



NORTHEASTERN ARIZONA

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DATE: Jun 25th, 2025

TIME: 11:00 AM

LOCATION: 180 N. 9th Street or

Virtual

Local Workforce Development Board Bi-Monthly Meeting

AGENDA

WELCOME

2 minutes

Call to Order:

Roll call:

Call to the Public:

Limited to 5 minutes each

Consent Agenda Items: May Meeting Minutes

5 minutes

RAPID RESPONSE REPORT

10 minutes

- Business service and layoff aversion update from Greg Clark
- Zenni Homes
- Loves Truck Stop Hiring

DIRECTOR'S REPORT

5 minutes

- Departmental updates by Adam Garrard
- Job Center Co-location Opportunities
- Chamber of Commerce Focus
- Budget Process

OSO Report

10 minutes

- Update on training programs / Partners

FINANCIAL REPORT

10 minutes

- Update on program finances by Briony Buchholz

OLD BUSINESS

20 minutes

- T1B and OSO RFPs/Contracts
- T1B and OSO monitoring/audit
- IFA/MOU Updates – Rents/Job Centers, One Stops
- 4-year Plan Updates
- Board Recertification Update

NEW BUSINESS

- Chairperson nomination and selection
- Gila County Private Sector Employer – Vacancy needs filled
- Globe Community Center Lease – Costs
- Globe DES Possible affiliate Site

CLOSING

5 minutes

Next meeting: July 23rd, 2025, at 11:00 AM (**Note:** This is *not* the last Wednesday in July)

Meeting adjournment:

MEETING MINUTES

LOCAL WORKFORCE DEVELOPMENT BOARD

Date: May 28th, 2025

Time: 11:08 AM

Meeting called to order by: David Miller (Chairman)

IN ATTENDANCE

David Miller (Chair), Chad Meier, Chris Pasterz, Elizabeth Flake, Elizabeth Valdez, Ryleigh Aubuchon, Billy Smith, Steve North, Elizabeth Valdez, Ryleigh Aubuchon, Billy Smith, Steve North, Jennifer Fair, Kelly Zagrzebski, Josh Drake, Dominic Marcanti

Excused: James Bruzzi (Vice-Chair), Stephanie McCarthy

Absent: Dennis Cox, Janet Dean, Tabitha Stickel, Peter Tims

Quorum: Yes

CONSENT AGENDA ITEMS

Minutes from April 2025 were approved.

- Motion to approve by Steve North
- Seconded by Billy Smith
- All in favor - carried

REPORTS

Business Service Team Report (Greg Clark)

- Love's Truck Stop had significant applicant turnout, thanks to Lori Wiechmann and Jason Forest and their partnerships with various organizations.
- Highlighted Summit Healthcare's job postings
- Zinni Homes has upcoming hiring events
- Greg Clark commended Title III partners for increased internal referrals

Director's Report (Adam Garrard)

- Navajo County commended work of WIOA NEAZ who is fully staffed for the first time in close to six years.

- IFA is 92% complete and crucial to the completion of the 4-year plan and board recertification.
- ALERT Bulletin released by DES regarding past overspending with required monitoring under a probationary period of WIOA NEAZ
- Policies updates will be complete by June 2nd, 2025

OSO Report (Jessica Head)

- Highly successful Love's Truck Stop hiring even in Winslow, AZ. More than 100 interviews on day one of the two-day event. The hiring manager has been invited to speak to the board at the June board meeting.
- CPLC staff (T1B and OSO) received layoff notices effective July 1st, 2025. Staff will be using their accumulated Paid Time Off in June to avoid loss of benefit.
- Success story was shared with the board regarding a student being hired at McDonald's due to team engagement at a career fair held at the student's school.
- Chris Pasterz inquired as to the top three key aspects that led to Love's successful hiring event which were reported as being: (1) demand for employment in Winslow, AZ, (2) BSR team's effectiveness, and (3) strong advertising efforts.
- Ryleigh Aubuchon gave a shout out to Title III for their extensive advertising in surrounding areas.

Financial Report (Briony Buchholz)

- Finances are on schedule with the presented budget that has not been exceeded.
- Adam emphasized the strict guidelines regarding misappropriation of funds.
- Adam commended Briony for her work with the finances.

OLD BUSINESS

- Adam reiterated the importance of the IFA for launching the 4-year plan and board recertification, stating it must be completed soon. He explained the requirement for updated resumes from board members to verify their positions and announced that the Clerk will be reaching out to those board members in need of recertification. The board recertification packet will be sent to the board of supervisors for approval.

NEW BUSINESS

- Application for Darron Hansen, representing IBW, a required union representative position was motioned by Chris Pasterz to approve Darren's application, seconded by Dominic Marcanti, motion carried.
- RFP selections announced: Eckerd Workforce Solutions for Title 1B and Head Forward Solutions for OSO.
- Negotiations were favorable with Eckerd and negotiations with Jessica for Head Forward Solutions will follow. Billy Smith motioned to approve the RFPs, seconded by Ryleigh Aubuchon, motioned carried.
- Adam explained the need to fill the Board Secretary position with a Navajo County employer. Chad Meier volunteered and was nominated. Steve North motioned to approve Chad Meier as the new Secretary, seconded by Elizabeth Valdez, motioned carried.
- David (Chair) noted the next meeting being scheduled for June 23rd and Adam reiterated the continuation of the hybrid meeting system due to increased participation. Adam also announced the change in the process for sending meeting invites; the Clerk will send out invites to board members only and the OSO will now be handling the distribution to all the partners.

BOARD UPDATES/COMMENTS

- David (Chair) noted the next meeting being scheduled for June 23rd and Adam reiterated the continuation of the hybrid meeting system due to increased participation. Adam also announced the change in the process for sending meeting invites; the Clerk will send out invites to board members only and the OSO will now be handling the distribution to all the partners.

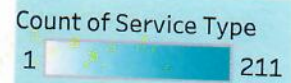
NEXT MEETING

Next meeting scheduled for June 23rd, 2025, at 11:00 AM both virtually and in-person at 180 North 9th Place, Show Low, AZ 85901

Motion to adjourn was made at 11:39 AM by Steve North, seconded by Billy Smith, all were in favor, motion carried.

Service Type Counts by Local Area and Office - Employers

LWDB	Office	Staff	Job Orders	Job Openings
Grand Total			469	1,155
ARIZONA@WORK - Northeastern Arizona	NEAZ - Payson	Wiechmann, Lori	149	272
	NEAZ - Show Low Admin	Forest, Jason	211	546
		Garrard, Adam	1	1
		Seymore, Nolen	102	328
	Payson ARIZONA@WORK	Markworth, Ronda	4	4
PINETOP ARIZONA@WORK	Gilbert, George	2	4	



Service Type Counts by Local Area and Office - Job Seekers

LWDB	Office	Staff	Referrals O*NET	Referrals Other	Referrals Total	Referrals Veteran O*NET	Referrals Veteran Other	Referrals Veteran Total	Placements	Placements Veterans	Placements Manual	Placements Manual Veterans	Job Developments	Count of Service Type	
Grand Total			215	418	950	12	51	63	30	1	218	15		733	
ARIZONA@WORK - Northeastern Arizona	Globe ARIZONA@WORK	Dorssom, Patricia	0	9	10	0	0	0	0	0	0	0			
		Levario, Anna	29	1	30	0	0	0	1	0	14	0			
		Spangler, Makenna	0	0	0	0	0	0	0	0	0	4	0		
		Yazzie, Cassandra	54	7	67	5	0	5	5	0	19	1			
	NEAZ - Payson		Sidell, Sarah	10	14	24	0	0	0	1	0	0	0		
	NEAZ - Show Low Admin		Seymore, Nolen	0	4	8	0	0	0	0	0	0	0		
	Payson ARIZONA@WORK	Dorssom, Patricia	0	25	25	0	0	0	0	0	0	1	0		
		Duffy, Alyssia	4	7	27	0	0	0	0	0	20	1			
		Espinoza, Pedro	0	10	10	0	0	0	1	0	11	0			
		Frazier, Joanne	0	0	0	0	0	0	0	0	2	0			
		Lopez, Mayra	0	0	1	0	0	0	0	0	4	0			
		Markworth, Ronda	0	27	40	0	27	27	0	0	5	4			
		Scheierman, Patricia	0	0	9	0	0	0	0	0	7	0			
		Spangler, Makenna	0	0	0	0	0	0	0	0	1	0			
PINETOP ARIZONA@WORK		Bukowski, Theresa	2	18	20	0	0	0	0	0	1	0			
		DeChamp, ...	109	16	138	7	1	8	10	0	12	0			
	Dorssom, Patricia	0	118	118	0	7	7	0	0	5	0				
	Earle, Julie	0	56	57	0	2	2	5	0	19	3				
	Frazier, Joanne	0	0	0	0	0	0	0	0	6	0				
	Gilbert, George	0	8	10	0	8	8	0	0	0	0				
	Lewis, Crystal	0	0	0	0	0	0	0	0	5	0				
	Lopez, Mayra	0	0	0	0	0	0	0	0	3	0				
	Spangler, Makenna	0	0	0	0	0	0	0	0	6	0				
	Winslow ARIZONA@WORK	Brooks, Tiffany	1	19	178	0	4	4	1	0	1	0			
Corre, Jna		0	0	0	0	0	0	0	0	1	0				
Dorssom, Patricia		0	79	80	0	2	2	0	0	4	1				
Frazier, Joanne		0	0	0	0	0	0	0	0	2	0				
Lewis, Crystal		1	0	1	0	0	0	0	0	38	1				
Lopez, Mayra		0	0	6	0	0	0	0	0	3	0				
Salazar, Felicia		5	0	90	0	0	0	6	1	21	4				
Spangler, Makenna		0	0	0	0	0	0	0	0	3	0				



MONTHLY ONE-STOP OPERATOR REPORT

May 2025

Report Prepared by: Jessica Head, One-Stop Operator

Report Submitted by: Jessica Head One-Stop Operator

Date 06/15/2025

Reporting Entity: Chicanos Por La Causa

Reporting Period: May 2025

1. Major Activities and Accomplishments

Successful hiring event hosted in Winslow, Arizona with Luvs/Arbys/Dunkin' Donuts.

Contract holders for Title IB and One Stop Operator services have been identified.

Transition planning for Title IB services ongoing.

2. Problems/Barriers and How They Are Addressed

CPLC Staff provided notice of layoff. Staff was advised they will be able to re-apply in hopes of attaining their position with the next contract holder. Staff was also notified regarding a reduction in staff beginning July 1.

Travel constraints due to budgeting issues are preventing OSO and Title I staff from providing in-person services. All services will be conducted and provided virtually.

Apache County is lacking a Title I case manager. Two Title I case managers will splitting the case load to seamlessly continue services to enrolled and potential participants.

Transitioning between contract holders is unclear for Title IB. Once the official contract holder is identified and approved by BOS, transition planning will begin.

3. Planned Activities

Transition of new contract holders – Administration and Title I/OSO will be working together to prepare for the transition to a new contract holder, noting that equipment and file storage/drop off will be decided.

The Business Engagement Representative Team will continue to participate in outreach to get employers enrolled in AJC for placements.

Forthcoming hiring events in Gila and Navajo Counties.

4. Data by Program

Adult Monthly Tracker May 2025

	Total # of Contacts with Clients this month	Total # of Incoming Referrals this month	Total # of Outgoing Referrals this month	Total # of PROGRAM Enrollments this month	Total # of BASIC Enrollments this month	Total # of Job Placements this month
					0	
Location	# of Contacts with Clients	# of Incoming Referrals	# of Outgoing Referrals	# of Enrollments	# of Enrollments	# of Job Placements
Payson	21	2	0	0	0	0
Globe	41	1	0	0	0	0
Winslow	26	0	0	0	0	0
Holbrook	12	0	0	0	0	0
Pinetop	45	1	0	0	0	4
Apache County	7	0	0	0	0	0

Dislocated Worked Monthly Tracker May 2025

	Total # of Contacts with Clients this month	Total # of Incoming Referrals this month	Total # of Outgoing Referrals this month	Total # of PROGRAM Enrollments this month	Total # of Job Placements this month
	5	0	0	0	0
Location	# of Contacts with Clients	# of Incoming Referrals	# of Outgoing Referrals	# of Enrollments	# of Job Placements
Payson	0	0	0	0	0
Globe	3	0	0	0	0
Winslow	0	0	0	0	0
Hobrook	0	0	0	0	0
Pinetop	2	0	0	0	0
Apache County	0	0	0	0	0

Youth Monthly Tracker May 2025

	Total # of Contacts with Clients this month	Total # of Incoming Referrals this month	Total # of Outgoing Referrals this month	Total # of PROGRAM Enrollments this month	Total # of BASIC Enrollments this month	Total # of Job Placements this month
	96	2	1	0	2	1
Location	# of Contacts with Clients	# of Incoming Referrals	# of Outgoing Referrals	# of Enrollments	# of Enrollments	# of Job Placements
Payson	24	2	1	0	2	1
Globe	32	0	0	0	0	0
Winslow	8	0	0	0	0	0
Holbrook	15	0	0	0	0	0
Pinetop	17	0	0	0	0	0
Apache County	0	0	0	0	0	0
Totals:	96	2	1	0	2	1

Adult Basic Education Monthly Tracker May 2025

	Total # of Instructional Hours this month	Total # of Incoming Referrals this month	Total # of Outgoing Referrals this month	Total # of Enrollments this month
Location	# of Student Hours	# of Incoming Referrals	# of Outgoing Referrals	# of Enrollments
Gila Adult Basic Education	808	0	0	17
NPC	1445	0	1	146
Totals				

DVOP Monthly Tracker May 2025

	Total # of Contacts with Clients this month	Total # of Incoming Referrals this month	Total # of Outgoing Referrals this month	Total # of Enrollments this month	Total # of Job Placements this month
	33	5	0	0	2
Location	# of Contacts with Clients	# of Incoming Referrals	# of Outgoing Referrals	# of Enrollments	# of Job Placements
Gila	33	5			2
Navajo					0
Apache					

Employment Services Monthly Tracker May 2025

	Total # of Contacts with Clients this month	Total # of Incoming Referrals this month	Total # of Outgoing Referrals this month	Total # of Enrollments this month	Total # of Job Placements this month
	295	0	0	83	25
Location	# of Contacts with Clients	# of Incoming Referrals	# of Outgoing Referrals	# of Enrollments	# of Job Placements
Payson	123			10	7
Globe	172	0	0	17	6
Winslow			0	22	5
Holbrook					
Pinetop		0	0	34	7
Apache County					

Vocational Rehab Monthly Tracker May 2025

	Total # of Contacts with Clients this month	Total # of Incoming Referrals this month	Total # of Outgoing Referrals this month	Total # of Enrollments this month	Total # of Job Placements this month	
	134	6	0	6	2	
Location	# of Contacts with Clients	# of Incoming Referrals	# FOLLOW UPS	# of Outgoing Referrals	# of Enrollments	# of Job Placements
Payson	134	6			6	2
Globe						
Winslow						
Pinetop						
Apache County						

5. Job Placements

Placement Details

AJC PID #	Starting Pay	Job Title	Employer	County
3252718	15	Lube Tech	Victory Lane	
722156	\$31.40	Haul Truck Operator	Capstone Copper	Globe
2033911	\$14.70	Team Member	Taco Bell	Globe
3272005	\$20.16	Road Maintenance and	Gila County	Globe
3278091	\$16.50	Caregiver Assistant	FAUBUSH FAMILY HOME	GLOBE
3276116	\$15.00	Hostess	That Brewery	Payson
3259933	\$16.00	Laborer	All Source Handyman	Payson
3271832	\$16.00	Pro Shop Attendant	Payson Golf Course	Payson
1621549	\$21.00	Case Manager	Rye Services	GLOBE
3280249	\$16.00	Laborer	In & Out Landscaping	Payson
3272509	14.70/tips	driver	pizza factory	payson
3194273	\$7.00	Housekeeper	Motel 6	Globe
3281021	\$15.00	donation attendant	Goodwill	payson
3278091	\$14.70	Team Member	Jack in the box	GLOBE
634488	\$22.00	Heavey Equip Operator	Blattner Energy	NAVAJO
3236478	\$14.70	crew member	McDonalds	NAVAJO
3153698	\$14.70	Switch Board	Sonic	NAVAJO
1833551	\$17.11	Tabacco Health Educate	Navajo County	NAVAJO
979657	M\$19.00	BHT	Change Point	NAVAJO
2231926	\$17.00	Laborer	mountain Man Solutions	NAVAJO
3283111	\$21.00	GPS Finish Blade	Fann Contracting	NAVAJO
3061562	\$19.90	Flagger/Laborer	Fann Contracting	NAVAJO
120171	\$20.00	Leasd Person/Traffic Co	Fann Construction	NAVAJO
989250	\$20.00	Lead Person/Traffic Con	Fann Construction	NAVAJO
2757869	\$56440 annual	Facilities/Transport Man.	Conch Elementary	APACHE
3272691	\$15.50	Fulfillment Associate	Lowes	NAVAJO
	\$15.00 hr	Kitchen Help/ Buser	Noley's	Gila
	\$17.48 hr	CSR	Home Depot	Gila

Average Annual Income: \$36,673.37

Average Hourly: \$17.63

Total Annual Income Created (PY): \$376,126.97

Job Placement Total (Month): 28

6. Vignettes

“NPC: 14 Students completed their HSEs in May, bringing our yearly total up to 30, a 10-year high. GILA: GED Exams Passed (19): Math (4), Reasoning through Language Arts (5), Science (4), Social Studies (2), AZ Civics (4); HSEs Earned: (3). TABE MSGs: 1 student earned a gain in Language, Math, and Reading. 2 others each earned a gain in Math.”

“We are excited for our clients to start their new jobs with ILves so we can start closing them. That would have never happened with out everbodies help. Thank you all again! I wish our T1B staff could have joined us in celebrating when the Loves opens.”

7. EO Complaints

None for this reporting period.

8. Staffing Changes

Vocational Rehabilitation position filled by Rochelle Shanta

Open Employment Services position Specialist in Payson, Arizona.

Four Title I Case Managers, One Title I program manager, and One One-Stop Operator were provided with a Notice of Layoff, effective June 30, 2025.

9. Fiscal Year At A Glance

Month	Average Annual Income	Average Hourly Rate	Total Annual Income Created by Month	Job Placement Totals
Jun-24	\$ 35,160.00	\$ 16.90	\$ 17,580.00	13
Jul-24	\$ 32,177.60	\$ 15.47	\$ 32,177.60	42
Aug-24	\$ 43,332.52	\$ 20.83	\$ 60,510.40	17
Sep-24	\$ 33,709.12	\$ 16.21	\$ 94,219.52	26
Oct-24	\$ 36,691.20	\$ 17.64	\$ 154,914.24	43
Nov-24	\$ 40,060.80	\$ 19.26	\$ 179,563.04	16
Dec-24	\$ 40,261.87	\$ 19.36	\$ 198,145.44	12
Jan-25	\$ 36,236.05	\$ 17.42	\$ 245,531.04	34
Feb-25	\$ 36,920.00	\$ 17.75	\$ 265,411.04	14
Mar-25	\$ 38,889.07	\$ 18.70	\$ 304,300.11	23
Apr-25	\$ 35,153.49	\$ 16.90	\$ 339,453.60	42
May-25	\$ 36,673.37	\$ 17.63	\$ 376,126.97	28
Jun-25				

**INTERGOVERNMENTAL FACILITIES LEASE AGREEMENT
BETWEEN
GILA COUNTY
AND
NORTHEASTERN ARIZONA LOCAL WORKFORCE DEVELOPMENT BOARD**

Dated: July 1, 2022

WHEREAS, the Gila County Community Services Department, (hereinafter “Gila County”) in Gila County, Arizona, has space available to lease at the ARIZONA@WORK Comprehensive Job Center located at 5515 S. Apache Ave, STE 200, Globe, AZ 85501; and

WHEREAS, the Northeastern Arizona Local Workforce Development Board (hereinafter “LWDB”) a partner with Navajo County has need to lease space for an ARIZONA@WORK LWDB Staff and One Stop Operator use;

NOW THEREFORE, the parties agree as follows:

Gila County, a municipal corporation, hereby leases the Premises described below, for the Term and on the terms and conditions set forth in this Agreement, to **the Northeastern Arizona Local Workforce Development Board**.

SECTION 1 SUMMARY OF BASIC TERMS

1.1 The Premises: The Leased Premises (“Premises”) shall consist of a portion of the ARIZONA@WORK Comprehensive Job Center located at 5515 S. Apache Ave, STE 200, Globe, AZ along with the right to access the facility by using the designated parking areas and entrances.

1.2 The Term: One year (1), beginning on the Commencement Date with additional one year terms automatically renewed unless sixty days (60) notice of termination prior to the termination date.

1.3 Commencement Date: July 1, 2020

1.4 Base Rent: Four Thousand Two Hundred (\$4200.00) per year or Three Hundred and Fifty Dollars (\$350.00) per month for staff office space payable on the 15th day of the month. Additionally, One Stop reception space and Office space per month is One Thousand three hundred sixty-seven dollars and 44 cents (\$1367.44) per month.

1.5 Description of LWDB space: administrative office space #239 and use of restrooms, kitchen, and conference room. Description of the One stop offices

include reception and Office space in addition to the use of the restrooms, kitchen, and conference room.

1.6 Normal Business Hours: 8am to 5pm, Monday through Friday.

1.7 LWDB Notice Address: Northeastern Arizona LWDB, 180 N. 9th Street, Show Low, AZ 85901 Attention: LWDB Executive Director.

1.8 County's Notice Address: Gila County, 5515 S. Apache Ave, STE 200, Globe, AZ 85501, Attention: Gila County Community Services Director

1.9 Renewal Period: This agreement may be automatically renewed for additional one year periods with 30 days advanced written notice to the County at the expiration of the original lease.

SECTION 2 DELIVERY AND CONDITION

2.1 Condition. The County shall not have any obligation to make any improvements or alterations to the Premises whatsoever, and LWDB accepts the Premises in an AS IS condition.

SECTION 3 USE OF PREMISES

3.1 Permitted Uses. LWDB Staff may use and occupy the Premises for the purposes set forth in Section 1.5 and for no other purpose whatsoever without County's prior written consent, which shall not be unreasonably withheld.

3.2 Access to Premises. Access to the Premises by LWDB, its employees, shall be the same as other regular employees of the County.

3.3 Insurance Restrictions. LWDB shall not perform any act which would cause the cancellation of any insurance policies related to the Premises. LWDB shall reimburse County for any increases in insurance premiums paid by County directly related to the nature of LWDB's use of the Premises or the nature of LWDB's business.

3.4 Improvements. LWDB shall pay the entire cost of all necessary or desirable Improvements or alterations to the Leased Premises occurring prior and subsequent to the Commencement date. LWDB does not anticipate any Improvements to the Leased Premises. If in the future, LWDB decides that Improvements or alterations are needed to the Leased Premises, LWDB must get written permission from the County before commencement of work on the Improvements.

3.5 Common Areas. All of the portions of the Premises made available by County for use in common by Tenants and their employees and invitees ("Common Areas") at all times shall remain subject to County's exclusive control and County

shall be entitled to make such changes or restrictions in the Common Areas as it deems appropriate.

3.6 Compliance with Law. Without in any manner limiting any other provision of this Lease, LWDB hereby represents and warrants and agrees for the period of its obligations under this Lease that it shall use and maintain the Premises in compliance with all applicable laws.

SECTION 4 RENT

4.1 Base Rent. LWDB shall pay to County, in advance, on or before the first day of the Commencement Date, Base Rent in the amount set forth in Section 1.4.

4.2 Renewals. Provided that LWDB (i) has timely paid and performed all of its obligations hereunder, and (ii) is not in breach or default as of the time of exercise of a Renewal Option or the commencement of the Renewal Period, this agreement shall be automatically renewed upon LWDB giving thirty days advanced written notice to the County of their intent to renew for an additional year. The Renewal Period shall be for the period specified in Section 1.9, and the Base Rent payable therefor shall be as set forth in Section 1.4. All other terms and provisions of the Lease shall be applicable during the Renewal Period with the same force and effect as the Base Term.

4.3 Taxes. LWDB shall pay any and all applicable taxes arising out of the use of the Leased Premises under this Lease.

4.4 Obligations Are Rent. All amounts payable to County under this Lease constitute rent and shall be payable as set forth in 4.1.

SECTION 5 OPERATING COSTS

5.1 LWDB. Included in the rent is LWDB's share of the operating costs of the building.

5.2 LWDB Reimbursement. If County is required to pay any additional operating costs for which LWDB is responsible, County shall provide to LWDB a written summary of the operating costs incurred by County. Within thirty (30) days after receipt of such statement, LWDB shall pay to County the full amount of said operating costs.

SECTION 6 INSURANCE AND INDEMNITY

6.1 Insurance Policies. LWDB shall, at its expense, take out and keep in full force and effect property, liability, workers compensation and automobile liability insurance to the leased premises in an amount generally applicable to other LWDB operations and facilities. Property and liability insurance shall name the County as an additional insured.

County understands and acknowledges that LWDB is a participant in the Arizona Counties Insurance Pool pursuant to A.R.S. § 11-952.01 and agrees that such participation shall be deemed to satisfy the requirements of this paragraph.

6.2 Indemnity. LWDB agrees to and shall indemnify, defend and hold County harmless from and against all liability, loss, damage, costs or expenses (including attorney fees and court costs) arising from or as a result of the death, bodily injury, personal injury, or property damage of any kind or description which may directly or indirectly arise out of LWDB's operation of the leased premises and which may be directly or indirectly caused by any acts or omissions of LWDB or its agents or employees. County agrees to and shall indemnify, defend and hold LWDB harmless from and against all liability, loss, damage, costs or expenses (including attorney fees and court costs) arising from or as a result of the death, bodily injury, personal injury, or property damage of any kind or description which may directly or indirectly arise out of County's activities upon the leased premises and which may be directly or indirectly caused by any acts or omissions of County or its agents or employees.

SECTION 7 TERMINATION RIGHTS OF THE PARTIES

This Lease may be cancelled by LWDB upon thirty (30) days written notice to the County, otherwise termination shall be as stated in paragraph 1.2.

SECTION 8 MAINTENANCE

8.1 By LWDB. LWDB shall maintain, replace, and repair (a) all interior portions of the Premises, and the improvements thereon in good condition and repair, including glass; doors; ceilings and interior walls; (b) County's signs (if any); in good condition and repair in accordance with standards then prevailing. If LWDB does not comply with its obligations under this Section, County may, after provision of five (5) days written notice, but need not, make such repairs and replacements or obtain such service contracts, and LWDB shall pay County the cost upon presentation of a detailed invoice concerning the maintenance. LWDB understands it is responsible to clean their interior office areas.

8.2 By County. County is responsible to maintain all common areas. County shall not be liable or responsible for breakdowns or temporary interruptions in access or utilities nor for interference with LWDB's business or LWDB's access to the Premises during the course of repairs or remedial work.

SECTION 9 UTILITIES

County shall be responsible for supplying all utilities.

SECTION 10 COUNTY RIGHT OF ENTRY

County shall at all times have access to the Premises for purposes of inspection and performing County's obligations and exercising its rights under this Lease.

SECTION 11 SIGNAGE

LWDB is responsible for providing any interior signage identifying their workspace area and offices. No exterior signage is allowed.

SECTION 12 ASSIGNMENT AND SUBLETTING

12.1 Consent Required. LWDB shall not assign its interest under this Lease or sublet all or any part of the Premises without County's prior written consent, which consent will not unreasonably be withheld. The County may require reasonable identification, financial or other pertinent information reasonably required to determine the qualifications of the proposed assignee and/or sub-lessee.

12.2 Encumbrance Prohibited. LWDB shall not at any time pledge, hypothecate, mortgage or otherwise encumber its interest under the Lease as security for the payment of a debt or the performance of a contract. LWDB shall not permit its interest under this Lease to be transferred by operation of law. Any purported assignment or Lease made without County's consent shall be void.

12.3 Continued Responsibility. LWDB shall remain fully liable for performance of the entire Term of this Lease, notwithstanding its assignment or sublease.

SECTION 13 QUIET ENJOYMENT

13.1 If LWDB observes and performs the terms, covenants and conditions contained in this Lease, LWDB shall peaceably and quietly hold and enjoy the Premises for the Term, and all Renewals thereof, without hindrance or interruption by County, or any other person lawfully claiming by, through or under County unless otherwise permitted by the terms of this Lease. LWDB acknowledges that the exercise by the County of any of the rights conferred on County under this Lease and the entry upon the Premises for or in connection with such purposes shall not be deemed to be a constructive or actual eviction of the NARDC and shall not be considered to be a breach of County's covenant of quiet enjoyment.

SECTION 14 SURRENDER AND HOLDOVER

14.1 Surrender. Upon the expiration or termination of this Lease or of LWDB's right to possession, LWDB shall surrender the Premises in a clean undamaged condition and shall remove all of LWDB's equipment, fixtures and property and repair all damage caused by the removal. LWDB shall not remove permanent improvements that were provided by County at the commencement of this Lease and shall not remove permanent improvements later installed by LWDB unless requested in writing to do so by County.

14.2 Holdover. If LWDB holds over without County's consent, LWDB shall, at County's election, be a Tenant from month-to-month. Rent shall be payable monthly in advance at the rate specified in 1.4 hereof. All of the terms of this Lease will remain in effect during the month to month tenancy. A month-to-month tenancy

may be terminated by either party as of the first day of a calendar month upon at least thirty (30) days prior notice.

SECTION 15 BREACH, DEFAULT, AND REMEDIES

15.1 Default. The following shall constitute "Events of Default":

(a) LWDB's failure to pay rent or any other amount due under this Lease within five days after notice of nonpayment; or

(b) LWDB's failure to perform any other obligation under this Lease within fifteen days after notice of nonperformance; provided, however, that if the breach is of such a nature that it cannot be cured within fifteen days, no Event of Default shall be deemed to have occurred by reason of the breach if cure is commenced promptly and diligently pursued to completion within a period not longer than ninety days; and provided further, that in the event of a breach involving an imminent threat to health or safety, County may in its notice of breach reduce the period for cure to such shorter period as may be reasonable under the circumstances.

15.2 Remedies. Upon the occurrence of an Event of Default, County, at any time thereafter without further notice or demand may exercise any one or more of the following remedies concurrently or in succession:

(a) Terminate LWDB's right to possession of the Premises by legal process or otherwise, with or without terminating this Lease, and retake exclusive possession of the Premises.

(b) From time to time relet all or portions of the Premises, using reasonable efforts to mitigate County's damages. In connection with any reletting, County may relet for a period extending beyond the term of this Lease and may make alterations or improvements to the Premises without releasing LWDB of any liability. Upon a reletting of all or substantially all of the Premises, County shall be entitled to recover all of its then prospective damages for the balance of the Lease Term measured by the difference between amounts payable under this Lease and the anticipated net proceeds of reletting.

(c) From time to time recover damages arising from LWDB's breach of the Lease, regardless of whether the Lease has been terminated.

(d) Recover all costs, expenses and attorneys' fees incurred by County in connection with enforcing this Lease, recovering possession, reletting the Premises or collecting amounts owed, including, without limitation, costs of alterations, brokerage commissions, and other costs incurred in connection with any reletting.

(e) Pursue other remedies available at law or in equity.

SECTION 16 NOTICES

Any notice from one party to the other shall be in writing and shall be deemed duly served: (a) if delivered personally to a responsible employee of LWDB, mailed by registered or certified mail, return receipt requested, or sent by reputable overnight courier (e.g., FedEx, UPS, DHL) addressed to County at the address set forth in Section 1 or (b) mailed by registered or certified mail, return receipt requested, or sent by reputable overnight courier (e.g., FedEx, UPS, DHL) to County at the address set forth in Section 1 or such other address as County may designate. Any notice shall be deemed to have been given when mailed, if mailed, and when delivered, if personally delivered.

SECTION 17 GENERAL

17.1 Severability. If any term, covenant or condition of this Lease, or the application thereof, is to any extent held or rendered invalid, it shall be and is hereby deemed to be independent of the remainder of the Lease and to be severable and divisible therefrom, and its invalidity, unenforceability or illegality shall not affect, impair or invalidate the remainder of the Lease or any part thereof.

17.2 No Waiver. The waiver by County of any breach of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition contained in this Lease. The subsequent acceptance of rent by County shall not be deemed to be a waiver of any preceding breach by County of any term, covenant or condition of this Lease, regardless of County's knowledge of such preceding breach at the time of acceptance of rent. No term, covenant or condition of this Lease shall be deemed to have been waived by County unless such waiver is in writing by County.

17.3 Delay. If either party is delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reasons of strikes, labor troubles, inability to procure materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God, or other reason whether of a like nature or not that is beyond the control of the party affected, financial inability excepted, then the performance of that term, covenant or act is excused for the period of the delay and the party delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. Nothing in this Section, however, shall excuse County from the prompt payment of any amount payable under this Lease.

17.4 Successors. All rights and liabilities under this Lease extend to and bind the successors and assigns of County and permitted successors and assigns of LWDB. No rights, however, shall inure to the benefit of any transferee of the LWDB unless the transfer has been consented to by the County in writing as provided in

Section 13.1. If there is more than one sub-tenant, they are all bound jointly and severally by the terms, covenants and conditions of this Lease.

17.5 Integration. This Lease and exhibit hereto attached, set forth all the covenants, promises, agreements, conditions and understandings between County and LWDB concerning the Premises and there are no other covenants, promises, agreements, conditions or understandings, either oral or written, between them. No alteration, amendment or addition to this Lease shall be binding upon County or LWDB unless in writing and signed by LWDB and County.

17.6 Dispute Resolution. All disputes and controversies between the parties hereto shall be resolved by mediation, arbitration or such other alternative dispute resolution to which the parties may agree. In the event of a failure to agree on a dispute resolution forum within thirty (30) days of written notice of the dispute, either party may seek relief in Navajo County Superior Court.

17.7 Governing Law. This Lease shall be construed in accordance with and governed by the laws of the State of Arizona and venue for any court action shall be in the Superior Courts of Navajo County.

17.8 Deadlines Enforceable. Time is of the essence of this Lease and of every part hereof.

17.9 Counterparts. This Lease may be executed in counterparts, which together shall constitute a single instrument.

17.10 Mutual Representations and Warranties. The person(s) signing this Lease and any documents and instruments in connection herewith on behalf of the respective parties hereto have full power and authority to do so. The execution, delivery and performance of this Lease by the respective parties have been duly authorized, and this Lease shall be a valid and binding agreement on the parties hereto.

IN WITNESS WHEREOF, the parties to this Intergovernmental Lease Agreement have caused their names to be affixed hereto by their duly authorized officers on the dates indicated.

Northeastern Arizona LWDB

GILA COUNTY

By _____
Woody Cline, LWDB Chair

By _____
Director of Community Services

Date _____

Date _____