

LEASE AGREEMENT

This Agreement is made between the Mayer Unified School District No. 43 (hereinafter "District") and Yavapai County (hereinafter "County").

RECITALS

WHEREAS the District owns real property including a building known as the Red Brick Schoolhouse; and

WHEREAS, the District wishes to lease space in this building to Yavapai County Sheriff for the public purpose of use as a substation in Mayer as permitted by A.R.S. §15-342(7); and

WHEREAS, lease of the space will not affect the normal operations of a school within the District; and

WHEREAS, Yavapai County has determined that it would benefit the County and specifically Sheriff's operations to have a substation located in this building; and

WHEREAS, Yavapai County is authorized to enter into leases of property for public purposes pursuant to A.R.S. §11-251(54), 11-651, and 11-653; and

WHEREAS, shared use of the Red Brick Schoolhouse will benefit both Parties by permitting them to use space in this location while sharing the expense of utilizing this location; and

WHEREAS, the Parties wish to make an Agreement which determines their obligations.

The Parties agree as follows:

1. **DESCRIPTION AND USE OF THE PROPERTY:** District leases to County the first floor of the building known as the Red Brick Schoolhouse, located at 12606 East Main Street, in Mayer, Arizona. The first floor of this building will be known as "the Premises" for purposes of this lease.
2. **TERM:** The term of this lease shall be for five (5) years, commencing on July 1, 2013 and ending on June 30, 2018, unless sooner terminated as provided in this Agreement. The term of this Agreement may be renewed for additional terms upon the mutual written agreement of the Parties. Subsequent terms may be of longer duration if agreed and if permitted by law.
3. **RENT:** As and for compensation for the use of the property, County agrees to pay to District the amount of one thousand dollars (\$1,000.00) per month, due on the first (1st) of each month. Rent during any subsequent renewals will be negotiated by the Parties at the time of renewal.

4. **USE OF THE PREMISES:** The County will have exclusive use of the leased Premises, consisting of the first floor of the building, except for common areas used for access to and from the building and areas which allow the District to access the upstairs where District offices will be located. County also agrees to cooperate in establishing an appropriate area to be designated as a shipping and receiving area for the District where parcels and other deliveries may be left, and in establishing an appropriate area where the Superintendent or other school representative may meet on the first floor as an accommodation for members of the public who are disabled and not able to go upstairs.

County will conduct its operations in a safe, clean and reasonable manner. County shall be responsible to maintain and procure, at its expense, any licenses, permits, or inspection certificates required by any governmental authority respecting County's use of the Premises.

5. **UTILITIES:** District shall pay for all utilities serving the Premises, including water, electricity, snow and trash removal, and heating and cooling expenses. County shall be responsible for installation and payment for its own internet and telephone lines. The parties agree that heating and cooling systems for the premises leased will be set to the temperatures for "unoccupied" status after normal business hours of _____ a.m. to _____ p.m. on weekdays and on weekends, except that the room designated as the Officer's Station, will be kept at "occupied" temperatures at all times.
6. **DISTRICT ACCESS:** County shall permit District and its representatives to enter in and upon the Premises at reasonable times during normal business hours for the purpose of inspecting the Premises for maintenance as necessary.
7. **MAINTENANCE AND REPAIRS:** County, at its expense, shall keep the Premises and any improvements, fixtures, and equipment attached to the Premises in good condition and repair. On termination of this lease, County will surrender all of the same in good repair, broom clean and free of trash, reasonable wear and use accepted.

The County warrants that any work, construction, new improvements or alterations, as may be provided by the County, shall comply with all applicable federal, state and local building codes and regulations, and any other applicable laws, including but not limited to, laws and regulations applicable to buildings listed on the National Register of Historic Places. No action taken by the County with regard to this property may alter the historic integrity of the building. Any alterations made shall be removed upon termination of this lease, unless explicitly authorized to remain in writing by the District.

District shall be responsible for the parking lot, landscaping, and for all major repairs including maintenance, repair and replacement of roof, structural walls, foundation, and heating, plumbing, electric and ventilation systems.

8. **ALTERATIONS:** County shall not make any alterations, improvements or additions to the Premises without first submitting a written description and obtaining the written approval of District, which consent shall not be unreasonably withheld. County will be

permitted to commence alterations as provided in this section, upon signature of this Agreement by both Parties and approval as required by the District. Written approval for the alterations shall in no way alter the County's obligation to determine and comply with all federal, state and local laws applicable to the commencement and completion of the work.

9. DAMAGE: County will not cause damage to the property. If damages occur, County shall promptly notify the District and shall reimburse the District for any cost or repair.
10. SECURITY: County will ensure the security of the Premises and implement any security measures as it deems necessary at its own expense.
11. SIGNS: County shall have the right to erect signs for the purpose of identification and direction evidencing County's operations on the Premises. Such signs shall conform to applicable local restrictions. Installation of signs will be permitted thirty (30) days prior to the beginning of this Lease, or sooner as permitted by District. On termination or expiration of this Lease or vacating of the Premises, County, at its own expense, shall remove any and all such signs and other indicia of County's operations from the Premises.
12. WEAPONS: The Parties acknowledge that A.R.S. §15-341(A)(23) states in pertinent part that the Governing Board shall prescribe and enforce policies and procedures that prohibit any person from carrying or possessing a weapon on school grounds unless the person is a peace officer and has obtained specific authorization from the school. The Parties hereby agree that no weapons will be permitted on school grounds or in the Premises unless in the possession and control of a peace officer as part of his or her personal equipment as an officer, or unless brought to the Premises by a peace officer as part of initial processing for an arrested person. Weapons brought as part of initial processing will be promptly removed to another location.
13. PARKING: The District will provide parking to the County in the adjacent parking lot, to include a minimum of ten (10) permanent spaces.
14. DISRUPTION OF SCHOOL OPERATIONS: The Parties acknowledge that the upstairs of the building shall be utilized by the District for District offices. This building will not be used for classrooms or student services. All use of the Premises by the County, as well as access to and from the building through the parking lot, which is adjacent to school buildings, shall be done in a manner which will not disrupt school operations or public safety. Representatives of the County Sheriff's Office will not become involved in school matters or student interactions unless there is an emergency or unless specifically requested by school administrators or their designee to assist for law enforcement or safety purposes.
15. ACCESS: County will be provided with keys to the building which will allow access to the Premises at any time.

16. "AS IS": County warrants that it has inspected the Premises and accepts possession of the Premises and the improvements thereon "as is" in its present condition.

17. INSURANCE; SELF-INSURANCE; INDEMNIFICATION:

(A) County shall maintain during the term of this Lease adequate insurance or self-insurance, to cover liability arising from the acts or omissions of County, its agents or employees relating to the performance of this Lease. County shall not be responsible for maintaining insurance coverage for liability arising from the acts or omissions of the District agents or employees.

(B) The District shall maintain during the term of this Lease adequate insurance or self-insurance to cover liability arising from the acts or omissions of the District agents or employees relating to the performance of this Lease. The District shall not be responsible for maintaining insurance to cover liability arising from the acts or omissions of County agents or employees.

(C) To the fullest extent permitted by law, each Party (as "indemnitor") agrees to indemnify, defend, and hold harmless the other Party (as "indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the acts, omissions, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

18. NOTICES: All notices to be given to the District or County shall be in writing and delivered personally or by Certified Mail sent to the Party at the address below:

If to District:

Mayer Unified School District
Attn: Dean Slaga, Superintendent
12606 East Main Street
P.O. Box 1059
Mayer, AZ 86333

If to County:

Yavapai County Sheriff's Office
Attn: Sheriff Scott Mascher
255 East Gurley Street
Prescott, AZ 86301

19. WAIVERS: No waiver by either party to this Lease of any provision or default under this Lease, whether in a single instance or repeatedly, shall be deemed a future waiver of such provision or default.

20. DISPUTES: This Agreement is governed by the laws of the State of Arizona. In the event of any litigation between the County and District arising under this Agreement, the successful Party is entitled to recover its attorney's fees, expert witness fees and other costs incurred in connection with the litigation.

Neither Party may file a claim against the other without first participating in good faith in mediation with a trained and impartial mediator. The Parties shall share the expenses of mediation, except that shared expenses shall not include the cost incurred by a Party for representation by an attorney at the mediations, if such representation is desired.

21. RELATIONSHIP: The Parties agree that no elected official, employee, agent, volunteer or personnel associated with the County will, for any purpose, be considered an employee of the District nor shall any District elected official, employee, agent, volunteer or personnel be considered, for any purpose, an employee of the County. By entering this Agreement the Parties are not establishing a joint venture or partnership.

22. CONFLICT OF INTEREST: This Lease is subject to cancellation for conflict of interest under Arizona Revised Statutes §38-511.

23. IMMIGRATION LAW: As mandated by Arizona Revised Statutes §41-4401, each Party:

- (i) warrants the Party's compliance with all federal immigration laws and regulations that relate to the Party's employees and their compliance with Arizona Revised Statutes § 23-214(A);
- (ii) acknowledges that a breach of the warranty in subsection (i) of this section shall be deemed a material breach of this Lease that is subject to penalties up to and including termination of this Lease; and
- (iii) retains the legal right to inspect the papers of any contractor or subcontractor employee who works pursuant to this Lease to ensure compliance with the warranty.

24. TERMINATION/EXPIRATION: This Agreement may be terminated by either Party prior to the end of the lease term by providing the other Party written notice of intent to terminate not less than one hundred eighty (180) days prior to the intended termination date.

25. NON-APPROPRIATION OF FUNDS: The parties acknowledge that A.R.S. §42-17106 places limitations upon the County's expenditure of funds and that County's performance under this Agreement is subject thereto. In the event that public funds are not appropriated for the performance of County's obligations under this Agreement, then this Agreement shall automatically terminate without penalty to County. County shall make timely notification to the District of any non-appropriation of funds for this agreement.

