

**Notice of Public Meeting  
Town of Superior  
Regular Council Meeting  
Thursday, July 21, 2011-7:00 P.M.  
Superior Senior Center  
360 Main Street, Superior, AZ 85173  
MINUTES**

**A. CALL TO ORDER**

Mayor Hing called the meeting to order at 7:06 p.m.

**B. SALUTE TO THE FLAG**

Mayor Hing led the salute to the flag.

**C. OPENING PRAYER**

Mayor Hing led the opening prayer.

**D. ROLL CALL**

Present: Council Members Hank Gutierrez, John Tameron, Gilbert Aguilar, Soyla "Kiki" Peralta (joined the meeting at 7:35 p.m. and left at 9:05 p.m.), Mayor Michael Hing, Vice Mayor Olga Lopez

Absent: Council Member Chris Tomerlin

**E. CONSENT AGENDA**

1. Approval of Minutes for Regular Meeting July 7, 2011 and Special Meeting minutes for July 13, 2011
2. Disbursements for June 2011

Council members and staff discussed corrections to the minutes for the July 7 meeting.

Mayor Hing also asked if there were any adjustments to the minutes of the special meeting of July 13. No adjustments were made.

Members of the council asked about the disbursements and staff responded.

Mayor Hing asked for a motion to the consent agenda with changes to the July 7 minutes and also with recusing himself on checks to his business.

Town Attorney Christopher Wencker advised Mayor Hing to recuse himself from the entire disbursements vote.

Mayor Hing recused himself from voting on the entire June 2011 disbursements section of the consent agenda.

**MOTION:**Council Member Tameron moved for approval of the disbursements and the minutes with the corrections and Mayor Hing removing himself from the disbursements section. Council Member Aguilar seconded.

**VOTE:**The vote was unanimous of all present with the exception of Mayor Hing having recused himself on the disbursements.

## F. COMMUNICATION

### 1. Manager's report—Deputy Town Manager Lou Digirolamo

- a) Call Special Council Meeting on July 28, 2011 for fiscal approval of the 2011/2012 Proposed Budget

Council Members discussed calling this meeting at 7 p.m. on July 28.

Deputy Town Manager Digirolamo explained the scheduling. This would give a cushion of a couple of days for any unforeseen technical difficulties.

Mayor Hing asked the council if that date was fine and if 7 p.m. was fine. He directed Deputy Town Manager Digirolamo to proceed to post that meeting.

Council Member Gutierrez said he had sent correspondence to staff requesting council go through a vote on medical coverage for this body as opposed to just voting on the budget as a whole, because being as they had revenue challenges the thought was to use that component... about \$40,000, to maybe even address some of the financial timelines that they had to get the books finalized. He said so that was one thing and the other thing is that they put up a vote on this body to give support on any nonprofit entity, direct support as opposed to indirect. They have challenges to the revenue stream they should entertain; they could save the money on medical coverage, save the money on giving support to nonprofit.

Deputy Town Manager Digirolamo said he thought they could do that at the budget meeting by making a motion to approve with that line item stricken out.

Attorney Wencker said that was correct. He explained that was something you could take care of during the meeting to approve the budget. It would also be allowable if you had already approved it in the budget to have a vote to take those items out since you are not increasing the budget.

Council Member Gutierrez said the thought was not to strike that amount of money. It was primarily to redirect it for the financial department so that they could maybe hire temporary data inputters. He said based on the gentleman who was at the last work session, the auditor, they have some serious timeline issues. He was not thinking how the finance department would do it but it sounds like they need additional resources to get the data transferred over from the old to the new. It may take one to three people

to do that. He doesn't know if they have the equipment to do that. It may need one to three terminals to do that but that is the point because it is important to constituents and according to the auditor this has to happen sooner rather than later so that is a financial component that is not captured in this budget. The thought is to use that revenue that we are saving from the medical side and maybe sustaining it for a couple of years until they get to a better financial situation and then bring it back on board.

Attorney Wencker explained that is an item you can take care of with any item at the budget meeting before the budget is approved. He asked if he had answered the question.

Council Member Gutierrez said yes, that helps.

Council Member Aguilar questioned whether the insurance that came out in the tentative budget was for the entire council if the members had it. But all of them don't have it. So it shouldn't be budgeted for that.

Finance Clerk Nicole Welty clarified the amount was there so that if new members happened to join they should be allowed to have the insurance and it would not go over the budget amount.

Council Member Aguilar said that was right. That was why Mr. Gutierrez needs to know that only two of the members have the insurance.

Council Member Gutierrez said to Council Member Aguilar that he was very aware of that.

Council Member Aguilar said that was what he was saying they could still use it for other things at one time or another.

Mayor Hing explained that was why they created the contingency fund.

There were more comments on this item.

b) Review calls for service from Police Department — Lt. Campbell

Lt. Campbell of the Superior Police reported on calls for service from January to June of 2011. The council discussed the report and asked questions of Lt. Campbell. There was a discussion and request for another set of data relevant to local trends and Lt. Campbell said that could be provided.

c) Town Auction held on July 16, 2011

Deputy Town Manager Digirolamo reported on the July 16<sup>th</sup> auction. He explained the turnout was disappointing despite being posted in the newspaper with a public notice and an article and also with the fire department. Two people showed up to bid on items. Total proceeds to the fire department were \$3750. The ambulance had been taken off the list because it was not known if there was going to be a loan approved to replace it. A police car sold for \$200 and miscellaneous items for \$80. If a loan for the ambulance were secured, there may be a couple of vehicles that might be auctioned and a sale could be held in the fall.

There were more comments on this item.

**G. BUSINESS, POSSIBLE DISCUSSION AND/OR ACTION ON THE FOLLOWING:**

1. Presentation by Jon Cherry, Vice President, RCMI, on project update

Jon Cherry, Vice President, RCMI, updated the council on the mine project. He apologized for not being there sooner but things had heated up in Washington re the land exchange bill and he was not there for good reasons. In June Rep. Gosar introduced the land exchange bill to the House of Representatives. On June 14 there was a hearing. Mr. Cherry testified along with Mayor Hing and thanked the mayor for his testimony. That hearing went very well and the following step was just last week. The bill after it comes out of subcommittee goes to markup and at that markup hearing there were 10 different amendments that were offered, most of them were Rep. Grijalva's to try to change the bill. There were a lot of different things that they tried to change in it. He made further comments on the bill progress and changes to it.

He addressed rumors on some water issues that he would like to clarify. The main rumor that they had heard is that they are negotiating some large water deal with Arizona Water. He said they are not doing that. What they are doing with Arizona Water is essentially two different things. There is a discrepancy in the meter readings for some of the water usage so they are speaking with Arizona Water to settle the variance in the meter readings. The other thing they are talking to Arizona Water about is the water line that crosses their property. They are talking about possibly relocating that outside the property. He made further comments on water and banking of water done by the company after trading water to farmers, as well as other water comments.

He explained that the company would do another open house at the school in a few months. One of the things they will talk about is sharing what they have learned about hydrology, water flow direction, etc.

The discussion covered the land exchange, tailings reclamation, office additions and sewer tie-in and Superior Marble Plant acquisition.

There were more comments between Mr. Cherry and members of the council as well as comments from audience Member Manuel Ortega.

2. Presentation by Mila Lira, Economic Development Committee status

Ms. Lira updated the council on the town's Economic Development Committee. The council and mayor discussed the committee with Ms. Lira, including the concept of dissolving the EDC in favor of the creation of a private economic development committee not connected with the town.

Mayor Hing said also that one of the items that they would be coming to council with is that they are going to be applying for a nonprofit status. They are going to ask for a blessing to move forward with that. That is why they ask if you want to dissolve the EDC, come and see him and say that you want this as an action item for the next meeting. Or if they don't touch

anything, this was approved back in 2006, and they are just going to approve a few more members to the committee.

There were further comments.

3. Discuss/Approve/Reject Bingo License permit for the Superior Arboretum Tenants Association.

**MOTION:** Vice Mayor Lopez moved for approval of the permit. Council Member Aguilar seconded.

**VOTE:** The vote to approve was unanimous of all present.

4. Discuss/Approve/Reject modifying CDBG funding for 2011/2012 Waste Water Treatment Plant and Housing Plan and Resolution 527 authorizing the changes – Cindy Schofield, CAAG

Ms. Schofield reported to the council that last January they voted to take their allocation of CDBG monies this year, which was at that time approximately \$400,000. Because of reductions in grant funding through the government the town's total now is about \$360,655. The amount they had requested was \$50,000 to go towards the housing plan and the remainder to go toward the waste water treatment plan. In talking with some people who write housing plans, they said that was more than enough money, that they wouldn't need more than \$20,000 to develop a housing plan. So she was coming to them to request there be a reduction down from \$50,000 to \$20,000 and the remainder go toward the treatment plant. If that is accepted, the totals would be \$340,655 for the waste water treatment plan and \$20,000 for the housing plan.

She asked passage of Resolution No. 527, Authorization to Submit Applications and Implement CDBG Projects.

The mayor clarified that this is triple funding. The first allocation was supposed to have gone to Superior but the town agreed to forego. The allocation went to Miami first because of their problems with their sewer plant. Superior is second but the amount is decreased.

There were further comments. The discussion touched on the possibility that the CDBG program itself would be scrapped and Globewould not receive its scheduled allocation from the triple funding.

**MOTION:** Vice Mayor Lopez moved for approval modifying CDBG funding for 2011/2012 Waste Water Treatment Plant and Housing Plan and Resolution 527 authorizing the changes. Council Member Aguilar seconded.

**VOTE:** The vote to approve was unanimous of all present.

5. Discuss/Approve/Reject changing or modifying bid prices for the following three properties: Industrial Lot #3, 679 W. Main Street and 271 W. Main Street

Deputy Town Manager Digirolamo explained the council had voted to approve the recurring listing of the buildings. But he wanted every once in a while to come back and visit with the council to make sure of what the price should be listed for on certain properties. All these properties expired July 8 so they would go back on the market tomorrow regardless of what the council decided now.

The only thing he is seeking from the council is the price change, if any, particularly the Belmont Building.

There were further comments as the council, staff and audience member/realtor Pam Dalton-Rabago discussed each property.

**MOTION (Industrial Park Lot No. 3):**Council Member Gutierrez moved to take this off the market. The motion died for lack of a second.

**MOTION (Industrial Park Lot No. 3):**Council Member Tameron moved to leave the price the same at \$150,000 with a \$50,000 performance bond.Vice Mayor Lopez seconded.

**VOTE:**The motion carried 5-1, with Council Member Gutierrez voting no, Council Members Tameron, Peralta, Aguilar, Mayor Hing and Vice Mayor Lopez yes.

**MOTION (679 W. Main Street):**Council Member Peralta moved to keep 679 W. Main Street at its prior information of \$10,000.

Council Member Aguilar asked if that is fair market value.

Pam Dalton-Rabago said you really can't go much lower than that. She said there have been local people that have been interested in it but they have been told that if they remodel it they are going to have to get drawings and do it as a commercial and Wildan will be involved.

Council Member Tameron seconded the motion.

**VOTE:** The motion carried unanimously of all present.

**MOTION (271 W. Main Street):**Council Member Gutierrez moved to remove this from sale. The motion died for lack of a second.

**MOTION (271 W. Main Street):**Council Member Aguilar moved to put this up for fair market value.

Mayor Hing asked what that number is.

There were further comments.

Council Member Aguilar moved for a minimum of \$175,000 with a performance bond of \$50,000.

Mayor Hing questioned the attorney as to how they would write that.

Attorney Wencker said at this point you can just set the amount. The town can negotiate the performance bond and that will give the town a little bit of flexibility.

Council Member Peralta seconded the motion.

**VOTE:**The motion carried 5-1, with Council Member Gutierrez voting no, Council Members Tameron, Peralta, Aguilar, Mayor Hing and Vice Mayor Lopez yes.

6. Discuss/Approve/Reject continuance, modification or termination of employment contract with Raya Tahan, Real Estate Attorney.

It was discussed that this was an action item following executive session.

#### **H. CALL TO THE PUBLIC**

Mayor Hing read the changed wording on the agenda regarding the call to the public.

Council Member Gutierrez asked the attorney two questions regarding the meaning of the policy.

Attorney Wencker explained and asked if that answered Council Member Gutierrez' questions and Council Member Gutierrez said yes.

Curt Williams spoke about the last work session where he said there had been some concerns as to how they were going to pay back the HURF funds. He said the real question was not how but when are you going to accomplish what those funds are supposed to do because we really are getting behind on our street pavement. He also discussed the title of public works director and said there is no such job as public works director.

Freddie Miramonreferenced an article that came out in Globe that said the caboose visitor center had close to 1,000 visitors. He stated that "Centennial Park" behind the caboose was close to 30 years old and seems to him to been forgotten by the town government. He made further comments.

Council Member Gutierrez said he did not fall into that category. He made further comments regarding his recommendations for not only parks and recreation but the whole community.

Manuel Ortega commented on (1) the amount being spent on the recall election when the mayor has left less than a year on his term and (2) water being used to water roads. He commented that the council worked for the people of the community and not to be intimidated. He made further comments regarding the importance of water.

Jayne Valenzuela explained that he was there as a citizen of the town and secondly as the chairman of the recall petitions. He had come to correct statements made by the mayor in reference to the recall petitions,that they were somehow not good for some reason. He had

gotten the papers back from the Town of Superior. The chief was very helpful in getting that information back.

Mr. Valenzuela continued that he wanted to give out some numbers from information provided. Of the 60 signatures stricken from the petitions that were turned in, 30 of them were stricken by the town, 30 of them were stricken by the county recorder's office, 17 of those were not registered voters, people who thought they were registered who signed the petition who were not registered and there is still a possibility that they did get registered, they just did not make it into the recorder's office by the time the petitions were turned in. There were three who lived out of the district, people who did not live in Superior; they lived right outside in the outskirts of Superior and signed the petitions and they weren't eligible to sign the petitions.

There were 25 of them that had invalid dates, meaning that they had put a "10" where the year was: instead of putting an "11" they put a "10," or they put the wrong month that didn't run in sequence as the month would go.

So it is not that the signatures were bad, there were just technicalities on the signatures. Following that there were five duplicate signatures and five illegible signatures so the recorder's office could not make out what the signatures actually said. So there were at least 290 valid signatures on those petitions that were turned in.

He commented that there are probably another 150 people who will say: I will sign the petition but I am in fear of retaliation but I will do my talking in the voting box. So there are probably 450 people who are going to go to the box and speak when that time comes.

He made further comments turning the subject away from the recall. He agreed with Mr. Gutierrez and asked what are we going to do, are we going to deplete all our assets.

He made further comments.

Mayor Hing said the only comment he had was that the recall was directed to him and that is fine, but there are still improprieties regarding the recall petitions and he would continue to pursue that.

Mr. Valenzuela asked to make another comment.

Mayor Hing said Mr. Valenzuela's time was up. Regarding comments made about managing the funds, he said he thought they did well as a council in directing the funds. People don't know all the facts and people who do attend the meetings know where the funds were directed and what the reasons were. So he just wanted to clarify that, he said. He said they thought it has been done secretly behind closed doors.

#### **I. EXECUTIVE SESSION:**

The Town Council may or may not vote to go into Executive Session pursuant to ARS38-431.03(A-1) (A-3) & (A-7)

1. Continuance, modification or termination of Employment Contract with Raya Tahan, Real Estate Attorney.

2. Discuss and Review of Public Works Director, Jed Lant

A-1 –PERSONNEL: A-3 LEGAL ADVICE WITH ATTORNEY

A-7 – LEGAL ADVICE ON SALE, LEASE OR PURCHASE OF REAL PROPERTY

**MOTION:**Council Member Aguilar moved to go into executive session at 9:25 p.m. Vice Mayor Lopez seconded.

**VOTE:** The vote to enter executive session was unanimous of all present.

**MOTION:** Vice Mayor Lopez moved to return to open session at 10:25 p.m. Council Member Aguilar seconded.

**VOTE:** The vote to return to open session was unanimous of all present.

**MOTION:**Council Member Gutierrez moved to terminate the employment contract with Raya Tahan, Real Estate Attorney (Item G6). Vice Mayor Lopez abstained, Council Member Aguilar abstained, Council Member John Tameron recused himself.

Attorney Wencker advised council that as long as a quorum was present the vote could be taken.

**VOTE:**Council Member Gutierrez and Mayor Hing voted to terminate the contract. Attorney Wencker said with a vote of 2 out of 5 the motion failed.

#### **J. COUNCIL COMMENTS**

Council Member Aguilar: N/A

Council Member Gutierrez: Lack of courage of this body, it is a sad day when we won't take a positions on financials

Vice Mayor Lopez: (left meeting at 10:29 p.m.)

Council Member Tameron: Had been approached about the restrooms at the park and asked about the status, asked deputy town manager for descriptions on duties of town manager, deputy town manager, town clerk, etc., and for update on 230 West Main building

Mayor Hing: Would ask Arizona Water Company to give presentation regarding water

#### **K. ADJOURNMENT**

**MOTION:** Council Member Aguilar moved to adjourn. Council Member Tameron seconded.

**VOTE:** The vote to adjourn was unanimous of all present. Mayor Hing adjourned the meeting at 10:35 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Council Meeting of the Town Council of the Town of Superior held on the 21st day of July 2011. I further certify that the meeting was duly called and held and that a quorum was present.

/s/

**Lou Digirolamo** \_\_\_\_\_

**Deputy Town Clerk/Police Chief**

These Minutes were compiled and transcribed by

Cindy Tracy

An Independent Contractor

(Final editing of these minutes and their content is completed and verified by staff members of the Town of Superior.)