

**MINUTES OF TOWN COUNCIL MEETING  
TOWN OF SNOWFLAKE  
HELD 02/26/2013**

**1. CALL TO ORDER/ROLL CALL** at 7:03 p.m.

Mayor Kelly Willis, Vice Mayor Jason Whiting, Chris Brimhall, Kerry Ballard—excused, Stuart Hensley, Tom Poscharsky, Bev Kay STAFF: Paul Watson, Bob Hall, Barbara Flake, Pat Hancock, Cathie McDowell, Officer Alan DeWitt, Officer Dan Rush

**2. PRAYER/PLEDGE** Kay/Boy Scout Troop 703

**3. MAYOR'S PROCLAMATIONS & ANNOUNCEMENTS**

*Proclamation Mayors Day of Recognition for National Service*

Mayor Willis read the proclamation for Mayors Day of Recognition for National Service. He said he is grateful for the great number of volunteers in our community. He thanked all those who serve.

*Recognition of State Certified Volunteer Firefighters*

Fire Chief Pat Hancock recognized and presented Certificates of Completion of State Certified Training to: Eli Humes, Ricky Kauffman, Donovan Lann, Wade Flake, Raul Ruiz, James Wagner. He thanked these individuals for their efforts and taking time away from families to attend the classes of State Fire School through Northland Pioneer College.

*Recognition of Retired Police Officer Terry Owen*

Officer Alan DeWitt expressed admiration for Officer Terry Owen for his service to the police department and the community. Officer DeWitt and Mayor Willis thanked Officer Owen for his service and presented him with a plaque for service from September 1991 to December 2012. Officer DeWitt also presented him with a memorabilia box of badges and uniform badges. DeWitt said Owen is only the 6<sup>th</sup> officer to retire from Snowflake-Taylor Police Department.

*Presentation of Life Saving Award*

Chief Pat Hancock read a letter of appreciation to Snowflake Fire from Kevin Claridge. The letter expressed thanks for training in the Heimlich Maneuver received by the Claridge children. The Claridge children used that training to save the lives of siblings. A Life Saving Award was presented to Tyler and Kalin Claridge. A certificate was also given to Allie Claridge for being given the Heimlich Maneuver by her brother. Kevin Claridge stated that he felt it important to let Hancock know that the training given to kids at school and in the community is valuable and essential and that he is grateful for the service of 1<sup>st</sup> responders. Mayor Willis congratulated the boys and thanked Hancock for giving recognition to these heroes.

**4. CALL TO PUBLIC**

Jim Bender asked Council if they were aware of Agenda 21. Mayor Willis reminded Bender that Council could not respond during Call to Public but that Bender could request an item to be on a future agenda.

## **5. CONSENT AGENDA**

A. Approval of Council meeting minutes dated 02/12/2013.

***Motion by Willis, 2<sup>nd</sup> by Poscharsky, to approve Consent Agenda Item A. Motion passed; unanimous***

B. Approval of Invoice from Brown & Brown Law Offices, PC dated 02/12/2013. Poscharsky said he reviewed the invoice.

***Motion by Poscharsky, 2<sup>nd</sup> by Brimhall, to approve Consent Agenda Item B. Motion passed; unanimous***

C. Approval of Invoice from Lewis & Roca, LLP dated 02/14/2013.

Poscharsky said the attorneys did an excellent job. Willis agreed.

***Motion by Poscharsky, 2<sup>nd</sup> by Kay, to approve Consent Agenda Item C. Motion passed; unanimous***

D. Approval of Invoices from McElroy, Deutsch, Mulvaney & Carpenter, LLP dated 01/29/2013 & 02/15/2013.

Poscharsky said it was necessary to have a firm located in Delaware where proceedings were taking place. He said their research was helpful.

***Motion by Poscharsky, 2<sup>nd</sup> by Whiting, to approve Consent Agenda Item D. Motion passed; unanimous***

## **6. DISCUSSION/ACTION ITEMS**

A. Approve improvements of "Suite A" of the Court Building and rental to Mountain Multi Fit.

Watson explained that the facility is need of repairs to the roof and HVAC system. He said staff had been talking about equipping the area for the health and wellness of employees when it was brought to their attention that Mountain Multi Fit had an interest in developing the facility for cross-fit. He said there has been discussion about how to make the facility useable for them and also benefit the Town. Watson said Council is being asked for their input on the concept before more time is spent on the details.

Watson said the proposal is to have the Town do what is necessary to make the facility useable and Mountain Multi Fit would bring in the equipment and in lieu of rent would have the facility available for Town employees and volunteers use. Jeremy Neff, Lynn Johnson, and Josh Rabin are the partners in Mountain Multi Fit and are in attendance to answer questions.

Willis asked if it would be feasible to use the Town's assets to do the work needed to improve the building. He feels there may be legal considerations with the use of Town funds with only some receiving the benefits.

Watson said it is legal to exchange services and would be the same as leasing to the court and post office for market rate. He said the Town looked at obtaining services with another company in the past and it did not work out. He said staff would have to keep track of the services exchanged. Willis asked if employees would be required to participate. Watson said there are wellness incentives in place and this would be part of that process. Attorney Bob Hall said issues would have to be addressed in a contract but for the purposes for tonight he agrees with what Watson has shared. Poscharsky asked if there are bond issues. He said if tax exempt financing there is 15% limit.

Lynn Johnson said he heard the Town might want to make an exercise facility and he thought costs to the Town could be limited by not having to maintain and staff the facility in exchange for a lease to Mountain Multi Fit. He said Mountain Multi Fit would provide to employees, policemen, and firefighters the following services as part of the lease:

- A yearly personalized fitness assessment, which includes:
  - Body fat caliber measurement
  - Body circumference measurements
  - Cardiovascular assessment
  - Muscle imbalance and flexibility assessment
- A yearly custom designed fitness program tailored to the needs of each person
- Full access to the facility between hours to be determined—some hours w/o supervision

He said in exchange for these services Mountain Multi Fit is asking for the needed repairs and changes to “Suite A” and no monthly rent to be incurred for the duration of the agreement. Johnson said he feels the trade-off would be to the Town’s favor. He said being in healthcare he feels the benefit to the Town would be healthy employees with less sick days and less costs to healthcare system. He said a presence in Snowflake is a benefit to Mountain Multi Fit and it is a benefit to the Town to keep business in town. He said he knows there are things to work out but need the stamp of the Council to begin work on those things.

Brimhall asked if there would be sales tax collected for their services. Johnson said no. Brimhall asked where access to the facility would be. Johnson said they would like the roll down door removed and the current door made handicap accessible. Willis said bathroom improvements were listed also. Johnson said heating and cooling are also listed. Johnson said the Town has talked about putting in a facility for employees and a partnership with Mountain Multi Fit providing the equipment can be a benefit to the Town.

Whiting said the two goals to look at are employee wellness and wanting the business to come into the community. He said the initial cost to ready the facility for employees is \$10,000 and the cost to ready the facility for this company is \$20,000. Johnson said the company is putting \$30,000 into the project. Johnson said to consider what will make the facility a success is the evaluations and setting goals which will produce better success than giving someone a card and telling them to go use the gym. Whiting said he like the concept but needs to be able to look at the numbers, costs, and quality to the employees. He said the value and not just the costs need to be looked at and he does not have all that information.

Willis said he understands the argument that money can be saved with wellness program. He said employees already have a great benefit package. He said he has a hard time saying okay to using tax dollars for this when only a few people are benefitting. Johnson said the services are not free of charge but are in exchange for rent. Hensley said it amounts to 3 years of rent amounting to \$54,000 that would not be collected. Willis said it is giving employees another benefit that not received by other citizens. He said the

facility needs to be fixed up regardless of who rents the space but this is putting \$20,000 into the facility and then \$54,000 of service is another benefit to employees. He said employees already have great benefits. Watson stated that out of pocket costs would be \$20,000. Johnson said more money would have to be put into the facility to be able to rent to any other than this type of business. Willis said he can't justify this with the economy and community struggling. Willis said for the company to put together a plan with Watson so Council can see all the information. Johnson said he would take everything into consideration when he comes back. Whiting said he liked the idea and would like to see a clear line of costs and benefits and negatives to the Town doing a facility on their and with Mountain Multi Fit operating a facility. He would like to see the costs to set up and lease out the facility.

Jeremy Neff said he understands what the Town wants to do with the facility. He said if the community was polled after showing what will be in this facility and what would be available he thinks there would be an overwhelming majority that would want a cross fit facility. He said there would be a paper tracking of costs and exchange of services. He said a better option than spending \$10,000 to put in a Town only facility is doubling the amount to \$20,000 and adding in Mountain Multi Fit's \$30,000 to benefit employees and the community. Whiting said they can't say the employees will use the facility. Neff said the services offered will make it successful.

Watson said he understands what the Mayor is saying. He said that there have been no raises for employees for 5 years. He said the Town has decreased benefits and increased deduction amounts from employees. He said a neighbor town gave 10% raise and the school district gave a raise. He said he understands the economy but wants to defend the employees who have not been given additional benefits when most of the major employers have given raises.

Josh Rabin said maybe getting input from the police and fire departments and the public will help to figure out how to make this work. He stated most people can't go to the gym during the hours of 9 to 5 and this facility would offer more hours. Poscharsky said it makes a difference if a facility is done properly and not just weights sitting in a dark room. He said a consideration would be if the Town can get an insurance benefit from this. He suggested that an incentive could be to get 50% of employees to use the facility and if fall short of that number than there would be some charge for rent. He feels there is a benefit to others and would like the facility in Town for reasonable costs. Kay agreed with Poscharsky. She believes police and fire need to be healthy and in shape. She believes employees deserve a nice facility. She asked Mountain Multi Fit to consider deductions from the rent for each employee who decides to use the facility. Johnson said Town employees do not make the same money as private company employees.

Brimhall said the cost is \$20,000 and Town was going to spend \$10,000. He said this company will put \$30,000 into the facility which will benefit the community and employees. He said \$54,000 is possible rent but is pie in the sky if money is not put into the facility. Watson said it would cost more that \$20,000 to make the space useable for office rental.

Watson summarized what he understands as Council's direction to staff:

- Unanimous support to offer up facility for rental
- Work on 2 proposals—improve facility so business can operate and exchange services for benefit to employees; improve facility so business can operate
- Work on proposal for fixing up facility as minimally as possible for employee use only

Poscharsky said that fixing up facility as minimally as possible will not work. He said he agrees with what Kay said that the more employees use the facility the more rent is offset. Neff stated liability insurance should be considered. Hensley asked what the liability would be if it is a Town facility and employees are there unsupervised. He said he wants to encourage business in Snowflake and is all for it to benefit employees but just wants to justify it. Willis said it would be simpler if Town fixed up the facility and set a rent and then gave a set amount to employees to use the facility. Willis directed Watson to work with Mountain Multi Fit and put together a proposal to bring back to Council

#### **7. COUNCIL MEMBER'S SUMMARY OF CURRENT EVENTS**

Poscharsky said the compliant report for potash will be out in 2 weeks. He said a preliminary assessment will also be out. He said American West Potash received notification from ADEQ that their air submission was compliant with no deficiencies.

#### **8. MANAGER'S SUMMARY OF CURRENT EVENTS AND REPORT**

Watson gave an update regarding the Apache Railway:

- Watson and Willis met with state representatives and governor's staff for the purpose of getting financial support.
- Facts were laid out during the discussions with Willis talking about the need to rally support for the railway to bring back jobs that have been lost.
- The railway is piece of infrastructure that is vital.
- These meetings were successful.
- There are daily conference calls.
- Funding is being pursued through the federal RRIF program.
- The railway is continuing to operate while working on enhancing contracts so can be self-sustaining and in place when potash mining begins and rail is needed.
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#### **9. ADJOURNMENT** at 8:51 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the Town of Snowflake Council meeting held February 26, 2013. I further certify that the meeting was duly called and a quorum was present.

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Barbara Flake, CMC  
Town Clerk