

**MINUTES OF TOWN COUNCIL MEETING
TOWN OF SNOWFLAKE
HELD 08/26/2014**

1. CALL TO ORDER/ROLL CALL at 7:02 p.m.

Mayor Kelly Willis, Vice Mayor Jason Whiting, Bev Kay, Tom Poscharsky, Stuart Hensley, Lynn Johnson, Kerry Ballard STAFF: Brian Richards, Terry Cooper, Pat Hancock

2. PRAYER/PLEDGE Hensley/Johnson

3. MAYOR'S PROCLAMATIONS & ANNOUNCEMENTS None

4. CALL TO PUBLIC

Dean Porter shared suggestions regarding economic and growth possibilities for the area:

- Industrial Base
 - Hire a professional economic development person
 - Between Snowflake and Taylor we all will benefit from any new commercial developments in this area and we must be able to accomplish this.
 - Incentives to offer
 - Affordable land in a development park
 - Working with the local utility company for rate reduction
 - Have local banks make adjustments of lending rates
 - Have the 2 towns use their equipment and manpower to assist in site and infrastructure development
 - Have county give assistance
 - Offer tax incentives
 - Get the State to list this area as a tax free zone for a period of time
 - How to pay cost of economic development person
 - Give the tax on food and lodging to economic development
 - 2 towns split the cost on basis of population
 - Governmental grants
- Recreation and Tourism
 - Enlarge Snowflake town limits to include the land north and east across the Silver Creek Canyon to include Woodruff Road
 - Enter into agreements with gravel operations to use the ponds after they have harvested the gravel
 - Brimhall for a pond north and east of the bridge on Hwy 77
 - Adjoining land to the west of the pond for ramadas, grills, grass, trees, park area
 - Others could participate with funding
 - Silver Creek Canyon right-of-way use agreements
 - Build a walkway, equestrian trail through the canyon
 - Encourage birdwatchers, hikers, walkers, naturalists, petraglyphers, and equestrians

- Develop BLM land into 4-wheeler courses and trailer parks
- Develop downtown areas for more tourist entertainment
- Encourage local business involvement with creating “Pioneer” atmosphere
- Hold “Mexican Fall Fiesta” as a second main event in Snowflake, or a “Native American Festival” or “Stinson Days”

5. CONSENT AGENDA

- A. Approval of Council Meeting minutes dated 08/12/2014 & 08/18/2014.
- B. Approval of Invoice—Brown & Brown Law Offices, P.C. dated August 2014.
- C. Approval of Invoice—Emmett Engineering dated July 2014.

Motion by Ballard, 2nd by Poscharsky, to approve the Consent Agenda. Motion passed; unanimous

6. DISCUSSION/ACTION ITEMS

A. Discussion regarding Streetlights on Country Club Drive. (Paul Watson)
Mayor Willis recused himself because this item is being brought to Council by his brother, Kenny Willis. Vice Mayor Whiting presided over this item.

Kenny Willis said he is asking Council to take over the meter for approximately 10 streetlights on Country Club Drive. He said that the lights went dark because his brother-in-law, Kirk Brimhall, does not want to pay the bill anymore. He asked if the road was accepted by the Town. He said that the lights start at Foothill Circle and go around the corner to the south. He said he has taken care of all of the lights by replacing the light bulbs on Country Club Drive, the road going towards the church, and the round-a-bout on Frontier Drive for the 14 years that he has lived on Country Club Drive. He said he and a group of friends take care of weeding on this portion of Country Club Drive. He said he and a group of friends put up Christmas lights on Country Club Drive a few years ago and would like to do it again. He said maybe the lights could continue from Frontier around to Country Club and put Santa in the pavilion on the water.

Whiting said he would like to see the lights on but asked if there was an agreement for maintaining the lights. Watson said that area is part of a new subdivision “Painted Sky”. He said typically, when all the improvements are completed for a new subdivision, then it is brought to the Town for acceptance. He said at that time the Council could accept the subdivision which could include roads and any maintenance. He said that staff can research if that has been done. Whiting asked that this issue be placed on a future agenda. Kenny Willis said that with the added detour traffic there have been 3 near misses at that corner on Country Club Drive. He said he would like this issue decided before Christmas so he can work on Christmas lights for the area. Watson said this item can be on the next agenda.

B. Presentation of Year-End Financial Report. (Brian Richards)

Richards said he is making this presentation to keep the Council informed so they can answer questions by the citizens. He presented the revenues with comparison to budget for the 12 months ending June 30, 2014. Some additional comments by Richards:

- Revenues are down—City sales tax is down partly because some businesses have gone out of business.
- There are a couple of grants that were not received this year.
- Parks and Recreation fees are down.
- The Town will receive \$96,000 reimbursement from the Flood Control Grant if the project is done by next Thursday. This project is part of the “Southern Solution” started in 2003. By the time the project is complete, \$3.6 million will have been spent collectively by all the partners. The Town has applied for another grant in the amount of \$400,000 for the “Northern Solution”. When the work is done, the Town can apply for a map revision that will result in the businesses in the Industrial Park not needing flood insurance.
- Debt was refinanced because rates were favorable and hundreds of thousands of dollars will be saved over the years.
- Departments were pretty much on budget.
- Revenues were under expenditures by \$450,000.

Richards commented that the Golf Course was \$78,000 over what was budgeted. Watson said he feels the Mill supported the Golf Course. He said the revenues are the lowest in 15 years and the expenditures stay constant at \$600,000 to \$630,000. He said staff is working on changes at the Golf Course. Mayor Willis said he would like to discuss the Golf Course on the agenda in the future. Johnson said that there is a \$300,000 deficit in Parks and Recreation and if Council is going to look at the Golf Course then they should also look at Parks and Recreation. Willis said both issues need to be addressed. He said there needs to be conversation regarding the Town not running the Golf Course. Hensley said that 9 holes could be closed at a significant savings. Richards said that the Golf Course has attracted population around it. Willis asked that the issue of the Golf Course and Parks and Recreation be put on a future agenda. Watson said that Parks and Recreation maintains the right-of-ways also. Poscharsky said that the two are different funds—Golf Course is an enterprise fund and Parks and Recreation is not. Watson said staff can show the recreational costs.

Richards said there is a need to raise the water rates 10%. He said revenues are lower. Watson said that thanks to Cooper and Emmett the system has been computerized so staff is able to evaluate and see the numbers and the realities of issues to plan for the future. He said staff is able to see what improvements and replacements are needed in the future. Richards said that staff has been able to keep track of all employees hours in Public Works charging actual hours worked in water and sewer to those line items. He said this has allowed more funds in the HURF fund for streets. Richards suggested that 3 budget workshops on the utility fund be held in October, November, and December. He said the water fixed rate needs to cover the fixed costs and the water usage rate needs to cover the variable costs. Watson said the State economy is improving and the area economy is improving. He said the Town revenues are not improving but it won't take a lot to turn that around. He said there are several potentials to create jobs and the economy would be affected significantly.

C. Consideration & Possible Approval of the First Phase of Drainage Improvement Plan at the Snowflake Fire Station. (Pat Hancock)

Hancock said there are water issues on the southwest side of the fire station. He said water builds up and runs in the doors. He said the water is now being handled by pumping out the areas that fill. He said the engineer has created a plan to get the water off 4th South into a basin and then pump the water into the ditch and on to Cottonwood Wash.

Poscharsky asked about getting gravity flow for the water. Watson said the flow is to the northeast and this solution is getting the water to the ditch flowing to the west. He said that when the building was built it was recommended to build it up 18". He said the Town does not want to come back later and spend \$100,000. Hensley asked if this project will affect the dirt road to the east of the station. Watson said that it will not. Willis asked if the generator will take care of the 2 pumps. Hancock said that it will. He said the cost of \$19,561.50 will cover the detention basin, pumps, and the keystone blocks in the front of the building. He said the request is for the maximum but staff is looking at ways to save costs in construction of the basin. Richards said this project can be put in the building maintenance line item.

Motion by Poscharsky, 2nd by Kay, to approve the requested expenditure for fire station drainage project. Motion passed; unanimous

7. COUNCIL MEMBER'S SUMMARY OF CURRENT EVENTS

Ballard—Attended the Arizona League of Cities and Towns Conference where an economist talked about Arizona recovering slowly and it was stated that Apache and Navajo Counties are the poorest in the State. Senator McCain talked about the problems Phoenix has regarding water. Fred Carnahan has said that he will not do the 9-1-1 Program this year.

Poscharsky—There has been a setback regarding potash. Pat Avery has resigned and it looks like consolidation will take a little longer.

8. MANAGER'S SUMMARY OF CURRENT EVENTS AND REPORT

The economist at the League's Conference talked about inflation. There were also 2 other economists that spoke and all of them said they don't predict inflation to go up significantly because job growth has not gone up. They feel that in June 2015 it might be 2.5 and the following year 3.5 but not huge inflation.

The national economy is improving faster than the Arizona's economy. The economies of the states of Utah and Colorado are doing the best.

The Town's banner that was prepared for the booth at the League Conference can be used for other events. The booth was shared with other communities in Navajo County and Apache County.

9. ADJOURNMENT at 8:50 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the Town of Snowflake Council meeting held August 26, 2014. I further certify that the meeting was duly called and a quorum was present.

Barbara Flake, Town Clerk