

**TOWN COUNCIL OF DEWEY-HUMBOLDT
REGULAR MEETING NOTICE**

Tuesday, May 7, 2013, 6:30 P.M.

**COUNCIL REGULAR MEETING
2735 S. HWY 69**

**COUNCIL CHAMBERS, TOWN HALL
DEWEY-HUMBOLDT, ARIZONA**

AGENDA

The issues that come before the Town Council are often challenging and potentially divisive. In order to make sure we benefit from the diverse views to be presented, the Council believes that the meeting be a safe place for people to speak. With this in mind, the Council asks that everyone refrain from clapping, heckling and any other expressions of approval or disapproval. Council may vote to go into Executive Session for legal advice regarding any matter on the open agenda pursuant to A.R.S. 38-431.03 (A) (3), which will be held immediately after the vote and will not be open to the public. Upon completion of Executive Session, the Council may resume the meeting, open to the public, to address the remaining items on the agenda. Agenda items may be taken out of order. Please turn off all cell phones. The Council meeting may be broadcast via live streaming video on the internet in both audio and visual formats. One or more members of the Council may attend either in person or by telephone, video or internet conferencing. **NOTICE TO PARENTS:** Parents and legal guardians have the right to consent before the Town of Dewey-Humboldt makes a video or voice recording of a minor child. A.R.S. § 1-602.A.9. Dewey-Humboldt Council Meetings are recorded and may be viewed on the Dewey-Humboldt website. If you permit your child to participate in the Council Meeting, a recording will be made. You may exercise your right not to consent by not permitting your child to participate or by submitting your request to the Town Clerk that your child not be recorded.

1. Call To Order.

2. Opening Ceremonies.

2.1. Pledge of Allegiance.

2.2. Invocation.

3. Roll Call. Town Council Members Arlene Alen, Mark McBrady, Denise Rogers, Nancy Wright; Vice Mayor Dennis Repan; and Mayor Terry Nolan.

4. Announcements Regarding Current Events, Guests, Appointments, and Proclamations.

Announcements of items brought to the attention of the Mayor not requiring legal action by the Council. Guest Presentations, Appointments, and Proclamations may require Council discussion and action.

4.1. Public Safety Quarterly Report. Lt. Newnum and Magistrate Kelley.

4.2. Poppy Month Proclamation. In Support of our Veterans.

5. Town Manager's Report. Update on Current Events.

6. Consent Agenda.

6.1. Minutes. Minutes from the April 9, 2013 Work Session and April 16, 2013 Regular Meeting.

7. Comments from the Public (on non-agendized items only). The Council wishes to hear from

Citizens at each meeting. Those wishing to address the Council need not request permission or give notice in advance. For the official record, individuals are asked to state their name. Public comments may appear on any video or audio record of this meeting. Please direct your comments to the Council. Individuals may address the Council on any issue within its jurisdiction. At the conclusion of Comments from the Public, Council members may respond to criticism made by those who have addressed the public body, may ask Town staff to review a matter, or may ask that a matter be put on a future agenda; however, Council members are forbidden by law from discussing or taking legal action on matters raised during the Comments from the Public unless the matters are properly noticed for discussion and legal action. A **3** minute per speaker limit may be imposed. The

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audience is asked to please be courteous and silent while others are speaking.

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- 8. Discussion Agenda – Unfinished Business.** Discussion and Possible Action on any issue which was not concluded, was postponed, or was tabled during a prior meeting.
- 8.1. Volunteer of the Year Selection by Council and Recognition Day details.**
- 8.2. Continuation of the process for filling the Council Vacancy created by Councilmember Hiles’ resignation.** Discussion and possible action to appoint a new councilmember or direct Staff regarding the next steps in the process to appoint a new councilmember.
- 9. Discussion Agenda – New Business.** Discussion and Possible Action on matters not previously presented to the Council.
- 9.1. Council Acknowledgement and Discussion of FY 13-14 Tentative Budget, Review of Budget Calendar, and determination of future Budget discussion meeting dates.**
- 9.2. Ordinance 13-97 Consolidated Elections.** Discussion and possible action to approve ordinance amending Town Code § 30.015 Town Council Generally related to codifying 4-year staggered terms for councilmembers and clarifying dates for assumption of office; and adding new §§ 30.042 Election Day and 30.043 Referendum and Initiative Elections to set forth the dates for Town elections in conformance with A.R.S. § 16-204 re: consolidated elections.
- 9.3. Spring 2013 Chip Overlay Project Bid Selection and Approval of a Contract with the Selected Contractor.** Discussion and possible action to select a contractor for the Spring 2013 Chip Overlay Project based upon the bids submitted in the Town’s Notice and Invitation for Bids or to reject all proposals and issue a new invitation for bids.
- 9.4. Modification of Town Code 30.018(D) through Council Action, Resolution and Ordinance.** [CAARF Requested by VM Repan] Discussion and possible direction to Staff to prepare Council policy or ordinance to amend Town Code re: presentation of agenda item by councilmember who requested the item.
- 9.5. Modification of Town Code 30.105(C) through Council Action, Resolution and Ordinance.** [CAARF Requested by VM Repan] Discussion and possible direction to Staff to prepare Council policy or ordinance to amend Town Code re: procedure to remove item from Council agenda.
- 9.6. Modification of Town Code 30.106 through Council Action, Resolution and Ordinance.** [CAARF Requested by VM Repan] Discussion and possible direction to Staff to prepare Council policy or ordinance re: decorum at Council meetings.
- 9.7. Junior Statesmen Foundation Tuition Program.** [Requested by Mayor Nolan] Discussion and possible direction to Staff.
- 9.8. Discussion and possible action regarding acquisition of property for Town Hall purposes and possibly to approve Resolution No. 13-107,** authorizing and directing the Town Manager and Town Attorney to obtain appraisals and legal descriptions and take other necessary actions preparatory to acquisition of real property located in Dewey-Humboldt at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street and/or 12847 East Main Street on behalf of the Town and directing the Town Manager to present the above information to the Council for possible approval to proceed with the acquisition. The Council may, by majority vote, recess the regular meeting, hold an executive session, and then reconvene the regular meeting for discussion and possible action on this item.

9.8.1 Recess into and hold an executive session pursuant to A.R.S. § 38-431.03(A)(7) for discussions or consultations with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property located in Dewey-Humboldt, Arizona, at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street and/or 12847 East Main Street.

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9.8.2. Reconvene Regular Meeting.

9.9. Discussion and possible action regarding Lease Agreement(s) for Current Town Hall Offices Located at Humboldt Station Inc. Property (2735 S. Hwy 69).

9.9.1. Recess into and hold an executive session pursuant to A.R.S. § 38-431.03(A)(7) for discussions or consultations with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (Humboldt Station) located in Dewey-Humboldt, Arizona, at 2735 S. State Route 69, Humboldt, AZ.

9.9.2. Reconvene Regular Meeting.

10. Public Hearing Agenda.

No Items.

THIS CONCLUDES THE LEGAL ACTION PORTION OF THE AGENDA.

11. Comments from the Public. The Council wishes to hear from Citizens at each meeting. Those wishing to address the Council need not request permission or give notice in advance. For the official record, individuals are asked to state their name. Public comments may appear on any video or audio record of this meeting. Please direct your comments to the Council. Individuals may address the Council on any issue within its jurisdiction. At the conclusion of Comments from the Public, Council members may respond to criticism made by those who have addressed the public body, may ask Town staff to review a matter, or may ask that a matter be put on a future agenda; however, Council members are forbidden by law from discussing or taking legal action on matters raised during the Comments from the Public unless the matters are properly noticed for discussion and legal action. The total time for Public Comment is **3** minutes per person. The audience is asked to please be courteous and silent while others are speaking.

12. Adjourn.

For Your Information:

Next Town Council Meeting: Tuesday, May 21, 2013, at 6:30 p.m.

Next Planning & Zoning Meeting: Thursday, May 9, 2013, at 6:00 p.m.

Next Town Council Work Session: Tuesday, May 14, 2013, at 2:00 p.m.

If you would like to receive Town Council agendas via email, please sign up at AgendaList@dhaz.gov and type Subscribe in the subject line, or call 928-632-7362 and speak with Judy Morgan, Town Clerk.

Certification of Posting

The undersigned hereby certifies that a copy of the attached notice was duly posted at the following locations: Dewey-Humboldt Town Hall, 2735 South Highway 69, Humboldt, Arizona, Chevron Station, 2735 South Highway 69, Humboldt, Arizona, Blue Ridge Market, Highway 69 and Kachina Drive, Dewey, Arizona, on the ____ day of _____, 2013, at ____ p.m. in accordance with the statement filed by the Town of Dewey-Humboldt with the Town Clerk, Town of Dewey-Humboldt.

By: _____, Town Clerk's Office.

Persons with a disability may request reasonable accommodations by contacting the Town Hall at 632-7362 at least 24 hours in advance of the meeting.

Poppy Month Proclamation

May 2013

WHEREAS, the sacrifices of those who have lost their lives, their health or their livelihood as a result of their military service are rightly the concern of all citizens; and

WHEREAS, the annual distribution of the red poppies by the American Legion Auxiliary offers an opportunity for the people of this community to acknowledge those persons who have paid more than their share of the cost of freedom; and

WHEREAS, poppies are made by disabled veterans, and the proceeds of this worthy fund-raising campaign are used exclusively for the benefit of disabled and needy veterans and their families, and the widows and orphans of deceased veterans;

NOW, THEREFORE, I, Terry Nolan, Mayor of the Town of Dewey-Humboldt, do hereby proclaim the month of May to be "Poppy Month" in the Town of Dewey-Humboldt, and I urge the citizens of this community to recognize the merits of this cause by contributing to its support through the donation of funds for poppies on the days set aside for the distribution of these symbols of appreciation for the sacrifices of our honored dead.

I further urge all patriotic citizens to wear a poppy during the month of May, 2013, as just evidence of our gratitude for the men and women of this country who have risked their lives in fulfilling their obligations as American citizens.

In witness whereof, I have hereunto set my hand this 7th day of May 2013.

*Mayor Terry Nolan
Town of Dewey-Humboldt*

*Judy Morgan
Town Clerk*

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**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
STUDY SESSION MINUTES
TUESDAY, APRIL 9, 2013, 2:00 P.M.**

A STUDY SESSION OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, APRIL 9, 2013, AT TOWN HALL AT 2735 S. HIGHWAY 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call To Order.** The meeting was called to order at 2:00 p.m. Mayor Nolan presided.

2. **Roll Call.**

2.1. Town Council. Town Council Members Arlene Alen, Mark McBrady (absent at roll call-arrived at 2:10 p.m.), Denise Rogers (absent at roll call-arrived at 2:03 p.m.), Nancy Wright; Vice Mayor Dennis Repan; and Mayor Terry Nolan were present.

3. **Study Agenda.** No legal action to be taken.

3.1. YC Sheriff's Department Budget Request and Service Level for FY 13-14.

Lt. Newnum introduced the patrolmen who work with Dewey-Humboldt.

Councilperson Rogers arrived at 2:03 p.m.

The Patrolmen introduced themselves and gave a little history on their service with Yavapai County and the Dewey-Humboldt area. Those present were: Sgt. Myhres, D. Oen, T. Tieman, D. Prichard, J.T. Smith, R. Martin.

Lt. Newnum spoke on the services Dewey-Humboldt receives through the contract with YCSO.

Councilman McBrady arrived at 2:10 p.m.

Lt. Newnum spoke on animal control, bio-hazard and other ancillary services and other benefits of contracting with the YCSO.

There was discussion on services in Dewey-Humboldt versus unincorporated Yavapai County.

3.2. Dewey-Humboldt Historical Society's Budget Request for Museum.

Member of the Historical Society David Nystrom gave a presentation (provided in the packet). He explained the D-HHS will be asking for 12 months of museum rent to be paid by the town for the next fiscal year. There were questions on response to the museum and benefits for local businesses. There were questions and comments on future business plans; location of the museum; historic registry and the museum/bank building; and fundraising efforts.

3.3. Old Black Canyon Highway Update.

Town Manager Kimball gave an update on the Old Black Canyon (OBC) Highway roadway: Surveyor has provided town with an assessment. Ms. Kimball recommended the Council "wait and see" due to complications and wanting collaboration from all parties before moving forward. The Town will need an accurate survey to determine all encroaching properties.

There was discussion on the OBC Hwy Right-of-Way compared to location of roadway; options regarding ownership and maintenance.

Public comment was taken on this item.

Jack Hamilton spoke on plotting the Town's ROW using the title reports and the Town's ownership of and responsibility for parts of the roadway.

Jerry Brady spoke on creating a list of community assets for the town; previous efforts to determine ownership; historic ownership of Old Black Canyon Highway and information available through the U.S. War Department.

There was further discussion of options. It was decided that a Council person can ask for a future agenda item if they are interested in pursuing this further, but at this time no action or direction was given on this.

3.4. Council seating – To go back down to tables for Study Sessions. [CAARF Requested by Mayor Nolan]

There were comments by Council members on whether they preferred to hold Study Sessions at the dais or down at the staff tables. Most agreed they had no problem with stepping down from the dais for the study sessions. Staff was asked and responded about the time and inconvenience of setting up and breaking down for those meetings. This isn't a problem for staff to do.

3.5. Public Safety Service option and further discussion following Chief Muma's February 19th presentation and a presentation by Bill Sutton.

Town Manager Kimball introduced the item and Mr. Sutton's qualifications for speaking on this item.

Bill Sutton addressed the Council giving a broader perspective on this; gave pros and cons of contracting with the Sheriff's office versus other options (Police Department or a Marshall and Sheriff's Office). He offered to provide studies to the council to look at on a marshall hybrid system.

Council asked questions about what other municipalities have done and some of the challenges, revenues and costs to consider.

Public comment was taken on this item.

Jerry Brady spoke on his background and work on MOAs and IGAs; the value of contracting with the Sheriff's office; concerns with service and conforming with state law.

Earl Goodwin spoke on the benefits of contracting with the Sheriff's office; police departments being costly; requirement to provide this service; offered to meet with any Council members to discuss details on police budgeting.

Jack Hamilton suggested forming an ad hoc committee to look at this possibility.

4. Comments from the Public.

Jerry Brady spoke on legal requirements when forming the town; surveys and markers in town and town boundaries and how to apply for a resurvey of town monuments for free.

Jack Hamilton spoke on Old Black Canyon Highway title report not containing the legal description as his title does.

Earl Goodwin spoke on Sheriff's department responsiveness; private street maintenance and options if maintenance is not done.

Bart Brush commented on the hazard with speeding on Phoenix and Hecla Streets and concerns for pedestrian safety. He asked about the laws regarding common use of an easement.

5. Adjourn.

The meeting was adjourned at 4:32 p.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk

**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
REGULAR MEETING MINUTES
TUESDAY, APRIL 16, 2013, 6:30PM**

A REGULAR SESSION OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, APRIL 16, 2013, AT TOWN HALL AT 2735 S. HIGHWAY 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call To Order.** The meeting was called to order at 6:30 p.m.
2. **Opening Ceremonies.**
 - 2.1. **Pledge of Allegiance.** Made.
 - 2.2. **Invocation.** Given by Councilmember Nancy Wright.
3. **Roll Call.** Town Council Members Arlene Alen, Mark McBrady, Denise Rogers (arrived late at 6:34 p.m.), Nancy Wright; Vice Mayor Dennis Repan; and Mayor Terry Nolan were present.
4. **Announcements Regarding Current Events, Guests, Appointments, and Proclamations.** Announcements of items brought to the attention of the Mayor not requiring legal action by the Council. Guest Presentations, Appointments, and Proclamations may require Council discussion and action.
 - 4.1. **Planning and Zoning Commission interview and possible appointment.** Applicant Barry Smylie to be interviewed and possibly appointed to the P&Z Commission.

Councilmember Rogers arrived at 6:34 p.m.

Barry Smylie was in attendance and spoke on his experience and reasons for applying for the P&Z Commission vacancy. He was asked a few questions regarding P&Z issues, which he answered.

Mayor Nolan made a motion to appoint Barry Smylie to the Planning and Zoning Commission, seconded by Councilmember McBrady. It was approved unanimously.
5. **Town Manager's Report.** Update on Current Events.
 - 5.1. **Lease Agreement(s) for Current Town Hall Offices Located at Humboldt Station Inc. Property (2735 S. Hwy 69).** Initiate discussion on future actions.

Town Manager Kimball gave an overview on the status of the lease of Town Hall offices. Town Attorney Phyllis Smiley spoke on the terms of the existing lease and notification to the landlord whether it intends to exercise its extension by July 1st, either way.
6. **Consent Agenda.**
 - 6.1. **Minutes.** Minutes from the April 2, 2013 Regular Council Meeting.

Councilmember Alen made a motion to approve the minutes as presented, seconded by Mayor Nolan. It was approved unanimously.
7. **Comments from the Public (on non-agendized items only).**

Jack Hamilton spoke on Old Black Canyon Highway title report and his research on ownership.

8. Discussion Agenda – Unfinished Business. Discussion and Possible Action on any issue which was not concluded, was postponed, or was tabled during a prior meeting.

8.1. “Development Fee” legislation and ordinance discussion and next steps.

Discussion and possible action.

Town Manager Kimball gave an overview and her recommendation to the Council that it was not worthwhile to continue the Development Fees with the new law. There was discussion on having more information before making that decision and needing a work session to make a determination.

Councilmember Alen made a motion to continue this agenda item to a work session once additional information and the cost estimate to do a study is obtained, seconded by Vice Mayor Repan.

There were questions on the new law pertaining to developers’ reimbursement, which Ms. Smiley answered.

A vote was taken on the motion which passed unanimously.

Ms. Smiley asked if there was more information the Council was requesting from legal counsel. Councilmember Wright wanted to know if the ordinance could be simplified. Ms. Smiley explained it needed to contain all of the details due to the legislature requirements. Ms. Kimball will ask the company who did the earlier study for an estimate on a new study.

Public comment was taken on this item.

Jack Hamilton asked about the reinstatement of development fees.

Jerry Brady spoke on the Growing Smarter Act.

9. Discussion Agenda – New Business. Discussion and Possible Action on matters not previously presented to the Council.

9.1. Special Event Liquor License – Boys & Girls Club of Central Arizona/Mortimer Family Farms, Beef-n-Barbeque event May 4-5, 2013. Discussion and possible action to approve.

Mortimer Family Farms owner, Sharla Mortimer spoke on behalf of the Special Event Liquor License application request. She gave an overview on the special event and their partnering with the Boys and Girls Club on fundraising by having a “Beer and Wine Garden”. There were questions on the minimum donations being in place; handling the drinking and driving issue; attendees expected; local vendor participation.

Vice Mayor Repan made a motion to approve the Special Event Liquor License – Boys & Girls Club of Central Arizona/Mortimer Family Farms, Beef-n-Barbeque event may 4-5, 2013, seconded by Councilmember Alen. It was approved unanimously.

9.2. Enterprise Technical Support Services RFP Selection. Discussion and possible action to select a provider and approve the contract for Enterprise Technical Support Services based upon the proposals submitted in the Town’s Request for Proposals or to reject all proposals and issue a new request for proposals.

Town Manager Kimball gave an overview on the process and the one RFP received for consideration. She reviewed the details of the RFP and per hour rates. There were questions about rolling over hours from month to month; whether the amount bid was high or fair; how the RFP was advertised; possible change in the level of service

requested; low number of proposal responses.

Public comment was taken on this item.

Don Lee spoke on the benefits of continuing with the current IT contractor.

Jerry Brady spoke on the Yavapai County System and upgrading to the National Standard.

There was discussion on having the owner of Four D, LLC give a presentation to Council.

Councilmember Rogers made a motion to reject all proposals as it is excessive in price, and put this out for re-bid, seconded by Councilmember McBrady. The motion failed by a 2-4 vote, Councilmembers Alen, McBrady, Vice Mayor Repan and Mayor Nolan voting against.

A motion was made by Vice Mayor Repan to accept the provider and authorize the Mayor to sign the contract, seconded by Mayor Nolan. It was approved by a 4-2 vote in favor, Councilmembers Rogers and Wright voting against.

Council directed Staff to invite Four D, LLC to come and speak to Council at a work session, on their services.

9.3. “Open Books Web Posting” IGA with Arizona Department of Administration (ADOA). Discussion and possible action to approve.

Town Manager Kimball gave an overview and explained this is a State requirement. Her recommendation is to accept the IGA. There was discussion on possible options besides this IGA.

Vice Mayor Repan made a motion to research this more and bring it back at the next meeting, seconded by Councilmember Wright. It was approved unanimously.

9.4. Discussion and possible action regarding Councilmember Mark McBrady’s failure to sign the Council Code of Ethics as required by the Town Code Section 30.015 and for allegedly violating the Council’s Code of Ethics and/or the Councilmember’s Oath of Office. The Council may, by majority vote, recess the regular meeting, hold an executive session, and then reconvene the regular meeting for discussion and possible action on this item.

Mayor Nolan explained Councilmember McBrady has signed the Code of Ethics. It was also noted that Councilmember McBrady signed his executive session notice requesting this discussion be held in Public Session.

Town Attorney Smiley explained this agenda item would then need to be held in public session.

There was discussion on whether the agenda item was complete enough to discuss any other possible violations without breaking Open Meeting Law. TA Smiley stated it was complete enough.

Public comment was taken on this item.

Jerry Brady spoke on the wording in OML relating to agendas and Executive Session.

Len Marinaccio spoke on Council’s rights to decide how far to take this agenda item and making a motion to move on if the issue was resolved.

Councilmember McBrady started to make a motion but Town Attorney Smiley stopped

him stating he could not make a motion as he had a conflict of loyalties.

Councilmember Wright made a motion to accept the attorney's counsel and have Councilmember McBrady step down and let Council discuss this issue, seconded by Vice Mayor Repan. The motion passed by a 4-1 vote in favor, Mayor Nolan voting against and Councilmember McBrady abstaining.

Councilmember McBrady recused himself and stepped down from the dais for this agenda item.

Mayor Nolan called a 15 minutes recess at 8:08 p.m. and stepped away from the dais.

Town Attorney Smiley explained according to Robert's Rules of Order a motion was necessary to recess a meeting.

Vice Mayor Repan asked the Council's pleasure, seated Council members agreed to continue the meeting.

Vice Mayor Repan explained his reasons for requesting this item upon finding CM McBrady had not signed the Code of Ethics and his wish to find a way to not have this happen in the future, and how to handle a code infraction in the future.

TA Smiley spoke on how a code infraction is handled through the code enforcement/legal procedure.

Mayor Nolan returned to the dais at 8:17 p.m.

TA Smiley continued to talk about how the process works.

Mayor Nolan called a point of information and read the old Code of Conduct procedure to the Council. Councilmember Alen explained to the Council and Attorney that she had requested that older version be sent out to all Council members recently as part of a request to go on a future agenda and therefore the Mayor might have misunderstood that this was no longer in effect.

Vice Mayor Repan spoke on CM McBrady signing the code of ethics and wanting to handle this in an executive session to avoid embarrassment but McBrady requested it be done in a public session.

TA Smiley explained the Town's Code of Ethics does not provide a procedure. Council's current option is to censure a Council Member only.

Public comment was taken on this item.

Mark McBrady spoke about his reasons for not signing the Code of Ethics until recently and about his Code Enforcement violation and judgment. He stated he does not think he did anything wrong.

Len Marinaccio suggested they work on a procedure at a work session and not in-fighting.

Jerry Brady spoke on swearing an oath of office and where to take this to verify if this is a serious infraction.

Vice Mayor Repan spoke on their ability to make a censure or statement if they don't like what a Council Member has done, but nothing more since the Code is hazy on enforcement.

There was discussion on the Hearing Officer judgment/fine and each Council Members obligation to abide by the Town laws.

Public comment was taken again on this item.

Heather Wright spoke in support of Mark McBrady and how he contributes to the community.

Len Marinaccio spoke again on having a work session to “fix” the Town Code regarding Code of Ethics.

TM Kimball spoke on McBrady’s criticism about Staff and stated she was aware of his receiving the Code of Ethics for signing many times. McBrady responded he didn’t remember if he was told about it.

9.4.1. Recess into and hold executive session pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of disciplining of Councilmember Mark McBrady for failing to sign the Council Code of Ethics as required by Town Code Section 30.015 and for allegedly violating the Council’s Code of Ethics and/or the Councilmember’s Oath of Office.

Council did not convene into Executive Session on this agenda item, but held the discussion in Open Session (as requested by Mark McBrady).

9.4.2. Reconvene Regular Meeting. n/a

At the conclusion of this agenda item, Councilmember McBrady returned to the dais.

9.5. Discussion and possible action regarding acquisition of property for Town Hall purposes and possibly to approve Resolution No. 13-107, authorizing and directing the Town Manager and Town Attorney to obtain appraisals and legal descriptions and take other necessary actions preparatory to acquisition of real property located in Dewey-Humboldt at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street and/or 12847 East Main Street on behalf of the Town and directing the Town Manager to present the above information to the Council for possible approval to proceed with the acquisition. The Council may, by majority vote, recess the regular meeting, hold an executive session, and then reconvene the regular meeting for discussion and possible action on this item.

Councilmember McBrady recused himself from this agenda item and left the dais at 8:56 p.m.

Vice Mayor Repan made a motion to recess into and hold an executive session, seconded by Councilmember Wright. It was approved by a unanimous (5-0) vote, Councilmember McBrady recused from the vote.

Council recessed into Executive Session at 8:58 p.m.

9.5.1 Recess into and hold an executive session pursuant to A.R.S. § 38-431.03(A)(7) for discussions or consultations with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property located in Dewey-Humboldt, Arizona, at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street and/or 12847 East Main Street.

9.5.2. Reconvene Regular Meeting.

Council reconvened into Regular Session at 9:39 p.m.

Vice Mayor Repan made a motion to continue this discussion at the next regular Council meeting, seconded by Councilmember Wright. The motion passed by a 3-2 vote in favor,

Councilmember Rogers and Mayor Nolan voting against and CM McBrady being recused from the vote.

10. Public Hearing Agenda. None.

11. Comments from the Public.

Jerry Brady spoke on the “most scandalous frauds in Arizona’s history”, land use, and Old Black Canyon Highway.

12. Adjourn.

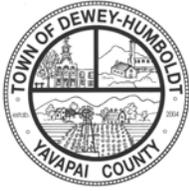
The meeting was adjourned at 9:43 p.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk

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TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING
May 7, 2013, 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 8.1. Volunteer of the Year program.

Recommended action: accept the Volunteer of the Year selection Committee's selection; confirm May 18, May 25 or June 1 for the recognition day; direct staff to prepare for its celebration

To: Mayor and Town Council Members
From: Yvonne Kimball, Town Manager

Date submitted: May 1, 2013

Summary:

The Council instituted the Volunteer of the Year program in December 2012 and was directed to have a recognition/community-wide celebration event on a weekend day at Butte St. Park, preferably before the new council is seated on June 4, 2013. As such, A Volunteer of the Year Selection Committee was appointed. On April 16, 2013, the Volunteer of the Year Selection Committee met and made their selection. The Committee Chair will report on the meeting.

Upon the Council's acceptance of the selection, staff is asking the Council to confirm the date for the recognition/celebration event. Three Saturdays are available before June 4 when the new council is seated: May 18, 25 or June 1.

Staff has some ideas for the community-wide celebration: recognize D-H's first V of Y by a simple ceremony followed by food and soft drink/water for lunch. Staff also suggests a meaningful but affordable token of appreciation to be given to the Volunteer of the Year.

In addition to the date for the event, Staff seeks your input on the details of the event.

**TOWN OF DEWEY-HUMBOLDT
VOLUNTEER OF THE YEAR (VOTY) SELECTION ADVISORY COMMITTEE MEETING
MEETING MINUTES
APRIL 16, 2013, 5:00PM**

A REGULAR MEETING OF THE DEWEY-HUMBOLDT VOLUNTEER OF THE YEAR (VOTY) SELECTION ADVISORY COMMITTEE WAS HELD ON TUESDAY, APRIL 16, 2013 AT TOWN HALL AT 2735 S. HIGHWAY 69, DEWEY-HUMBOLDT, ARIZONA.

- 1. SWEARING IN OF AD HOC MEMBERS.** Town Clerk Judy Morgan executed the oath of office for the new Committee Members: Claire Clark, Zona Hays, Dennis Repan and Sonya Williams-Rowe.
- 2. CALL TO ORDER.** The meeting was called to order at 5:04 p.m.
- 3. PLEDGE OF ALLEGIANCE.** Made.
- 4. ROLL CALL:** Committee Members: Claire Clark, Zona Hays, Dennis Repan, and Sonya Williams-Rowe were present.
- 5. SELECTION OF CHAIR AND MINUTES TAKER FOR THE COMMITTEE.**
Dennis Repan offered to chair the meeting and take the minutes so they could make the selection. The other members agreed this was acceptable to them.
- 6. REGULAR AGENDA – New Business** - Discussion and Possible Action on matters not previously presented to the Committee.

6.1. Review, discussion and selection of Volunteer of the Year.

Chair Repan introduced the item. All members had received the applications for review prior to the meeting.

Claire Clark spoke on the application for Pat Mathews and how impressed she was with a petition of signatures of support and all she had done for the community. Sonya Williams-Rowe and Zona Hays agreed.

Public comment was taken on this item.

Sandra Goodwin spoke in support of Ms. Mathews.

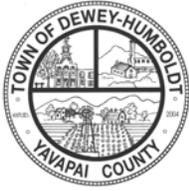
Sonya Williams-Rowe made a motion to select Pat Mathews as the Volunteer of the Year, seconded by Zona Hays. It was approved unanimously.

- 7. ADJOURN.** The meeting was adjourned at 5:10 p.m.

Dennis Repan, Chair

ATTEST:

Judy Morgan, Town Clerk



TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING

May 7, 2013, 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 8.2. Continuation of the process for filling the Council Vacancy created by Councilmember Hiles' resignation.

To: Mayor and Town Council Members

From: Judy Morgan, Town Clerk

Date submitted: April 29, 2013

Agenda Item: 8.2. Continuation of the process for filling the Council Vacancy created by Councilmember Hiles' resignation. Discussion and possible action.

Summary:

On April 2, 2013, Council discussed the "first steps" to filling the council seat vacated by Councilmember Hiles' resignation. It was decided that a notice of the vacancy and a call for applications should go out following the meeting, (Town's website, newsletter and local newspaper) with a deadline to submit an application of May 2, 2013 by 5:00 p.m.

As of this deadline I am in receipt of 3 applications received within that submittal period from the following applicants:

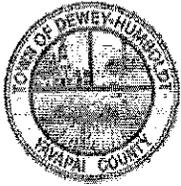
- Robert Ellis
- Jimmie Stanfield
- Sonya Williams-Rowe

Recommended action:

Possible options available to Council are:

1. Make a selection from the applications received and appoint to the vacated seat.
2. Schedule interviews of the three applicants, and an appointment date in the coming days.
3. Extend the application deadline to solicit for additional applications.

Rec'd 4/3/13



TOWN OF DEWEY-HUMBOLDT

P.O. Box 69
Humboldt, AZ 86329
Phone: 928-632-8562 • FAX: 928-632-7365

Town Council, Commission and Committee Vacancy Application Form

Please complete this application form and thank you for your interest in serving.

Personal information:

Name: ROBERT ELLIS email: [redacted]

Mailing & Physical Address: POB [redacted] SHAWNEE LN

Phone Number: 928 [redacted] Occupation: N/A
(please indicate home and work numbers)

How long have you lived in Dewey-Humboldt? SINCE 1989 years. Are you over the age of 18? Yes No

Are any of your relatives, employed by the Town? Who/Where: NO

Emergency Contact: JUNETTE ELLIS [redacted] SPOUSE
Name Phone Relationship

Are you presently employed? (Check as many as apply)
 Employed full-time Employed part-time Unemployed Retired STAFF of AZ D.O.B.
Employment experience relevant to the position applied for: LAW ENFORCEMENT STAFF

Position applied for: Briefly describe your interest in volunteering for the Town's Council, Commissions and/or Committees. Describe your experience, education and /or other qualities that you feel would be of value to the Town. You may apply for more than one position. If doing so, please list in order of preference. If needed, you may attach a separate sheet of paper.

I SUPPORT MAINTAINING THE SMALL TOWN, RURAL CHARACTER OF DEWEY-HUMBOLDT
M.ED. IN EDUCATION (MEDIA & MATH)
B.S. IN EDUCATION (TECHNICAL & JOURNALISM)
WORK EXPERIENCE INCLUDES EDUCATION (K-COLLEGE) AND LAW ENFORCEMENT

3 APRIL 2013
DATE

[redacted signature]
SIGNATURE

If you have any questions about this application, please contact the Town Clerk at (928) 632-8562. Please mail the completed application to the Town of Dewey-Humboldt, Town Clerk, P.O. Box 69, Humboldt, AZ, 86329, fax to 928-632-7365, or email to judymorgan@dhaz.gov.

Town of Dewey-Humboldt
Council, Commissions and Committees

(Please number in order of preference, 1st choice, 2nd choice, etc., if applying for more than one position)

COUNCIL serves as the legislative body and primary authority of the Town.

✓ **Town Council**

COMMISSIONS - appointed by the Town Council and subject to open meetings law.

2 **Planning and Zoning Advisory Commission** – Seven member commission that hears requests for re-zonings, Planned Area Developments; makes recommendations to the Town Council.

COMMITTEES – entirely voluntary and meet at their discretion based on interest and need.

_____ **Environmental Issues Advisory Committee** – Provides for the identification, assessment and monitoring of environmental/public health issues of concern to the Town.

_____ **Groundwater Resource Advisory Committee** – Provides for the collection of data, information and studies that will assist the Town in being a positive influence in the preservation of its citizens rights to access groundwater and other appropriate water resources.

_____ **Clean Town Committee** – Provides volunteer services to the Town and its citizens in developing programs that address issues of accumulated trash, code enforcement and related concerns.

3 _____ **Open Space & Trails Committee** – Provides volunteer services to the Town for the collection of data, information and studies that will further the implementation of the goals and objectives of the Open Space & Trails Master Plan.

_____ **Other Committees as needed.**

For additional information regarding any of the above volunteer groups, please contact Judy Morgan, Town Clerk at 928-632-7362.

rec'd 4/10/13 gm



TOWN OF DEWEY-HUMBOLDT

P.O. Box 69

Humboldt, AZ 86329

Phone: 928-632-8562 • FAX: 928-632-7365

Town Council, Commission and Committee Vacancy Application Form

Please complete this application form and thank you for your interest in serving.

Personal information:

Name: JIMMIE STANFIELD email: [REDACTED]

Mailing & Physical Address: [REDACTED] E HENDERSON Rd P.O. Box [REDACTED]

Phone Number: [REDACTED] Occupation: RETIRED
(please indicate home and work numbers)

How long have you lived in Dewey-Humboldt? 2 years. Are you over the age of 18? Yes No

Are any of your relatives, employed by the Town? Who/Where: NO

Emergency Contact: DEBBIE STANFIELD [REDACTED] WIFE
Name Phone Relationship

Are you presently employed? (Check as many as apply)
 Employed full-time Employed part-time Unemployed Retired
Employment experience relevant to the position applied for: LAW ENFORCEMENT

Position applied for: Briefly describe your interest in volunteering for the Town's Council, Commissions and/or Committees. Describe your experience, education and /or other qualities that you feel would be of value to the Town. You may apply for more than one position. If doing so, please list in order of preference. If needed, you may attach a separate sheet of paper.

I would like to see Dewey grow and not be another P.O. I am active in the Shrine, Elks and A.O.U. I have had lots exposure to government

4-10-13
DATE

[REDACTED]
SIGNATURE

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Town of Dewey-Humboldt
Council, Commissions and Committees

(Please number in order of preference, 1st choice, 2nd choice, etc., if applying for more than one position)

COUNCIL serves as the legislative body and primary authority of the Town.

1 ✓ **Town Council**

COMMISSIONS - appointed by the Town Council and subject to open meetings law.

 Planning and Zoning Advisory Commission – Seven member commission that hears requests for re-zonings, Planned Area Developments; makes recommendations to the Town Council.

COMMITTEES – entirely voluntary and meet at their discretion based on interest and need.

1 ✓ **Environmental Issues Advisory Committee** – Provides for the identification, assessment and monitoring of environmental/public health issues of concern to the Town.

2 ✓ **Groundwater Resource Advisory Committee** – Provides for the collection of data, information and studies that will assist the Town in being a positive influence in the preservation of its citizens rights to access groundwater and other appropriate water resources.

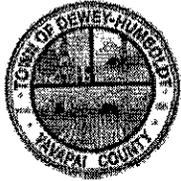
 Clean Town Committee – Provides volunteer services to the Town and its citizens in developing programs that address issues of accumulated trash, code enforcement and related concerns.

 Open Space & Trails Committee – Provides volunteer services to the Town for the collection of data, information and studies that will further the implementation of the goals and objectives of the Open Space & Trails Master Plan.

 Other Committees as needed.

For additional information regarding any of the above volunteer groups, please contact Judy Morgan, Town Clerk at 928-632-7362.

rec'd 4/18/13
gm



TOWN OF DEWEY-HUMBOLDT

Town Council, Commission, Boards and Committee Vacancy Application Form

Please complete this application form and thank you for your interest in serving.

Personal information:

Name: Sonya Williams-Rowe email: [redacted]

Mailing & Physical Address: PO Box [redacted] Dewey AZ 86327 teacher

E Rocky Hill Rd Dewey AZ 86327 teacher

Phone Number (please indicate home and work numbers): [redacted] Occupation: 928- [redacted] home

How long have you lived in Dewey-Humboldt? 3 years. Are you over the age of 18? Yes No

Are any of your relatives employed by the Town? Who/Where: none

Emergency Contact: Ken Rowe [redacted] husband

Name Phone Relationship

Are you presently employed? (Check as many as apply)

Employed full-time Employed part-time Unemployed Retired

Employment experience relevant to the position applied for: _____

Position applied for: Briefly describe your interest in volunteering for the Town's Council, Boards, Commissions and/or Committees. Describe your experience, education and /or other qualities that you feel would be of value to the Town. You may apply for more than one position. If doing so, please list in order of preference. If needed, you may attach a separate sheet of paper.

I am interested in volunteering for the Town Council. I have been a member of the community for 3 years and would like to give back. I have a Bachelor's in Business/Finance and a Master's in Special Education. I am used to working with confidential

4/17/13

DATE

[redacted signature]

SIGNATURE

If you have any questions about this application, please contact the Town Clerk at (928) 632-8562. Please mail the completed application to the Town of Dewey-Humboldt, Town Clerk, P.O. Box 69, Humboldt, AZ, 86329, fax to 928-632-7365, or email to judymorgan@dhaz.gov.

information and I know the importance of deadlines. I feel I would be able to fulfill the requirements of this ~~part~~ position.

Town of Dewey-Humboldt
Council, Boards, Commissions and Committees

(Please number in order of preference, 1st choice, 2nd choice, etc., if applying for more than one position)

COUNCIL - Council serves as the legislative body and primary authority of the Town.

Town Council

BOARDS - Boards are appointed by the Town Council and subject to open meetings law.

 Board of Adjustment - Five resident members that hear appeals by property owners regarding variances and interpretation of staff decisions regarding land use issues. Quasi-judicial, appeals of the Board's decisions are heard by Superior Court.

COMMISSIONS - Commissions are appointed by the Town Council and subject to open meetings law.

 Planning and Zoning Advisory Commission - Seven member Commission that hears requests for rezoning, Planned Area Developments; makes recommendations to the Town Council.

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 Environmental Issues Advisory Committee - Provides for the identification, assessment and monitoring of environmental/public health issues of concern to the Town.

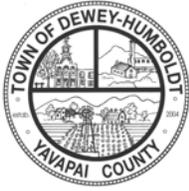
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 Other Committees as needed.

For additional information regarding any of the above volunteer groups, please contact Judy Morgan, Town Clerk at 928-632-7362.



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P.O. BOX 69
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Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING
May 7, 2013, 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 9.1. Tentative Budget. Memorandum #1

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Recommendation: acknowledge the proposed Tentative Budget in the amount of \$3,921,305; set dates and time for budget work session and public hearings; direct staff to proceed with necessary postings of the tentative budget and future meeting(s);

Date submitted: May 1, 2013

Summary:

First off, I hereby present FY 13-14's Tentative Budget in the amount of \$3,921,304.77 (in total expenditures). The expenditure limitation for D-H is \$4,169,159. The proposed tentative budget is below the limitation requirement. The operational budget (without considering contingency and reserve allocations) is balanced with about \$9,600 in surplus. In a separate memorandum (memo #2), I will explain some highlights of the proposed tentative budget.

The Tentative Budget sets a cap on FY 13-14's total expenditure amount. In other words, the final adopted budget cannot exceed total expenditure of \$3,921,304. The Town's total budget has always been around \$4 million in the past.

Upon your acknowledgement, we will decide on the time and dates for detailed discussion meetings (budget work sessions) and public hearings. Staff recommends the following:

Public hearing #1 and budget discussion meeting #1 - Tuesday, May 14, 9 am -?

Budget discussion meeting #2 and /or #3 -

? Monday, May 20, am/pm

? Tuesday, May 21, am/pm (May 21st regular meeting has a light agenda as of now)

? Tuesday, May 28, 9 am -?

Public hearing #2 -

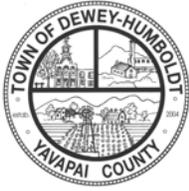
Tuesday, June 4, 6:30 pm (regular meeting)

Budget final adoption -

Tuesday, June 11, 2 pm (council study session)

At the budget work sessions, I plan to follow last year's tradition by going over the budget accounts and associated text with the Council. I will also have the Public Works Supervisor, Ed Hanks, to present the multi-year road maintenance plan to the Council. Mr. Hanks can also answer your technical questions about the roads.

It is important for the Town Council to acknowledge the tentative budget and decide on dates of the budget work session dates for the town to meet statutory requirement for budget related postings.



TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING
May 7, 2013, 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 9.1. Tentative Budget. Memorandum #2: Proposed Tentative Budget

To: Mayor and Town Council Members
From: Yvonne Kimball, Town Manager

Date submitted: May 1, 2013

Summary:

Staff started the budget process in February and it has been a working process. On April 19, each council member has been provided a base budget worksheet to demonstrate some progress on budget preparation. At that time, several essential budget factors were missing – expenditure limitation, IT budget request, employee health insurance rates.

Since then, staff was able to obtain the missing information and finalize the base worksheet. Some highlights (in the proposed tentative budget) are:

I. Revenues:

General Fund Revenues look strong for FY 13-14. Originally, I had the GF revenues at \$1,440,000 in April-19's projection. To be even more prudent, I adjusted them downward a bit to \$1,432,000 which is still a \$62,000 increase from FY 12-13. HURF is \$274,000 in FY 13-14 which is \$14,000 more than FY 12-13.

I hope this revenue trend will continue. I am still concerned about the hovering legislative changes to sales tax collection. It appears that FY 13-14's budget will not be impacted. I am apprehensive about the future.

II. Expenditures:

Overview: D-H's Expenditure Limitation is \$4,169,159 for FY 13-14. The total proposed Tentative Budget expenditure is at \$3,921,305 which includes grant funds and a high amount contingency fund. The overrun contingency fund is \$502,033 which is approximately 30% of the total GF and HURF operational expenditures. This would allow the Town to weather most, if not all, foreseeable uncertainties should they occur in FY 13-14. The Grant Fund contains \$1,709,471 which is the funding resource for most of capital projects and we hope some of them will occur in FY 13-14. Without counting for the Grant Fund and the contingency fund, the actual operational budget has a \$9,536 net total in the General Fund and \$50 in the HURF. In general, the proposed tentative budget is a balanced budget. All expenditures included in the Tentative Budget are subject to change upon Town Council's review and discussion.

Latest changes (expenditure information update since completion of April 19th base budget worksheet):

The IT budget has been determined by staff to be at \$44,000. In my April 19th base budget worksheet, I was estimating a total of \$50,000. The IT firm's original request was higher, but after some discussion, (town) staff reduced the request and adjusted it to accommodate an IPAD request made by a council member (subject to entire council's direction). The \$44,000 figure reflects a higher "per hour" cost for IT service due to the rate increase in FY 2013-14. This figure also includes needed updates on one

server, necessary software maintenance/licensing cost, parts for small repairs and \$10,000 for 7 IPAD's for council members.

I figured in a total of \$1,709,471 in Grant Fund including the traffic light at Main St. and S.R. 69, \$85,000 anticipated receiving from Yavapai Flood Control office for some drainage repair, and some other projects that we have been hoping to accomplish through grant funding.

The health insurance rates came in and they were lower than last year's. My April 19th worksheet was based on a higher estimate. In the proposed tentative budget, I have adjusted the employee health related costs closer to the true rates.

I wanted to direct your attention to the proposed pay raise. Because of the lower than originally estimated expenses in health insurance and IT, I was able to propose a 3% pay raise for all employees in this Tentative Budget. In my April 19th worksheet, I factored in a 2% raise. The difference between the two proposals is \$4300. The proposed tentative budget kept the April 19th proposal for individual employee promotions.

I also adjusted the expense for the town attorney upwards in the Tentative Budget to accommodate potentially increasing legal needs.

Recap of other highlights:

Above were the changes made since the April 19th base budget worksheet. Let me repeat the other highlights that were included in the Tentative Budget (which were outlined in April 19th budget memorandum).

\$13,000 is budgeted under the Town Clerk's software budget for a new permit/code enforcement software to replace the obsolete system.

Under Finance's budget, I have budgeted \$5,000 to cover "OpenBooks" cost.

Under Community Development/Neighborhood Outreach, I have included all existing programs: twice a year free dumpster program, on-going recycle program, the museum's one year lease of \$7,200 and \$3,000 for little league (this was allowed by the Council last year; but little league never claims the fund). I also allotted funds to continue some community-wide good-will programs, such as the volunteer of the year.

Under GF/Public Works/Park and open space, an additional \$10,000 has been included at OSAT's request and council's acknowledgement for the trail head project suggested by OSAT. \$10,000 is indeed necessary if the Council decides to construct the trailhead. Also, a council member has requested a park on the Dewey side; I thought the \$10,000 would be sufficient for now (either the trailhead or the park). More may be needed depending on the scope of the specific project.

In addition to the IPAD request by a council member, several council members have made budgetary requests and I included the following. Please note that like all budget items in the tentative budget, individual council member's budget requests are in tentative status and are subject to council collective discussion and determination:

~ \$80/month/CM for phone/technology allowance was budgeted under Town Council and Management.

~ \$20,000 was budgeted under G.F./Engineering for a feasibility study/water system review by a qualified firm in light of the idea of looking into acquiring a local water company. The purpose of a study is to evaluate the financial and technical component of the acquisition; the study can also help identify future needs of the town.

~ \$5,000 was included under Community Development/Neighborhood Outreach for town branding efforts.

There are still some imminent uncertainties which may affect FY 13-14's budget. First off, Humboldt Station property where most Town facilities are located through a lease is of a fluid situation. Town Hall facility rents have been budgeted for the same amount as last year as per the lease agreement. Considering recent discussions about town hall purchase, I have also included \$5,000 under G.F./Public Works/Road/Facility acquisition to cover potential real estate related cost. Depending on how serious the Council may want to proceed with the purchase option, this amount can be adjusted upwards or downwards. Old Black Canyon Hwy's acquisition activities would be paid for by this account also. Since the Council did not direct any action, I have presumed that nothing costly is on your mind. Another uncertainty was related to the "development fee" program which was not included in the total operational budget. These uncertainties were factored in the "overrun contingency" fund totaling \$511,520.

III. Tentative Budget text:

As a tradition, accompanying the budget sheets, considerable pages of narratives have been prepared and included in the Tentative Budget document. Like all budgetary figures, the text is tentative and subject to change upon Town Council's review. The multi-year road maintenance plan/schedule is included in the text.

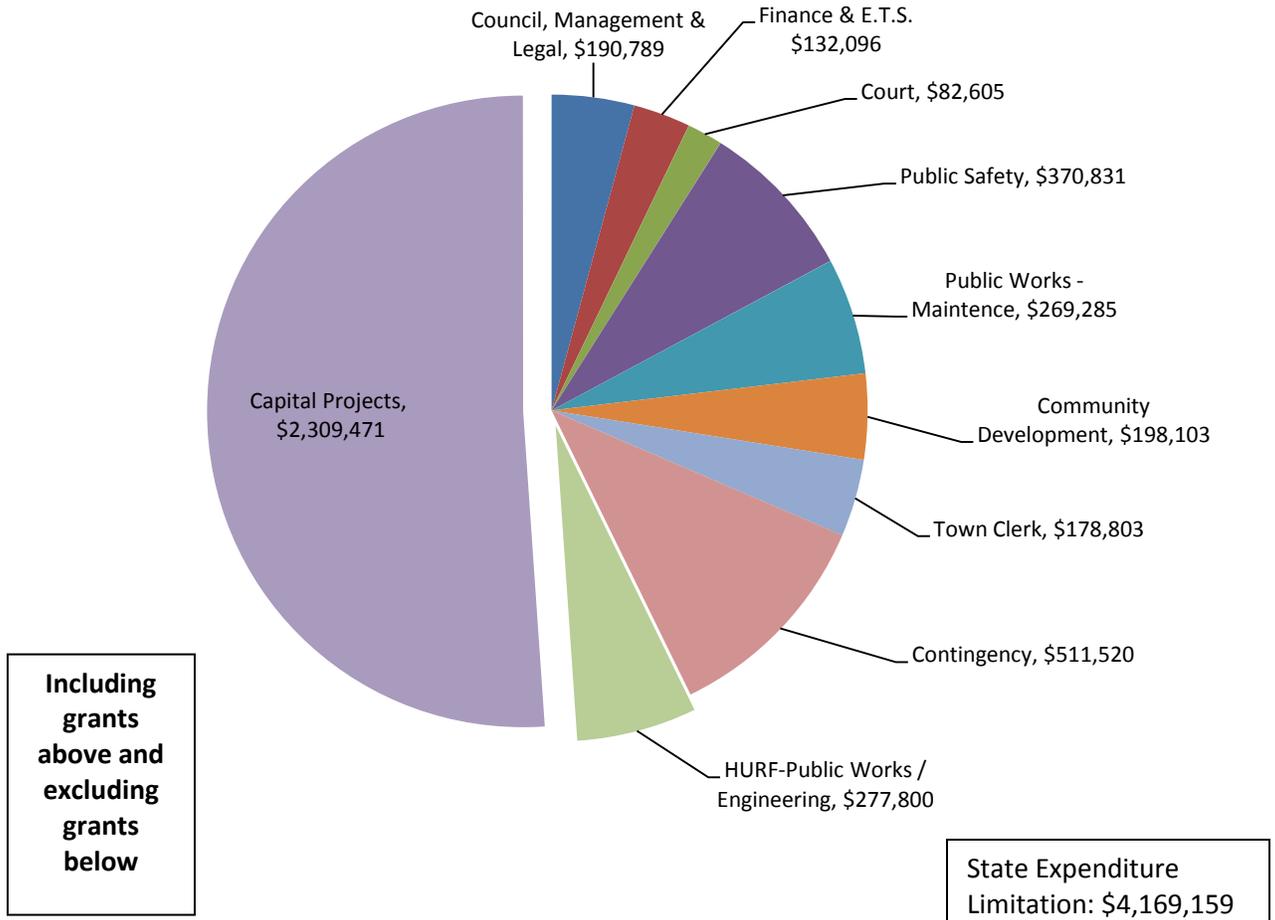
The Tentative Budget set a cap on the total expenditure. In other words, the final adopted budget can't exceed total expenditure of \$3,921,305. The Town's total budget has always been around \$4 million in the past. Upon your acknowledgement of the Tentative Budget, I look forward to discussing with the Council on the details of the tentative budget in the coming weeks.

**Town of Dewey Humboldt
Budget Summary
General Fund, HURF (Special Revenue) Fund and Grants Fund
2013-2014**

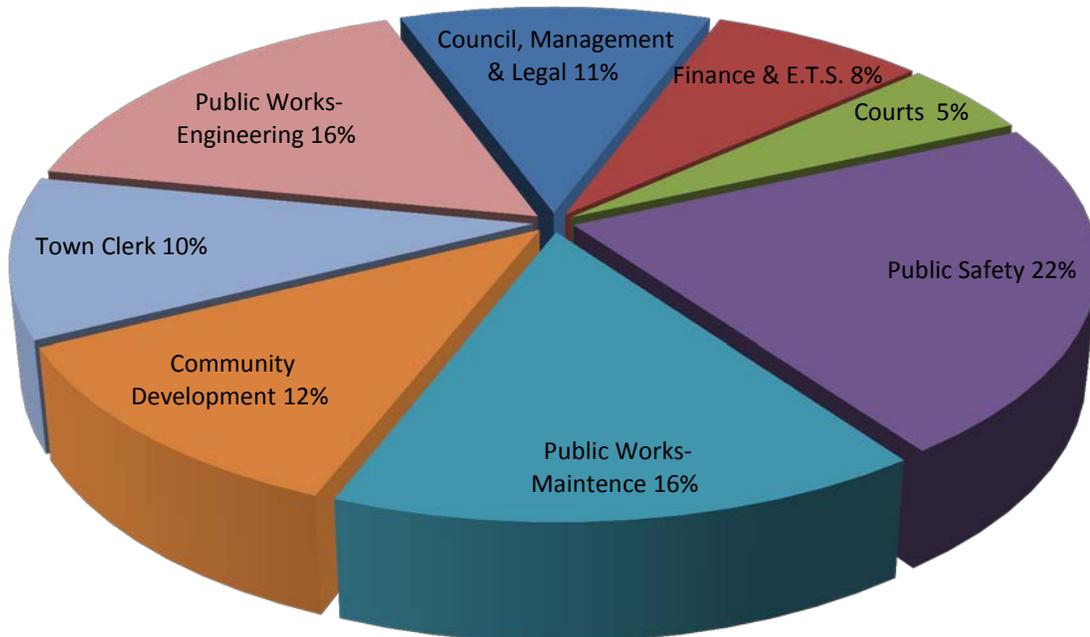
	General Fund	HURF Fund	Subtotal of General and HURF Funds	Grants Fund	2012-13 Total
REVENUES					
<i>Local Taxes</i>	350,000		350,000		350,000
<i>Permits and Fees</i>	51,000	3,000	54,000		54,000
<i>Intergovernmental</i>	972,000	274,000	1,246,000	2,309,471	3,555,471
<i>Fines, Forfeitures and Penalties</i>	27,000		27,000		27,000
<i>Interest Earnings</i>	30,000	850	30,850		30,850
<i>Miscellaneous</i>	2,000		2,000		2,000
Total Revenues	<u>1,432,000</u>	<u>277,850</u>	<u>1,709,850</u>	<u>2,309,471</u>	<u>4,019,321</u>
EXPENDITURES					
<i>Town Council &Mgt</i>	135,789		135,789		135,789
<i>Magistrate Court</i>	82,605		82,605		82,605
<i>Public Safety</i>	370,831		370,831		370,831
<i>Town Clerk</i>	178,803		178,803		178,803
<i>Finance</i>	88,096		88,096		88,096
<i>Legal & IT Support</i>	99,000		99,000		99,000
<i>Com. Devel.& Library</i>	198,103		198,103		198,103
<i>Public Works &Engineering</i>					
<i>Operational</i>	264,285	83,800	348,085		348,085
<i>Capital Expenditures</i>	5,000	194,000	199,000	2,309,471	2,508,471
Total Expenditures	<u>1,422,514</u>	<u>277,800</u>	<u>1,700,314</u>	<u>2,309,471</u>	<u>4,009,785</u>
<i>Excess of Revenues over (under) Expenditures</i>	<u>9,486</u>	<u>50</u>	<u>9,536</u>		<u>9,536</u>
Other (Uses)					
<i>Operating Contingency</i>	<u>(511,520)</u>	<u>-</u>	<u>(511,520)</u>		<u>(511,520)</u>
Net Increase (Decrease) in Fund Balance	<u>(502,034)</u>	<u>50</u>	<u>(501,984)</u>	<u>-</u>	<u>(501,984)</u>
Fund Balance at the Start of the Year	<u>2,732,190</u>	<u>372,206</u>	<u>3,104,396</u>		<u>3,104,396</u>
Fund Balance at the End of the Year	<u>2,230,156</u>	<u>372,256</u>	<u>2,602,412</u>		<u>2,602,412</u>
Summary					
<i>Committed for Contingency</i>	511,520	-	511,520		511,520
<i>Committed for Reserves</i>	654,920	-	654,920		654,920
<i>Unassigned Fund Balance</i>	<u>1,063,716</u>	<u>372,256</u>	<u>1,435,972</u>	<u>-</u>	<u>1,435,972</u>
Total Fund Balance	<u>2,230,156</u>	<u>372,256</u>	<u>2,602,412</u>	<u>-</u>	<u>2,602,412</u>

ALL FUNDS EXPENDITURE SUMMARY

**-Proposed Tentative Budget-
total expenditure: \$3,921,305**



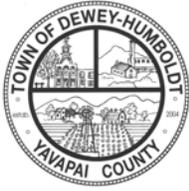
**PROGRAM OPERATING EXPENDITURES in GERAL FUND
Operational Total Expenditure: \$1,422,513.77**



FISCAL YEAR 2013 - 14 BUDGET SCHEDULE (Revised)

Date	Task
February - March, 2013	Preliminary Budget Guidelines Provided to Staff Town Manager Preliminary Budget Discussions with Council Members State Shared Revenues provided by the League of Cities/Towns
April 5, 2013	Departmental Budget Estimates and Requests Due
April 1 - 30, 2013	State Expenditure Limitation Information Available Revised State-shared Revenues provided by the League of Cities/Towns
April 19, 2013	Budget Worksheet Completion
May 3, 2013	Budget Worksheet and Narrative Submission
May 7, 2013	Tentative Budget Council Acknowledgement Initial Discussion of the Worksheet Publication of Tentative Budget, Notice of June's Public Hearings Revisions of Tentative Budget Upon Council Review
May 14, 2013	Council Budget Workshop #1 (morning budget session; afternoon study session) <u>Public Hearing #1 at the same meeting</u> Draft Budget Revision by staff
? May 20, 2013	Council Workshop #2 9am
? May 21, 2013	Council Workshop #2 9am
? May 28, 2013	<i>Council Workshop #3 if Needed (time? - ?)</i> Draft Budget Revision by staff
June 4, 2013	<u>Public Hearing #2 at Regular Council Meeting</u>
June 18, 2012	<u>Adoption of FY 13-14 Budget</u>
June 2013	Fiscal Year 2013-2014 Setup in Accounting System
July 1, 2013	Fiscal Year 2013-2014 Begins
July 1, 2013 - - June 30, 2014	FY 12-13 Audit; FY 13-14 Budget Monitor, Measure, Assess, Report

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TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING

May 7, 2013, 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 9.2. Ordinance 13-97 consolidated elections
Recommendation: Adopt Ordinance 13-97

To: Mayor and Town Council Members
From: Yvonne Kimball, Town Manager

Date submitted: April 29, 2013

Summary:

At the February 5th Council meeting, the Council discussed the “term issue” in light of the new consolidated election law i.e. A.R.S. § 16-204. The Council collectively decided to “shorten” the 4-year/2-year terms to accommodate 2014’s fall election schedule.

The Town attorney drafted the enclosed ordinance to reflect your decision. Ordinance 13-97 also clarified some other clerical confusions listed in the current town code section 30.015.

The Town Attorney will be in attendance to answer your questions.

ORDINANCE No. 13-97

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF DEWEY-HUMBOLDT, COUNTY OF YAVAPAI, ARIZONA, AMENDING THE TOWN OF DEWEY-HUMBOLDT, ARIZONA CODE OF ORDINANCES, TITLE III ADMINISTRATION, CHAPTER 30 TOWN COUNCIL AND OFFICIALS, BY AMENDING § 30.015 TOWN COUNCIL GENERALLY RELATED TO ASSUMPTION OF OFFICE IN JANUARY AFTER ELECTION; AND BY ADDING NEW §§ 30.042 ELECTION DAY AND 30.043 REFERENDUM AND INITIATIVE ELECTIONS RELATED TO SETTING FORTH THE DATES FOR ELECTIONS IN COMPLIANCE WITH ARS § 16-204 AND SETTING THE NUMBER OF QUALIFIED ELECTORS REQUIRED TO FILE AN INITIATIVE PETITION; AND BY AMENDING § 30.045 ELECTION OF MAYOR, RELATED TO DIRECT ELECTION OF THE MAYOR; PROVIDING FOR A SAVINGS CLAUSE; AND PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES

Whereas, the Town of Dewey-Humboldt currently holds its primary and general elections in the spring of odd-numbered years; and

Whereas, Arizona Revised Statutes Section 16-204 requires candidate elections for municipalities be held in the fall of even-numbered years;

Now, Therefore, Be it ordained by the Mayor and Common Council of the Town of Dewey-Humboldt, Arizona, as follows:

Section I. In General

The Town of Dewey-Humboldt, Arizona Code of Ordinances, Title III Administration, Chapter 30 Town Council and Officials, Section 30.15 Town Council Generally is hereby amended to read as follows (additions in ALL CAPS; deletions in ~~strikeout~~):

§ 30.15 Town Council Generally

(A) *Number and term.* The elected officials of the town shall be seven Councilmembers (including the Mayor) who shall constitute the Town Council. COUNCILMEMBERS SHALL SERVE FOUR-YEAR STAGGERED TERMS AS PROVIDED IN STATE LAW. Each Councilmember's ~~term~~ shall continue in office until assumption of duties of office by ~~their~~ HIS duly elected and sworn successor. COUNCILMEMBERS ELECTED IN 2011 OR APPOINTED TO FILL THE TERM OF A COUNCILMEMBER ELECTED IN 2011 SHALL SERVE UNTIL THE ASSUMPTION OF DUTIES BY COUNCILMEMBERS ELECTED IN THE FALL 2014 ELECTION. COUNCILMEMBERS ELECTED IN THE SPRING 2013 ELECTION SHALL SERVE UNTIL ASSUMPTION OF DUTIES BY COUNCILMEMBERS ELECTED IN THE FALL 2016 ELECTION.

* * *

(G) *Assumption of office.* Immediately prior to assumption of the duties of office, each Councilmember shall ~~publicly~~ sign the Council Code of ETHICS ~~Conduct~~ and take and subscribe to the oath of office. The oath shall be given by the Town Magistrate or by the Town Clerk. Councilmembers of the town shall assume the duties of office at ~~a~~ THE FIRST regularly scheduled Council meeting ~~immediately following or concurrent with the canvassing of the vote of the general election or as otherwise provided~~ OF THE COUNCIL in JANUARY NEXT FOLLOWING THE DATE OF THE PRIMARY OR GENERAL ELECTION AT WHICH THE COUNCILMEMBERS WERE ELECTED ~~state law~~. Assumption of an elected office will result in the automatic resignation of all other town offices, elected or appointed.

The Town of Dewey-Humboldt, Arizona Code of Ordinances, Title III Administration, Chapter 30 Town Council and Officials, is hereby amended to add new Section 30.042 Elections of Councilmembers and 30.043 Referendum and Initiative Elections to read as follows (additions in ALL CAPS; deletions in ~~strikeout~~):

§ 30.042 ELECTION DAY

COMMENCING WITH THE ELECTIONS IN 2014, THE PRIMARY ELECTION SHALL BE HELD ON THE DATE OF THE PRIMARY ELECTION OF THE STATE OF ARIZONA. THE GENERAL ELECTION SHALL BE HELD ON THE DATE OF THE GENERAL ELECTION OF THE STATE OF ARIZONA.

§ 30.043 REFERENDUM AND INITIATIVE ELECTIONS

(A) WHEN A REFERENDUM OR INITIATIVE IS REQUIRED TO BE PLACED UPON THE BALLOT, THE COUNCIL SHALL DO SO EITHER:

1. AT THE NEXT REGULARLY SCHEDULED TOWN PRIMARY OR GENERAL ELECTION OR STATE GENERAL ELECTION; OR
2. CALL A SPECIAL ELECTION TO BE HELD ON ANY DATE AUTHORIZED BY A.R.S. SECTION 16-204.

(B) AT ALL TIMES THE CITIZENS SHALL RETAIN THE RIGHT TO VOTE BY ABSENTEE BALLOT.

(C) THE BASIS UPON WHICH THE NUMBER OF QUALIFIED ELECTORS OF THE TOWN REQUIRED TO FILE AN INITIATIVE PETITION SHALL BE THE TOTAL NUMBER OF REGISTERED VOTERS QUALIFIED TO VOTE AT THE LAST TOWN ELECTION, WHETHER PRIMARY, GENERAL OR SPECIAL, IMMEDIATELY PRECEDING THE DATE UPON WHICH ANY INITIATIVE PETITION IS FILED. THE

BASIS UPON WHICH THE NUMBER OF QUALIFIED ELECTORS OF THE TOWN REQUIRED TO FILE A REFERENDUM PETITION SHALL BE AS DETERMINED BY LAW.

The Town of Dewey-Humboldt, Arizona Code of Ordinances, Title III Administration, Chapter 30 Town Council and Officials, Section 30.045 Election of Mayor is hereby amended to read as follows (additions in ALL CAPS; deletions in ~~strikeout~~):

§ 30.045 Election of Mayor.

(A) *Direct election of the Mayor.* ~~Beginning with the election to be held on March 13, 2007,~~ The Mayor of the town shall be directly elected by the qualified electors of the town.

(B) *Term of office.* The term of office of the Mayor shall be two years, EXCEPT THAT TO ACCOMMODATE THE CONSOLIDATED ELECTIONS LAW, ARS § 16-204, THE TERM OF THE MAYOR ELECTED IN 2013 WILL END IN JANUARY, 2015, AT THE TIME OF SEATING OF THE MAYOR ELECTION IN THE FALL 2014 ELECTION.

Section II. Savings Clause

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance as amended is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance.

Section III. Repeal of Conflicting Ordinance

All other code provisions, ordinances, or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed as of the effective date hereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Dewey-Humboldt, Arizona, this ____ day of _____, 2013, by the following vote:

AYES: _____

NAYES: _____ ABSENT: _____

EXCUSED: _____ ABSTAINED: _____

APPROVED this ____ day of _____, 2013.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk

APPROVED AS TO FORM:

Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
Town Attorneys
By Phyllis L.N. Smiley

I, JUDY MORGAN, TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. _____ ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF DEWEY-HUMBOLDT, ARIZONA ON THE ____ DAY OF _____, 2013, WAS POSTED IN THREE PLACES ON THE _____ DAY OF _____, 2013.

Judy Morgan, Town Clerk

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TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING

May 7, 2013 – 6:30 pm Town Council Meeting Chambers

Agenda Item 9.3 Spring Chip Overlay Bid Selection and Contract Award

To: Mayor and Town Council Members

From: Ed Hanks, Public Works Supervisor

Recommendation: To award the Spring 2013 Chip Overlay Project to Earth Resources Corporation.

Date submitted: May 2, 2013

Summary:

The 2013 Spring Chip Overlay Project was advertised. We received two bids by the deadline of 10am, May 2nd. They are from Earth Resource Corporation, a local D-H company and Cactus Asphalt, a Phoenix company. They both are qualified contractors who have done work for the Town.

After reviewing the bids, local contractor Earth Resource Corporation appears to be the lowest responsible bidder at a total bid of \$109,829.21. Cactus Asphalt had a total bid of \$126,758.97. The totals represent the base bid and the alternate bid.

\$125,000 was budgeted for chip sealing including Sierra Dr., River Dr. (some cold-patch is required), and a section of Kachina Pl. In addition, there is also over \$20,000 remaining in the FY 12-13 budget for double chip sealing the two “historical” dirt stretches of Kachina Pl. The bid amount would enable the Town to chip seal all above road sections which were included in both the base bid and the alternate bid.

Staff recommends the Council award the chip overlay contract to Earth Resources Corporation. Further, because the bids came in lower than anticipated, staff also recommends a change order to allow additional sections of roads to be chip sealed under this contract. The suggested additions are: sections of Kachina Pl., Pony Ln. and Third St. Adding the “new” sections will not exceed the original budget amount.

2012/2013 Spring Chip Overlay

Base Bid		Earth Resources				Cactus Asphalt	
Item No.	Description	Quantity	Units	Unit Price	Total	Unit Price	Total
	General conditions						
1	Mobilization	1	LS	\$ 700.00	\$ 700.00	\$ 5,500.00	\$ 5,500.00
2	storm water pollution Prevention	1	LS	\$ -	\$ -	\$ -	\$ -
3	Traffic Control	1	LS	\$ 3,915.00	\$ 3,915.00	\$ 4,800.00	\$ 4,800.00
4	Geotechnical Testing	1	LS	\$ 955.00	\$ 955.00	\$ 500.00	\$ 500.00
5	Allowance for Extra work	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	Sierra Drive and River Road Instalations						
6	Cold Patch Per Appendix: A	30	Ton	\$ 243.50	\$ 7,305.00	\$ 325.00	\$ 9,750.00
7	Low Volume Single chip seal using CRS-2P over existing Pavement Per Mag Sec.-330 See Appendix:B	30326	SY	\$ 1.60	\$ 48,521.60	\$ 1.60	\$ 48,521.60
8	Fog Coat Per Mag sec.- 330 Appendix: B	30326	SY	\$ 0.17	\$ 5,155.42	\$ 0.22	\$ 6,671.72
	Kachina Place Instalations						
9	<u>Double Chip Seal Kachina Place Per Mag Sec.- 330</u> See Appendix: C	4244	SY	\$ 5.20	\$ 22,068.80	\$ 4.50	\$ 19,098.00
10	Fog Coat Per Mag sec.- 330 appendix: C	4244	SY	\$ 0.17	\$ 721.48	\$ 0.50	\$ 2,122.00
11	Total Base Bid				\$ 94,342.30		\$ 101,963.32

2012/2013 Spring Chip Overlay

				Earth Resources		Cactus Asphalt	
Item No.	Description	Quantity	Units	Unit Price	Total	Unit Price	Total
	Kachina Place Instalations						
1	Prepare Road surface with Cold Patch Per Appendix: D	15	Ton	\$ 240.00	\$ 3,600.00	\$ 350.00	\$ 5,250.00
2	Low Volume Single chip seal using CRS-2P over existing Pavement Per Mag Sec.-330 See Appendix: D	6205	SY	\$ 1.60	\$ 9,928.00	\$ 2.50	\$ 15,512.50
3	Fog Coat Per Mag sec.- 330 Appendix:D	6205	SY	\$ 0.17	\$ 1,054.85	\$ 0.50	\$ 3,102.50
4	Double Yellow Centerline Stripe	2659	LF	\$ 0.34	\$ 904.06	\$ 0.35	\$ 930.65
	Alternate A Totals				\$ 15,486.91		\$ 24,795.65
	Totals Base Bid and Alternate bid A				\$ 109,829.21		\$ 126,758.97

**AGREEMENT FOR SERVICES
CONTRACT**

THIS AGREEMENT is entered into as of this ____ day of _____, 2013, by and between the Town of DEWEY-HUMBOLDT, Arizona, a municipal corporation, , hereinafter referred to as “Town” and _____, hereinafter referred to as “Contractor.”

FOR THE PURPOSE of providing Chip Seal services for the Town of Dewey-Humboldt, Town and Contractor do hereby mutually agree to the following:

1. SERVICES AND RESPONSIBILITIES

1.1 Retention of the Contractor. In consideration of the mutual promises contained in this Agreement, Town engages the Contractor to render services set forth herein, in accordance with all the terms and conditions contained in this Agreement.

1.2 Scope of Services. Contractor shall do, perform and carry out in a satisfactory and proper manner, as determined by Town, the services set forth in this Agreement, including all exhibits (“Services”). The specific scope of work is set forth in the Bid Documents and Contractor’s bid, which are attached hereto as Exhibit A and Bid Schedule.

1.3 Responsibility of the Contractor.

1.3.1 Contractor hereby agrees that the documents and reports prepared by Contractor will fulfill the purposes of the Contract, shall meet all applicable code requirements and shall comply with applicable laws and regulations. In addition, and not as a limitation on the foregoing, such documents and reports prepared by Contractor shall be prepared in accordance with professional Consulting standards, as applicable. Any review or approval of said documents and reports does not diminish these requirements.

1.3.2 Contractor shall tour the Services site and become familiar with existing conditions, including utilities, prior to commencing the Services and notify Town of any constraints associated with the Services site.

1.3.3 Contractor shall procure and maintain during the course of this Agreement insurance coverage required by Paragraph 4 of this Agreement.

1.3.4 Contractor shall designate _____ as Contractor Representative and all communications shall be directed to him. Prior to changing such designation Contractor shall first notify Town in writing.

1.3.5 Contractor's subcontracts are set forth in Exhibit B attached hereto and made a part hereof. Any modification to the list of Subcontractors on Exhibit B, either by adding, deleting or changing subcontractors, shall require the written consent of Town.

1.3.6 Contractor shall obtain its own legal, insurance and financial advice regarding Contractor's legal, insurance and financial obligations under this Agreement.

1.3.7 Contractor shall coordinate its activities with Town's representative and submit any required reports to Town's representative.

1.3.8 Contractor shall provide, pay for and insure under the requisite laws and regulations all labor, materials, equipment, and transportation, and other facilities and services necessary for the proper execution and completion of the Services. Contractor shall provide and pay for and insure for all equipment necessary for the Services.

1.3.9 Contractor shall obtain and pay for all business registrations, licenses, permits, governmental inspections and governmental fees necessary and customarily required for the proper execution and completion of Services. Contractor shall pay all applicable taxes. Contractor shall give all notices and comply with all laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of the Services.

1.4 Responsibility of Town.

1.4.1 Town shall cooperate with the Contractor by placing at its disposal all available information concerning the Services.

1.4.2 Town designates _____ as its Contract Representative. All communications to Town shall be through its Contract Representative.

1.4.3 Contract Term: The Contract shall commence upon issuance of a Notice to Proceed by Dewey-Humboldt. Work shall be completed within 30 business days, beginning with the day following the starting date specified in the Notice to Proceed. Failure to complete the Work on time shall subject Contractor to liquidated damages as set forth in Section 108.9 "Failure to Complete on Time" of the Maricopa Association of Governments Uniform Standard Specifications for Public Works Construction.

1.4.4 Contract Documents: Contract Documents shall include the following: The Call for Bids, Plans, Standard Specifications and Details, Special Provisions, Addenda, if any, and Proposal, as accepted by the Mayor and Council, Performance Bond, Payment Bond, Certificates of Insurance, and Change Orders, if any, are by this reference made a part of this Contract to the same extent as if set forth herein in full.

2. COMPENSATION AND METHOD OF PAYMENT

2.1 Compensation: All compensation for complete and satisfactory completion of services rendered by Contractor, including its subcontractor(s), shall be set forth in Exhibit C and shall not exceed \$_____.

2.2 Method of Payment. Method of payment shall be set forth in Exhibit C. If payment is to be made monthly, Contractor shall prepare monthly invoices and progress reports which clearly

indicate the progress to date and the amount of compensation due by virtue of that progress. All invoices shall be for services completed.

2.3 Invoices. Town reserves the right to deduct up to ten percent (10%) from the invoiced amount for any invoice submitted more than sixty (60) days after the Services are completed. Invoices for the month of July shall be submitted on or before August 1st. Invoices submitted after the close out of the fiscal year (August 1st) shall not be paid by Town.

2.4 The Contractor shall provide to Town its completed W-9 Form prior to receipt of any Compensation.

2.5 Taxes. Contractor will be responsible for and shall pay all sales, consumer, use, and other taxes. When equipment, materials or services generally taxable to the Contractor are eligible for a tax exemption, credit or deduction due to the nature of the item, at Contractor's request, Town will assist Contractor in applying for and obtaining the same.

3. CHANGES TO THE SCOPE OF SERVICES

3.1 Change Orders. Town may, at any time, and by written change order, make changes in the services to be performed under this Agreement. A form of change order is attached hereto as Exhibit D. If such changes cause an increase or decrease in the Contractor's cost or time required for performance of any services under this Agreement, an equitable adjustment shall be made and the Agreement shall be modified in writing accordingly. Any claim of the Contractor for adjustment under this clause must be submitted in writing within thirty (30) days from the date of receipt by the Contractor of the notification of change. It is distinctly understood and agreed by the parties that no claim for extra services provided or materials furnished by Contractor will be allowed by Town except as provided herein nor shall Contractor provide any services or furnish any materials not covered by this Agreement unless Town first approves in writing..

4. INSURANCE REPRESENTATIONS AND REQUIREMENTS

4.1 General. Contractor agrees to comply with all Town ordinances and state and federal laws and regulations. Without limiting any obligations or liabilities of Contractor, Contractor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of A-7 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to Town. Failure to maintain insurance as specified may result in termination of this Agreement at Town's option.

4.2 No Representation of Coverage Adequacy. By requiring insurance herein, Town does not represent that coverage and limits will be adequate to protect Contractor. Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

4.3 Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers Compensation insurance and Professional Liability insurance if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

4.4 Coverage Term. All insurance required herein shall be maintained in full force and effect until all Services required to be performed under the terms of this Agreement is satisfactorily performed, completed and formally accepted by Town, unless specified otherwise in this Agreement.

4.5 Primary Insurance. Contractor's insurance shall be primary insurance as respects performance of subject contract and in the protection of Town as an Additional Insured.

4.6 Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three (3) years past completion and acceptance of the Services evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three year period.

4.7 Waiver. All policies, including Workers' Compensation Insurance, shall contain a waiver of rights of recovery (subrogation) against Gilbert, its agents, representative, officials, directors, officers, and employees for any claims arising out of the Services of Contractor. Contractor shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

4.8 Policy Deductibles and or Self Insured Retentions. The policies set forth in these requirements may provide coverage, which contain deductibles or self insured retention amounts. Such deductibles or self insured retention shall not be applicable with respect to the policy limits provided to Town. Contractor shall be solely responsible for any such deductible or self insured retention amount. Town, at its option, may require Contractor to secure payment of such deductible or self insured retention by a surety bond or irrevocable and unconditional Letter of Credit.

4.9 Use of Subcontractors. If any Services under this Agreement are subcontracted in any way, Contractor shall execute written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements set forth herein protecting Town and Contractor. Contractor shall be responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

4.10 Evidence of Insurance. Prior to commencing any Services under this Agreement, Contractor shall furnish Town with Certificate(s) of Insurance, or formal endorsements as required by this Agreement, issued by Contractor's Insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverage's, conditions, and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Acceptance and reliance by Town on a Certificate of Insurance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. Such

Certificate(s) shall identify the Agreement and be sent to Town Manager. If any of the above cited policies expire during the life of this Agreement, it shall be Contractor's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates shall specifically cite the following provisions:

4.10.1 Town, its agents, representatives, officers, directors, officials and employees is an Additional Insured as follows:

- a. Commercial General Liability-Under ISO Form CG 20 10 11 85 or equivalent.
- b. Auto Liability-Under ISO Form CA 20 48 or equivalent.
- c. Excess Liability-Follow Form to underlying insurance.

4.10.2 Contractor's insurance shall be primary insurance as respects performance of this Agreement.

4.10.3 All policies, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, directors, officials and employees for any claims arising out of Services performed by Contractor under this Agreement.

4.10.4 Certificate shall cite a thirty (30) day advance notice cancellation provision. If ACORD Certificate of Insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

4.11 Required Coverage:

4.11.1 Commercial General Liability: Contractor shall maintain "occurrence" from Commercial Liability Insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as Insurance Services Office, Inc. policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured Endorsement form CG 20 10 11 85 or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you". If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

4.11.2 Professional Liability: Contractor shall maintain Professional Liability insurance covering errors and omissions arising out of the Services performed by Contractor, or anyone employed by Contractor, or anyone for whose acts, mistakes, errors and omissions Contractor is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claims and \$2,000,000 all claims. Professional Liability coverage specifically shall contain contractual liability insurance covering the contractual obligations of this Agreement. In the event the Professional Liability insurance policy is written on a “claims made” basis, coverage shall extend for three (3) years past completion and acceptance of the Services, and Contractor shall be required to submit Certificates of Insurance evidencing proper coverage is in effect as required above.

4.11.3 Vehicle Liability: Contractor shall maintain Business Automobile Liability Insurance with a limit of \$1,000,000 each occurrence on Contractor’s owned, hired, and non-owned vehicles assigned to or used in the performance of the Contractor’s Services under this Agreement. Coverage will be at least as broad as Insurance Services Office, Inc., coverage code “1” any auto policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of performance of this Agreement, Town, its agents, representative, officers, directors, officials and employees shall be cited as an Additional Insured under the Insurance Service Offices, Inc. Business Auto Policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this paragraph, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

4.11.4 Workers’ Compensation Insurance: Contractor shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor’s employees engaged in the performance Services under this Agreement and shall also maintain Employer Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

5. INDEMNIFICATION

5.1 To the fullest extent permitted by law, the Contractor, its successors, assigns and guarantors, shall pay, defend, indemnify and hold harmless Town, its agents, officers, officials and employees from and against all demands, claims, proceedings, suits, damages, losses and expenses (including but not limited to attorney fees, court costs, and the cost of appellate proceedings), and all claim adjustment and handling expenses, relating to, arising out of, or alleged to have resulted from acts, errors, mistakes, omissions, Services caused by the Contractor, its agents, employees or any tier of Contractor’s subcontractors related to the Services in the performance of this Agreement. Contractor’s duty to defend, hold harmless and indemnify Town, its agents, officers, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use of resulting therefrom, caused by Contractor’s acts, errors, mistakes, omissions, Services in the performance of this Agreement including any employee of the Contractor, any tier of Contractor’s subcontractor or any other person for whose acts, errors, mistakes, omissions, Services the Contractor may be legally liable including Town. Such indemnity does not extend to Town’s negligence.

5.2 Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

6. TERMINATION OF THIS AGREEMENT

6.1 Termination. Town may, by written notice to the Contractor, terminate this Agreement in whole or in part with seven (7) days' notice, either for Town's convenience or because of the failure of the Contractor to fulfill his contract obligations. Upon receipt of such notice, the Contractor shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to Town copies of all data, drawings, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Contractor in performing this Agreement, whether completed or in process. This Agreement may be terminated in whole or in part by the Contractor in the event of substantial failure by Gilbert to fulfill its obligations.

6.2 Payment to Contractor upon Termination. If the Agreement is terminated, Town shall pay the Contractor for the services rendered prior thereto in accordance with percent completion at the time work is suspended minus previous payments.

7. ASSURANCES

7.1 Solicitations for Subcontractors, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the Contractor for Services to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Agreement and any Regulations relative to nondiscrimination on the grounds of race, color or national origin.

7.2 Examination of Records. The Contractor agrees that duly authorized representatives of Town shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this Agreement.

7.3 Ownership of Document and Other Data. Original documents and other data prepared or obtained under the terms of this Agreement or any change order are and will remain the property of Town unless otherwise agreed to by both parties. Town may use such documents for other purposes without further compensation to the Contractor; however, any reuse without written verification or adaptation by Contractor for the specific purpose intended will be at Town's sole risk and without liability or legal exposure to Contractor. Any verification or adaptation of the documents by Contractor for other purposes than contemplated herein will entitle Contractor to further compensation as agreed upon between the parties.

7.4 Litigation. Should litigation be necessary to enforce any term or provision of this Agreement, or to collect any damages claimed or portion of the amount payable under this

Agreement, that all litigation and collection expenses, witness fees, court costs, and reasonable attorneys' fees incurred shall be paid to the prevailing party.

7.5 Independent Contractor. This Contract does not create an employee/employer relationship between the parties. It is the parties' intention that the Contractor will be an independent contractor and not Town's employee for all purposes, including, but not limited to, the application of the Fair Labor Standards Act, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the Internal Revenue Code, the Immigration and Naturalization Act, Arizona revenue and taxation laws, Arizona Workers' Compensation Law, and Arizona Unemployment Insurance Law. Contractor agrees that it is a separate and independent enterprise from Town, that it has a full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This Contract shall not be construed as creating any joint employment relationship between the Contractor and Town, and Town will not be liable for any obligation incurred by the Contractor, including but not limited to unpaid minimum wages and/or overtime premiums. [FOR SOLE PROPRIETORS ONLY: The Contractor shall execute the Sole Proprietor's Waiver of Workers' Compensation Benefits attached hereto and incorporated by reference.]

7.6 Immigration Law Compliance Warranty. As required by A.R.S. § 41-4401, Contractor hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Contractor further warrants that after hiring an employee, Contractor verifies the employment eligibility of the employee through the E-Verify program. If Contractor uses any subcontractors in performance of the Contract, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract. Contractor is subject to a penalty of \$100 per day for the first violation, \$500 per day for the second violation, and \$1,000 per day for the third violation. Gilbert at its option may terminate the Contract after the third violation. Contractor shall not be deemed in material breach of this Contract if the Contractor and/or subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Town retains the legal right to inspect the papers of any Contractor or subcontractor employee who works on the Contract to ensure that the Contractor or subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

7.7 Equal Treatment of Workers. Contractor shall keep fully informed of all federal and state laws, county and local ordinances, regulations, codes and all orders and decrees of bodies or tribunals having any jurisdiction or authority, which in any way affect the conduct of the work. Contractor shall at all times observe and comply with all such laws, ordinances, regulations, codes, orders and decrees; this includes, but is not limited to laws and regulations ensuring equal treatment for all employees and against unfair employment practices, including the Occupational Safety and Health Administration ("OSHA") and the Fair Labor Standards Act ("FLSA").

Contractor shall protect and indemnify Gilbert and its representatives against any claim or liability arising from or based on the violation of such, whether by Contractor or its employees.

7.8 Sudan and Iran. Contractor warrants that it does not have scrutinized business operations in Sudan or Iran, as prohibited by A.R.S. §§ 35-391.06 and 35-393.06, and further acknowledges that any subcontractor who is contracted by Contractor to perform work pursuant to the Contract shall warrant that they do not have scrutinized business operations in Sudan or Iran.

7.9 Exclusive Use of Services - Confidentiality. The services agreed to be provided by Contractor within this Agreement are for the exclusive use of Town and Contractor shall not engage in conflict of interest nor appropriate Town work product or information for the benefit of any third parties without Town consent.

7.10 Sole Agreement. There are no understandings or agreements except as herein expressly stated.

7.11 Notices. Any notice to be given under this Agreement shall be in writing, shall be deemed to have been given when personally served or when mailed by certified or registered mail, addressed as follows:

TOWN:

CONTRACTOR:

Town Manager
Town of Dewey-Humboldt
P.O. Box 69
Humboldt, Arizona 86327

The address may be changed from time to time by either party by serving notices as provided above.

7.12 Controlling Law. This Agreement is to be governed by the laws of the State of Arizona.

8. SUSPENSION OF WORK

8.1 Order to Suspend. Town may order Contractor, in writing, to suspend all or any part of the Services for such period of time as it may determine to be appropriate for the convenience of Town.

8.2 Adjustment to Contract Fee. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay to the extent (1) that performance was suspended or delayed for any other cause, including the fault or negligence of the Contractor, or (2) for which an equitable adjustment is provided for or excluded under any other provision of this Agreement.

9. INTERESTS AND BENEFITS

9.1 Interest of Contractor. Contractor covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

9.2 Interest of Town Members and Others. No officer, member or employee of Town and no member of its governing body, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the services to be performed under this Agreement, shall participate in any decision relating to this Agreement which affects his personal interest or have any personal or pecuniary interest, direct or indirect, in this Agreement or the process thereof.

9.3 Notice Regarding A.R.S. § 38-511. This Contract is subject to cancellation under Section 38-511, Arizona Revised Statutes.

10. ASSIGNABILITY

Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same without the prior written consent of Town thereto.

IN WITNESS WHEREOF, four (4) identical counterparts of this contract each of which shall, for all purposes, be deemed an original thereof, have been duly executed by the parties on the date and year first above written.

TOWN OF DEWEY-HUMBOLDT

By: _____
Terry Nolan, Mayor

ATTEST:

By: _____
Judy Morgan, Town Clerk

APPROVED AS TO FORM:

By: _____
Curtis, Goodwin, Sullivan,
Udall & Schwab, P.L.C., Town Attorneys
Susan D. Goodwin, Esq.

CONTRACTOR

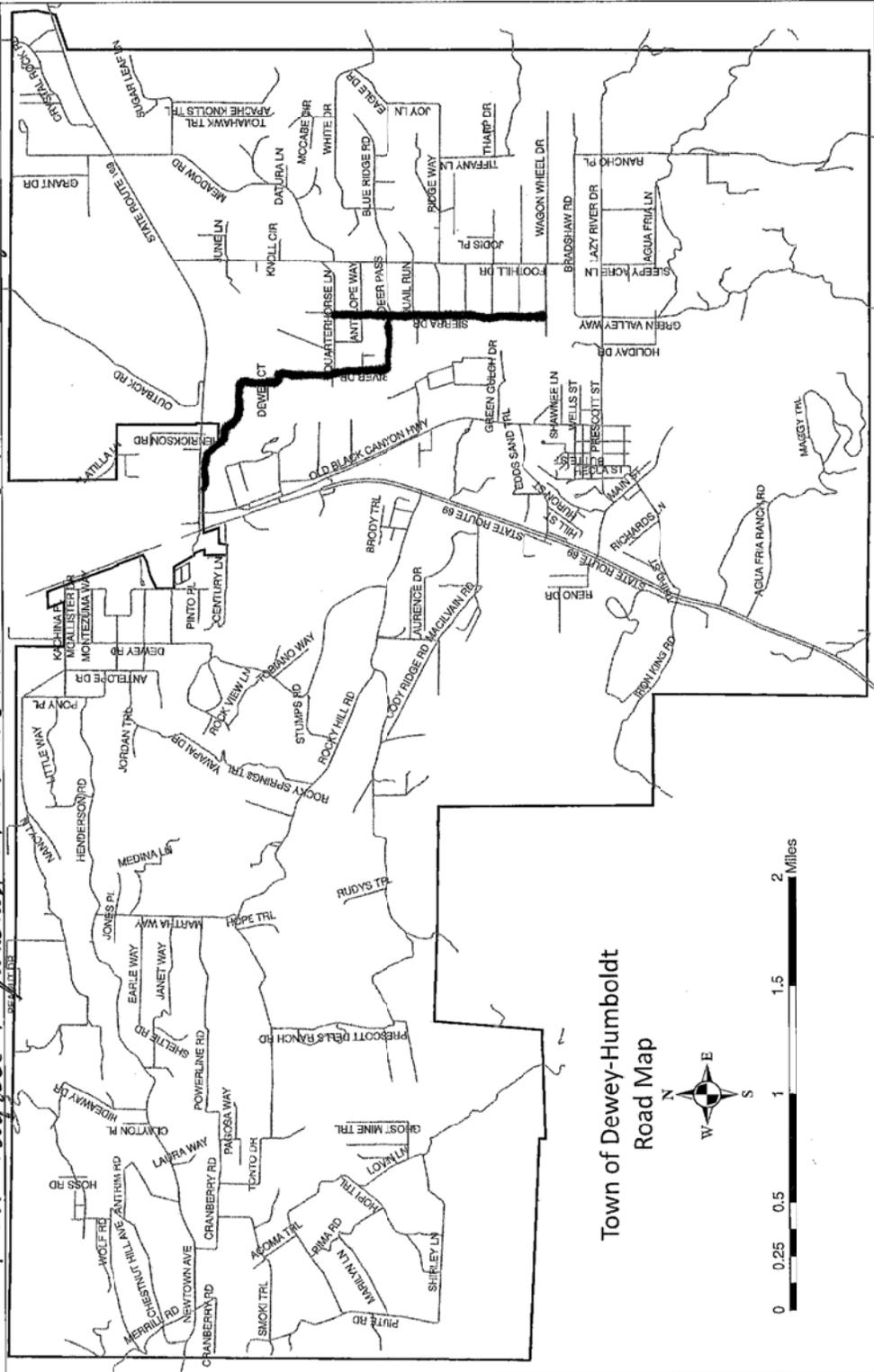
By: _____
Its: _____

EXHIBIT A
SCOPE OF WORK

The services are generally described as follows: Placing approximately 4244 square yards Double Chip Seal and 36,531 square yards of low volume Single Chip Seals on Town roadways. The areas to be chip sealed are shown generally on Appendices A through D, attached hereto.

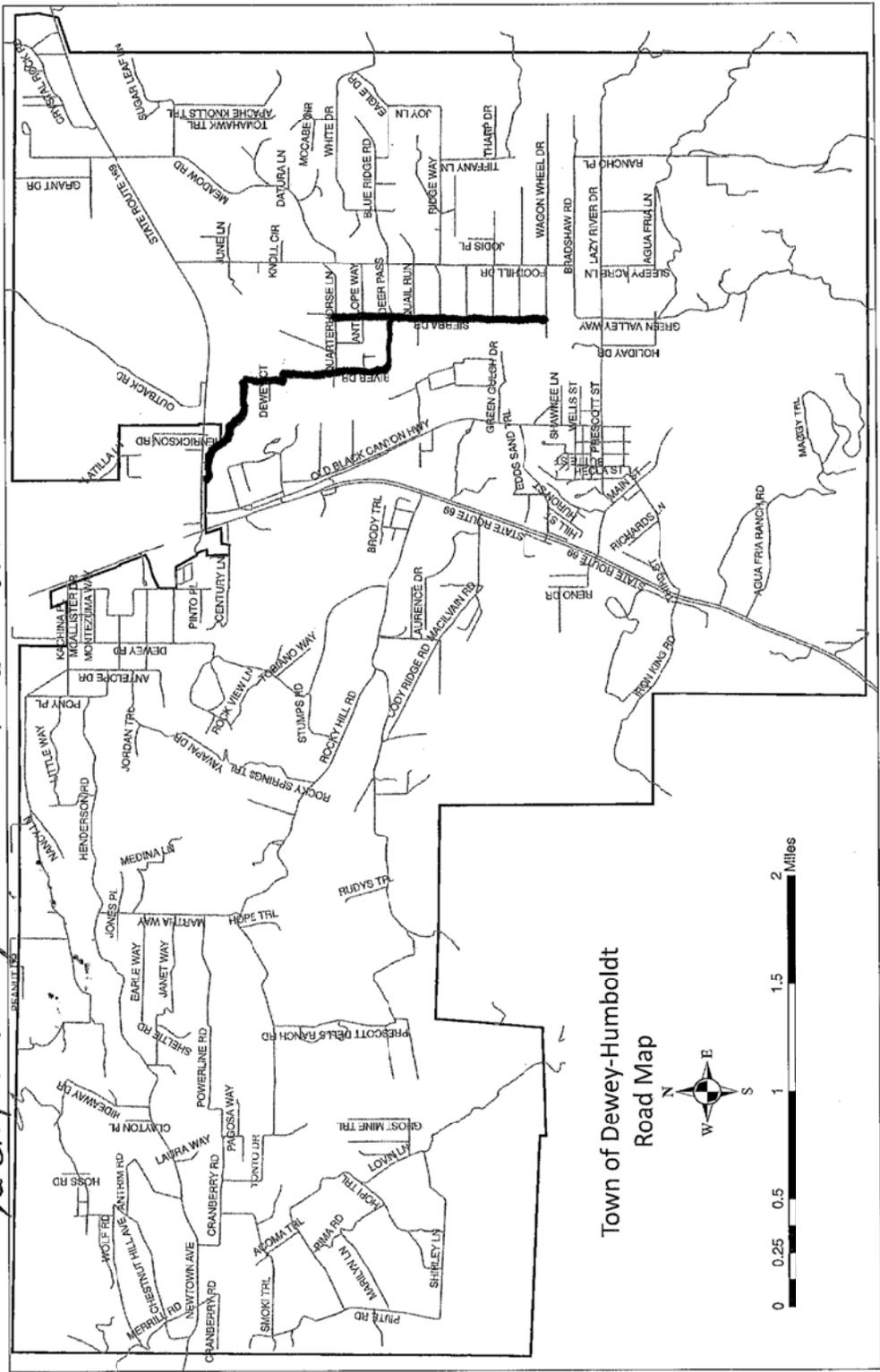
Appendix A

Road Surface Preparation w/ Cold Patch + Steel Drum on Revealed Areas of Shoulders



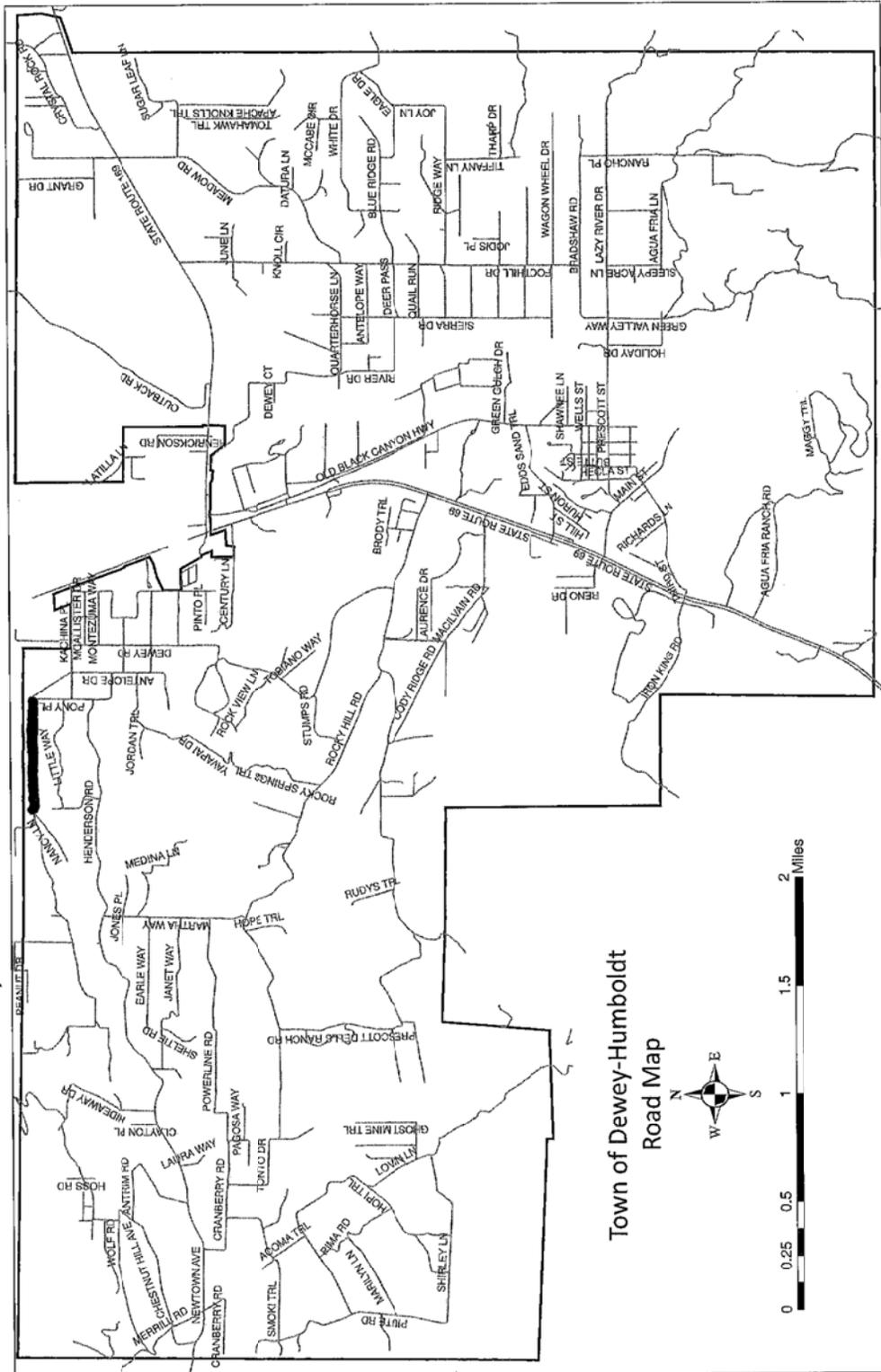
Appendix B

Single Chip Overlay River Rd & Sierra Rd



Appendix D

Planning Phase Singlechip Overlay



Town of Dewey-Humboldt
Road Map

** Subcontractor's contract range: In the column marked "Range" enter the letter corresponding to subcontract amount.

A = Less than \$2,000

B = Equal to or greater than \$2,000 but less than \$10,000

C = Equal to or greater than \$10,000 but less than \$100,000

D = Equal to or greater than \$100,000

**EXHIBIT C
PAYMENT SCHEDULE**

A. Compensation

1. The consideration of payment to Contractor, as provided herein shall be in full compensation for all of Contractor's work incurred in the performance hereof, including offices, travel, per diem or any other direct or indirect expenses incident to providing the services.
2. Attached hereto as Exhibit C-1 is the Contractor's hours and fee estimate for the Project. Contractor's fee shall not exceed the amounts of the Bid Schedule:

Description

Amount

B. Method of Payment

Invoices shall be on a form and in the format provided by Town and are to be submitted in triplicate to Town via Town's authorized representative.

STATE SOLE PROPRIETOR'S WAIVER (ATTACH)

Agreement including this Change Order will be _____

The Contract Time will increase by _____

ACCEPTANCE STATUS:

Contractor

Town of Dewey-Humboldt

By _____

By _____

Date _____

Date _____

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30.018D Am. Ord. 12-91, passed 6-12-2012

Any Councilmember may suggest an agenda item for the next regular council meeting and the item shall be place on the agenda.

To be amended to read:

Any Councilmember may suggest an agenda item for the next regular council meeting and the item shall be place on the agenda. The submitting councilmember shall introduce his or her agenda item without restrictions, interference or comment from other council members or the mayor and until such time that the submitting council member yields the floor for council discussion. Any decision to remove the submitted agenda item from a scheduled council meeting, can only be initiated by the submitting council member.

30.105C Am. Ord. 11-89, passed 10-18-2011

Any member of the Town Council may suggest an agenda item for the next regular Council meeting and the item shall be placed on the agenda. If a member of the Council has requested the modification or removal of an agenda item that was placed on the agenda by another member of the Town Council, such modification or removal shall require the concurrence of that member of the Council.

To be amended to read:

Any Councilmember may suggest an agenda item for the next regular council meeting and the item shall be place on the agenda. The submitting councilmember shall introduce his or her agenda item without restrictions, interference or comment from other council members or the mayor until such time that the submitting council member yields the floor for council discussion. Any decision to remove the submitted agenda item from a scheduled council meeting, can only be initiated by the submitting council member. If however, another member of the Council, including the Mayor, has requested the modification or removal of an agenda item that was placed on the agenda by another member of the Town Council, such modification or removal can be allowed but shall require the concurrence of that member of the Council which originated the agenda item and shall be accomplished before the scheduled agenda meeting date.

30.106 Decorum Am. Ord. 09-49, passed 4-7-2009

While the Town Council is in session, all persons shall conduct themselves with reasonable decorum. Any person who is so disorderly or who so persistently disrupts the business meeting so far as to interfere with the proper conduct of the business may be ordered removed from the meeting place. At such time, the Mayor may call a recess.

To be amended to read:

While the Town Council is in session, all persons, including the council proper, shall conduct themselves with reasonable decorum. Any person who is so disorderly or who so persistently disrupts the business meeting so far as to interfere with the proper conduct of the business may be asked to leave council chambers and/or ordered removed from the meeting place. At such time, the Mayor, or in the Mayors absence whomever is acting as chairman for the meeting and upon council majority vote, may call a recess until such time order is restored.



JSA 800 S Claremont St, Ste 202, San Mateo, CA 94402

A wise man once said, “**A politician thinks of the next election. A statesman, of the next generation.**” Will you put on your statesperson hat and think of the next generation by helping us educate an outstanding high school student in your City?

The Junior Statesmen Foundation, with its unique brand of civic education, is conducting the 6th Annual Institute on Arizona Leadership and Politics. We are seeking your assistance in identifying a politically aware and active high school student to participate in this nonpartisan four day exploration of the people, politics and policies that drive Arizona state government.

The politics and policies behind these headlines and many more will take center stage at the Institute held from Sunday, June 9 –Wednesday, June 12 at Arizona State University and the State Capitol Building. During the Institute, students will meet and question Arizona’s political opinion leaders to get a behind-the-scenes look at how the state is run. Legislative-style debates on current public policy issues will encourage students to express their opinions and learn from the perspectives of others. Educational and engaging simulations will build students’ leadership skills while challenging them to develop a strong sense of political ethics.

I'm sure you have high school student constituents who would enjoy spending four days immersed in Arizona politics and government with other bright, politically aware students from across the state. Will you help us prepare them to be the future leaders of Arizona?

Please select up to two students to attend the Institute by passing along the enclosed flyer and application form. If you’d like to encourage more student leaders, please copy the flyer and form. **The application deadline is Thursday, May 9** for any students you select. Thanks to a special grant, we are able to offer this exciting program to students in Arizona for \$200. This program is open to current 8th, 9th, 10th and 11th graders.

The \$200 tuition covers 3 nights lodging in our student dormitory Taylor Place on ASU's Downtown Campus; almost all meals (students purchase two lunches); recreation, a dance and a graduation luncheon.

Sincerely,

Karen B. Prosser
JSAZ Program Director
kprosser@jsa.org
(800) 334-5353 ext 7654
(650) 393-7654



2012 Arizona Institute student Caleb Rhodes with Governor Jan Brewer



2012 Arizona Institute students Simone La Londe and Caleb Rhodes with Maricopa County Sheriff Joe Arpaio

JSA Institute on Arizona Government and Leadership

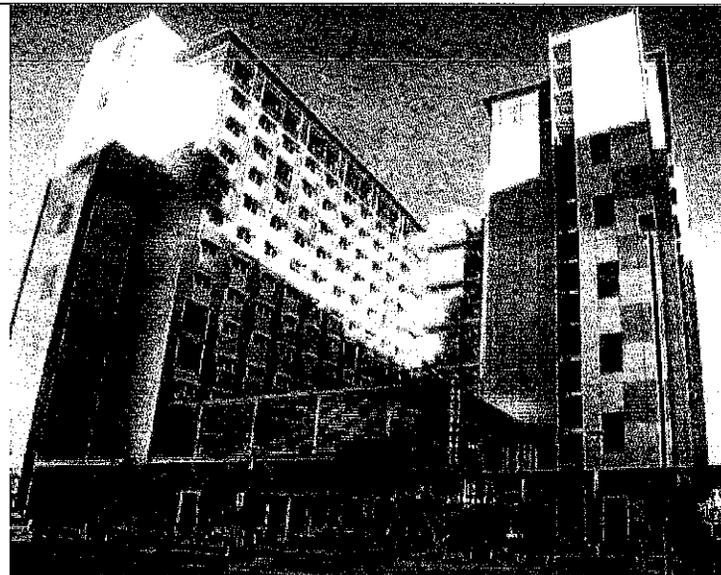
Where: State Capitol Building and Arizona State University

When: Sunday, June 9 to Wednesday, June 12, 2013

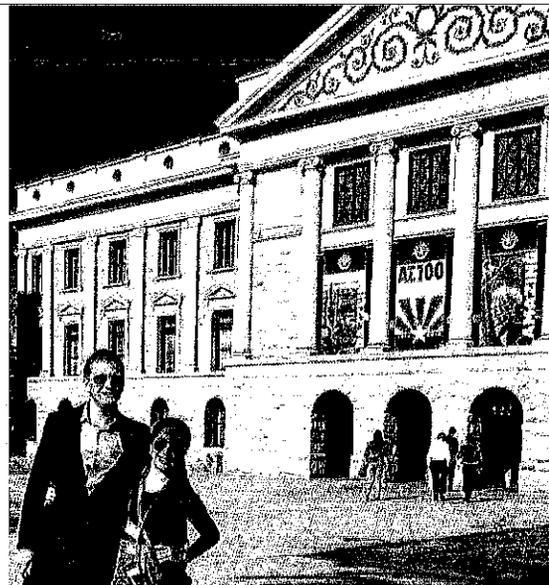
Who: All interested High School Students in Arizona

Cost: \$200 which includes:

- Living in Taylor Place, ASU's beautiful new student resident in downtown Phoenix
 - Eating your meals in the Taylor Place Dining Commons
- Enjoying a sumptuous Graduation Banquet on Wednesday afternoon
 - Questioning Arizona's leaders in the Capitol
- Spending Tuesday morning with an Arizona Supreme Court Justice
 - Debating fellow students on hot topics
 - Making new friends
 - Partying down on the final night



ASU STUDENT RESIDENCE - TAYLOR PLACE



Arizona Institute students at State Capitol



STUDENT APPLICATION FORM

For 2013 JSA Institute

To the Applicant

A complete application includes:

1. This student application form
2. Short answers to these Admission Questions:

- 1) Highlight your academic achievements.
- 2) Describe any leadership positions you have held.
- 3) What do you think is the most important issue facing Arizona State Government today? What solution do you propose and why?

Name: _____
Please Print First Last

Mailing Address: _____
Street City State Zip

Home Phone: (_____) _____ Cell Phone: (_____) _____

Email Address: _____ Parent's Email Address: _____

Birthday: ____/____/____ Age: ____ Male Female

School _____ School City/State _____

Graduation Year: 2014 2015 2016 2017 (circle one)

I'm applying to:

- Arizona Institute on Leadership and Politics**
June 9-12 ♦ Arizona State University
Tuition: \$200

Return Application Form and direct your questions about the program to:

Karen Prosser – kprosser@jsa.org
JSA Arizona Program Director
800 S. Claremont St, Suite 202
San Mateo, CA 94402
Phone: (800) 334-5353 ext.7654
Fax (650) 347-7200



2011 Arizona Institute student Caleb Rhodes with Arizona Governor Jan Brewer

2013 APPLICATION FORM - JSA INSTITUTE ON ARIZONA GOVERNMENT & LEADERSHIP

1) Highlight your academic achievements.

2) Describe any leadership positions you have held.

3) What do you think is the most important issue facing Arizona State Government today? What solution do you propose and why?



TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING

May 7, 2013– 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 9.8 Discussion and possible action regarding acquisition of property for Town Hall purposes and possibly to approve Resolution No. 13-107.

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Suggested action: After discussion at 9.8.1 executive session, decide one of the following options at 9.8.2 regular meeting session:

- a. Adopt the resolution (with modification if needed);
- b. Delay the resolution adoption to include other properties for consideration
- c. Not interested in purchasing any properties or the proposed resolution

Date submitted: May 2, 2013

Summary:

At the April 16th meeting, the Town Council discussed potential property purchase for Town Hall uses, specifically some of the “Peloso” properties on Main St. Some directions were given to Staff at the executive session. Staff wanted to report to the Council our findings at this meeting.

The Town Attorney prepared Resolution 13-107 which was included in the April 16th packet. The Council did not consider the Resolution on April 16 and indicated that it will be delayed to a later date. The same Resolution is included this time. Please note that it is a suggested procedure for the Council to adopt such a Resolution should you decide to proceed with steps towards property acquisition.

If after (May 7) discussion, the Council wishes to adopt the proposed Resolution to authorize next steps of property purchase (which will take a long while to complete), Resolution 13-107 would fulfill that goal. If the Council has other properties that you may be interested in, Resolution 13-107 can be delayed or modified. If the Council is not interested in any property purchase at this time, Resolution 13-107 can be completely ignored.

A firm decision and/or clear direction are always desirable; but the Council is not obligated to adopt the Resolution if you are not ready to proceed.

RESOLUTION NO. 13-107

A RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF DEWEY-HUMBOLDT, ARIZONA AUTHORIZING AND DIRECTING THE TOWN MANAGER AND TOWN ATTORNEY TO OBTAIN APPRAISALS AND LEGAL DESCRIPTIONS AND TAKE OTHER NECESSARY ACTIONS PREPARATORY TO ACQUIRING TITLE TO CERTAIN PARCELS OF REAL PROPERTY ON BEHALF OF THE TOWN BY DONATION, EMINENT DOMAIN OR PURCHASE FOR MUNICIPAL GOVERNMENT PURPOSES.

WHEREAS, the continued growth and development of the Town of Dewey-Humboldt requires the acquisition of certain real property; and

WHEREAS, the Common Council of the Town of Dewey-Humboldt finds that the acquisition of property generally located at 12899 East Main Street, 12901 East Main Street, 12922 East Main Street, and/or 12847 East Main Street, Dewey-Humboldt, Arizona may be necessary for municipal government purposes; and

WHEREAS, prior to acquisition of such property, an appraisal and a legal description must be prepared and other actions preparatory to such acquisition may be necessary,

NOW, THEREFORE BE IT RESOLVED by the Common Council of the Town of Dewey-Humboldt, County of Yavapai, Arizona:

1. That the Town Manager and Town Attorney are hereby authorized and directed to obtain appraisals and legal descriptions and take other necessary actions preparatory to acquisition of certain parcels of real property on behalf of the Town; and
2. That the Town Manager is directed to present the above information to the Council for possible approval to proceed with the acquisition.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Dewey-Humboldt, Arizona this ___ day of _____, 2013.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk

APPROVED AS TO FORM:

Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
Town Attorney
By:

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TOWN OF DEWEY-HUMBOLDT
P.O. BOX 69
HUMBOLDT, AZ 86329
Phone 928-632-8562 ▪ Fax 928-632-7365

TOWN COUNCIL REGULAR MEETING
May 7, 2013– 6:30 p.m. Town Council Meeting Chambers

Agenda Item # 9.9 Town Hall Lease.

To: Mayor and Town Council Members

From: Yvonne Kimball, Town Manager

Recommendation: Convene an executive session to discuss the next steps of the expiring but renewable Town Hall lease

Date submitted: May 2, 2013

Summary:

At the April 16th meeting, under the Town Manger's Report, I called the Council's attention to the Town Hall lease status. At this meeting (May 7), the Town Council is expected to discuss and direct Staff your intention of how to handle the Town Hall lease.

To recap:

The Town's landlord, Mr. McBrady, wanted to inform the Council that Humboldt Station Inc. property filed bankruptcy on April 11, 2013. Mr. McBrady also wanted the Town to know that he is interested in selling the "Town Hall offices" which is part of the Humboldt Station property to the Town. I have recently learned that the originally scheduled Humboldt Station trustee's sale has been postponed from April 12 to May 14, 10 am.

The Town Hall lease was originally entered in 2007 which was effective January 1, 2008 for 4 years (expiring December 31, 2011). In September 2011, the Town signed a 2-year extension pursuant to Paragraph 2 of the original lease and Recital 2 of the Extension. The Town Hall lease will expire on December 31, 2013 (instead of September 2013). The (original) lease provides for another 2-year extension and requires the Town to advise the landlord "whether Tenant wishes to exercise" its option to extend the lease for another 2 years at least 6 months before the end of the first extension. Therefore, by June 1, the Town would want to notify the landlord, Mr. McBrady, the intent to continue its lease or other actions. Regardless of the intent, the current lease will remain effective until December 31, 2013.

The current Town Hall lease (both 2007 and 2011 documents) provides for the Town's main offices, the magistrate court offices, the council chamber and the Sheriff deputies' office. The total annual rent is \$48,216.

State law (A.R.S 38-431.03) allows the opportunity for a public body to hold executive sessions on "discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property".

**EXTENSION OF
REAL PROPERTY LEASE AGREEMENT**

This Extension of Real Property Lease Agreement (“Lease Extension”) is entered into by and between Humboldt Station, Inc., an Arizona corporation (herein called “Landlord”) and the Town of Dewey-Humboldt, Arizona, (herein called “Tenant”) on this 7th day of September, 2011.

RECITALS:

1. Landlord and Tenant entered into a Real Property Lease Agreement dated November 6, 2007 for the lease of certain commercial property located at 2735 S. Highway 69, Dewey-Humboldt, Arizona (“Lease Agreement”).
2. Tenant desires to exercise its option to extend the term of the Lease Agreement for two (2) years pursuant to Paragraph 2 of the Lease Agreement and in accordance with this Extended Lease.

NOW, THEREFORE, in consideration of the foregoing premises and mutual promises and agreements of the parties, Landlord and Tenant agree as follows:

The following provisions of the Lease Agreement shall be amended:

1. In Paragraphs 1, 2 and 3A, delete “Suite 7” and insert “Suite 5”.
2. Paragraph 3 shall be amended to read as follows:
 3. Rental Amounts: Rents for the suites leased to Tenant, hereunder, shall be calculated as follows:
 - A. Suite 7: 640 square feet at a rate of \$1.20 per square foot for a total base rent amount of 768.00 per month.
 - B. Suites 10A, 11, 12 and 13: 1880 square feet at a rate of \$1.25 per square foot for a total base rent amount of \$2,350.00 per month.
 - C. Suite 14: 336 square feet at a rate of 1.25 per square foot for a total base rent amount of \$420.00 per month.
 - D. Suite 15: 384 square feet at a rate of \$1.25 per square foot for a total base rent of \$480.00 per month.

In addition to the base rent amount, delineated herein, Tenant agrees to pay any local sales tax for rental of commercial property as may be adopted by the Town.

3. Paragraph 4 shall be deleted:
4. Paragraph 5 shall be amended to read as follows:

Repair of Existing Premises; Improvements. Landlord shall, at Landlord's sole expense, perform the following repairs prior to the effective date of this Lease:

- A. Repair the front walkway per the inspection report dated June 2011.
 - B. Repair the bathroom water heaters in Suite No. 11.
 - C. Place the telephone wires attached to the exterior of the back of the Leased Premises in conduit
 - D. Repair the Leased Premises so that proper weather stripping or other remedy is installed to make the windows and doors weathertight.
 - E. Replace ballasts in courtroom area.
4. Paragraph 8 shall be amended to read as follows:
 8. Tenant's Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant.
 - A. The vacating or abandonment of the Leased Premises by Tenant.
 - B. The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof by Landlord to Tenant.
 - C. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than described

in Paragraph 8B, where such failure shall continue for a period of ten (10) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than ten (10) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said ten (10) day period and thereafter diligently prosecutes such cure to completion.

- D. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Tenant of a petition to have Tenant adjudged bankrupt, or a petition for reorganization or arrangement under any law relating to bankruptcy unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days; or the appointment of a trustee or a receiver to take possession of substantially all of the Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of the Tenant's assets located at the Leased Premises or of Tenant's interest in this Lease, where such seizure is not discharged in thirty (30) days.

4. New Paragraph 8.1 shall be added to read as follows:

8.1. Landlord's Remedies In Default. In the event of any such material default or breach by Tenant, Landlord may:

- A Give Tenant notice of intention to cancel this Lease at the expiration of five (5) days from the date of service of said notice. At the expiration of said five (5) days, if Tenant has not cured the default or breach, the term of this Lease shall expire. Said notice shall contain a statement of the facts constituting the default or breach by Tenant. Upon the expiration of the five (5) days, Landlord may terminate Tenant's right to possession of the Leased Premises by any lawful means, in which case Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, not

including any renovation and alteration of the Premises; reasonable attorneys fees; the amount if any, by which the Rent set forth in Paragraph 3 for the period of reletting (up to but not beyond the initial term or any extended term of the Lease) exceeds the sum of the rent to be received from the reletting for such period; and that portion of any leasing commission paid by Landlord and applicable to the unexpired initial term or any extended term of the Lease; or

- B Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Leased Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under the Lease, including the right to recover the rent as it becomes due hereunder.
- C Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decision of the state in which the Leased Premises are located.

6. New Paragraph 8.2 shall be added to read as follows:

8.2 Landlord's Default. The failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Landlord where such failure shall continue for a period of ten (10) days after written notice thereof by Tenant to Landlord; provided, however, that if the nature of Landlord's default is such that more than ten (10) days are reasonably required for its cure, then Landlord shall not be deemed to be in default if Landlord commences such cure within said ten (10) day period and thereafter diligently prosecutes such cure to completion.

7. New Paragraph 8.3 shall be added to read as follows:

8.3. Tenant's Remedies In Default: Tenant, at any time after Landlord commits a default in his maintenance responsibilities under this Lease Agreement, may cure the default at Landlord's cost. If Tenant at any time, by reason of Landlord's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Tenant shall be due immediately from Landlord to Tenant at the time the sum is paid, and if paid at a later date, shall bear interest at the rate of ten percent (10%) per annum from the date the sum is paid by Tenant until Tenant is reimbursed by Landlord. If

Landlord fails to reimburse Tenant as required by this Paragraph, Tenant shall have the right to withhold from future rent due the sum Tenant has paid until Tenant is reimbursed in full for the sum and interest on it.

8. Paragraph 12 shall be amended to read as follows:

12. Modifications/Alterations To Leased Premises: As municipal offices, the Parties recognize that certain alterations/modifications will be required in order to provide confidentiality, safety and security. Such alterations/modifications shall be made by Tenant and at Tenant's cost and during the term of this Agreement, or any extensions thereof, Tenant shall be responsible for the restoration of the Premises to its condition prior to such alterations/modifications unless Landlord specifically directs that the alterations/modifications remain. Landlord and Tenant recognize that certain improvements authorized by Landlord have been made to the Leased Premises prior to the effective date of this Lease Extension. Exhibits A and B set forth the previously approved improvements that may remain at the termination or expiration of this Lease and those previously approved improvements that must be removed. In no manner and at no time shall Tenant be entitled to make any alteration/modification that compromises the integrity of the overall structure or in any fashion diminishes either the image or marketability of the development of which the Leased Premises is a part.

9. Paragraph 15 shall be amended to read as follows:

15. Maintenance Responsibilities.

A. Tenant shall, during the term and extended term of the Lease and as its sole expense, keep and maintain the interior of the Leased Premises, including, but not limited to faucets, sinks, toilet, doors, windows, hardware, light bulbs, doors, trim, locks, glazing, interior walls and ceilings in good, clean and sanitary order, condition and repair, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of Landlord. Tenant shall also maintain air conditioning/heating units and electrical work installed by Tenant unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of Landlord. Tenant shall not permit an accumulation of boxes, papers, waste or other refuse matter in or around the Leased Premises.

B. Landlord shall, during the term and extended term of the Lease and as its sole expense, keep and maintain in good condition those parts of the Leased Premises not the responsibility of the Tenant pursuant to Paragraph 15A, including but not limited to (i) structural portions of the Leased Premises such as the plumbing system, air conditioning, heating, and electrical systems that were either in place when the original Lease term commenced or replaced by Landlord, and (ii) the air conditioning unit in Suite 7 (Sheriff's office), unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of Tenant.

All other provisions of the Lease Agreement shall remain unchanged.

Entered into this 7th day of September, 2011.

LANDLORD

Humboldt Station Inc.

By Mark McBrady

TENANT

Town of Dewey - Humboldt

By Jerry Nolan, Mayor

ATTEST:

Judy Morgan
Judy Morgan, Town Clerk

APPROVED AS TO FORM:

Susan D. Goodwin
Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
Town Attorneys
By Susan D. Goodwin

F:\1908\009-0000-0000 Real Property\Documents\Town Hall Lease Extension 8-22-11 clean.doc

Exhibit A

Remove all computer wiring and computer receptacles. Repair and replace any electrical wiring that is disrupted or interrupted by the removal of walls. Repair all drywall holes and drywall voids created by the removal of computer and electrical wiring. Repair all drywall holes and drywall voids created by the removal of walls.

Walls to be removed:

Suite 5: No need for wall removal.

Suite 10a : No need for wall removal.

Suite 11: Wall #1 - Removal of South wall between Judge's Office and Court Clerk Office.
Wall #2 - Removal of East wall between Judge's Office and West wall of Suite #12.

Suite 12: Wall #3 - Removal of North wall between Lobby and Copy / Record Storage Room.

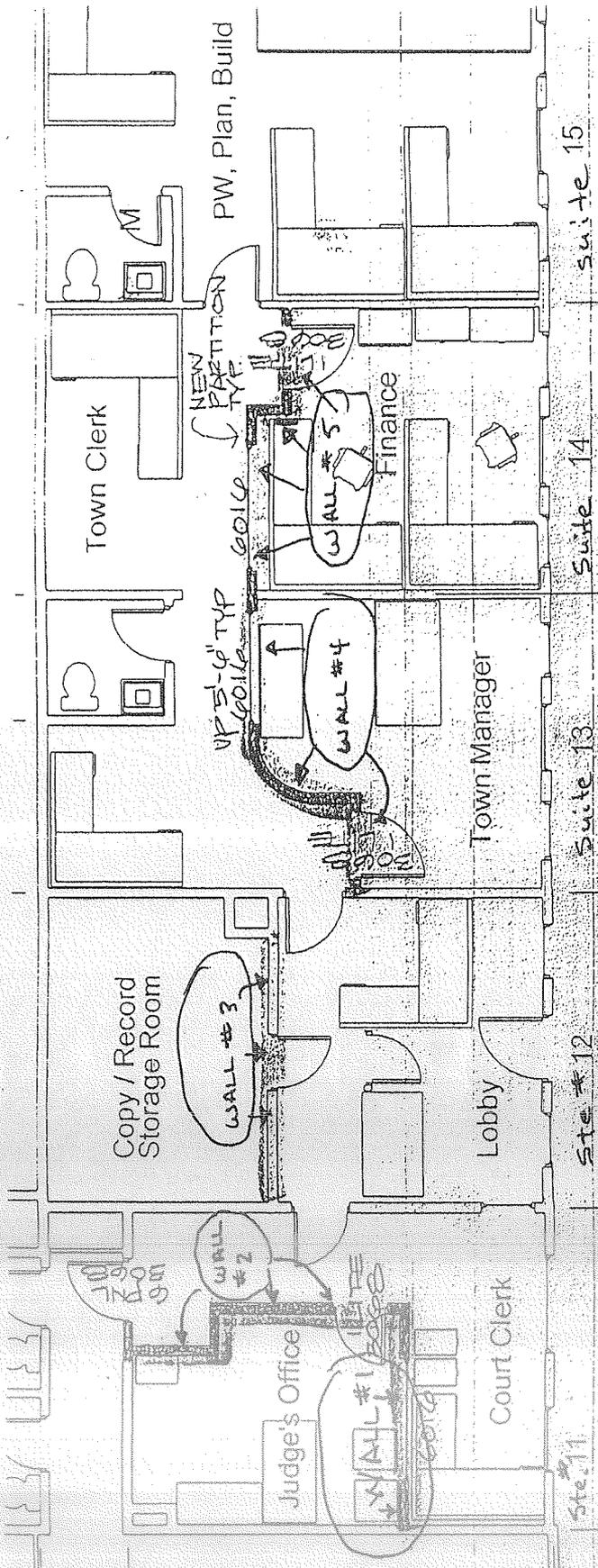
Suite 13: Wall #4 - Removal of North wall between Town Manager's Office and hallway.

Suite 14: Wall #5 - Removal of North wall between Finance Office and hallway.

Suite 15: No need for wall removal.

Exhibit B

WALLS TO BE REMOVED



REAL PROPERTY LEASE AGREEMENT

THIS REAL PROPERTY LEASE AGREEMENT entered into this 6th day of November, 2007, by and between *Humboldt Station, Inc.*, an Arizona Corporation (hereinafter referred to as "Landlord") and the Town of Dewey-Humboldt, a municipal corporation of the State of Arizona (hereinafter referred to as "Tenant").

1. Location Of Leased Premises: Landlord hereby leases to Tenant that certain commercial property located at and more particularly described as Suites 7, 10A, 11, 12, 13, 14 and 15, located at 2735 S. Highway 69, Dewey-Humboldt, Arizona. (Hereafter "Leased Premises").

2. Term Of Lease:

A. The term of this lease, as regards Suite 7, shall be for one (1) year and begin on January 1, 2008, and shall be terminable upon sixty (60) days notice.

B. The term of this lease, as regards Suites 10A through 15 shall be for four (4) years, shall begin on January 1, 2008. Tenant shall advise Landlord, no less than six (6) months prior to the term of this provision, whether Tenant wishes to exercise the first of two (2) two (2) year extensions of this agreement as to Suites 10A through 15. Likewise, no less than six (6) months prior to the term of the first two (2) year extension, Tenant shall advise Landlord whether Tenant wishes to exercise the second of the two (2) year extensions. In the event Tenant does not exercise either of the extension notices, Landlord shall be entitled to assume Tenant does not wish to exercise the extensions.

C. The rates of the lease may be negotiated at the same time as the extension dates.

3. Rental Amounts: Rents for the suites leased to Tenant, hereunder, shall be calculated as follows:

A. Suite 7: 640 square feet at a rate of \$1.20 per square foot for a total base rent amount of \$768.00 per month.

B. Suites 10A, 11, 12 and 13: 1880 square feet at a rate of \$1.25 per square feet for a total base rent amount of \$2,350.00 per month.

C. Suite 14: 336 square feet at a rate of \$1.25 per square foot for a total base rent amount of \$420.00 per month.

D. Suite 15: 384 square feet at a rate of \$1.25 per square foot for a total base rent of \$480.00 per month.

In addition to the base rent amount, delineated herein, Tenant agrees to pay any local sales tax for rental of commercial property as may be adopted by the Town. The parties agree that during the initial terms of the Lease (Suite 7 - one year; Suites 10A through 15 - four years) the base rent per square foot will not be increased.

4. Tenant's Payment For Improvements: Tenant agrees to pay to Landlord the sum of FOUR THOUSAND DOLLARS (\$4,000.00) upon execution of this Agreement in consideration of the Landlord improvements described herein Item 5. A., B., C. and D. All payments for which Tenant is obligated, hereunder, shall be made payable to Humboldt Station, Inc., and sent to PO Box 815, Humboldt, Arizona 86329, unless otherwise directed.

5. Improvements To Be Made By Landlord: The payment, as anticipated in section 4 of this Agreement, is made in anticipation of Landlord making the following improvements to the properties subject to this Agreement within ninety (90) days of the execution of this Agreement, and as follows:

- A. The area between Suites 9 and 10 to be cleaned and gravel or other ground cover installed.
- B. Installation of portico over the entryway to Suites 13 and 14.
- C. Boardwalk to have predetermined boards replaced or repaired when needed for safety and oil coating to be applied.
- D. Maintenance of building exterior including an initial cleaning of the front exterior leased premises.

6. Breach: Such sums as are stated as rents in paragraph 3, shall be due on the first day of each month and shall be deemed late if not received by the tenth (10th) day of any month for which rents are to be paid. In the event the rent is not received by the first day of the month, a five percent (5%) late fee shall accrue. If rents are not received by the tenth (10th) day of any month during the term of this lease, an additional five percent (5%) penalty shall be charged. In the event rents are not received timely, Landlord shall notify Tenant, in writing with such notice delivered to the Leased Premises. Should rents, thereafter, not be paid within ten (10) days of the notice, Tenant shall be deemed in Breach of this Agreement, allowing to Landlord any and all relief allowed for at law or in equity.

7. Payment Of Utilities: Landlord shall be responsible for, and shall pay the costs attendant to, the provision of water, sewer and trash service to the Leased Premises. Any and all other utilities shall be the obligation of Tenant, the bills for which shall be paid timely. In no regard shall Tenant allow utility bills to go unpaid such that liens attach, from the utility provider, against the Leased Premises.

8. Additional Incidents Of Default: Besides the non-payment of rents, as provided for above, the following shall also constitute incidents of default:

A. The vacating or abandonment of the Leased Premises by Tenant

B. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant., where such failure shall continue for a period of ten (10) days after written notice, thereof, by Landlord to Tenant; provided however, that if the nature of Tenant's default is such that more than ten (10) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within ten (10) days and thereafter diligently competes the cure.

C. The making by Tenant of any general assignment or general arrangement for the benefit of creditors or the filing by or against Tenant of a petition to have Tenant adjudged a bankruptcy, or a petition for reorganization or arrangement under any law relating to bankruptcy unless, in the case of the petition filed against Tenant, the same is dismissed within sixty (60) days of the appointment of a trustee or a receiver to take possession of substantially all of tenant's assets located at the Leased Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days, or the attachment, execution or other judicial seizure is not discharged within thirty (30) days.

9. Entitlement Of Landlord In The Event Of A Paragraph 8 Default: In the event of any such default or breach by Tenant as is stated within paragraph 8, above, Landlord may, at any time thereafter, in its sole discretion, upon written notice or demand, and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

A. Terminate Tenant's right to possession of the premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering

possession of the Leased Premises; expenses of reletting, including necessary renovation and alteration of the premises; reasonable attorneys fees; the amount, if any, by which the rent reserved in this Lease for the period of such reletting (up to but not beyond the term of this Lease) exceeds the sum agreed to be paid as rent for the premises for such period; and that portion of any leasing commission paid by Landlord and applicable to the unexpired term of this Lease; or

B. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Leased Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent and any other charges and adjustments as may become due hereunder; or

C. Any and all other remedy now or hereafter available to Landlord under the laws or judicial decision of the State of Arizona.

10. Landlord's Limited Right Of Entry: It is specifically understood and agreed as between the Parties that this Lease is being executed for use of the Leased Premises by a municipality for the purpose of its offices. As such, and given issues of security and confidentiality inherent in such facilities, and the need for municipal accountability in that regard, the Landlord's right of entry in regard to this premises is limited to inspection of the Leased Premises upon reasonable notice and only while accompanied by an agent of the Tenant.

11. Nature Of The Use Of Leased Premises: Tenant shall, continuously during the term of the lease, conduct and carry on activities within the Leased Premises consistent with its use as municipal offices of the various departments of the Town of Dewey-Humboldt. The activities taking place at the Leased Premises shall be conducted in a manner and at times as is necessary and appropriate to such facilities. In so doing, Tenant shall comply with all statutes, ordinances, rules, regulations and laws of all municipal, county, state and federal authorities now enforced or which may hereafter be enforced pertaining to the condition, use or occupancy of the premises. Tenant shall not use or permit the premises to be used in whole or in part for any purposes or use in violation of any of the laws, ordinances, regulations or rules of any public authority at any time applicable thereto.

12. Modifications/Alterations To Leased Premises: As municipal offices, the Parties recognize that certain alterations/modifications will be required in order to provide confidentiality, safety and security. Such alterations/modifications shall be made by Tenant and at Tenant's cost, and at the term of this Agreement, or any extensions thereof, Tenant shall be responsible for the restoration of the facility to its condition prior to such alterations/modifications unless Landlord specifically directs that the alterations/ modifications remain. In no manner and at no time shall Tenant be entitled to make any alteration/modification that compromises the integrity of the overall structure or in any fashion diminishes either the image or marketability of the development of which the Leased Premises is a part.

13. Exterior Modification: Tenant shall undertake no modification of the exterior of the Leased Premises, shall place no additional signage on or about the property, and shall locate no objects outside of the Leased Premises without the prior written consent of Landlord, such consent not to be unreasonably withheld. It is understood between the Parties that, at a minimum, both indicia of the presence of municipal offices upon the premises and the possible need for a location for the posting of police/public notices may be necessary and would be permitted. Beyond that, anything further will be addressed between the Parties on a case-by-case basis.

14. Common Facilities:

A. Tenant and Tenant's employees shall use parking facilities as directed by the Landlord.

B. Tenant's customers shall be entitled to enjoy the use of the parking area along with all other owners and occupants of the center which is served by the parking lot.

15. Maintenance Responsibilities: Tenant shall, during the term of the Lease and as its sole expense, keep and maintain the Leased Premises and the improvements thereto, including, but not limited to, faucets, sinks, toilet, doors, windows, hardware, lightbulbs, doors, trim, locks, glazing, interior, walls, ceilings, and the interior of the Leased Premises in good, clean and sanitary order, condition and repair. In that regard, Tenant shall not permit an accumulation of boxes, papers, waste or other refuse matter in or around the Leased Premises.

16. Destruction of Premises: In the event of the total destruction of the premises during the lease term as a result of fire not due to the negligent acts of Tenant, this Lease shall immediately terminate.

In the event of the partial destruction of the Leased Premises not due to the negligent acts of Tenant; with such destruction determined to affect

one-third or less of the Leased Premises, the lease shall not automatically terminate and Tenant shall be entitled to a proportionate reduction in the rents while repairs are made with such proportionate reduction based upon the extent to which the Leased Premises remains tenantable.

17. Eminent Domain: If any part of the premises shall be taken for public or quasi-public use by the right of eminent domain, or transferred by agreement in connection with such public or quasi-public use, with or without any condemnation action or proceeding being instituted, and a part of the premises remains which is adequate for the conduct of tenant's business, this Lease, as to the part so taken or transferred, shall terminate as of the date title shall vest in the condemnor, Landlord shall restore at its sole expense the part of the premises remaining after such taking or transfer to as near its former condition as circumstances will permit, and the rents shall be proportionately reduced. However, in the event of such taking or transfer, either party shall have the option to terminate this Lease as of the date title shall vest in the condemnor. In the event of such condemnation or transfer the proceeds of such condemnation or transfer shall be the property of Landlord and Tenant shall have no claim thereto.

18. Alterations And Improvements: Any alterations of or additions to the Leased Premises, except specified attached items, unattached movable trade fixtures and equipment, shall become a part of the realty and the property of Landlord at the term of this Agreement. Tenant further agrees that the correction and/or restoration of all damage or injury done to the premises by Tenant or its employees or agents who may be on or about the Leased Premises shall be paid for by tenant. The list of specified attached items referred to, herein, is attached, hereto, as Exhibit "A".

19. Liens: Tenant shall keep the Leased Premises and the improvements, thereon, free and clear of all liens arising out of or claimed by reason of any work performed, material furnished or obligations incurred by or at the instance of Tenant, and indemnify and save Landlord and the Leased Premises and the building of which the Leased Premises are part harmless from all such liens or claims of liens and all attorneys fees and other costs and expenses incurred by reason thereof. Should Tenant fail to fully discharge any such lien or claim of lien immediately upon its attachment, Landlord, at its option, and subject to its right of reimbursement, may pay the same or any part thereof and charge back such payment to Tenant for immediate payment.

20. Liability: Tenant, as a municipal corporation, is insured and will remain insured in regard to any claims against them of loss or liability through the term of this Lease.

It shall be the obligation of Landlord to obtain such insurance protection as it deems reasonable and appropriate toward the protection of

Landlord's interests.

21. Insurance And Extended Coverage: Both Landlord and Tenant, at their sole expense, shall obtain and keep in force both fire and extended coverage insurance upon the Leased Premises as Landlord and Tenant may in their individual discretion respectively determine to be appropriate in order to protect them against the loss of their fixtures, goods, wares and merchandise on and about the premises. Tenant hereby waives as against Landlord any and all claims and demands of whatsoever nature for damage, loss or injury to the premises or to Tenant's fixtures, goods, wares and merchandise as shall be caused by or result from fire and/or other perils, events or happenings which are, or should have been pursuant to this Agreement, the subject of such fire and extended coverage insurance.

22. Showing Of Premises At Term Of Lease: Landlord shall be entitled, during the sixty (60) days prior to expiration of this Agreement, and during normal working hours or by appointment scheduled with the Tenant, to exhibit the premises to prospective tenants and to place upon or in the windows of the Leased Premises any signage which is usual and ordinary in the course of such activities.

23. Abandonment: Tenant shall not vacate or abandon the Leased Premises at any time during the term of this Agreement. If Tenant vacates, abandons or surrenders the Leased Premises or be dispossessed by process of law or otherwise, any personal property left on the Leased Premises may be deemed to be abandoned at the option of Landlord.

24. Transfer Of Landlord's Interest: Landlord hereby reserves the right to sell, assign, or transfer this Agreement upon the condition that in such event this Agreement shall remain in full force and effect. Upon such transfer, assignment or sale, other than as security, Landlord shall be released from any further obligations hereunder. Upon such sale, transfer or assignment, Tenant shall execute such subordination agreement or other documents as are reasonably required by the Parties, other than any document altering, amending or changing the provisions of Tenant's tenancy, hereunder.

25. Assignment And Subletting: Tenant shall not assign or sublet its interests, hereunder, without the prior written consent of Landlord, and any such assignment without such consent shall be considered *void ab initio*, at the option of Landlord.

While Landlord has the absolute right to withhold consent to such assignment or subletting, such consent shall not be unreasonably withheld.

26. Attorneys Fees: Should either Party materially breach the provisions

of this Agreement resulting in the incurring of attorneys fees to obtain compliance by the non-breaching Party, that non-breaching Party shall be entitled to the payment of their attorneys fees, reasonably incurred, regardless of whether the breach results in the filing of litigation.

27. Non-Existence Of Partnership: The entering into of this Agreement by the Parties does not create a partnership, joint venture, or any other business form between Landlord and Tenant.

28. Subordination: Landlord expressly reserves the right at any time to place liens and encumbrances on and against the Leased Premises and any part thereof, and on the land and buildings of which the Leased Premises is a part, or to transfer, sell, assign, and/or convey its interest in the Leased Premises. In so doing, another Party will succeed to all the rights of Landlord here, and the leasehold rights of Tenant will be intact and unabridged.

29. Time Is Of The Essence: Time is of the essence in regard to the provisions of this Lease and of every term, covenant and condition hereof.

30. Remedies Cumulative: All remedies herein conferred upon Landlord shall be cumulative and no one remedy shall be deemed exclusive of any other remedy conferred herein or as allowed by law.

31. Waiver: The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of monies, hereunder, by Landlord shall not be deemed a waiver of any preceding breach by Tenant of any term, covenant or condition of this Agreement, other than the failure of Tenant to pay the particular sums so accepted. None of the terms, covenants or conditions of this Agreement can be waived by either Landlord or Tenant, except by appropriate written instruments.

32. Paragraph Headings: Paragraph headings in this Agreement are for convenience only and are not to be construed as a part of this Agreement or in any way defining, limiting or amplifying the provisions hereof.

33. Definitions: The words "Landlord" and "Tenant" as herein used shall include the plural as well as the singular. The neuter gender includes the masculine and feminine.

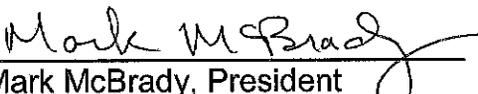
34. Lease Construed As Whole: The language in all part of this Agreement shall in all cases be construed as a whole according to its fair meaning and not strictly interpreted for or against either Landlord or Tenant.

35. Conflict Of Interest: Pursuant to A.R.S. § 38-511, the Town may cancel this agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the Town is, at any time while the agreement or any extension of the agreement is in effect, an employee or agent of any other party to the agreement in any capacity or a consultant to any other party to the agreement with respect to the subject matter of the agreement. In the foregoing event, the Town hereby elects to recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating this agreement on behalf of the Town from any other party to the agreement arising as a result of this agreement.

ENTERED INTO this 6th day of November, 2007

LANDLORD:

TENANT

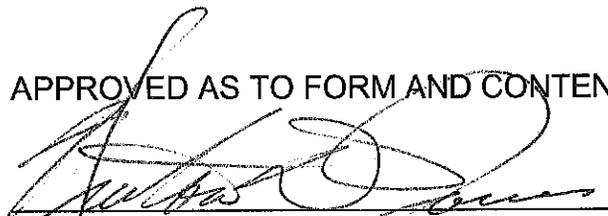


Mark McBrady, President
Humboldt Station, Inc.



Earl Goodwin, Mayor
Town of Dewey-Humboldt

APPROVED AS TO FORM AND CONTENT:



Kenton D. Jones
Attorney for the Town of Dewey-Humboldt