



MINUTES
TOWN OF MIAMI
REGULAR MEETING
OF THE MAYOR AND COUNCIL
MONDAY, JANUARY 10, 2022 AT 6:30 PM

1. CALL TO ORDER:

Mayor Gonzales calls the meeting to order at 6:28 p.m.

2. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Gonzales led the pledge of allegiance and Councilmember Medina gave the invocation.

3. ROLL CALL OF COUNCIL MEMBERS:

PRESENT: Mayor Gonzales, Vice Mayor Moat, Councilmember Black, Councilmember Licano, Councilmember Medina, Councilmember Reiman and Councilmember Sosh.

STAFF PRESENT: Town Attorney Estes, Town Manager Gaudet, Town Clerk Norris, Public Works Director Derhammer and Finance Director Lopez.

4. CONSENT AGENDA:

- A. Consideration and possible action to approve Minutes of December 13, 2021 Work Session and December 13, 2021 Regular Meeting.
- B. Consideration and possible action to approve Town of Miami Payroll for December 12 and December 26, 2021.

Councilmember Reiman moved to approve the consent agenda. Motion seconded by Councilmember Black. Mayor Gonzales calls for the vote. Vote – Mayor Gonzales – aye, Vice Mayor Moat – aye, Councilmember Black – aye, Councilmember Licano – aye, Councilmember Medina – aye, Councilmember Reiman – aye and Councilmember Sosh - aye. MOTION PASSED.

5. APPROVAL OF DEMANDS AND PRESENTATION OF BUDGET REPORTS:

- A. Consideration and possible action to approve the General Demands for December 3, 2021 to December 30, 2021.

Councilmember Sosh moved to approve the demands for December 3, 2021 to December 30, 2021. Motion seconded by Councilmember Reiman. Mayor Gonzales calls for the vote. Vote – Mayor Gonzales – aye, Vice Mayor Moat – aye, Councilmember Black – aye, Councilmember Licano – aye, Councilmember Medina – aye, Councilmember Reiman – aye and Councilmember Sosh - aye. MOTION PASSED.

6. REPORTS / RECOGNITIONS:

A. Town Manager Reports.

Town Manager Gaudet thanks Council for allowing him time off while his mom is in the hospital. Review of the monthly budget highlights; revenues and expenditures. Announces we should have the fiscal year 19/20 audit report ready for presentation to Council in the next couple weeks. Reports that the Public Works Department is doing a trial 4-10 work schedule; half crew working Monday – Thursday and the other half of the crew working Tuesday - Friday.

B. Mayor/Council Reports.

Councilmember Medina reports on the monthly flag half-staff orders. Comments that he is starting to see the effects of the elimination of the Miami Police Department dispatch services in which vigilance by residents has moved from a proactive to a reactive position. States we are finally at the last stages of the State Congressional and Legislative redistricting program for 2022. He feels that a formal report on the results would be very constructive to Council and the residents of the Town. Wishes everyone a happy and prosperous new year.

Vice Mayor Moat comments on the Small Town Christmas event, feels it was a great success. His granddaughter really enjoyed it and her gift.

7. CALL TO THE PUBLIC: No response.

8. UNFINISHED BUSINESS:

A. Information, discussion and possible action: Possible action authorizing the Town Manager to sign Letter of Intent to enter into agreement to implement a comprehensive energy savings performance contract with Veregy.

Town Manager Guadet reviews questions that were brought up at the last Council meeting regarding this agreement. Council expressed concern regarding Veregy being the project manager, given the previous experience with general contractors. The basic concern is the inspector of the project benefiting from the work being done. Town Manager Guadet explains general contracting is different than performance contracting. The performance contracting guarantees the performance of the systems installed. The contract will be written so that no change orders will occur unless they are Town directed change orders. Veregy will be guaranteeing the energy savings and the equipment installed to perform and deliver the

savings. They will make certain that all systems are installed in accordance with manufacturer's specification and performance specifications. If additional work needs to be performed to insure this, Veregy will do it at their cost, no change order to the Town. Council had concerns regarding the M&V (measurement and verification) costs and paying to verify that the work is guaranteed. Town Manager Guadet explains that to comply with ARS a performance measurement and verification report needs to be submitted annually to verify savings realized by the Town. Veregy will do monthly analyzing of utility bills, verifying and inspecting that energy conservation measures are performing, adjusting systems and formatting the energy audit report that will be submitted on an annual basis. Brief discussion and comments regarding the M&V costs. Councilmember Reiman states his concerns with the proposed cost savings for the blowers, feels the way it has been presented to Council is double counting the same savings amount; can't count it twice. Mr. Dick Williams of Veregy is present to answer Council's questions. Mr. Williams comments regarding Councilmember Reiman's concerns. Brief discussion regarding the Town's debt situation and credit worthiness. Mr. Williams states that they can bid all the projects separately and Council can decide which project they want to pursue. Discussion and comments regarding the separator bar/screen that is to keep rags and debris from getting into the plant. Discussion regarding the grit separator and where it is currently located. Mr. Williams states that the proposed drum screen is 100 percent guaranteed to not allow any rags or debris to get through the system. Open discussion and comments regarding the grit separator and the proposed drum screen. Discussion regarding the failure of the current blowers and flawed ventilation system. It is stated that the new design is designed for internal temperatures of 200 plus degrees. Discussion regarding the performance contract guarantee. Councilmember Black comments on his belief that the town needs to save the wastewater plant and maintain it. Brief discussion regarding the Letter of Intent. Councilmember Sosh moved to authorize the Town Manager to sign Letter of Intent to enter into agreement to implement a comprehensive energy savings performance contract with Veregy. Motion seconded by Councilmember Medina. Town Manager Guadet asks if Council wants to specify options in the Letter of Intent. Town Attorney Estes clarifies if Council wants changes to the Letter of Intent and then bring the Letter of Intent back to Council for approval? Discussion regarding the current way the Letter of Intent is written. Town Attorney Estes states the way the Letter of Intent is currently written, the Town signs the Letter of Intent and will be on the hook for \$65,000.00. What has been discussed is modifying the Letter of Intent and bringing it back with different components and then approving it. Councilmember Sosh rescinds his motion and Councilmember Medina rescinds his second. Mr. Williams states that they are more than willing to break down the Letter of Intent to separate components and bring it back before Council. Town Manager Guadet summarizes that with the Letter of Intent that authorizes them to do specific designs and get all the details. When they come back to Council, they will lay out separate options and if Council decides to move forward with any of those projects, the Town does not pay the \$65,000.00. If Council chooses to not do any of the projects, the Town must pay the \$65,000.00. The \$65,000.00 is incurred only if the Town chooses not to do any of the projects. Town Attorney Estes states that given the discussion of Council, he would like to see some modifications to the Letter of Intent and bring it back for possible approval. Just to clarify some specific issues. Direction is given to staff to get more

clarification in the Letter of Intent and bring it back before Council on the first meeting in February.

9. NEW BUSINESS:

A. Information, discussion and possible action: To approve proposed employee bonuses as provided for by recent public surplus sales.

Town Manager Guadet presents this item to Council explaining that the Town recently sold some old vehicles at public auction. Staff had a very long 2021 and he would like to provide end of year bonuses for staff. The revenues from the sales would cover the costs for the bonuses. Town Manger Gaudet states that he did not provide a bonus for himself or the Town Clerk as they are contract employees and work at the pleasure of the Council. Councilmember Licano comments that the structure presented gives higher bonuses to the higher paid employees, the employees who make less money could use more of the bonus money. Town Manager Guadet explains why he structured the bonus schedule the way he did. Councilmember Licano states he would rather see it go to the employees who need it. Town Manager Guadet explains his reason for bonuses has more to do with work performed and not economic status. Councilmember Licano states that he does not agree with the structure. Councilmember Black moved to approve proposed employee bonuses as provided for by recent public surplus sales. Motion seconded by Councilmember Reiman. Mayor Gonzales states that the Town has a Town Manager and Town Clerk that work at the pleasure of the Council but we had floods, fire and the pandemic and it is his opinion they should be included in this program and not be excluded because they work for the Council. Mayor Gonzales states that he will recuse himself from voting on this item. Councilmember Black rescinds his motion and change it to all employees and the Town Manger and Town Clerk to receive \$200.00 along with all the employees. Seconded by Councilmember Sosh. Councilmember Reiman states he is not rescinding his second on the original motion. Mayor Gonzales calls for the vote on the original motion without the amendment. Vote – Mayor Gonzales – abstain, Vice Mayor Moat – aye, Councilmember Black – nay, Councilmember Licano – nay, Councilmember Medina – nay, Councilmember Reiman – aye and Councilmember Sosh - nay. MOTION DENIED. Councilmember Black moved approve the proposed employee bonuses as provided for by recent public surplus sales to include \$200 to the Town Clerk and Town Manager. Motion seconded by Councilmember Sosh. Councilmember Reiman states there are two employees who make significantly more than anyone else in the town, giving them a bonus seems to decrease the importance of the bonus given to the other employees and it goes against the intent of giving a bonus. Councilmember Reiman feels adding those two employees should have been agenized as such. Town Attorney Estes states the agenda item is stated pretty broad, it is up to Council if they want to amend the proposed amounts, it is within Council's authority to amend the amounts however they see fit. Vice Mayor Moat explains that he was misunderstood on his first vote, he thought Council was including the \$400.00. Mayor Gonzales calls for the vote. Vote – Mayor Gonzales – abstain, Vice Mayor Moat – aye, Councilmember Black – aye, Councilmember Licano – aye, Councilmember Medina – aye, Councilmember Reiman – nay and Councilmember Sosh - aye.

B. Information, discussion and possible action: Possible action to enter into executive session pursuant to A.R.S. § 38-431.03 (a)(3)(4) for discussion or consultation with the attorney of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation on a notice of claim from Aiden Gilmore.

Councilmember Black moved to adjourn into executive session. Seconded by Councilmember Medina. Mayor Gonzales calls for the vote. Vote – Mayor Gonzales – aye, Vice Mayor Moat – aye, Councilmember Black – aye, Councilmember Licano – aye, Councilmember Medina – aye, Councilmember Reiman – aye and Councilmember Sosh - aye. MOTION PASSED.

Council convenes to executive session at 7:57 p.m.
Reconvene at 8:13 p.m. All members present.

Councilmember Medina moved to move from executive session into regular session. Motion seconded by Councilmember Black. Mayor Gonzales calls for the vote. Vote – Mayor Gonzales – aye, Vice Mayor Moat – aye, Councilmember Black – aye, Councilmember Licano – aye, Councilmember Medina – aye, Councilmember Reiman – aye and Councilmember Sosh - aye. MOTION PASSED.

10. CALL TO THE COUNCIL:

Councilmember Medina thanks the public for being present at the meeting.

Mayor Gonzales states to be safe out there – COVID numbers are rising.

11. ADJOURNMENT:

Councilmember Black moved to adjourn the meeting. Motion seconded by Councilmember Medina. Mayor Gonzales calls for the vote. Vote – Mayor Gonzales – aye, Vice Mayor Moat – aye, Councilmember Black – aye, Councilmember Licano – aye, Councilmember Medina – aye, Councilmember Reiman – aye and Councilmember Sosh - aye. MOTION PASSED.

Meeting adjourned at 8:14 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 10th day of January, 2022.

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

DATED this 24th day of January, 2022.



Karen Norris, Town Clerk

APPROVED:



Sammy Gonzales, Mayor