarding fraternal and other service organizations and how they lessen the burden on federal grants by raising money for their interests, and suggested that whomever can to join a fraternal and/or other service organization in the community.

Mayor Dalley reports the City of Tempe wants to make a donation of benches to the Town of Miami, they have also confirmed the donation of paint for the graffiti cleanup. Comments briefly on a briefing he attended at Resolution Copper.

7. CALL TO THE PUBLIC:

Mrs. Maryanne Moreno, Central Heights resident, comments regarding complaints of slow police response times. Comments that she was dropping a friend off at home and she was having trouble

turning her home alarm off and the police arrived at her residence within five minutes of the alarm sounding; very fast response to the alarm.

8. UNFINISHED BUSINESS:

A. Information, discussion and possible action: To approve use by Miami Arts Commission the following Town facilities in conjunction with the Miami Art Walk:

- a) On March 20, 21 and 22, 2015 – Fitzpatrick/Barcon Building;
- b) On March 21, 2015 – Veterans Memorial Park.

Mr. Michael Twenty-three of the Miami Arts Commission addresses Council regarding Council's concerns of issues from previous events they have held. Mr. Twenty-three states that he has met with Town Manager Heatherly to discuss a plan of action to prevent further incidents during their events. He will be meeting with the Town Manager before and after the event, will be presenting a report to Council after the event, and will be enlisting third party security personnel for the event. Art Commission personnel will be wearing identifying clothing that state "event staff". They will also have two clean ups; one will be Saturday night when they are done at the park and then again the following morning. Town Manager Heatherly states that he has volunteered to open and close the Barcon Building for the group; he feels they are making a sincere effort to make this a successful event and recommends Council approve the request. Councilmember Medina motioned to approve the use by Miami arts Commission the following Town facilities in conjunction with the Miami Art Walk on March 20, 21 and 22, 2015 – Fitzpatrick/Barcon Building, which will be opened and closed by Joe Heatherly and on March 21, 2015 – Veterans Memorial Park. Motion seconded by Vice Mayor Reiman. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

9. NEW BUSINESS:

Councilmember Black motioned to move item C to the beginning. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

C. Information and discussion only: Presentation concerning the Tri-City Regional Sanitary District Wastewater Collection and Treatment Project.

Mr. Bob Zack introduces the Tri-City Sanitary Board Members. Mr. Mike Krebs, engineer for the Tri-City Sanitary Board makes the presentation to Council. Mr. Krebs shows the district boundaries and how the Town and District can work together. Shows a preliminary collection layout. Shows a slide indicating the phasing plan of their project; right now they are focusing on phase I. Comments on the estimated amount of flows to the Miami treatment plant. Discusses the possible alternate if they do not use the Town of Miami's treatment plant. Explains that there will need to be a General election of the District to allow an agreement between the District and the Town of Miami. Discussion regarding the Phase I project schedule. Discussion and comments regarding how many connections are anticipated for Phase I. Brief discussion regarding the District also entering into an agreement with the City of Globe. Brief discussion regarding what would happen if the District does not get the votes needed to enter an agreement with Town of Miami. Mr. Krebs states that he can not really answer that now, but thinks that would leave the District to build their own treatment plant. No action taken on this item.

A. Information, discussion and possible action: To approve Intergovernmental Agreement (IGA) with City of Globe for courier services to be provided by Miami.

Town Manager Heatherly presents this item to Council. Comments briefly on how much the City of Globe is currently paying and how the fee schedule is set up as entities sign up to use our service. City of Globe has already approved the IGA. Councilmember Hanson motioned to approve the Intergovernmental Agreement (IGA) with City of Globe for courier services to be provided by Miami. Motion seconded by Councilmember Medina. Mayor Dalley calls for the vote. Vote – 7 in favor. MOTION PASSED.

B. Information and discussion only: Greyhound Bus Lines presentation regarding proposed rural intercity bus pilot project to be operated by Greyhound Lines.

Mr. Steven Abernathy presents this item to Council. Mr. Abernathy states they are working on a proposal for a Federal Transit Authority 5311(f) Grant for an intercity bus service. The proposed service will operate one daily trip between Phoenix and El Paso, serving the communities along the US 60 – US 70 corridor. Mr. Abernathy explains that the service would provide connections with national intercity bus services in Phoenix, with connections to Las Vegas, Flagstaff and Los Angeles. In El Paso, connections can be made with national intercity bus service to Dallas and San Antonio. Brief discussion regarding connections with local transit services and Valley Metro. Open discussion and comments regarding this being a benefit for everyone in the region and has been a long time coming. Mr. Abernathy describes the couches as full-sized Over the Road bus coach with on board restrooms, reclining high-back seats, on board electrical outlets at each seat for electronic devices and overhead storage. Greyhound also offers parcel express service. Mr. Abernathy states that all they are requesting at this time is a Letter of Support from the Town of Miami. Grant applications close on the 17th of April. No action taken on this item.

10. **CALL TO THE COUNCIL:** None.

11. **ADJOURNMENT:**

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

Meeting adjourned at 8:11 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 9th day of March, 2015.
I further certify that the meeting was duly called and that a quorum was present.

DATED this 23rd day of March 2015.



Karen Norris, Town Clerk

APPROVED:



Darryl Dalley, Mayor