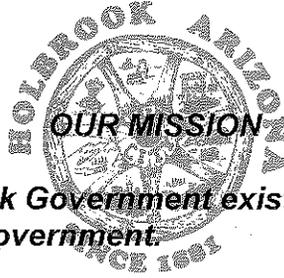


465 First Avenue  
P.O. Box 970  
Holbrook, AZ 86025

# CITY OF HOLBROOK

Telephone: (928) 524-6225  
Fax: (928) 524-2159  
holbrookcity@ci.holbrook.az.us



*The City of Holbrook Government exists to provide ethical and responsible local government.*

## AGENDA

### REGULAR CITY COUNCIL MEETING

SEPTEMBER 18, 2012

6:00 P.M.

Pursuant to ARS 38-431.02, notice is hereby given to the Holbrook City Council, and to the general public, that a meeting, which is open to the public, will be held on above-mentioned date, in the City Council Chambers, at 465 First Avenue, Holbrook, Arizona. Some of the members of the City Council may choose to participate in this meeting telephonically. The City Council may adjourn into executive session, which will not be open to the public, to discuss certain matters in accordance with ARS 38-431.03.

The items on the following agenda are for discussion or consideration and possible action:

- 1) CALL TO ORDER:
- 2) ROLL CALL:
- 3) PLEDGE OF ALLEGIANCE/INVOCATION:
- 4) PUBLIC ANNOUNCEMENTS AND PRESENTATIONS (Please limit to 10 minutes).
  - A. Proclamation "Recovery Month" (pg 3)
  - B. Introduction of new Parks and Recreation Supervisor John Guttery.
- 5) CALL TO THE AUDIENCE:  
The City Council welcomes public comment at this time only for items listed on this Agenda. There is a five minute time limit per citizen.
- 6) CONSENT AGENDA
  - A. Claims/payment approval for September 7, 2012 thru September 12, 2012: Documentation for claims is available *at City Hall. (pg 4)*
  - B. Minutes of the regular meeting held on August 15, 2012.(Pg 13)
  - C. Minutes of the special meeting held on July 31, 2012.9Pg 21)
- 7) CLAIMS/PAYMENT APPROVAL FOR WALT'S HARDWARE:
- 8) REPORTS:

**Mayor:**

**Council Members:**

**Manager:**

- 1. Report from Librarian Wendy Skevington on new media bank.**

9) OLD BUSINESS:

- A. Ordinance 12-08, authorizing an easement from Randy and Lisa Johnson for the purpose of a sewer line and entering into an agreement for grazing rights of real property of the City of Holbrook, 2nd reading (Pg 25)
- B. Discussion/possible action regarding lease agreement with Randy and Lisa Johnson for grazing rights on real property of the City of Holbrook.(Pg 28)

10) NEW BUSINESS:

- A. Discussion/possible action regarding agreement with Albert Holler and Associates for sales tax audit-Manager Alley.
- B. Discussion/possible action regarding lease agreement with Operation 29:11 for real property of the City of Holbrook located at old NPC campus-Manager Alley. (Pg 42)
- C. Discussion/possible action regarding naming EDCS as a sole source provider for the City's telemetry system and video/camera system-Manager Alley.
- D. Discussion/possible action regarding reimbursing a portion of City Employee's cell phone expense as a replacement for hand held radios-Manager Alley.

11) EXECUTIVE SESSION:

- A. Per ARS 38-431.03(A) (3), the Council may adjourn into executive session for discussion or consultation or legal advice with the City Attorney for any item listed on the agenda.

12) POST EXECUTIVE SESSION:

13) CALL TO THE AUDIENCE:

The City Council welcomes public comment at this time for items not listed on this Agenda. There is a three minute time limit per citizen.

14) ADJOURNMENT:

Dated this 10th day of September 2012.

  
Cher Reyes, CMC, CPM, City Clerk

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on the City Council agenda. Matters discussed by the public during public appearances cannot be discussed by the City Council unless they are specifically listed on this agenda. Speaker's visual aids or recorded tapes are not allowed. Members of the public shall refrain from making personal, impertinent or slanderous remarks and from becoming boisterous while addressing the City Council or while attending the meeting. Unauthorized remarks from the audience, clapping, stomping of feet, yelling or any similar demonstrations are also prohibited. Violations of these rules may result in removal from the City Council meeting. Individual members of the public body may respond to criticism made by those who have addressed the public body.

**PROCLAMATION**

**WHEREAS**, treatment and recovery improve the community's welfare and provide a renewed outlook on life for those who struggle with substance use disorders and their family and friends; and

**WHEREAS**, 23.2 million people aged 12 or older in the United States needed treatment for a substance abuse disorder in 2007, and 5.4 million adults also suffered from a concurrent mental illness; and

**WHEREAS**, studies have indicated that 8.9 percent of people who made an effort to get treatment, but did not receive it, were concerned that receiving treatment might cause neighbors or community members to have negative opinions of them. However, most say they would not have a negative opinion of a relative or friend in recovery from an addiction; and

**WHEREAS**, resources exist online and in our community to increase people's awareness about how substance abuse disorders affect children, families, and our society; and

**WHEREAS**, such education is essential to overcoming misconceptions and achieving long-term recovery; and

**NOW, THEREFORE, I**, Jeff Hill, Mayor and the Holbrook City Council do hereby proclaim the month of September 2012 as

***Recovery Month***

in Holbrook and call upon the people of Holbrook to observe this month with appropriate programs, activities, and ceremonies supporting this year's theme, "***Join the Voices for Recovery-It's Worth It***" by supporting men, women, and youth who have chosen the courageous path of recovery from mental health and substance abuse disorders.

Signed this 18<sup>th</sup> day of September at the City of Holbrook, State of Arizona, 2012.

\_\_\_\_\_  
Jeff Hill, Mayor

ATTEST:

Approved As to form:

\_\_\_\_\_  
Cher Reyes, CMC, CPM, City Clerk

\_\_\_\_\_  
Sterling Solomon, City Attorney

**CITY OF HOLBROOK**

**INVOICE APPROVAL REPORT**

**BY GL NUMBER EXCLUDING  
WALT'S HARDWARE**

09/07/2012 THRU 09/12/2012

**TOTAL**

**\$79,337.30**

| Invoice No                     | Seq | Type | Vendor Name<br>Description<br>Inventory No | Vendor No | Inv Date<br>Due Date | Total Cost | Term<br>1099 | Disc Date  | Disc Amt | PO Number    | GL Per<br>GL Acct | R    |
|--------------------------------|-----|------|--|-----------|----------------------|------------|--------------|------------|----------|--------------|-------------------|------|
| <b>9/7/2012</b>                |     |      |  |           |                      |            |              |            |          |              |                   |      |
| VERIZON WIRELESS               |     |      |  | 530       |                      |            |              |            |          |              |                   |      |
| 1113033114                     | 1   | Inv  | UTILITIES                                  |           | 08/21/2012           | 57.01      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-031-5048 |                   |      |
| 1113033114                     | 2   | Inv  | UTILITIES                                  |           | 08/21/2012           | 41.10      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 002-092-5048 |                   |      |
| 1113033114                     | 3   | Inv  | UTILITIES                                  |           | 08/21/2012           | 41.10      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 002-092-5048 |                   |      |
| 1113033114                     | 4   | Inv  | UTILITIES                                  |           | 08/21/2012           | 55.92      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-060-5048 |                   |      |
| 1113033114                     | 5   | Inv  | UTILITIES                                  |           | 08/21/2012           | 117.67     | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-050-5048 |                   |      |
| 1113033114                     | 6   | Inv  | UTILITIES                                  |           | 08/21/2012           | 76.62      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-004-5048 |                   |      |
| 1113033114                     | 7   | Inv  | UTILITIES                                  |           | 08/21/2012           | 57.13      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 002-090-5048 |                   |      |
| 1113033114                     | 8   | Inv  | UTILITIES                                  |           | 08/21/2012           | 37.65      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-031-5048 |                   |      |
| 1113033114                     | 9   | Inv  | UTILITIES                                  |           | 08/21/2012           | 51.85      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 007-087-5048 |                   |      |
| 1113033114                     | 10  | Inv  | UTILITIES                                  |           | 08/21/2012           | 38.85      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-040-5048 |                   |      |
| 1113033114                     | 11  | Inv  | UTILITIES                                  |           | 08/21/2012           | 71.83      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-085-5048 |                   |      |
| 1113033114                     | 12  | Inv  | UTILITIES                                  |           | 08/21/2012           | 33.01      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/05/2012           |            | No           |            |          | 001-084-5048 |                   |      |
| Total 1113033114               |     |      |  |           |                      | 679.74     |              |            |          |              |                   |      |
| Total 530                      |     |      |  |           |                      | 679.74     |              |            |          |              |                   |      |
| QUALITY READY MIX-CEMEX        |     |      |  | 9955      |                      |            |              |            |          |              |                   |      |
| 9424516327                     | 1   | Inv  | CONCRETE                                   |           | 09/05/2012           | 11,745.09  | 8            | 09/20/2012 | 109.66   |              |                   | 9/12 |
|                                |     |      |  |           | 09/07/2012           |            | No           |            |          | 007-087-5026 |                   |      |
| 942516328                      | 1   | Inv  | CONCRETE                                   |           | 09/05/2012           | 768.37     | 8            | 09/20/2012 | 7.17     |              |                   | 9/12 |
|                                |     |      |  |           | 09/07/2012           |            | No           |            |          | 007-087-5026 |                   |      |
| Total 9955                     |     |      |  |           |                      | 12,513.46  |              |            |          |              |                   |      |
| CITY OF SHOW LOW               |     |      |  | 21527     |                      |            |              |            |          |              |                   |      |
| 08172012                       | 1   | Inv  | LEAGUE BOOTH                               |           | 08/17/2012           | 134.77     | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/07/2012           |            | No           |            |          | 001-001-5035 |                   |      |
| QUILL OFFICE PRODUCTS          |     |      |  | 9990      |                      |            |              |            |          |              |                   |      |
| 5458077                        | 1   | Inv  | SUPPLIES                                   |           | 08/30/2012           | 82.29      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/20/2012           |            | No           |            |          | 001-004-5021 |                   |      |
| ARIZONA DEPT OF TRANSPORTATION |     |      |  | 1262      |                      |            |              |            |          |              |                   |      |
| 21339                          | 1   | Inv  | MCLAWS ROAD PROEJCT                        |           | 08/24/2012           | 6,687.00   | 3            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/20/2012           |            | No           |            |          | 027-004-5058 |                   |      |
| HOLBROOK VETERINARY CLINIC     |     |      |  | 20796     |                      |            |              |            |          |              |                   |      |
| 7865                           | 1   | Inv  | VET SERVICES                               |           | 09/04/2012           | 75.00      | 0            |            | .00      |              |                   | 9/12 |
|                                |     |      |  |           | 09/13/2012           |            | No           |            |          | 001-050-5049 |                   |      |
| 7863                           | 1   | Inv  | VET SERVICES                               |           | 09/04/2012           | 45.00      | 0            |            | .00      |              |                   | 9/12 |

| Invoice No                    | Seq | Type | Vendor Name<br>Description<br>Inventory No | Vendor No | Inv Date<br>Due Date     | Total Cost | Term<br>1099 | Disc Date  | Disc Amt | PO Number    | GL Per<br>GL Acct | R    |
|-------------------------------|-----|------|--|-----------|--------------------------|------------|--------------|------------|----------|--------------|-------------------|------|
|                               |     |      |  |           | 09/13/2012               |            | No           |            |          | 001-050-5049 |                   |      |
| Total 20796                   |     |      |  |           |                          | 120.00     |              |            |          |              |                   |      |
| HATCH CONSTRUCTION &<br>11177 | 1   | Inv  | COLD MIX                                   | 5860      | 08/20/2012<br>09/13/2012 | 3,071.49   | 9<br>No      | 08/30/2012 | .00      | 007-087-5026 |                   | 9/12 |
| CASELLE INC<br>44399          | 1   | Inv  | SUPPORT                                    | 3140      | 09/01/2012<br>09/20/2012 | 870.67     | 0<br>No      |            | .00      | 001-004-5049 |                   | 9/12 |
| Total 9/7/2012                |     |      |  |           |                          | 24,159.42  |              |            |          |              |                   |      |

09/07/2012 GL Period Summary

| GL Period | Amount           |
|-----------|------------------|
| 9/12      | 24,159.42        |
|           | <u>24,159.42</u> |

| Invoice No                    | Seq | Type | Vendor Name<br>Description<br>Inventory No | Vendor No | Inv Date<br>Due Date | Total Cost | Term<br>1099 | Disc Date | Disc Amt | PO Number    | GL Per<br>GL Acct | R    |
|-------------------------------|-----|------|--|-----------|----------------------|------------|--------------|-----------|----------|--------------|-------------------|------|
| <b>9/10/2012</b>              |     |      |  |           |                      |            |              |           |          |              |                   |      |
| AUTO SAFETY HOUSE             |     |      | 1571                                       |           |                      |            |              |           |          |              |                   |      |
| 3222480004                    | 1   | Inv  | PARTS/REPAIRS                              |           | 09/04/2012           | 362.02     | 2            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-085-5026 |                   |      |
| 3222490003                    | 1   | Inv  | PARTS/REPAIRS                              |           | 09/05/2012           | 35.36      | 2            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/20/2012           |            | No           |           |          | 007-087-5024 |                   |      |
| Total 1571                    |     |      |  |           |                      | 397.38     |              |           |          |              |                   |      |
| WELLS FARGO REMITTANCE CENTER |     |      | 20946                                      |           |                      |            |              |           |          |              |                   |      |
| 09042012                      | 1   | Inv  | PARTS                                      |           | 09/04/2012           | 75.80      | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-040-5024 |                   |      |
| 09042012                      | 2   | Inv  | PARTS                                      |           | 09/04/2012           | 309.95     | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-085-5024 |                   |      |
| 09042012                      | 3   | Inv  | BOOKS                                      |           | 09/04/2012           | 250.03     | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-020-5026 |                   |      |
| 09042012                      | 4   | Inv  | SUPPLIES                                   |           | 09/04/2012           | 61.27      | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-004-5021 |                   |      |
| 09042012                      | 5   | Inv  | SUPPLIES                                   |           | 09/04/2012           | 46.99      | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-085-5021 |                   |      |
| 09042012                      | 6   | Inv  | TRAVEL                                     |           | 09/04/2012           | 69.00      | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-001-5045 |                   |      |
| Total 09042012                |     |      |  |           |                      | 813.04     |              |           |          |              |                   |      |
| Total 20946                   |     |      |  |           |                      | 813.04     |              |           |          |              |                   |      |
| HIRERIGHT SOLUTIONS INC       |     |      | 21409                                      |           |                      |            |              |           |          |              |                   |      |
| 4809-083112                   | 1   | Inv  | PROFESSIONAL SERVICE                       |           | 08/31/2012           | 29.25      | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/20/2012           |            | No           |           |          | 002-090-5019 |                   |      |
| 4809-083112                   | 2   | Inv  | PROFESSIONAL SERVICE                       |           | 08/31/2012           | 59.50      | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/20/2012           |            | No           |           |          | 007-087-5019 |                   |      |
| Total 0044809-083112          |     |      |  |           |                      | 88.75      |              |           |          |              |                   |      |
| Total 21409                   |     |      |  |           |                      | 88.75      |              |           |          |              |                   |      |
| ESPITIA, JOHN                 |     |      | 4768                                       |           |                      |            |              |           |          |              |                   |      |
| 4171                          | 1   | Inv  | PROF SERVICES                              |           | 09/08/2012           | 100.00     | 2            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | Yes          |           |          | 001-005-5060 |                   |      |
| ADVANCED INFOR SYSTEMS        |     |      | 21240                                      |           |                      |            |              |           |          |              |                   |      |
| 9818                          | 1   | Inv  | UTILITY BILLING                            |           | 08/31/2012           | 167.16     | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 002-092-5042 |                   |      |
| 9818                          | 2   | Inv  | UTILITY BILLING                            |           | 08/31/2012           | 167.16     | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 002-091-5042 |                   |      |
| 9818                          | 3   | Inv  | UTILITY BILLING                            |           | 08/31/2012           | 167.16     | 0            |           | .00      |              |                   | 9/12 |
|                               |     |      |  |           | 09/12/2012           |            | No           |           |          | 002-090-5042 |                   |      |
| Total 9818                    |     |      |  |           |                      | 501.48     |              |           |          |              |                   |      |
| Total 21240                   |     |      |  |           |                      | 501.48     |              |           |          |              |                   |      |
| MORGAN, JOHN CALVIN           |     |      | 21937                                      |           |                      |            |              |           |          |              |                   |      |
| 1633                          | 1   | Inv  | HOSE BOXES                                 |           | 09/10/2012           | 400.00     | 0            |           | .00      |              |                   | 9/12 |

| Vendor Name                    |          | Vendor No     |              | Inv Date   | Total Cost | Term | Disc Date | Disc Amt | PO Number    | GL Per | R    |
|--------------------------------|----------|---------------|--------------|------------|------------|------|-----------|----------|--------------|--------|------|
| Invoice No                     | Seq Type | Description   | Inventory No |            |            |      |           |          |              |        |      |
|                                |          |               |              | 09/12/2012 |            | No   |           |          | 001-060-5052 |        |      |
| SAM'S CLUB 6604                |          |               | 10530        |            |            |      |           |          |              |        |      |
| 1354776144                     | 1 Inv    | SUPPLIES      |              | 07/31/2012 | 50.00      | 0    |           | .00      |              |        | 9/12 |
|                                |          |               |              | 09/12/2012 |            | No   |           |          | 001-004-5021 |        |      |
| WASTE MGT / PAINTED DESERT L/F |          |               | 9430         |            |            |      |           |          |              |        |      |
| 10897-0462-9                   | 1 Inv    | LANDFILL FEES |              | 09/01/2012 | 10,829.42  | 0    |           | .00      |              |        | 9/12 |
|                                |          |               |              | 09/12/2012 |            | No   |           |          | 002-090-5049 |        |      |
| Total 9/10/2012                |          |               |              |            | 13,180.07  |      |           |          |              |        |      |

09/10/2012 GL Period Summary

| GL Period | Amount           |
|-----------|------------------|
| 9/12      | 13,180.07        |
|           | <u>13,180.07</u> |

| Invoice No                     | Seq | Type | Vendor Name<br>Description<br>Inventory No | Vendor No | Inv Date<br>Due Date | Total Cost | Term<br>1099 | Disc Date | Disc Amt | PO Number    | GL Per<br>GL Acct | R      |
|--------------------------------|-----|------|--|-----------|----------------------|------------|--------------|-----------|----------|--------------|-------------------|--------|
| <b>9/12/2012</b>               |     |      |  |           |                      |            |              |           |          |              |                   |        |
| HOLBROOK VOL FIRE DEPT         |     |      |  | 6260      |                      |            |              |           |          |              |                   |        |
| 200593                         | 1   | Inv  | RETIREMENT                                 |           | 09/05/2012           | 1,916.59   | 0            |           | .00      |              |                   | 9/12 Y |
|                                |     |      |  |           | 09/05/2012           |            | No           |           |          | 001-060-5015 |                   |        |
| 200593                         | 2   | Inv  | UNIFORMS                                   |           | 09/05/2012           | 3,343.24   | 0            |           | .00      |              |                   | 9/12 Y |
|                                |     |      |  |           | 09/05/2012           |            | No           |           |          | 001-060-5023 |                   |        |
| Total 200593                   |     |      |  |           |                      | 5,259.83   |              |           |          |              |                   |        |
| Total 6260                     |     |      |  |           |                      | 5,259.83   |              |           |          |              |                   |        |
| SMARTWORKSPLUS, INC.           |     |      |  | 21532     |                      |            |              |           |          |              |                   |        |
| 23                             | 1   | Inv  | CONTRACT SERVICES                          |           | 09/15/2012           | .00        | 0            |           | .00      |              |                   | 9/12 Y |
|                                |     |      |  |           | 09/15/2012           |            | No           |           |          | 002-091-5049 |                   |        |
| 23                             | 2   | Inv  | CONTRACT SERVICES                          |           | 09/15/2012           | 2,511.02   | 0            |           | .00      |              |                   | 9/12 Y |
|                                |     |      |  |           | 09/15/2012           |            | No           |           |          | 001-050-5049 |                   |        |
| 23                             | 3   | Inv  | CONTRACT SERVICES                          |           | 09/15/2012           | 3,006.38   | 0            |           | .00      |              |                   | 9/12 Y |
|                                |     |      |  |           | 09/15/2012           |            | No           |           |          | 001-040-5049 |                   |        |
| 23                             | 4   | Inv  | COTNRACT SERVICES                          |           | 09/15/2012           | 2,723.72   | 0            |           | .00      |              |                   | 9/12 Y |
|                                |     |      |  |           | 09/15/2012           |            | No           |           |          | 001-005-5049 |                   |        |
| Total 23                       |     |      |  |           |                      | 3,219.08   |              |           |          |              |                   |        |
| Total 21532                    |     |      |  |           |                      | 3,219.08   |              |           |          |              |                   |        |
| CANYON PIPE & SUPPLY           |     |      |  | 3039      |                      |            |              |           |          |              |                   |        |
| 13419741.001                   | 1   | Inv  | MANHOLES & RINGS                           |           | 08/28/2012           | 67.53      | 2            |           | .00      |              |                   | 9/12   |
|                                |     |      |  |           | 09/20/2012           |            | No           |           |          | 002-092-5026 |                   |        |
| NAVAJO COUNTY INFORMATION TECH |     |      |  | 8722      |                      |            |              |           |          |              |                   |        |
| 1013-0000001                   | 1   | Inv  | INTERNET SERVICE                           |           | 07/31/2012           | 600.00     | 0            |           | .00      |              |                   | 9/12   |
|                                |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-020-5048 |                   |        |
| 113-00000003                   | 1   | Inv  | INTERNET SERVICE                           |           | 09/04/2012           | 600.00     | 0            |           | .00      |              |                   | 9/12   |
|                                |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-020-5048 |                   |        |
| Total 8722                     |     |      |  |           |                      | 1,200.00   |              |           |          |              |                   |        |
| MICRO MARKETING ASSOC          |     |      |  | 8150      |                      |            |              |           |          |              |                   |        |
| 32445                          | 1   | Inv  | BOOKS                                      |           | 08/09/2012           | 185.40     | 0            |           | .00      |              |                   | 9/12   |
|                                |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-020-5026 |                   |        |
| 32445                          | 2   | Inv  | BOOKS                                      |           | 08/09/2012           | 30.60      | 0            |           | .00      |              |                   | 9/12   |
|                                |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-020-5026 |                   |        |
| Total 32445                    |     |      |  |           |                      | 216.00     |              |           |          |              |                   |        |
| Total 8150                     |     |      |  |           |                      | 216.00     |              |           |          |              |                   |        |
| PENWORTHY                      |     |      |  | 9433      |                      |            |              |           |          |              |                   |        |
| 532029                         | 1   | Inv  | BOOKS                                      |           | 08/23/2012           | 577.21     | 1            |           | .00      |              |                   | 9/12   |
|                                |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-020-5026 |                   |        |
| DEMCO                          |     |      |  | 4210      |                      |            |              |           |          |              |                   |        |
| 4713474                        | 1   | Inv  | SUPPLIES                                   |           | 08/28/2012           | 243.46     | 0            |           | .00      |              |                   | 9/12   |
|                                |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-020-5021 |                   |        |

| Invoice No                  | Seq | Type | Vendor Name<br>Description<br>Inventory No | Vendor No | Inv Date<br>Due Date     | Total Cost | Term<br>1099 | Disc Date | Disc Amt | PO Number | GL Per<br>GL Acct | R    |
|-----------------------------|-----|------|--|-----------|--------------------------|------------|--------------|-----------|----------|-----------|-------------------|------|
| ADAMSON INDUSTRIES INC      |     |      |  | 240       |                          |            |              |           |          |           |                   |      |
| 111671                      | 1   | Inv  | SUPPLIES                                   |           | 08/28/2012<br>09/20/2012 | 9,910.25   | 0<br>No      |           | .00      |           | 001-050-5024      | 9/12 |
| CASANOVA M.D., FRANCISCO    |     |      |  | 3120      |                          |            |              |           |          |           |                   |      |
| 1000-187676                 | 1   | Inv  | PROF SERVICES                              |           | 08/28/2012<br>09/20/2012 | 292.74     | 0<br>Yes     |           | .00      |           | 001-050-5041      | 9/12 |
| ADAMSON INDUSTRIES INC      |     |      |  | 240       |                          |            |              |           |          |           |                   |      |
| 111604                      | 1   | Inv  | NEW CAR EQUIPMENT                          |           | 08/27/2012<br>09/20/2012 | 3,354.25   | 0<br>No      |           | .00      |           | 001-050-5024      | 9/12 |
| 111764                      | 1   | Inv  | NEW CAR EQUIPMENT                          |           | 09/04/2012<br>09/20/2012 | 119.80     | 0<br>No      |           | .00      |           | 001-050-5024      | 9/12 |
| Total 240                   |     |      |  |           |                          | 3,474.05   |              |           |          |           |                   |      |
| AUTO SAFETY HOUSE           |     |      |  | 1571      |                          |            |              |           |          |           |                   |      |
| 3222540003                  | 1   | Inv  | PARTS/REPAIRS                              |           | 09/10/2012<br>09/20/2012 | 11.76      | 2<br>No      |           | .00      |           | 002-090-5024      | 9/12 |
| 3222540004                  | 1   | Inv  | PARTS/REPAIRS                              |           | 09/10/2012<br>09/20/2012 | 4.25       | 2<br>No      |           | .00      |           | 002-090-5024      | 9/12 |
| Total 1571                  |     |      |  |           |                          | 16.01      |              |           |          |           |                   |      |
| FUTURE TIRE, INC.           |     |      |  | 5241      |                          |            |              |           |          |           |                   |      |
| W24923                      | 1   | Inv  | TIRES                                      |           | 09/11/2012<br>09/20/2012 | 2,036.57   | 2<br>No      |           | .00      |           | 002-090-5024      | 9/12 |
| W24848                      | 1   | Inv  | REPAIRS                                    |           | 09/04/2012<br>09/20/2012 | 35.00      | 2<br>No      |           | .00      |           | 007-087-5024      | 9/12 |
| Total 5241                  |     |      |  |           |                          | 2,071.57   |              |           |          |           |                   |      |
| HOLBROOK TRIBUNE NEWS       |     |      |  | 6240      |                          |            |              |           |          |           |                   |      |
| 120759                      | 1   | Inv  | ADVERTISEMENT                              |           | 08/31/2012<br>09/20/2012 | 168.00     | 0<br>No      |           | .00      |           | 001-001-5044      | 9/12 |
| 120758                      | 1   | Inv  | ADVERTISEMENT                              |           | 08/31/2012<br>09/20/2012 | 52.50      | 0<br>No      |           | .00      |           | 001-084-5044      | 9/12 |
| Total 6240                  |     |      |  |           |                          | 220.50     |              |           |          |           |                   |      |
| BANANA JONS                 |     |      |  | 2177      |                          |            |              |           |          |           |                   |      |
| 12-1808                     | 1   | Inv  | RENTAL/MAINT                               |           | 09/07/2012<br>09/20/2012 | 280.00     | 2<br>No      |           | .00      |           | 001-031-5047      | 9/12 |
| UNIVERSAL POLICE SUPPLY CO. |     |      |  | 12400     |                          |            |              |           |          |           |                   |      |
| 131942                      | 1   | Inv  | UNIFORMS                                   |           | 09/05/2012<br>09/20/2012 | 173.08     | 2<br>No      |           | .00      |           | 001-050-5023      | 9/12 |
| THE PUMP COMPANY            |     |      |  | 21921     |                          |            |              |           |          |           |                   |      |
| 2426                        | 1   | Inv  | WELL #3 PROJECT                            |           | 09/11/2012<br>09/12/2012 | 13,485.44  | 0<br>No      |           | .00      |           | 027-004-5001      | 9/12 |
| O'REILLY AUTO PARTS         |     |      |  | 21622     |                          |            |              |           |          |           |                   |      |
| 189091                      | 1   | Inv  | 84.52                                      |           | 09/05/2012<br>09/20/2012 | 84.52      | 0<br>No      |           | .00      |           | 001-085-5026      | 9/12 |

R Column: Y = Recurring Payment

| Invoice No                | Seq | Type | Vendor Name<br>Description<br>Inventory No | Vendor No | Inv Date<br>Due Date | Total Cost | Term<br>1099 | Disc Date | Disc Amt | PO Number    | GL Per<br>GL Acct | R    |
|---------------------------|-----|------|--|-----------|----------------------|------------|--------------|-----------|----------|--------------|-------------------|------|
| 189291                    | 1   | Inv  | PARTS                                      |           | 09/06/2012           | 13.81      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-085-5024 |                   |      |
| 188975                    | 1   | Inv  | PARTS                                      |           | 09/04/2012           | 5.49       | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 007-087-5024 |                   |      |
| 188990                    | 1   | Inv  | PARTS                                      |           | 09/04/2012           | 41.03      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 007-087-5024 |                   |      |
| 188999                    | 1   | Inv  | PARTS                                      |           | 09/04/2012           | 109.00     | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-085-5024 |                   |      |
| 189084                    | 1   | Inv  | PARTS                                      |           | 09/05/2012           | 12.69      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-050-5024 |                   |      |
| 189504                    | 1   | Inv  | PARTS                                      |           | 09/07/2012           | 53.83      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-031-5024 |                   |      |
| 189509                    | 1   | Inv  | PARTS                                      |           | 09/07/2012           | 53.82      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-031-5024 |                   |      |
| 189477                    | 1   | Inv  | PARTS                                      |           | 09/07/2012           | 9.04       | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-031-5024 |                   |      |
| 189258                    | 1   | Inv  | PARTS                                      |           | 09/06/2012           | .85        | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 007-087-5024 |                   |      |
| 189255                    | 1   | Inv  | PARTS                                      |           | 09/06/2012           | 36.40      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-084-5024 |                   |      |
| 189254                    | 1   | Inv  | PARTS                                      |           | 09/06/2012           | 19.00      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 007-087-5024 |                   |      |
| Total 21622               |     |      |  |           |                      | 221.48     |              |           |          |              |                   |      |
| UNISOURCE ENERGY SERVICES |     |      | 3380                                       |           |                      |            |              |           |          |              |                   |      |
| 09072012                  | 1   | Inv  | UTILITIES                                  |           | 09/07/2012           | 17.09      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-060-5048 |                   |      |
| 09072012                  | 2   | Inv  | UTILITIES                                  |           | 09/07/2012           | 22.48      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-093-5048 |                   |      |
| 09072012                  | 3   | Inv  | UTILITIES                                  |           | 09/07/2012           | 32.60      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-050-5048 |                   |      |
| 09072012                  | 4   | Inv  | UTILITIES                                  |           | 09/07/2012           | 29.35      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-060-5048 |                   |      |
| 09072012                  | 5   | Inv  | UTILITIES                                  |           | 09/07/2012           | 22.48      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-084-5048 |                   |      |
| 09072012                  | 6   | Inv  | UTILITIES                                  |           | 09/07/2012           | 30.78      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-093-5048 |                   |      |
| 09072012                  | 7   | Inv  | UTILITIES                                  |           | 09/07/2012           | 11.24      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 002-091-5048 |                   |      |
| 09072012                  | 8   | Inv  | UTILITIES                                  |           | 09/07/2012           | 11.24      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 002-092-5048 |                   |      |
| 09072012                  | 9   | Inv  | UTILITIES                                  |           | 09/07/2012           | 27.07      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 001-085-5048 |                   |      |
| 09072012                  | 10  | Inv  | UTILITIES                                  |           | 09/07/2012           | 22.48      | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/12/2012           |            | No           |           |          | 007-087-5048 |                   |      |
| Total 09072012            |     |      |  |           |                      | 226.81     |              |           |          |              |                   |      |
| Total 3380                |     |      |  |           |                      | 226.81     |              |           |          |              |                   |      |
| SIMPSON NORTON            |     |      | 10840                                      |           |                      |            |              |           |          |              |                   |      |
| 1409924                   | 1   | Inv  | PARTS                                      |           | 08/30/2012           | 370.29     | 0            |           | .00      |              |                   | 9/12 |
|                           |     |      |  |           | 09/20/2012           |            | No           |           |          | 001-040-5024 |                   |      |

| Invoice No                    | Seq | Type | Vendor Name<br>Description<br>Inventory No | Vendor No | Inv Date<br>Due Date     | Total Cost | Term<br>1099 | Disc Date | Disc Amt | PO Number | GL Per<br>GL Acct | R    |
|-------------------------------|-----|------|--|-----------|--------------------------|------------|--------------|-----------|----------|-----------|-------------------|------|
| JACK'S MUSTANG                |     |      |  | 10250     |                          |            |              |           |          |           |                   |      |
| 22544                         | 1   | Inv  | PROPANE                                    |           | 09/11/2012<br>09/20/2012 | 19.82      | 0<br>No      |           | .00      |           | 002-090-5027      | 9/12 |
| O'REILLY AUTO PARTS           |     |      |  | 21622     |                          |            |              |           |          |           |                   |      |
| 189259                        | 1   | Inv  | PARTS                                      |           | 09/06/2012<br>09/20/2012 | 145.30     | 0<br>No      |           | .00      |           | 002-091-5024      | 9/12 |
| 190048                        | 1   | Inv  | PARTS                                      |           | 09/11/2012<br>09/20/2012 | 10.77      | 0<br>No      |           | .00      |           | 007-087-5024      | 9/12 |
| Total 21622                   |     |      |  |           |                          | 156.07     |              |           |          |           |                   |      |
| WELLS FARGO REMITTANCE CENTER |     |      |  | 20946     |                          |            |              |           |          |           |                   |      |
| 09042012                      | 7   | Inv  | TRAVEL                                     |           | 09/04/2012<br>09/12/2012 | 107.29     | 0<br>No      |           | .00      |           | 001-050-5045      | 9/12 |
| LEONARD, BRANON C.            |     |      |  | 21939     |                          |            |              |           |          |           |                   |      |
| 1751.15                       | 1   | Inv  | UTILITY REFUND                             |           | 09/10/2012<br>09/12/2012 | 39.30      | 0<br>No      |           | .00      |           | 002-0002520       | 9/12 |
| AZ ASSET RECOVERY LLC         |     |      |  | 21938     |                          |            |              |           |          |           |                   |      |
| 257505                        | 1   | Inv  | REFUND DEPISUT                             |           | 09/06/2012<br>09/12/2012 | 150.00     | 0<br>No      |           | .00      |           | 002-0002520       | 9/12 |
| Total 9/12/2012               |     |      |  |           |                          | 41,997.81  |              |           |          |           |                   |      |

09/12/2012 GL Period Summary

| GL Period    | Amount                  |
|--------------|-------------------------|
| 9/12         | 41,997.81               |
|              | <u>41,997.81</u>        |
| Grand Total: | <u><u>79,337.30</u></u> |

Report GL Period Summary

| GL Period | Amount           |
|-----------|------------------|
| 9/12      | 79,337.30        |
|           | <u>79,337.30</u> |

Vendor Number Hash: 745724  
 Vendor Number Hash - Split: 1029599  
 Total Number of Invoices: 60  
 Total Number of Transactions: 93

| Invoice No | Seq | Vendor Name<br>Type | Vendor No<br>Description<br>Inventory No | Inv Date<br>Due Date | Total Cost | Term<br>1099 | Disc Date | Disc Amt | PO Number | GL Per<br>GL Acct | R |
|------------|-----|---------------------|--|----------------------|------------|--------------|-----------|----------|-----------|-------------------|---|
|------------|-----|---------------------|--|----------------------|------------|--------------|-----------|----------|-----------|-------------------|---|

| TC | Terms Description | Invoice Amt      | Discount Amt  | Net Inv Amt      |
|----|-------------------|------------------|---------------|------------------|
| 0  | Open Terms        | 53,382.57        | .00           | 53,382.57        |
| 1  | NET 20            | 577.21           | .00           | 577.21           |
| 2  | NET 7             | 3,105.57         | .00           | 3,105.57         |
| 3  | IMMEDIATELY       | 6,687.00         | .00           | 6,687.00         |
| 8  | 1% 15TH, NET 30TH | 12,513.46        | 116.83        | 12,396.63        |
| 9  | 3% 10TH           | 3,071.49         | .00           | 3,071.49         |
|    |                   | <u>79,337.30</u> | <u>116.83</u> | <u>79,220.47</u> |

465 First Avenue  
P.O. Box 970  
Holbrook, AZ 86025

# CITY OF HOLBROOK

Telephone: (928) 524-6225  
Fax: (928) 524-2159  
holbrookcity@ci.holbrook.az.us



*The City of Holbrook Government exists to provide ethical and responsible local government.*

## AGENDA

### REGULAR CITY COUNCIL MEETING

AUGUST 15, 2012

6:00 P.M.

Pursuant to ARS 38-431.02, notice is hereby given to the Holbrook City Council, and to the general public, that a meeting, which is open to the public, will be held on above-mentioned date, in the City Council Chambers, at 465 First Avenue, Holbrook, Arizona. Some of the members of the City Council may choose to participate in this meeting telephonically. The City Council may adjourn into executive session, which will not be open to the public, to discuss certain matters in accordance with ARS 38-431.03.

The items on the following agenda are for discussion or consideration and possible action:

- 1) CALL TO ORDER:
- 2) ROLL CALL:
- 3) PLEDGE OF ALLEGIANCE/INVOCATION:
- 4) PUBLIC ANNOUNCEMENTS AND PRESENTATIONS (Please limit to 10 minutes).
  - A. Proclamation "Navajo County Fair Days September 12-16, 2012"  
pg 3)
- 5) CALL TO THE AUDIENCE:  
The City Council welcomes public comment at this time only for items listed on this Agenda. There is a five minute time limit per citizen.
- 6) CONSENT AGENDA
  - A. Claims/payment approval for July 19, 2012 thru August 9, 2012:  
Documentation for claims is available at City Hall. Pg 4)
  - B. Minutes of the regular meeting held on July 24, 2012. (pg 30)
- 7) CLAIMS/PAYMENT APPROVAL FOR WALT'S HARDWARE: \$1296.05  
(Pg 37)

8) REPORTS:

**Mayor:**  
**Council Members:**  
**Manager:**

9) OLD BUSINESS:

10) NEW BUSINESS:

- A. Ordinance 12-05, authorizing the purchase of real property from Mary Barker known as Parcel Number 109-16-025, and declaring an emergency. (Pg 40)
- B. Discussion/possible action regarding bid results for hauling of services-Manager Alley. (Pg 60)
- C. Discussion/possible action regarding the appointment of Terri Walker to NACOG Economic Development Council-Manager Alley.
- D. Discussion/possible action regarding City-wide cleanup for Navajo County Fair-Councilmember Tyler.
- E. Discussion/possible action regarding holding one Council meeting per month-Council and Manager Alley. (Pg 64)
- F. Discussion/possible action regarding Variable Frequency Drive pump bid results-Manager Alley. (Pg 65)

11) EXECUTIVE SESSION:

- A. Per ARS 38-431.03(A) (3), the Council may adjourn into executive session for discussion or consultation or legal advice with the City Attorney for any item listed on the agenda.

12) POST EXECUTIVE SESSION:

13) CALL TO THE AUDIENCE:

The City Council welcomes public comment at this time for items not listed on this Agenda. There is a three minute time limit per citizen.

14) ADJOURNMENT:

Dated this 6th day of August 2012.

  
Cher Reyes, CMC, CPM, City Clerk

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on the City Council agenda. Matters discussed by the public during public appearances cannot be discussed by the City Council unless they are specifically listed on this agenda. Speaker's visual aids or recorded tapes are not allowed. Members of the public shall refrain from making personal, impertinent or slanderous remarks and from becoming boisterous while addressing the City Council or while attending the meeting. Unauthorized remarks from the audience, clapping, stomping of feet, yelling or any similar demonstrations are also prohibited. Violations of these rules may result in removal from the City Council meeting. Individual members of the public body may respond to criticism made by those who have addressed the public body.

1  
2                   MINUTES OF THE REGULAR MEETING OF THE  
3                   HOLBROOK CITY COUNCIL HELD ON August 15, 2012  
4

5   CALL TO ORDER:

6  
7   Mayor Hill called the meeting to order at 6:00 p.m.

8   ROLL CALL:

9   Mayor Jeff Hill, Vice-Mayor Charles Haussman, Councilmember's Richard Peterson,  
10   Myron Maxwell, Bobby Tyler and Phil Cobb. Councilmember Carlisle was absent and  
11   excused due to work.

12   PLEDGE OF ALLEGIANCE/INVOCATION:

13   Manager Alley led the pledge of allegiance and Chief of Police Mark Jackson gave the  
14   invocation.

15   CITY STAFF:

16   City Manager Ray Alley, Finance Director Randall Sullivan, Chief of Police Mark  
17   Jackson, Accounting Specialist Ron Eisele and City Clerk Cher Reyes.

18   CEREMONIALS/ANNOUNCEMENTS/PRESENTATION:

19   Vice-Mayor Haussman read a proclamation for Navajo County Fair Days.  
20   Councilmember Cobb made a motion to approve the proclamation and Councilmember  
21   Maxwell seconded. The motion carried unanimously and September. 12-16, 2012 was  
22   proclaimed as Navajo county Fair Days.

23   PETITIONS FROM THE PUBLIC:

24   CONSENT AGENDA:

- 25       A. Claims/payment approval for July 19, 2012 thru August 9, 2012.  
26       B. Minutes of the regular meeting held on July 24, 2012.

1 Councilmember Cobb made a motion to approve the consent agenda. Vice Mayor  
2 Hausman seconded and the motion carried unanimously.

3 CLAIMS/PAYMENT APPROVAL FOR: Walt's Hardware:

4 Mayor Hill recused himself from his item as he is an owner of Walt's Hardware and left the  
5 chambers. Councilmember Tyler made a motion to approve the claims for Walt's Hardware in  
6 the amount of \$1296.05. Councilmember Peterson seconded and the motion carried  
7 unanimously.

8 SUMMARY OF CURRENT EVENTS:

9 Mayor:

10 A. Mayor Hill reported that he would be attending the Resolutions Committee  
11 on August 28, 2012 at the League Conference. Mayor Hill stated that he will  
12 be also attending a committee meeting on August 20 for the proposed  
13 transient alcohol legislation.

14 Councilmember:

15 A. Councilmember Cobb reported that the Elk's held a fund raiser last  
16 weekend for a Holbrook individual and raised \$7500.00. Councilmember  
17 Cobb thanked everyone who participated.

18 B. Councilmember Maxwell stated that Holbrook looks good and offered  
19 kudos to John Guttery for a job well done.

20 C. Councilmember Maxwell reported that the EPA meeting was interesting.

21 D. Councilmember Tyler congratulated the Elks on their fundraiser.

22 E. Councilmember Tyler stated reported that the executioner did not see the  
23 people's faces at the EPA meeting.

1 F. Vice-Mayor Haussman reported that the new teachers in the school  
2 district have commented on how friendly business owners and citizens have  
3 been to them and thanked Holbrook residents for their efforts.

4 Manager's Report:

5 A. Manager Alley reported that crews are done with concrete work on the  
6 west end of town and will be moving onto East Delaware and 1<sup>st</sup> Avenue.

7 B. Manager Alley reported that all the millings have been used up on every  
8 dirt road within the City and they will all be chip sealed in September.

9 C. Chief Jackson reported that Officer Cole has left the Department and  
10 returned to NCSO so the SRO has been temporarily pulled out of High  
11 School. Chief Jackson reported that Sean Tyler has been hired as a new  
12 officer and is currently attending the academy.

13 D. Chief Jackson reported that one of the new police cars is complete. Chief  
14 Jackson reported that the cars were not equipped at factory as they were  
15 supposed to be so the City will either be getting money back or some other  
16 form of compensation. Council took a five minutes recess to view the new  
17 police car.

18 OLD BUSINESS:

19 NEW BUSINESS:

20 A. Mayor Hill presented Ordinance 12-05 captioned as follows:

21 **AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE**  
22 **CITY OF HOLBROOK, ARIZONA, AUTHORIZING**  
23 **THE ACQUISITION OF REAL PROPERTY BY THE CITY OF HOLBROOK:**  
24 **NAMELY PARCEL NUMBER 109-16-025, MORE FULLY DESCRIBED IN EXHIBIT "A"**  
25 **ATTACHED HERETO, DECLARING AN EMERGENCY AND FIXING THE**  
26 **EFFECTIVE DATE THEREOF.**  
27

1 Manager Alley explained to the Council that he would like to purchase this property  
2 from Ms. Barker for a sewer line. Manager Alley stated that the installation of this line  
3 will allow the City to abandon the lift station at this location. Manager Alley stated that  
4 this particular lift station goes down continually and causes lots of problems. Manager  
5 Alley stated that Ms. Barker will sell the land to the City for \$8000.00 and that there is a  
6 possibility that once the sewer line is completed that property can be resold. Manager  
7 Alley stated that the Ordinance has an emergency clause due to constant failure of the  
8 lift station which causes life, health and safety issues to the Citizens of Holbrook.  
9 Councilmmber Cobb made a motion to adopt Ordinance 12-05. Vice-Mayor Hausman  
10 seconded. A roll call vote was held with the following results: Councilmember Cobb,  
11 "aye", Vice-Mayor Hausman, "aye", Councilman Maxwell, "aye", Councilmember  
12 Peterson, "aye", Councilmember Tyler, "aye" and Mayor Hill, "aye".  
13 B. Manager Alley presented bids for hauling of millings, gravel and other  
14 materials. Manager Alley stated that Cholla Ready Mix was the lowest most  
15 responsible bidder at \$85.00 per hour and recommended that the bid be  
16 awarded to them. Councilmember Maxwell made a motion to award the  
17 hauling bid to Cholla Ready Mix as the lowest most responsible bidder.  
18 Councilmember Cobb seconded and the motion carried unanimously.  
19 C. Manager Alley stated that he believed that Teri Walker should replace  
20 Finance Director Sullivan on the NACOG Economic Development Council as  
21 she will be handling economic development for the City. Manager Alley stated  
22 that if Council was in agreement they would need to appoint Ms. Walker to the  
23 Council. Councilmember Cobb made a motion to appoint Teri Walker to the

1 NACOG Economic Development Council. Councilmember Tyler seconded and  
2 he motion carried unanimously.

3 D. Manager Alley

4 E. Manager Alley stated that due to the fact that there is not much business on  
5 Council meetings that he feels one Council meeting per month could be held if  
6 Council would so desire. Manager Alley suggested if they decide to do this the  
7 meeting be held on the third Tuesday of the month as it will be opposite of the  
8 School Board meetings. Manager Alley stated that if something comes up an  
9 emergency meeting could always be held. City Clerk Reyes stated that the  
10 Charter states that only one meeting per month has to be held so it would be  
11 legal to do this. Vice-Mayor Haussman made a motion to hold one Council  
12 Meeting per month on the third Tuesday of the month at 6 p.m. Mayor Hill  
13 seconded and the motion carried unanimously.

14 F. Manager Alley asked that Ron Eisele, Accounting Specialist be allowed to  
15 speak on the bids for the Variable Frequency Drives. Mr. Eisele stated that the  
16 City has bid the project for variable frequency drive pumps and motors twice  
17 and was provided one quote for a retrofit service from LARON. Mr. Eisele  
18 stated that when the treatment plant was originally built the variable speed  
19 drives were in place but have never been used. Mr. Eisele recommended that  
20 LARON be awarded the bid to complete one pump in the amount of \$7350.17.  
21 Mr. Eisele stated that this will give Staff the opportunity to evaluate their work  
22 and determine overall performance. Mr. Eisele stated that if the City is  
23 satisfied with their work they can arrange for them to complete the remaining

1 pumps. Vice-Mayor Haussman made a motion to award the bid in the amount  
2 of \$7350.17. Councilmember Tyler seconded and the motion carried  
3 unanimously.

4 EXECUTIVE SESSION:

5 POST EXECUTIVE SESSION:

6 CALL TO THE AUDIENCE:

7 ADJOURNMENT:

8 There being no further business to come before the Council at this time Mayor Hill  
9 adjourned the meeting by unanimous consent at 6:30 p.m.

10

11

\_\_\_\_\_  
Jeff Hill, Mayor

12

CERTIFICATION:

13 I hereby certify that the foregoing minutes are a true and correct copy of the minutes of  
14 the regular meeting of the Holbrook City Council held on the August 15, 2012. I further  
15 certify that the meeting was duly called and held and that a quorum was present.

16

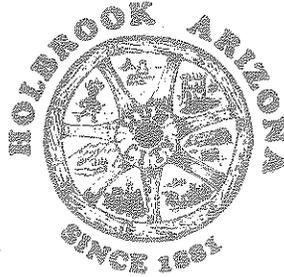
17

\_\_\_\_\_  
Cher Reyes, CMC, CPM, City Clerk

18

465 First Avenue  
P.O. Box 970  
Holbrook, AZ 86025

# CITY OF HOLBROOK



Telephone: (928) 524-6225  
Fax: (928) 524-2159  
holbrookcity@ci.holbrook.az.us

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AGENDA  
SPECIAL MEETING OF THE HOLBROOK CITY COUNCIL  
JULY 31, 2012  
5:30 P.M.

Pursuant to ARS 38-431.02, notice is hereby given to the Holbrook City Council, and to the general public, that a meeting, which is open to the public, will be held on above-mentioned date, in the City Council Chambers, at 465 First Avenue, Holbrook, Arizona. Some of the members of the City Council may choose to participate in this meeting telephonically.

The items on the following agenda are for discussion and possible consideration:

CONSENT AGENDA

- A. Claims/payment approval for July 19, 2012 thru July 26, 2012:  
Documentation for claims is available at City Hall.(Pg 2)

CLAIMS/PAYMENT APPROVAL FOR WALT'S HARDWARE: \$559.46(Pg 17)

PUBLIC HEARING: Truth in Taxation

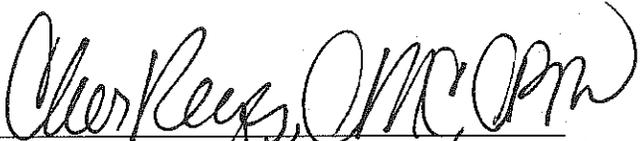
OLD BUSINESS:

- A. Ordinance 12-03, accepting and establishing a portion of "Blue Sage Lane", <sup>first</sup> reading. (pg 19)  
*and*

NEW BUSINESS:

- A. Resolution 12-06, adoption of the budget for Fiscal Year 2012-2013.(Pg 22)
- B. Ordinance 12-04, levying upon the assessed valuation of the property within the City of Holbrook subject to taxation a certain sum.(Pg 23)

Dated this 25th Day of July 2012.

  
Cher Reyes, CMC, CPM, City Clerk

1 MINUTES OF THE HOLBROOK CITY COUNCIL SPECIAL MEETING HELD ON  
2 JULY 31, 2012  
3

4 CALL TO ORDER:

5 Vice-Mayor Charles Haussman called the meeting to order at 5:30 p.m.

6 Roll Call:

7 Mayor Jeff Hill, Councilmember's Wade Carlisle, Richard Peterson, Myron Maxwell and  
8 Phil Cobb. Vice-Mayor Charles Haussman was absent and excused due to work.

9 CITY STAFF:

10 City Manager Ray Alley, Finance Director Randy Sullivan and City Clerk Cher Reyes.

11 CONSENT AGENDA:

12 Claims/payment approval for July 19, 2012 thru July 26, 2102.

13 Councilmember Cobb made a motion to approve the consent agenda. Councilmember  
14 Tyler seconded and the motion carried unanimously.

15 CLAIMS/PAYMENT APPROVAL FOR WALT'S HARDWARE:

16 Mayor Hill and Councilmember Carlisle recused themselves from this item as they are  
17 the owners of Walt's Hardware and left the chambers. Councilmember Tyler made a  
18 motion to approve the claims for Walt's Hardware in the amount of \$559.46.  
19 Councilmember Peterson seconded and the motion carried unanimously.

20 PUBLIC HEARING:

21 Councilmember Cobb made a motion to open the hearing. Councilmember Tyler  
22 seconded and the hearing opened at 5:31 p.m. Finance Director Sullivan stated that  
23 the tax rate is the same as last year but the tax collection amount will decrease due to  
24 lower valuation of property. Councilmember Cobb made a motion to close the hearing.  
25 Vice-Mayor Haussman seconded and the hearing closed at 5:34 p.m.

1 OLD BUSINESS:

2 Mayor Hill presented Ordinance 12-03 captioned as follows for its second reading:

3 AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF HOLBROOK, ARIZONA,  
4 ACCEPTING AND ESTABLISHING "BLUE SAGE LANE"

5

6 Councilmember Cobb made a motion to adopt Ordinance 12-03. Mayor Hill seconded.

7 A roll call vote was held with the following results: Councilmember Carlisle, "aye".

8 Councilmember Cobb, "aye", Councilmember Maxwell, "aye", Councilmember Peterson,

9 "aye", Councilmember Tyler "aye" and Mayor Hill "aye"

10 NEW BUSINESS:

11 A. Mayor Hill presented Resolution 12-06 captioned as follows:

12 **RESOLUTION FOR THE ADOPTION OF THE BUDGET FISCAL YEAR 2012-2013**

13 Finance Director Sullivan stated that there have been no changes to the budget since  
14 the adoption of the tentative budget and the total budget is \$10,163,631.00.

15 Councilmember Peterson made a motion to adopt Resolution 12-06. Councilmember  
16 Cobb seconded and the motion carried unanimously.

17 B. Mayor Hill presented Ordinance 12-04 captioned as follows:

18 AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE  
19 PROPERTY WITHIN THE CITY OF HOLBROOK SUBJECT TO TAXATION A  
20 CERTAIN SUM CURRENT ESTIMATE 0.2789 UPON EACH ONE HUNDRED  
21 DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT  
22 ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE:  
23 PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES: FOR THE  
24 FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2013

25 Councilmember Cobb made a motion to adopt Ordinance 12-04. Councilmember Tyler  
26 seconded. A roll call vote was held with the following results: Councilmember Carlisle,

1 "aye". Councilmember Cobb, "aye", Councilmember Maxwell, "aye", Councilmember  
2 Peterson, "aye", Councilmember Tyler "aye" and Mayor Hill "aye"

3 .

4 Adjournment:

5

6 There being no further business to come before the Council, Councilmember Cobb  
7 made a motion to adjourn the meeting. Councilmember Tyler seconded and the  
8 meeting was adjourned at 5:42 p.m.

9

10

---

11

Jeff Hill, Mayor

12 **CERTIFICATION:**

13 I hereby certify that the foregoing minutes are a true and correct copy of the minutes of  
14 the Special Meeting of the Holbrook City Council held on the 31st day of July 2012. I  
15 further certify that the meeting was duly called and held and that a quorum was present.

16

17

18

19

---

Cher Reyes, CMC, CPM, City Clerk

**ORDINANCE NO. 12-08**

**AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF HOLBROOK, ARIZONA, AUTHORIZING THE PURCHASE OF AN EASEMENT FROM RANDY JOHNSON AND LISA JOHNSON FOR A SEWER LINE; NAMELY THE PROPERTY MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO; AND AUTHORIZING AN AGREEMENT FOR GRAZING RIGHTS ON REAL PROPERTY OWNED BY THE CITY OF HOLBROOK, MORE FULLY DESCRIBED IN EXHIBITS "B" "C" AND "D" ATTACHED HERETO.**

RECITALS:

**WHEREAS**, the Common Council of the City of Holbrook is authorized under A.R.S. §9-241, and under the Holbrook City Charter, Section 7.05(f), to acquire or purchase easement rights upon real property in order to carry out municipal purposes; and

**WHEREAS**, one of the municipal purposes of the City of Holbrook is to provide waste water/sewer services; and

**WHEREAS**, the need exists to purchase easement rights upon real property in order to properly carry out the municipal purpose of continuing to provide waste water/sewer services; and

**WHEREAS**, the City of Holbrook desires to purchase easements for a sewer line, more fully described in Exhibit "A" attached hereto; and

**WHEREAS**, Randy Johnson and Lisa Johnson hereby desire to give the easement described in Exhibit "A" attached hereto to the City for waste water/sewer purposes for the amount of \$10.00; and in exchange for a lease for grazing rights upon real property owned by the City of Holbrook namely parcels 109-16-129 and 109-16-130, 109-015-0118C and 109-16-999, which are more specifically described in Exhibits. "B", "C" and "D" attached hereto and also described in a separate lease agreement.

ENACTMENTS

**NOW, THEREFORE**, be it ordained by the Mayor and Council of the City of Holbrook, Arizona, as follows:

- SECTION 1. The property more full described in exhibit "A" attached hereto, shall be designated by a separate instrument executed by Randy Johnson and Lisa Johnson as an easement conveyed to the City of Holbrook for sewer/waste water purposes.
- SECTION 2. The Manager is authorized to sign all documents necessary to obtain the easements for the City of Holbrook, more specifically a lease agreement

for the grazing rights upon parcels 109-16-129, 109-16-130 , 109-15-018C and 109-16-999, which are real property owned by the City of Holbrook, more specifically described in Exhibit "B" , "C" and "D" which is attached hereto.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE CITY OF HOLBROOK, ARIZONA, this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Jeff A. Hill, Mayor

ATTEST:

\_\_\_\_\_  
Cher Reyes, CMC, CPM, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Sterling T. Solomon, City Attorney

SECTION 2. The Manager is authorized to sign all documents necessary to obtain the easements for the City of Holbrook, more specifically a lease agreement for the grazing rights upon parcels 109-16-129, 109-16-130, 109-15-018C and 109-16-999 which are real property owned by the City of Holbrook, more specifically described in Exhibits "B" "C" and "D" which are attached hereto. Said lease agreement for grazing rights shall only exist fifty (50) years and shall not be transferable to heirs, successors, assigns, or any other person(s) or entity(ies).

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE CITY OF HOLBROOK, ARIZONA, this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Jeff A. Hill, Mayor

ATTEST:

\_\_\_\_\_  
Cher Reyes, CMC, CPM, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Sterling T. Solomon, City Attorney

## LEASE OF PROPERTY FOR LIVESTOCK GRAZING

This livestock grazing lease is made between the City of Holbrook, Arizona, a municipal corporation of the State of Arizona (the "Lessor" or "City"); and Randy Johnson and Lisa Johnson, husband and wife (the "Tenant"), collectively "the Parties".

The Parties hereby agree as follows:

1. **Leased Premises.** The City owns real property in Navajo County, Arizona, more specifically described in Exhibit "A" attached hereto, and referred to hereinafter as "City Premises". Subject to the terms and conditions set forth herein, the City hereby grants a lease, and Tenant accepts such lease, for the nonexclusive use and occupancy of the City Premises.
2. **Term.** The Lease term will commence upon the date of execution of this agreement. The rent for the Lease shall be the Tenant's granting an easement for a waste water/ sewer line easement which shall be accomplished by the Tenant's execution of the Grant of Easement which is attached hereto as Exhibit "B" which shall be executed simultaneously with the execution of this lease agreement. The termination of this Lease shall be one (1) day after the waste water/sewer line easement is terminated by the City of Holbrook.
3. **Use of City Premises.** Tenant has the right to use the City Premises described herein as Exhibit "A" solely for the purposes of livestock grazing and activities necessary for the grazing of livestock and for no other purposes whatsoever, without hindrance, annoyance, disturbance, detriment, injury or offense to the general public. Tenant shall not maintain or commit, nor suffer to be maintained or committed any nuisance or waste in or about the City Premises. During the term of the Lease, the City Premises may not be used in any manner or for any purpose in violation of any federal, state, or local law, ordinance or regulation, order or directive of any governmental entity. Tenant shall exercise due care and conform with industry standards, at Tenant's sole expense, in such a manner as to unreasonable injure or destroy the vegetation or to put an excessive number of cattle on said premises incompatible with the amount of vegetation.

Tenant shall treat prairie dogs to the extent deemed reasonably necessary for Tenant to conduct its operations, in accordance with state and federal laws.

Tenant shall allow the City, or a sub-lessee of the City to use the City Premises for recreational purposes during the term of the Lease, with mutual agreement between the City and Tenant as to the nature of the activity.

Tenant shall maintain all natural and man-made water ways clear and free from obstruction and tenant will not change the natural course of any waterways of the City Premises or cut down trees growing upon the land nor will Tenant permit any other person to do so, without prior written consent of the landlord.

4. **Assignment or Sublease by Tenant.** Tenant shall not sell, assign, sublet or relinquish, the City Premises without express prior written approval from the City, including the Consent of the City Manager, which consent may be withheld in the City's sole discretion.
5. **Termination.** In the event actions of the Tenant are construed as breach under the terms and conditions of the Lease, Landlord may terminate the Lease but not for the sole purpose of replacing Tenant with a third party. Otherwise, the Lease shall continue as stated in item 2 above. At termination of the Lease, Tenant shall return possession of the City Premises to the City in as good order and condition as when the Lease commenced, reasonable wear and tear and acts of God alone accepted.
6. **Sale of City Premises.** In the event the Lease is made subject to the sale of all or any part of the City Premises by the City, the sale shall be subject to the terms and conditions of this lease.
7. **Right to Enter.** The City, its agents or assigns, have the right to go upon the City Premises at any time to inspect the same, to make repairs or improvements thereon, to install wells (e.g., water oil, gas and monitoring) to sample soils and groundwater, to conduct seismic activities, or for any purpose incidental to the ownership and management of the City Premises, so long as such purposes do not interfere with Tenant's use of the City Premises. To ensure the City's ability to enter the City Premises, Tenant shall provide the City with either the keys to or combination for any locked gates.
8. **Insolvency of Tenant.** The insolvency of Tenant, a receiver being appointed to take possession of all or substantially all of the property of Tenant, the making of a general assignment for the benefit of creditors by Tenant, or the filing by or against Tenant under provisions of the Federal Bankruptcy Code (or any successor law or any state insolvency laws), shall terminate the Lease and entitle the City to re-enter and regain possession of the City Premises without the return of any rent paid hereunder. In addition to the remedies set forth herein, the City reserves the right to enforce performance of the Lease in any manner provided by law.
9. **Binding on Heirs.** Except as may be mutually agreed upon by the parties, the provisions of the Lease shall be binding upon the heirs, executors, administrators, successors and assigns of both the City of Holbrook and the Tenant in like manner as upon the original parties. The rights referred to herein shall not include subleasing or assignment, as set forth herein.
10. **Notices.** All notices required by the terms of the Agreement must be sent by overnight courier services, mailed by certified mail, return receipt requested, or mailed via United States mail, postage prepaid, if to Tenant at the following address:

**Randy and Lisa Johnson  
401 E. Hampshire  
Holbrook, Az 86025**

**And if to the City at;  
Holbrook City Clerk  
City of Holbrook  
PO Box 970  
Holbrook, Az 86025**

11. **Conflict of Interest.** The parties agree that no official, officer, or employee of the City shall have any personal or beneficial interest in the City Premises described in the Lease, and the City further agrees not to hire or contract for services of any official, officer or employee of Tenant or any other person in violation of Arizona Revised Statutes, Holbrook City Code, the City's Code of Ethics, or the City Charter.
12. **Subordination.** The Lease is subject and subordinate to all leases, easements, rights-of-way, or other encumbrances on the City Premises, and the City's right to extend or grant additional encumbrances. In addition, the City has the right to extend or grant additional oil, gas, or mineral leases. Tenant specifically agrees to allow exploration companies to enter upon the Premises and undertake such exploration and drilling as may be proper, at any time upon agreement by the exploration companies. The City shall notify Tenant of known or anticipated oil, gas or mineral exploration activity.
13. **Acceptance of City Premises; Disclaimer.** THE CITY PREMISES ARE BEING MADE AVAILABLE TO TENANT AND TENANT HAS ACCEPTED THE CITY PREMISES IN ITS CURRENT "AS IS", "WHERE IS" CONDITION AND WITH ALL FAULTS AND WITHOUT ANY WARRANTY, REPRESENTATION, EXPRESSED OR IMPLIED CONCERNING THE CONDITION OR CHARACTERISTICS OF THE CITY PREMISES. WITHOUT LIMITING THE FOREGOING, THE CITY MAKES NO REPRESENTATION OR WARRANTY CONCERNING THE CONDITION OF THE PREMISES, THE FITNESS OF THE CITY PREMISES FOR THE OPERATION OF TENANT'S BUSINESS OR THE FITNESS OF THE CITY PREMISES FOR ANY PARTICULAR PURPOSE WHATSOEVER.
14. **Environmental Liability.** Tenant shall not use any pesticides, chemicals, toxins, or hazardous substances that the Environmental Protection Agency or other government authorities have deemed harmful to the environment. Any liability for such use will rest solely on Tenant, its heirs, successors and assigns.
15. **Venue and Governing Law, and non-waiver.** It is mutually understood and agreed that the laws of the State of Arizona, and the Charter and City Code of the City of Holbrook all govern the Lease, and the ordinance, regulations and Executive Orders enacted or promulgated pursuant to such authorities. In the event of a dispute between the parties to this Lease, it is agreed that the parties will seek mediation of their dispute prior to bringing an action in Court. In the event the parties are unable to resolve their dispute in that forum the venue for any legal action shall lie in the Navajo County Superior Court.
16. **Mechanic's Liens.** Tenant shall not permit any mechanic's lien, or other lien, to be filed against the City Premises or any part thereon for any reason whatsoever.
17. **Defense and Indemnification.** Tenant hereby agrees to defend, indemnify, reimburse and hold harmless City, its appointed and elected officials, agents and employees from, for and against all liabilities, claims, judgments, suits or demands to persons or property arising out of or resulting from Tenant's occupancy or use of the City Premises.
18. **Entire Lease.** The lease embodies the entire agreement between the City and Tenant. Neither party shall not be bound by or be liable for any statement or representation of any nature not set forth in the Lease. Changes of any provisions of the Lease, including the term of the lease shall not be valid unless reduced to writing and signed by all parties.

19. **No Construction Against Drafting Party.** Each of the parties acknowledges that each of them their respective counsel have had the opportunity to review the Lease and that the Lease shall not be construed against any party merely because a particular party drafted the Lease or any of its provisions.

**IN WITNESS WHEREOF**, the parties have set their hands and affixed their seals at Holbrook, Arizona as of

**CITY OF HOLBROOK**

\_\_\_\_\_  
Ray Alley, City Manager

ATTEST:

\_\_\_\_\_  
Cher Reyes, CMC CPM City Clerk

**RANDY JOHNSON**

\_\_\_\_\_  
Randy Johnson

**LISA JOHNSON**

\_\_\_\_\_  
Lisa Johnson

State of Arizona )

)ss.

County of Navajo )

On \_\_\_\_\_, before me the undersigned Notary Public, personally appeared Ray Alley, personally known to be (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

State of Arizona )

)ss.

County of Navajo )

On \_\_\_\_\_, before me the undersigned Notary Public, personally appeared Randy Johnson and Lisa Johnson personally known to be (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

NOTE: SEE MAP 109-17 FOR 109-18-151A,B,C

AREA CODE BNDRY

N4 COR SEC. 6

2671.73'

0350

SEC 31

SEC 32

SEC 6

MAP 17

ROSEDALE HTS SUBDV

SHEET 3 CLEARVIEW HTS SUBDV

FLORIDA ST.

PARK ACCESS RD

CITY/COUNTY LEASE N1/2 - 184/149 & 355/016 S1/2 - 420/883

HUNT PARK

COUNTY

PARK SCHOOL

COUNTY FAIR GROUNDS

SCHOOL

LEVEE PART OF 109-16-999

NAVAJO BLVD. OLD HWY-66

3rd STREET

TO CITY PER PARCELS 12-26 SHEET 2

ED KARGAS SUBDV. SHEET 4

SEE 109-19-398 701-9-10-8

SANTA FE R/R R/W

701-9-10-5

BLOCK 2

BLOCK 1

09-19-281

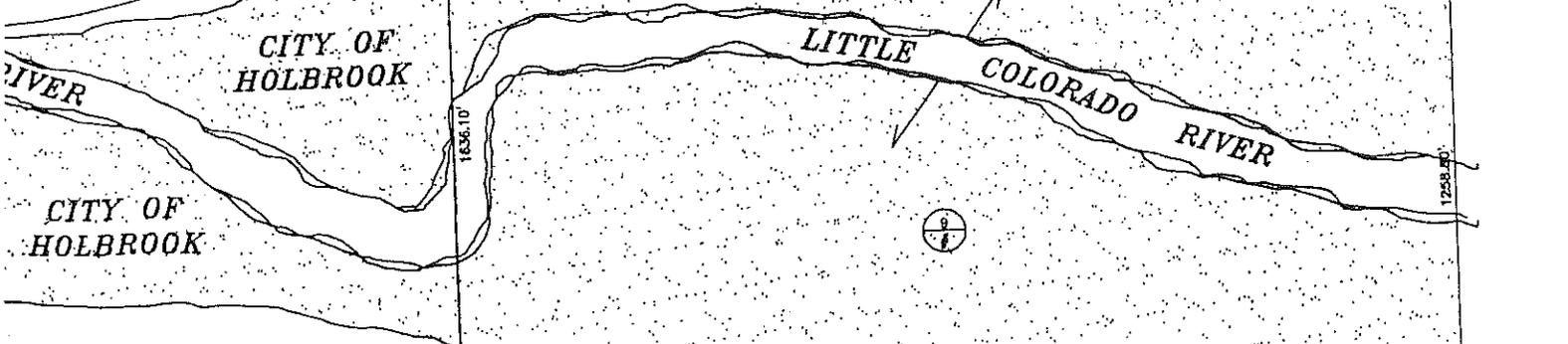
109-19-280

CTR. SW4

CITY OF HOLBROOK

LITTLE COLORADO RIVER

CITY OF HOLBROOK



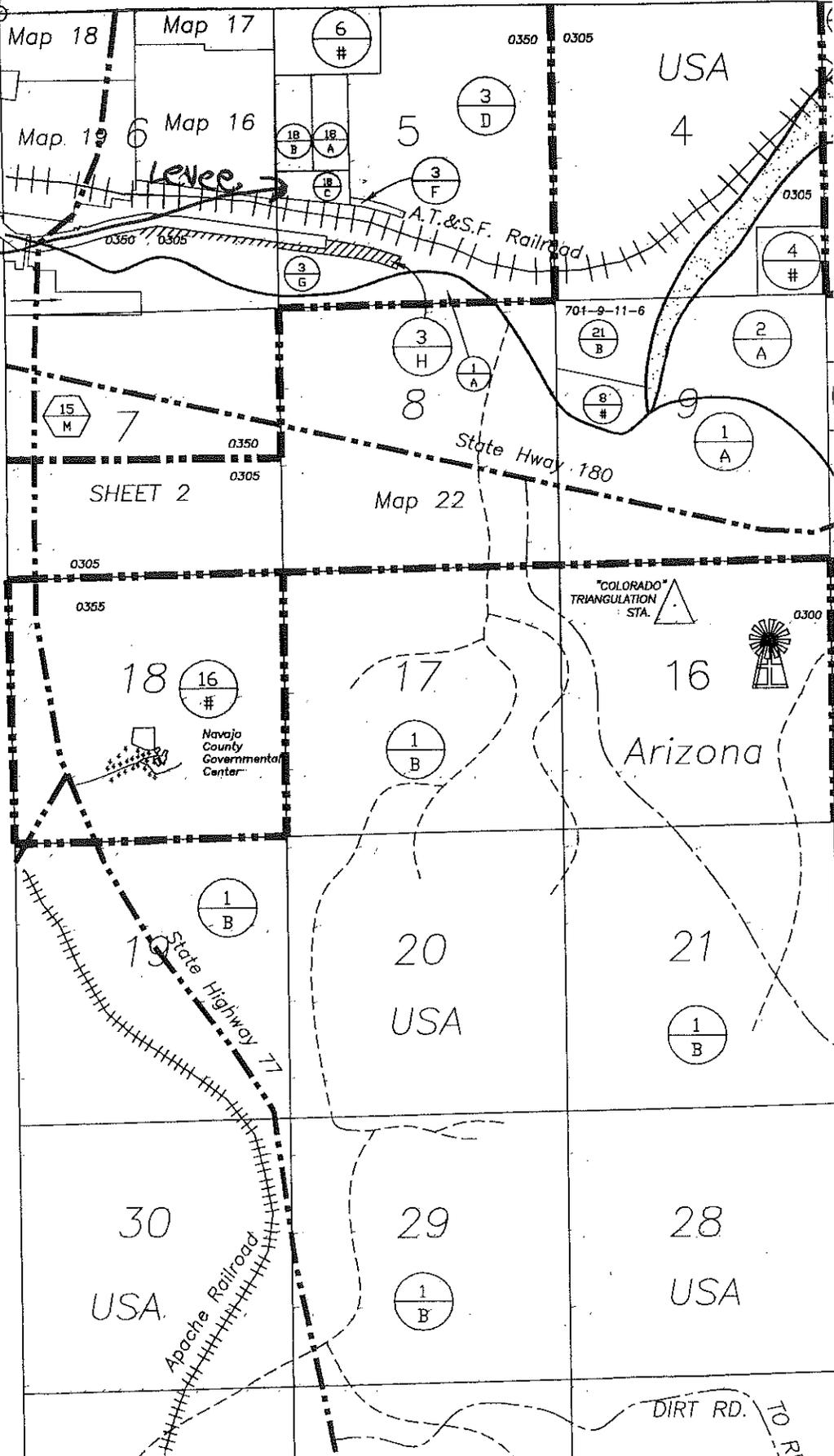
T18N R20E  
SEC 36

T18N R21E  
SEC 31

109-

T17N R20E  
SEC 1

180



109-01

SHEET 2

Navajo County Governmental Center

"COLORADO" TRIANGULATION STA.

Arizona

USA

USA

USA

DIRT RD. TO RE

When Recorded  
Please Mail To:

City of Holbrook  
P.O. Box 970  
Holbrook, AZ 86025

---

**EASEMENT**

For good and sufficient consideration, the receipt of which is hereby acknowledged, the undersigned owners, Randy Johnson and Lisa Johnson, hereinafter referred to as Grantors, hereby grant, dedicate and convey to:

THE CITY OF HOLBROOK, ARIZONA, A BODY POLITIC,

hereinafter referred to as Grantee, a perpetual easement for a waste water/sewer pipeline over, under and across the following described real property situated in Navajo County, Arizona and being described as follows:

PLEASE SEE EXHIBIT "A" WHICH IS ATTACHED HERETO  
AND HEREBY INCORPORATED HEREIN BY THIS REFERENCE.

Grantors warrant that Grantors have a good and sufficient title to the above described property to grant the easement and covenants that the easement granted herein shall run with the land and be binding upon Grantors and Grantors' heirs, successors and assigns. The easement granted herein may be extinguished or abandoned by the Grantee, **only** upon the recording of such instrument in the Office of the Navajo County Recorder.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Randy Johnson

\_\_\_\_\_  
Lisa Johnson

//  
//

STATE OF ARIZONA       )  
  ) ss.  
County of Navajo        )

This Instrument was duly acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
2012, by Randy Johnson for the purposes stated therein.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

STATE OF ARIZONA       )  
  ) ss.  
County of Navajo        )

This Instrument was duly acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
2012, by Lisa Johnson for the purposes stated therein.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

EXHIBIT A

25 Foot Sewer Line Easement

Describing the West line of a 25.00 Foot Easement for a Sewer line which is a portion of sections 5 and 6, Township 17 North, Range 21 East of the Gila and Salt River Base and Meridian, Navajo County Arizona.

More accurately described as follows. Commencing at the Northeast corner of section 6 a 2" B.C. set by Greer Eng., said point being the POINT OF BEGINNING

thence South  $00^{\circ}13'00''$  West, a distance of 699.74' along the section line to the North R/W of East Florida Street;

thence South  $00^{\circ}13'00''$  West, a distance of 941.26' along said Section line to the Centerline of said Sewer line;

thence South  $74^{\circ}02'06''$  West, a distance of 1188.36' along Centerline;

thence South  $89^{\circ}52'40''$  West, a distance of 215.95' along Centerline to a Man Hole in 7th Street to the POINT OF ENDING

Along with a access Road for Maintainance.

EXHIBIT B

SECTION 6,17N,R21E:BEG NE COR;TH S0DEG13'W 2684.9'TPOB; TH S0DEG13'W  
949.8';TH N81DEG52'W 435.3'; TH N 860.2';TH N86DEG18'27 E 435.38'TPOB

SECTION 6,17N,R21E:BEG NE COR;TH S0DEG13'W 2414.9'TPOB TH S0DEG13'W 270';TH  
S86DEG18'27 W 435.38'; TH N 270';TH N86DEG19'E 436.4'TPOB

## Exhibit C

SECTION 5, T17N, R21E: BEG NW COR SEC 5; TH S0DG15'48 W  
3130.82' TPOB; TH S89DG59'47 E 1417.46'; TH S0DG10'28 W  
654.59'; TH ALG CURVE TO LEFT (R-6150) 114.90'; TH S9DG22'26  
W 50.93'; TH N81DG48'21 W 1309.65'; TH N0DG19'12 E  
501.64' TPOB. OUT OF 109-15-018A & 018B FOR '96 ROLL

EXHIBIT D

SECTION 6, T17N, R21E: BEG NW COR SEC 6; TH E  
4239.83'; TH S 2442.82' TPOB; TH S 990'; TH S81\*50'  
E 666.76'; TH N 1084.72'; TH W 660' TPOB.

## LEASE CONTRACT

THIS LEASE made this 25<sup>th</sup> day of October, 2011, by and between The City of Holbrook, Arizona, a municipal corporation under the laws of the State of Arizona, (hereinafter referred to as "Landlord"), and ICS Strategic Partners, Inc. d/b/a Operation 29:11, a California non-profit corporation, (hereinafter referred to as "Tenant").

WITNESSETH:

That for and in consideration of the terms, covenants and agreements hereinafter set forth, it is hereby agreed by and between the parties hereto as follows:

1. LEASED BUILDING:

A. Landlord does hereby lease to Tenant, and Tenant does hereby lease from landlord the approximately 2,000 square foot metal building only, located on the following described premises:

The building is located on what is currently known as parcel # 109-37-006 A, more specifically described as follows:

Portion of Parcel 109-37-006

2. TERM: This lease shall be for a term of 12 months (12) months with no option to renew, commencing on the 25<sup>th</sup> day of October, 2011 and ending midnight on the 25<sup>th</sup> day of October, 2012.

3. RENT:

A. Tenant shall pay the sum of One Dollar and Zero Cents (\$1.00) for the full term of the Lease payable at the time of execution of this agreement.

4. USE OF LEASED PREMISES: Tenant agrees that throughout the term of this Lease the leased premises will be used for the warehousing and storage of donated clothing, water and other supplies which will provide much needed support to the less fortunate and indigent members in and around the community. Tenant shall provide all security to and for the building. Tenant shall not do or permit to be done in or about the premises, nor bring or keep or permit to be brought or kept therein, anything which is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted. Tenant shall not do or permit anything to be done in or about the premises which will in any way obstruct or interfere with the rights of Landlord, or injure or annoy them, or use or allow the premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant or any agent, employee, contractor, licensee or invitee of Tenant cause, maintain or permit any nuisance in, on or about the premises or commit or suffer to be

committed any waste in, on or about the premises.

5. SIGNS: Tenant agrees to provide and pay for its own signage. Tenant shall not place, alter, exhibit, inscribe, paint or affix any sign, awning, canopy, advertisement, notice or other lettering on any part of the outside of the demised premises or of the building of which the demised premises is a part, or inside the demised premises if visible from the outside, without first obtaining the Landlord's written approval thereof. Tenant further agrees to maintain such sign, awning, canopy, decoration, advertising matter, lettering, etc. as may be approved in good condition and repair at all times, and repair all damage to the demised premises that is caused by the installation, maintenance or removal of such signs, lettering, etc. All signs shall comply with the applicable ordinances or other governmental restrictions and the determination of such requirements and the prompt compliance therewith shall be the responsibility of the Tenant.

6. RULES AND REGULATIONS: Tenant agrees to keep and abide by the rules and regulations incorporated herein by reference and all reasonable rules and regulations as Landlord may from time to time adopt with reference to the use and occupancy by Tenant of the building of which the leased premises form a part, and the parking space used in connection therewith.

7. ALTERATIONS AND IMPROVEMENTS: Tenant agrees that it will not make any material alterations, improvements or repairs to the leased premises without written consent of Landlord. Alterations and improvements may not be made to the roof or exterior walls of the leased premises without written permission from the Landlord. All alterations, improvements and repairs made by Tenant shall be at the expense of Tenant. Landlord, as a condition for giving consent to Tenant, may require an appropriate performance bond and/or lien waivers. All alterations and improvements made by Tenant shall remain upon and be surrendered with the leased premises upon the termination of this Lease and become the property of Landlord, provided, however, that Tenant, if it is not in default hereunder, shall have the right at the expiration of the term of this Lease, to remove all trade and other fixtures, equipment and furniture, and similar items installed by Tenant which may be removed without material damage to the leased premises. Tenant shall repair any damage caused by such removal.

8. REPAIRS AND MAINTENANCE: Tenant, at Tenant's expense, shall keep in good order, condition and repair the premises and every part thereof (whether or not the damaged portion of the premises or the means or repairing the same are reasonably or readily accessible to Tenant) including, without limiting the generality of the foregoing, electric lights and fixtures, including light bulb, fluorescent tubes and fluorescent ballast replacements, fixtures, windows, doors, and plexiglass, located within the premises and the air conditioning, evaporative cooling and heating equipment servicing the leased premises. All repairs and replacements shall be made by Tenant at its own expense and shall be made under the direction of Landlord with materials and workmanship comparable to the original installation.

9. ASSIGNMENT AND SUBLETTING: Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the said premises or any part hereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of

Tenant excepted) to occupy or use the said premises, or any portion thereof, without first obtaining the written consent of Landlord. A consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment or subletting without such consent shall be void and shall, at the option of the Landlord, constitute a default under the terms of this Lease.

In the event that Tenant requests Landlord's consent to sublease or assignment hereunder, Tenant shall pay Landlord reasonable fees incurred in connection with the processing of documents necessary to giving of such consent.

10. UTILITIES AND SERVICES: Except as otherwise noted, Tenant shall pay for all gas, heat, light, power, telephone and other utilities and services supplied to the premises, together with any taxes thereon.

Tenant further agrees to procure and pay for the cost of sanitation service (garbage pick up).

Tenant agrees to keep the premises in a clean, safe and sanitary condition, and in compliance with all federal, state, county and city laws and ordinances and applicable rules and regulations pertaining thereto and those of the Board of Fire Underwriters. Tenant also agrees to provide and maintain the necessary fire extinguisher required by the local governmental authority.

11. INDEMNITY AND INSURANCE:

A. Tenant agrees to indemnify and save Landlord harmless from any and all liability and expense by reason of personal injuries or death of any person or persons in or upon the leased premises and/or any and all adjacent parking areas or by reason of damage to personal property in or upon the leased premises.

B. Tenant shall at Tenant's expense, obtain and keep in force during the term of this Lease a policy of Combined Single Limit, Bodily Injury and Property Damage Insurance insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy or maintenance of the leased premises and all common areas. Such insurance shall be a combined single limit policy in an amount not less than \$2,000,000.00. Tenant may provide such insurance by having an endorsement added to its public liability policy and having the City of Holbrook, Arizona included on the policy as a Co-Insured. The limits of said insurance shall not, however, limit the liability of Tenant hereunder. The insurance shall have a Landlord's Protective Liability endorsement attached thereto. If Tenant shall fail to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain the same, but at the expense of Tenant, or may terminate this lease agreement immediately.

C. Tenant agrees to obtain the proper certificate from the Fire Marshall

indicating full compliance local, State and Federal laws and fire codes.

12. HOLD HARMLESS: Tenant shall indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises and/or any and all adjacent parking areas from the conduct of its business or from any activity, work, or other things done, permitted or suffered by the Tenant in, upon, or about the Premises and/or any and all adjacent parking areas, and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any other officer, agent, employee, guest, or invitee of Tenant, and from all costs, attorneys' fees, and liabilities incurred in or about the defense of any such claim. Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel appointed by Lessee, but reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises and/or any and all adjacent parking areas, from any cause. Tenant shall give immediate notice to Landlord in case of casualty or accidents in the Premises and/or any and all adjacent parking areas.

Landlord or its agents shall not be liable for any loss or damage to person or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water or rain which may leak from any part of the Building or from the pipes, appliances or plumbing works therein or from the roof, street, parking areas or (subsurfaces of the same) or from any other place resulting from dampness or any other cause whatsoever. Landlord or its agents shall not be liable for interference with the light, air, or for any latent defect in the Premises and/or any and all adjacent parking areas.

13. REIMBURSEMENT OF LANDLORD'S EXPENSE: If the Tenant shall default in the performance of any covenant, agreement or undertaking on its part to be performed by virtue of any provision of this Lease, the Landlord may immediately, or at any time hereafter, upon such notice, if any, as is reasonable under the circumstances, perform the same for the account and at the expense of the Tenant. Should the Landlord be compelled or elect to pay any sum of money, or do any act requiring the payment of any sum of money, by reason of failure of the Tenant to comply with any provision hereof, or should the Landlord be compelled to incur any expense in connection therewith, all sums so paid and all expenses so incurred by the Landlord with all interest, penalties, costs and damages shall be deemed to be an additional rent and shall be due from the Tenant to the Landlord on the first day of the month following such payment or incurring.

14. POSSESSION: At the expiration of the term of this Lease, peaceable possession of the leased premises will be given Landlord and the premises will be in as good condition as at the commencement of this Lease, usual wear excepted.

15. ASSIGNMENT AND MORTGAGING BY LANDLORD:

A. Transfer by Landlord: the term "Landlord" as used in this Lease means the owner, only for the time being, of the leased premises. So long as all sums held on Tenant's behalf in trust or escrow by Landlord are paid over to any purchaser of said Premises, Landlord shall be and is hereby relieved of all covenants and obligations of Landlord hereunder after the date of sale of said leased premises and it shall be construed without further agreement between the parties that the purchaser has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder from the date of such sale.

B. Subordination: This Lease shall, upon request by Landlord, be subject and subordinate to any and all leases, mortgages or deeds of trust now or hereinafter placed upon the leased premises or any part thereof, and to all future modifications, consolidations, replacements, extensions and renewals of, and all amendments and supplements to said leases, mortgages or deeds of trust. Notwithstanding such subordination as aforesaid, this Lease, except as otherwise hereinafter provided, shall not terminate or be divested by foreclosure or other default proceedings under said leases, mortgages, deeds of trust or obligations secured thereby, and Tenant shall attorn to and recognize the Landlord, mortgagee, trustee, beneficiary or the purchaser at the foreclosure sale in the event of such foreclosure or other default proceeding, as Tenant's landlord for the balance of the term of this Lease, subject to all of the terms and provisions hereof.

C. Offset Statement: Tenant agrees to execute, acknowledge and deliver any and all documents required to effectuate the provisions of this paragraph and within ten (10) days after request therefore by Landlord or in the event that upon any sale, assignment, lease or hypothecation of the leased premises and/or the land thereunder by Landlord an offset statement shall be required by Tenant. Tenant agrees to deliver in recordable form a certificate (if such be the case) that this Lease is in full force and effect and there are no defenses or offsets thereto, or stating those claimed by Tenant, and the dates to which rental or other sums have been paid in advance if being intended that any such statement delivered pursuant to this paragraph may be relied upon by any prospective purchaser, mortgagee, assignee or beneficiary. Tenant shall also deliver to any prospective institutional lender of Landlord upon Landlord's reasonable request thereof or, from time to time, and such specific subordination agreement on Lender's form as may be required by Lender. Tenant acknowledges and agrees that the promises to issue statements pursuant to this paragraph are a material consideration inducing Landlord to enter into this Lease, and that the breach of such promise shall be deemed a material breach of this Lease, and shall constitute a default hereunder.

## 16. DEFAULT AND REMEDIES FOR DEFAULT:

A. Events of Default: The occurrence of any of the following shall constitute an event of default hereunder.

1. Failure to pay rent for the premises pursuant to the terms set forth in paragraph 1 of this Lease Agreement.

2. The filing of a petition by or against Tenant for adjudication as a bankrupt or insolvent, or for its reorganization or for the appointment of a receiver or trustee of Tenant's property, an assignment by Tenant for the benefit of creditors, or the taking of

possession of the property of Tenant by any governmental officer of agency pursuant to statutory authority for the dissolution or liquidation of Tenant.

3. Tenant's failure to perform any other covenant or condition of this Lease within thirty (30) days after written notice and demand, unless the failure is of such a character as to require more than thirty (30) days to cure, in which event Tenant's failure to proceed diligently to cure such failure shall constitute an event of default.

B. Remedies of Landlord for Default by Tenant: Upon the occurrence of an event of default, Landlord shall have the right, then or at any time thereafter, and while such event of default shall continue, and in addition to and not in lieu of any other remedies, relief of rights available to Landlord at law or equity or contained in this Lease, to do any or all of the following:

1. Landlord may cure the default and charge Tenant for the costs of such cure, which charge shall be due and payable immediately upon written notice to Tenant. All costs of curing default or other and advances made by Landlord pursuant to this Lease shall bear interest at the annual rate of eighteen percent (18%).

2. Landlord may distrain for rent due by locking the doors and excluding Tenant therefrom.

3. Landlord shall have the right to re-enter the premises to assume and take possession of the whole or any part thereof, and to remove all persons or personal property by direct or summary action, or in a different type of suit or proceeding by force thereof, and without being liable for the damages therefor in connection therewith and after demand made therefor. Tenant or anyone in possession claiming under Tenant shall be deemed guilty of unlawful detainer and subject to such summary or other action as may be provided by law. Additionally, Landlord may relet the premises as the agent for and in the name of Tenant, at any rental readily acceptable applying the proceeds first to the payment of such rent as same becomes due, and toward the fulfillment of the other covenants and agreements of Tenant herein contained, and the balance, if any, shall be paid to Tenant, and the Tenant hereby agree, that if landlord shall recover or take possession of said premises as aforesaid and be unable to relet and rent the same so as to realize a sum equal to the rent hereby reserved, Tenant shall pay to landlord any loss or difference of rent for the residue of the term.

4. Landlord, irrespective of the date on which its right of re-entry shall have accrued or be exercised, shall have the right, whether for rent or possession or otherwise, to forfeit this Lease and terminate the estate of Tenant hereby created. This right to terminate is exercisable by a written notice to Tenant, which written notice may be part of a notice of default previously delivered to Tenant and, as such, may be conditioned upon Tenant's failure to cure the default and the event of default. The termination may be made effective as of the event of default, or thereafter, and, if not otherwise specified, will be deemed to be effective immediately. Upon such termination and forfeiture, Landlord shall be entitled to and may take immediate possession of the premises, any other notice or demand being hereby waived. Such termination does not, however, release Tenant from liability for rents that are overdue or remaining under the Lease but shall operate to accelerate the entire balance of the term rental, which shall become immediately due and payable by Tenant, along with all overdue rents and charges.

C. Non Waiver of Remedies:

1. It is expressly agreed that neither the taking of possession of the leased premises nor the institution of any proceedings by way of unlawful detainer, ejectment, quiet title, or otherwise to secure possession of said leased premises, nor the re-entry by Landlord with or without the institution of such proceedings, nor the re-renting or subletting of said premises, shall operate to terminate this Lease in whole or in part, nor of itself constitute an exercise of Landlord's option to do so, but only by the giving of the written notice specifically specifying termination shall such termination be affected.

2. In the event Tenant breaches this Lease, or any covenant, term or condition hereunder, and abandons the leased premises, this Lease shall continue in force and effect for so long as the Landlord does not terminate Tenant's right to possession and Landlord may enforce all rights and remedies of Landlord including, without limitation, the right to recover rents as they become due hereunder. Acts of maintenance or preservation, efforts to relet the leased premises, or the appointment of a receiver upon the initiation of the Landlord to protect the lender's interest under this Lease shall not constitute a termination of Tenant's right to possession.

3. Waiver by Landlord of any default, breach or failure of Tenant under this Lease shall not be construed as a waiver of any subsequent or different default, breach or failure. In case of a breach by Tenant of any of the covenants or undertakings of Tenant, Landlord nevertheless may accept from Tenant any payments hereunder without in any way waiving Landlord's right to exercise the remedies hereinbefore provided for by reason of any other breach or lapse which was in existence at the time such payment or payments were accepted by Landlord.

4. It is expressly understood that the enumeration herein of express rights, options and privileges shall not limit Landlord thereto nor deprive Landlord of any other remedy or action or cause of action by reason of any default of Tenant, including the right to recover from Tenant any deficiency upon re-renting.

5. The specific remedies to which Landlord may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which they may be lawfully entitled in case of any breach or threatened breach by either of them or of any provisions of this Lease.

6. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord, in writing, specifying wherein Landlord has failed to perform such obligations, provided, however, that if the nature of Landlord's obligations is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

17. ATTORNEY'S FEES: Should it become necessary on default to collect any amounts

due under this Lease or enforce any covenants through an attorney, Tenant agrees to pay all costs, including attorney's fees, whether collected or enforced by suit or otherwise. Such award of attorney fees and costs shall be awarded and shall not be in the discretion of the Court.

18. NOTICES: All notices permitted or required to be given hereunder shall be given in writing personally, or be certified mail, no return receipt required, addressed to Landlord of Tenant, as the case may be, at the addresses herein set forth, or at such other addresses as may be furnished in writing from time to time, postage prepaid, and deposited in the United States mail, any such notice shall be deemed to have been given upon such personal delivery, or upon depositing the United States mail, and any such notice shall be deemed to have been given upon such personal delivery, or upon depositing the same in the United States mail, postage prepaid as aforesaid.

Landlord's Address

City Manager  
City of Holbrook  
  
465 First Ave.  
P.O. Box 970  
Holbrook, AZ 86025

Tenant's Address

Randall Williams  
ICS Strategic Partner, Inc. d/b/a Operation  
29:11  
11792 Faun Lane  
Garden Grove, CA 92841

19. INVALID OR VOID PROVISION: The parties hereto expressly agree that in the event any provision of this Lease is held invalid or void by any court of competent jurisdiction, such invalidity of any provision shall in no way affect any other provision or covenant contained in this Lease.

20. JANITORIAL SERVICES: Tenant hereby agrees to provide or procure janitorial services to clean the building as reasonably needed. Tenant further agrees to indemnify hold Landlord harmless and defend Landlord from any and all claims which arise or may arise from the actions or inactions of those performing janitorial services.

21. POLLUTION AND CONTAMINATION INDEMNITY: As a further consideration of this Lease, the Tenant shall indemnify and hold the Landlord harmless from and against any and all claims arising from the Tenant's discharge or dispersal, either sudden and accidental or non-sudden and gradual, release or escape of smoke, vapors, soot, fumes, acid, alkalies, toxic chemicals, liquids or gases, waste material or other irritants, contaminants or pollutants into or upon the land, the atmosphere or into any water course or body of water either above ground or underground.

The Tenant shall further indemnify and hold the Landlord harmless from and against any claims arising from and against all costs and any required clean-up of contaminants or pollutants that may be required or order by City, State or Federal authority, or any duly constitute authority or agency, resulting from any such actions of the Tenant.

The Tenant agrees to pay all costs, attorney's fees, expenses and liabilities incurred in the defense of such claims or any action or proceeding brought thereon; and in case any action is

brought against the Landlord by reason of any such claim, Tenant upon notice of Landlord, shall defend the Landlord and the landlord's agents at the Tenant's expense by counsel satisfactory to the Landlord. Tenant, as a material part of the above-mentioned consideration to Landlord, hereby assumes all risk of pollution and contamination to the property or injury to persons in, upon or about the Premises and/or any and all adjacent parking areas arising from the actions of Tenant, and Tenant hereby waives all claims pertaining thereto against Landlord, except that such waiver shall not apply to or relieve Landlord from any responsibility or obligation caused by his actions or wrongful conduct.

It is expressly understood and agreed that Tenant shall not be obligated, under the terms of this paragraph, to Landlord, or to any other person or entity, with respect to the release or discharge of the materials described herein, or any hazardous wastes, including, but not limited to, petroleum by-products, which is not caused by the actions or inactions of Tenant.

22. ENTRY BY LANDLORD: Landlord may enter the premises at any reasonable time after giving Tenant reasonable prior notice (except in emergencies or to provide regular services) to (a) inspect the premises, (b) exhibit the premises to prospective purchasers, lenders or tenants, (c) determine whether Tenant is performing all its obligations hereunder, (d) post notices of non-responsibility and (e) make repairs required of Landlord hereunder or repairs to any adjoining space or utility services or make repairs, alterations or improvements to any other portion of the building, provided all such work shall be done as promptly as reasonably practicable. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the premises or any other loss occasioned by such entry. Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency in order to obtain entry to the premises, and any entry to the premises obtained by Landlord by any of said means, or otherwise, shall not, under any circumstances, be construed or deemed to be a forcible or unlawful entry into or a detainer of the premises or an eviction, actual or constructive, of Tenant from the premises or any portion thereof.

23. LIENS: Tenant shall keep the Premises and the property in which the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant. Landlord may require, at Landlord's option, that Tenant shall provide to Landlord, at Tenant's cost and expense, a lien and completion bond in an amount equal to one and one-half (1-1/2) times the estimated cost of any improvements, additions or alterations in the Premises which the Tenant desires to make, insure Landlord against any liability for mechanics' and materialmen's liens and to insure completion of the work.

24. MISCELLANEOUS:

A. Waiver: No assent or consent to any waiver of any part hereof by the Landlord, in spirit or letter, shall be deemed or taken as made, unless the same be expressed in writing and attached to or endorsed hereon by Landlord.

B. Terminology: The words "Landlord" and "Tenant" as used herein, are expressly intended to include, apply to, and bind and benefit the successors and assigns of the Landlord and

Tenant to the provisions of this Lease. No waiver of the right to forfeiture of this Lease or of re-entry upon breach of any of the conditions thereof shall be deemed a waiver of such right upon any subsequent breach of such or any other condition.

C. Headings: The headings of the paragraphs herein are for the convenience of the parties only and shall not affect the meanings or interpretations of the contents thereof.

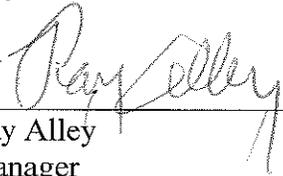
D. Entire Agreement: This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in this Agreement. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are superseded by and merged in this Agreement. No supplement, modification or amendment of this Agreement shall be binding unless in writing and executed by both parties.

E. Jurisdiction and Venue: The terms, conditions and provisions of this Lease shall be governed and interpreted according to the laws of the State of Arizona and jurisdiction and venue shall lie in the Superior Court, County of Navajo, State of Arizona for any relief, including the enforcement of any arbitration award.

F. Time of Essence: Time shall be considered of the essence in this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

“LANDLORD”  
City of Holbrook

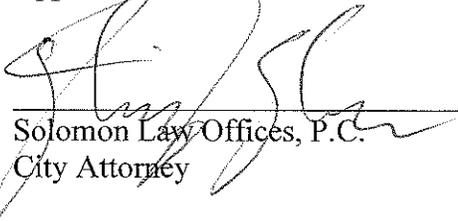
  
\_\_\_\_\_  
Ray Alley  
Manager

“TENANT”  
ICS Strategic Partners, Inc. d/b/a/ Operation 29:11

  
\_\_\_\_\_  
Randall Williams  
President

Attest:  
  
\_\_\_\_\_  
Cher Reyes, City Clerk

Approved as to Form:

  
\_\_\_\_\_  
Solomon Law Offices, P.C.  
City Attorney