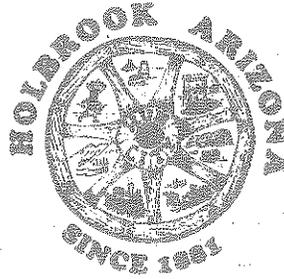


465 First Avenue
P.O. Box 970
Holbrook, AZ 86025

CITY OF HOLBROOK



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

AGENDA
SPECIAL MEETING OF THE HOLBROOK CITY COUNCIL
SEPTEMBER 25, 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 items on the following agenda are for discussion and possible consideration:

CONSENT AGENDA

- A. Claims/payment approval for September 13, 2012 thru September 19, 2012:
Documentation for claims is available at City Hall

CLAIMS/PAYMENT APPROVAL FOR WALT'S HARDWARE: \$876.93

OLD BUSINESS:

- A. Discussion/possible action regarding lease agreement with Randy and Lisa Johnson for grazing rights on real property of the City of Holbrook.

Dated this 19th Day of September 2012.


Cher Reyes, CMC, CPM, City Clerk

CITY OF HOLBROOK

INVOICE APPROVAL REPORT

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

09/13/2012 THRU 09/19/2012

TOTAL **\$62,450.37**

Report Criteria:

Invoice Vendor No = 1-9699

Invoice No	Seq	Type	Vendor Name Description Inventory No	Vendor No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/13/2012												
REYES, CHERYL RAYE			3290									
09132012	1	Inv	CAFETERAI		09/13/2012	266.80	0		.00			9/12
					09/13/2012		No			099-0002522		
AZ DEPT OF REVENUE - UTIL. TAX			1830									
08312012	1	Inv	UTILITIES TAX		08/31/2012	5,949.17	0		.00			9/12
					09/13/2012		No			002-0002460		
Total 9/13/2012						<u>6,215.97</u>						

09/13/2012 GL Period Summary

GL Period	Amount
9/12	6,215.97
	<u>6,215.97</u>

Invoice No	Vendor Name Seq Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/17/2012										
MOMAR										
A89660	1 Inv	8277 SUPPLIES	09/11/2012 10/17/2012	118.87	1 No		.00		001-085-5026	9/12
Total 9/17/2012				<u>118.87</u>						

09/17/2012 GL Period Summary

GL Period	Amount
9/12	<u>118.87</u>
	<u>118.87</u>

Invoice No	Seq	Vendor Name Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/18/2012											
AUTO SAFETY HOUSE											
3222150005	8	Adj	1571	08/02/2012	46.60	0		.00			9/12
				08/29/2012		No			001-004-5024		
3222150005	9	Adj		08/02/2012	46.61	0		.00		007-087-5024	9/12
				08/29/2012		No					
3222150005	10	Adj		08/02/2012	46.61	0		.00		001-031-5024	9/12
				08/29/2012		No					
Total 3222150005					139.82						
32221500085	2	Adj		08/02/2012	46.40	0		.00		001-084-5024	9/12
				09/19/2012		No					
32221500085	3	Adj		08/02/2012	.20	0		.00		001-084-5024	9/12
				09/19/2012		No					
Total 32221500085					46.60						
Total 1571					186.42						
BRADCO											
2723	1	Inv	2590	09/15/2012	9,240.49	0		.00			9/12
				09/19/2012		No			007-087-5027		
NAVAJO COUNTY FINANCE											
.00000011,12	1	Inv	8690	09/17/2012	6,056.20	0		.00			9/12
				09/19/2012		No			001-050-5050		
CARQUEST AUTO PARTS											
09012012	1	Inv	2440	09/01/2012	274.83	0		.00			9/12
				10/17/2012		No			007-087-5024		
09012012	2	Inv		09/01/2012	140.74	0		.00			9/12
				10/17/2012		No			001-050-5024		
09012012	3	Inv		09/01/2012	17.83	0		.00			9/12
				10/17/2012		No			001-031-5024		
09012012	4	Inv		09/01/2012	80.55	0		.00			9/12
				10/17/2012		No			001-085-5026		
Total 09012012					513.95						
Total 2440					513.95						
STANLEY SECURITY SOLUTIONS											
902246314	1	Inv	2410	09/05/2012	409.42	0		.00			9/12
				10/17/2012		No			002-090-5026		
902246314	2	Inv		09/05/2012	409.42	0		.00			9/12
				10/17/2012		No			001-031-5026		
Total 902246314					818.84						
Total 2410					818.84						
AUTHORIZED PUMP SYSTEMS											
7847	1	Inv	1560	09/10/2012	939.78	0		.00			9/12
				10/17/2012		No			001-040-5026		

Invoice No	Vendor Name Seq Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
AMERIGAS - HOLBROOK 3010801576	1 Inv	920 UTILITIES	09/12/2012 09/19/2012	89.09	2 No		.00	001-040-5048		9/12
BRADCO 5727	1 Inv	2590 OIL	09/17/2012 09/19/2012	459.71	0 No		.00	001-050-5027		9/12
5727	2 Inv	OIL	09/17/2012 09/19/2012	459.71	0 No		.00	002-090-5027		9/12
5727	3 Inv	OIL	09/17/2012 09/19/2012	459.70	0 No		.00	002-091-5027		9/12
5727	4 Inv	OIL	09/17/2012 09/19/2012	459.70	0 No		.00	007-087-5027		9/12
Total 5727				1,838.82						
Total 2590				1,838.82						
CANYON PIPE & SUPPLY 3419741.002	1 Inv	3039 SUPPLIES	09/04/2012 10/17/2012	67.53	2 No		.00	002-092-5026		9/12
BALAR EQUIPMENT CO 812236	1 Inv	2160 PARTS	09/17/2012 10/17/2012	253.83	0 No		.00	002-091-5024		9/12
MOHAVE ENVIRONMENTAL LAB 59998	1 Inv	8270 TESTING	08/21/2012 10/17/2012	160.00	0 No		.00	002-091-5041		9/12
Total 9/18/2012				19,792.11						

09/18/2012 GL Period Summary

GL Period	Amount
9/12	19,792.11
	<u>19,792.11</u>

Invoice No	Vendor Name Seq Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/19/2012										
BRADCO										
		2590								
2296	2 Inv FUEL		08/15/2012	6,418.32	0		.00			9/12
			08/22/2012		No			007-087-5027		
2508	2 Inv FUEL		08/31/2012	8,949.48	0		.00			9/12
			09/05/2012		No			007-087-5027		
08312012	1 Inv FUEL		08/31/2012	91.99	0		.00			9/12
			09/05/2012		No			001-004-5027		
08312012	2 Inv FUEL		08/31/2012	41.49	0		.00			9/12
			09/05/2012		No			001-005-5027		
08312012	3 Inv FUEL		08/31/2012	1,652.70	0		.00			9/12
			09/05/2012		No			001-031-5027		
08312012	4 Inv FUEL		08/31/2012	64.96	0		.00			9/12
			09/05/2012		No			001-040-5027		
08312012	5 Inv FUEL		08/31/2012	4,523.47	0		.00			9/12
			09/05/2012		No			001-050-5027		
08312012	6 Inv FUEL		08/31/2012	235.33	0		.00			9/12
			09/05/2012		No			001-060-5027		
08312012	7 Inv FUEL		08/31/2012	907.28	0		.00			9/12
			09/05/2012		No			001-085-5027		
08312012	8 Inv FUEL		08/31/2012	4,699.03	0		.00			9/12
			09/05/2012		No			007-087-5027		
08312012	9 Inv FUEL		08/31/2012	2,819.02	0		.00			9/12
			09/05/2012		No			002-090-5027		
08312012	10 Inv FUEL		08/31/2012	2,280.53	0		.00			9/12
			09/05/2012		No			002-091-5027		
08312012	11 Inv FUEL		08/31/2012	481.59	0		.00			9/12
			09/05/2012		No			002-092-5027		
08312012	12 Inv FUEL		08/31/2012	570.41	0		.00			9/12
			09/05/2012		No			001-099-5027		
Total 08312012				18,367.80						
Total 2590				3,000.00						
CARQUEST AUTO PARTS										
2440										
16611,406583	1 Inv PARTS		08/22/2012	78.96	0		.00			9/12
			09/26/2012		No			007-087-5024		
406782	1 Inv PARTS		08/27/2012	40.28	0		.00			9/12
			09/26/2012		No			007-087-5024		
406782	2 Inv PARTS		08/27/2012	40.27	0		.00			9/12
			09/26/2012		No			001-031-5024		
Total 406782				80.55						
Total 2440				159.51						
BRADCO										
2590										
5821	1 Inv GREASE		09/19/2012	77.23	0		.00			9/12
			09/26/2012		No			007-087-5027		
5821	2 Inv GREASE		09/19/2012	77.24	0		.00			9/12
			09/26/2012		No			002-090-5027		
5821	3 Inv GREASE		09/19/2012	77.24	0		.00			9/12
			09/26/2012		No			002-091-5027		
5821	4 Inv GREASE		09/19/2012	77.24	0		.00			9/12

Invoice No	Vendor Name	Seq	Type	Vendor No	Description	Inventory No	Inv Date	Due Date	Total Cost	Term	Disc Date	Disc Amt	PO Number	GL Per	GL Acct	R	
							09/26/2012			No				001-031-5027			
Total 5821									308.95								
Total 2590									308.95								
CROSBY, KAREN 3908																	
344851	1	Inv			GROOMING FOR K-9		09/14/2012		40.00	2		.00				9/12	
							09/19/2012			No				001-050-5049			
DIXON, TIM 4380																	
09122012	1	Inv			TRAINING		09/12/2012		228.43	0		.00				9/12	
							09/19/2012			No				001-050-5045			
MOHAVE ENVIRONMENTAL LAB 8270																	
58131	1	Inv			TESTING		02/27/2012		160.00	0		.00				9/12	
							09/19/2012			No				002-091-5041			
59459	1	Inv			TESTING		06/28/2012		160.00	0		.00				9/12	
							09/19/2012			No				002-091-5041			
59741	1	Inv			TESTING		07/31/2012		160.00	0		.00				9/12	
							09/19/2012			No				002-091-5041			
59581	1	Inv			TESTING		07/11/2012		1,185.00	0		.00				9/12	
							09/19/2012			No				002-092-5041			
Total 8270									1,665.00								
Total 9/19/2012									5,401.89								

09/19/2012 GL Period Summary

GL Period	Amount
9/12	5,401.89
	5,401.89
Grand Total:	31,528.84

Report GL Period Summary

GL Period	Amount
9/12	31,528.84
	31,528.84

Vendor Number Hash: 107816
 Vendor Number Hash - Split: 168729
 Total Number of Invoices: 27

Report Criteria:

Invoice.Vendor No = 9701-99999

Invoice No	Seq	Vendor Name Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/13/2012											
PASCHAL (SCHADE), JERRI			10591								
09052012	1	Inv	CEMETERY PROJECT	09/05/2012	13.30	2		.00			9/12
				09/12/2012		No			001-031-5026		
Total 9/13/2012					13.30						

09/13/2012 GL Period Summary

GL Period	Amount
9/12	13.30
	13.30

Invoice No	Vendor Name Seq Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/17/2012										
QUALITY READY MIX-CEMEX 9955										
9424567380	1 Inv	CON CRETE	09/12/2012	1,207.44	8	09/27/2012	11.27			9/12
			09/19/2012		No			007-087-5028		
9424567379	1 Inv	CONCRETE	09/11/2012	8,452.08	8	09/26/2012	78.92			9/12
			09/19/2012		No			007-087-5026		
9424577340	1 Inv	CONCRETE	09/12/2012	8,452.08	8	09/27/2012	78.92			9/12
			09/19/2012		No			007-087-5026		
9424577343	1 Inv	CONCRETE	09/13/2012	2,305.10	8	09/28/2012	21.52			9/12
			09/19/2012		No			007-087-5026		
Total 9955				<u>20,416.70</u>						
SAM'S CLUB 6604 10530										
09142012	1 Inv	SUPPLIES	09/14/2012	4.64	0		.00			9/12
			09/19/2012		No			002-091-5021		
09142012	2 Inv	SUPPLIES	09/14/2012	4.64	0		.00			9/12
			09/19/2012		No			002-092-5021		
Total 09142012				<u>9.28</u>						
Total 10530				<u>9.28</u>						
QUILL OFFICE PRODUCTS 9990										
5663394	1 Inv	SUPPLIES	09/10/2012	195.44	0		.00			9/12
			10/18/2012		No			001-050-5021		
Total 9/17/2012				<u>20,621.42</u>						

09/17/2012 GL Period Summary

GL Period	Amount
9/12	20,621.42
	<u>20,621.42</u>

Invoice No	Vendor Name Seq Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/18/2012										
COX COMM.-SAQUONNA WHEELER	21554									
5437	1 Inv	INFORMATION	12/16/2010 09/19/2012	40.00	0 No		.00		001-050-5041	9/12
WATCH GUARD VIDEO PRODUCTS	12778									
JINV0018104	1 Inv	battery	08/29/2012 10/17/2012	121.60	1 No		.00		001-050-5071	9/12
UNIVERSAL POLICE SUPPLY CO.	12400									
132072	1 Inv	UNIFORMS	09/08/2012 10/17/2012	639.95	2 No		.00		001-050-5023	9/12
UNITED RENTALS	12394									
15195823-001	1 Inv	EQUIP RENTAL	09/05/2012 10/17/2012	1,031.58	1 No		.00		007-087-5071	9/12
QUILL OFFICE PRODUCTS	9990									
5626840	1 Inv	SUPPLIES	09/06/2012 10/17/2012	48.30	0 No		.00		001-004-5021	9/12
TATE'S AUTO CENTER	11670									
71510	1 Inv	REPAIRS	09/12/2012 10/17/2012	368.50	0 No		.00		001-050-5024	9/12
PRO-BUILD	21374									
653191	1 Inv	SUPPLIES	08/30/2012 10/17/2012	928.81	0 No		.00		001-060-5026	9/12
SIMPSON NORTON	10840									
1410744-00	1 Inv	PARTS	09/11/2012 10/17/2012	304.00	0 No		.00		001-031-5024	9/12
O'REILLY AUTO PARTS	21622									
191004	1 Inv	PARTS	09/17/2012 10/17/2012	8.80	0 No		.00		001-085-5024	9/12
190544	1 Inv	PARTS	09/14/2012 10/17/2012	30.96	0 No		.00		001-085-5024	9/12
190411	1 Inv	PARTS	09/13/2012 10/17/2012	49.61	0 No		.00		001-031-5024	9/12
190551	1 Inv	PARTS	09/14/2012 10/17/2012	149.72	0 No		.00		001-050-5024	9/12
190580	1 Inv	PARTS	09/14/2012 10/17/2012	12.69	0 No		.00		001-050-5024	9/12
190621	1 Inv	PARTS	09/14/2012 10/17/2012	26.08	0 No		.00		001-050-5024	9/12
Total 21622				277.86						
RDO EQUIPMENT CO	10080									
P44263	1 Inv	PARTS	09/14/2012 10/17/2012	138.31	2 No		.00		001-031-5024	9/12
MARISCAL WEEKS MCINTYRE &	21235									
492538	1 Inv	PROFESSIONAL SERVICE	09/13/2012	3,000.00	0		.00			9/12

Invoice No	Vendor Name Seq Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
			09/26/2012		No			001-004-5041		
RICOH USA 5023677129	1 Inv	21881 MAINTENANCE	09/02/2012 09/26/2012	62.85	0 No		.00	001-004-5047		9/12
RAVAL, DHANISHA Y 281007	1 Inv	21735 UTILITY REFUND	09/18/2012 09/26/2012	109.25	0 No		.00	002-0002520		9/12
STOCKL, FRANCES 186301	1 Inv	21940 UTILITY REFUND	09/14/2012 09/26/2012	100.00	0 No		.00	002-0001361		9/12
NORTH COUNTRY HEALTHCARE 09102012	1 Inv	20979 PROFESSIONAL FEES	09/10/2012 09/26/2012	50.00	0 No		.00	007-087-5041		9/12
09102012	2 Inv	PROFESSIONAL FEES	09/10/2012 09/26/2012	25.00	0 No		.00	002-090-5041		9/12
Total 09102012				75.00						
Total 20979				75.00						
WELLS FARGO REMITTANCE CENTER 09042012	8 Inv	20946 TRAVEL	09/04/2012 09/12/2012	32.54	0 No		.00	001-050-5045		9/12
O'REILLY AUTO PARTS 188124	1 Inv	21622 PARTS	08/29/2012 10/17/2012	36.30	0 No		.00	001-085-5024		9/12
188158	1 Inv	PARTS	08/29/2012 10/17/2012	11.00	0 No		.00	001-085-5024		9/12
188116	1 Inv	PARTS	08/29/2012 10/17/2012	97.98	0 No		.00	001-085-5024		9/12
189149	1 Inv	PARTS	09/05/2012 10/17/2012	17.15	0 No		.00	001-085-5024		9/12
188962	1 Inv	PARTS	09/10/2012 10/17/2012	17.60	0 No		.00	001-085-5024		9/12
189933	1 Inv	PARTS	09/10/2012 10/17/2012	9.88	0 No		.00	001-085-5024		9/12
189930	1 Inv	PARTS	09/10/2012 10/17/2012	128.05	0 No		.00	001-050-5024		9/12
190343	1 Inv	PARTS	09/12/2012 10/17/2012	172.25	0 No		.00	001-085-5024		9/12
Total 21622				490.21						
FASTENAL AZFLA23905	1 Inv	21880 FIELD PANT	09/18/2012 10/17/2012	181.08	0 No		.00	001-031-5059		9/12

Vendor Name		Vendor No		Total Cost	Term	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
Invoice No	Seq Type	Description	Inv Date							
Total 9/18/2012				7,949.84						

09/18/2012 GL Period Summary

GL Period	Amount
9/12	7,949.84
	<u>7,949.84</u>

Invoice No	Vendor Name Seq Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R	
9/19/2012											
9424321312	1 Inv	QUALITY READY MIX-CEMEX CONCRETE	08/06/2012 09/19/2012	987.91	8 No	08/21/2012	9.22		007-087-5026	9/12	
9424321311	1 Inv	CONCRETE	08/06/2012 09/05/2012	1,207.44	8 No	08/21/2012	11.27		007-087-5026	9/12	
Total 9955				2,195.35							
Total 9/19/2012				2,195.35							

09/19/2012 GL Period Summary

GL Period	Amount
9/12	2,195.35
	<u>2,195.35</u>
Grand Total:	<u>30,779.91</u>

Report GL Period Summary

GL Period	Amount
9/12	30,779.91
	<u>30,779.91</u>

Vendor Number Hash: 667225
 Vendor Number Hash - Split: 698734
 Total Number of Invoices: 39
 Total Number of Transactions: 41

TC	Terms Description	Invoice Amt	Discount Amt	Net Inv Amt
0	Open Terms	6,223.12	.00	6,223.12
1	NET 20	1,153.18	.00	1,153.18
2	NET 7	791.56	.00	791.56
8	1% 15TH, NET 30TH	22,612.05	211.12	22,400.93
		<u>30,779.91</u>	<u>211.12</u>	<u>30,568.79</u>

Report Criteria:
 Invoice.Vendor No = 9701-99999

CITY OF HOLBROOK

INVOICE APPROVAL REPORT

**BY GL NUMBER WALT'S
HARDWARE**

09/13/2012 THRU 09/19/2012

TOTAL

\$876.93

Report Criteria:

Invoice Vendor No = 9700

Invoice No	Seq	Type	Vendor Name Description Inventory No	Vendor No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/19/2012												
WALT'S HARDWARE				9700								
08312012	10	Inv	SUPPLIES		08/31/2012	27.49	0		.00			9/12
					09/12/2012		No			002-092-5026		9/12
08312012	11	Inv	SUPPLIES		08/31/2012	5.23	0		.00			9/12
					09/12/2012		No			001-093-5026		9/12
08312012	12	Inv	SUPPLIES		08/31/2012	10.07	0		.00			9/12
					09/12/2012		No			001-031-5026		9/12
08312012	13	Inv	SUPPLIES		08/31/2012	6.23	0		.00			9/12
					09/12/2012		No			007-087-5026		9/12
08312012	14	Inv	SUPPLIES		08/31/2012	40.01	0		.00			9/12
					09/12/2012		No			001-040-5026		9/12
Total 08312012						89.03						
Total 9700						89.03						
Total 9/19/2012						89.03						

09/19/2012 GL Period Summary

GL Period	Amount
9/12	89.03
	89.03

Invoice No	Seq	Vendor Name Type	Vendor No Description Inventory No	Inv Date Due Date	Total Cost	Term 1099	Disc Date	Disc Amt	PO Number	GL Per GL Acct	R
9/20/2012											
09152012	1	Inv	SUPPLIES	09/15/2012	17.10	0		.00			9/12
				09/26/2012		No			001-085-5024		
09152012	2	Inv	SUPPLIES	09/15/2012	124.52	0		.00			9/12
				09/26/2012		No			007-087-5026		
09152012	3	Inv	SUPPLIES	09/15/2012	9.79	0		.00			9/12
				09/26/2012		No			001-085-5026		
09152012	4	Inv	SUPPLIES	09/15/2012	35.43	0		.00			9/12
				09/26/2012		No			002-090-5026		
09152012	5	Inv	SUPPLIES	09/15/2012	49.72	0		.00			9/12
				09/26/2012		No			002-092-5026		
09152012	6	Inv	SUPPLIES	09/15/2012	31.42	0		.00			9/12
				09/26/2012		No			001-040-5026		
09152012	7	Inv	SUPPLIES	09/15/2012	23.91	0		.00			9/12
				09/26/2012		No			001-050-5026		
09152012	8	Inv	SUPPLIES	09/15/2012	10.39	0		.00			9/12
				09/26/2012		No			001-084-5026		
09152012	9	Inv	SUPPLIES	09/15/2012	7.71	0		.00			9/12
				09/26/2012		No			001-004-5026		
09152012	10	Inv	SUPPLIES	09/15/2012	21.28	0		.00			9/12
				09/26/2012		No			002-091-5026		
09152012	11	Inv	SUPPLIES	09/15/2012	456.63	0		.00			9/12
				09/26/2012		No			001-031-5026		
Total 09152012					787.90						
Total 9700					787.90						
Total 9/20/2012					787.90						

09/20/2012 GL Period Summary

GL Period	Amount
9/12	787.90
	787.90
Grand Total:	876.93

Report GL Period Summary

GL Period	Amount
9/12	876.93
	876.93

Vendor Number Hash: 19400

R Column: Y = Recurring Payment

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 unreasonably 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:

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 public utility which includes water and 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: