

OFFICIAL PROCEEDINGS OF THE APACHE COUNTY
BOARD OF SUPERVISORS SPECIAL MEETING

April 17, 2018
St. Johns, Arizona

Present were: Chairman Alton Joe Shepherd, Vice Chairman Doyel Shamley and Supervisor Joe Shirley, Jr. County Manager/Clerk of the Board Ryan Patterson and Chief Deputy County Attorney Joe Young.

Due to Mr. Shirley caught in traffic, Chairman Shepherd called to order the Board of Supervisors meeting at 9:15 a.m. in the Board of Supervisors chambers, County Annex Building, 75 West Cleveland Street, St. Johns, Arizona, and welcomed all in attendance.

Mr. Patterson presented the item for discussion and possible action concerning override election: The Board will discuss which of two Resolutions on file with the Clerk of the Board of Supervisors should be adopted. Introduce, discuss, amend if desired, and act on a resolution requesting the voters to approve a secondary tax levy; and ordering and calling a special override election to be held on November 6, 2018, to authorize a property tax levy that is not within the limitations on

property taxation otherwise prescribed by Arizona Revised Statutes Section 42-17051. Mr. Patterson stated the resolutions before the Board are identical except for the amount of either a two million dollar levy with a .30 cent tax rate or a one million dollar levy with a .15 cent tax rate. Chairman Shepherd stated Fred Rosenfeld, special attorney to assist with this item was on his way to the Board meeting but was in an accident. Mr. Patterson stated the law office of Gust Rosenfeld was approved by the county attorney to work with the Board on this issue and Fred Rosenfeld was in a vehicle accident this morning and not able to attend. Mr. Patterson stated the resolution before the Board is for the override election, the county attorney has the authority to identify outside counsel and have identified Gust/Rosenfeld as the firm to assist with this process. Chairman Shepherd stated there are two proposals that were provided to the Board and stated in the past, the county has had two seven -year periods of overrides which ended in 2012 and since then there has not been any tax levy override. Mr. Shirley asked if the special attorney needed to be present today and when the last levy was done, what was the amount. Mr. Patterson stated the levy was set at 3.5 million and a tax rate of about .50 cents. Mr. Patterson stated the proposed amount can be amended as the Board wishes and are significantly under that rate. **Mr. Shirley made the motion to approve the two million override election, seconded by Mr. Shepherd.** Mr. Shamley stated he would have liked to speak with the attorney since he had questions and realized Mr. Rosenfeld was in an accident but has concerns the attorney should be here. Mr. Shamley stated when he spoke with the county attorney he couldn't get any information on the override because the outside attorney was handling everything, so he was waiting to ask Mr. Rosenfeld questions, and has a huge problem not being able to ask any questions. Mr. Shamley stated the certification on the document indicates Mr. Patterson as interim county manager and the documents should be cleaner if we are going to be presenting the public with a tax. Chairman Shepherd asked Joe Young, Chief Deputy County Attorney about the error on the document. Mr. Young stated proper notice has been given and his office is comfortable with the legal notice to the public and the resolutions are legally sufficient and is in compliance with public notice. Mr. Patterson stated the error on interim county manager was

discovered and asked that be corrected and have received the corrected forms have been received. Mr. Young stated the Board can choose to adopt one of the resolutions or amend a different number and approve that as well today, so the options are available to the Board. Chairman Shepherd stated there is a motion to approve the override at two million, which would be a .30 cent on the dollar tax increase. Chairman Shepherd asked Mr. Young if the wording error on interim county manager is an issue. Mr. Young stated the word interim was identified and has since been corrected so the Board is alright to move forward. Mr. Shamley stated if the county manager is going to get updated documents, the Board should also receive those. Mr. Patterson apologized that the updated document was not sent out and will do better in the future. Motion passed 2-1 with Mr. Shamley voting nay.

RESOLUTION NO. 2018 -05

RESOLUTION REQUESTING THE VOTERS OF APACHE COUNTY, ARIZONA TO APPROVE THE LEVY OF TAXES IN EXCESS OF PROPERTY TAX LIMITS; ORDERING AND CALLING AN ELECTION TO BE HELD IN AND FOR APACHE COUNTY, ARIZONA, IN CONJUNCTION WITH THE GENERAL ELECTION TO BE HELD ON TUESDAY NOVEMBER 6, 2018, TO AUTHORIZE APACHE COUNTY TO LEVY PROPERTY TAXES IN EXCESS OF THE PRIMARY PROPERTY TAX LEVY LIMITS PRESCRIBED IN ARIZONA REVISED STATUTES § 42-17051.

WHEREAS, the Board of Supervisors (the "*Board*") of Apache County, Arizona (the "*County*") believes it to be in the best interest of the County to allow the County to levy taxes in excess of the property tax levy limits prescribed in Arizona Revised Statutes § 42-17051 (the "*Tax Limit Act*"); and

WHEREAS, the levy limit override is needed to provide the items listed in Section 3 below; and

WHEREAS, the qualified electors of the County voting at an election must first approve such override.

THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF SUPERVISORS OF APACHE COUNTY, ARIZONA:

Section 1. The Board requests that the voters of Apache County, Arizona approve the levy of taxes in excess of the property tax prescribed in A.R.S. § 42-17051. An election (the "*Election*"), pursuant to A.R.S. §42-17201 is hereby ordered to be held on November 6, 2018 in and for Apache County to submit to the qualified electors of the County the question as shown on the official form of ballot attached hereto as a part of *Exhibit A*. The election will be held in conjunction with the statewide general election to be held at the same time and the same polling places.

Section 2. The Election will be held at the voting places shown on *Exhibit B*, attached hereto as *Exhibit B* within the County. However, the county Elections Director may add additional polling places, or alternate polling places, if one or more of the listed polling locations are not available for the election. The polls will open at 6:00 a.m. and close at 7:00 p.m. Early voting will be available as provided by law.

Section 3. The purpose of the Election is to allow the County to levy property taxes in excess of the property tax levy limits otherwise prescribed by the Tax Limit Act for the purpose of providing additional funding for the following programs and departments:

The Juvenile and the Adult Probation Departments, the Justices of the Peace, the Assessor's Office, the County Attorney's Office, the Finance Department, the Arizona Healthcare Cost Containment System Eligibility Department, Indigent Medical Expenses, the Human Resource Department, the Board of Supervisors, the Administration Department, the Building and Maintenance Department, the Data Processing Department, the Community Development Department, the County Recorder's Office, the County School Superintendent's Office, the County Sheriff's Office, the County Treasurer's Office and the County Elections Department.

None of the override funds may be used for other county purposes.

Section 4. If approved the property tax will be levied beginning in fiscal year 2019-2020 and will be effective for seven years.

Section 5. The maximum dollar amount of additional property tax which may be collected in each fiscal year if the levy is approved is:

<u>Fiscal Year</u>	<u>Amount</u>	<u>Fiscal Year</u>	<u>Amount</u>
2019-2020	\$2,000,000	2023-2024	\$2,800,000
2020-2021	\$2,200,000	2024-2025	\$3,000,000
2021-2022	\$2,400,000	2025-2026	\$3,200,000
2022-2023	\$2,600,000		

Section 6. The estimated property tax rate which will be levied to provide \$2,000,000 in the first fiscal year (2019-2020) if the voters approve the levy the estimated tax rate will be \$0.30 per \$100 of Limited Net Assessed Property Value. The Board of Supervisors shall levy the tax in the same manner as property taxes are levied.

Section 7. The Board may use moneys it collects pursuant to this levy only for the purposes stated in Section 3 of this resolution. If an unexpended balance of the moneys so collected remains after satisfying the requirements of this resolution, requesting the approval of the levy, the Board shall use the balance to reduce the property tax levy in the following year. If the balance is in excess of the requirements for the following year or if the authority granted by the voters to collect the taxes pursuant to this resolution expires and is not renewed, the Board shall use the balance to reduce the County property taxes in the following year.

Section 8. The amounts collected pursuant to this resolution shall be deposited in a separate fund in the County Treasury and shall be accounted for separately.

Section 9. Any amounts collected pursuant to this resolution shall not be included in the county's tax levy limitation for any subsequent year as prescribed by A.R.S. § 42-17051 and shall be collected from a levy of secondary property taxes and are not subject to limitations on taxes prescribed by Article IX, § 18, of the Arizona Constitution.

Section 10. This Board will provide notice of the election by mailing a voter information pamphlet (the "Pamphlet") to the residence of each registered voter within the County. The County Manager shall cause the Pamphlet to be prepared. Not less than thirty-five (35) days before the Election the County Manager shall cause a copy of the Pamphlet to be mailed to each household within the County that contains a registered voter. The County Elections Department shall provide the most current names and addresses as shown on the most recent County voter registration rolls.

Section 11. Notice will also be provided by publishing the Proclamation, Order and Call of Election (the "*Proclamation*") in substantially the form set forth in *Exhibit A* attached hereto, two times, one week apart, not less than ninety (90) days before the election in the official newspaper of the County. Any then known changes of polling place location(s) will be shown in the published proclamation. The Proclamation, Pamphlet Notice of Election and all other notices, instructions, informational pamphlets, sample ballots, early ballots and other matters distributed or made available to the qualified electors shall be translated into Spanish and provision shall also be provided by oral translation of such items into languages that are historically unwritten where appropriate and for distribution of the oral translations. A Notice of Election, in substantially the form of *Exhibit B* attached hereto, shall also be published twice, at least one week apart during the six (6) weeks preceding twenty (20) days before the election. Prior to actual publication of the Notice of Election, the County's Election Director shall list the actual polling places, if there are any changes in such polling places. Additionally, oral announcements in native language shall be made by radio and by leaving copies of the Proclamation, the Notice of Election and the voter information pamphlet at the various Native American meeting places within the County where such notices will be orally announced in the native language.

Section 12. The County Administrator, the County Elections Department, the County Recorder and all County agents and attorneys are ordered and directed to take all actions and do all things necessary and appropriate to cause the Election herein ordered to be held and canvassed.

PASSED, ADOPTED AND APPROVED by the Board of Supervisors of Apache County, Arizona on this 17th day April, 2018.

/s/ Alton Joe Shepherd
Chairman of the Board

ATTEST:

/s/ Ryan N. Patterson

Clerk of the Board

APPROVED AS TO FORM

By: **GUST ROSENFELD, P.L.C.**
/s/ Fred Rosenfeld
Special Attorney

CERTIFICATION

I, Ryan Patterson, the duly appointed County Manager and Clerk of the Board of Supervisors of Apache County, Arizona, do hereby certify that the above and foregoing Resolution No. 2018-05 was duly passed by the Board of Supervisors at a special meeting held on April 17, 2018 and the vote was 2 aye's, 1 nay's, 0 abstained and 3 Board Members were present at such meeting.

Clerk
/s/ Ryan N. Patterson

EXHIBIT A

NOTICE

I, ALTON JOE SHEPHERD, THE CHAIRMAN OF THE BOARD OF SUPERVISORS OF APACHE COUNTY, ARIZONA DO HEREBY PROCLAIM THAT AN ELECTION WILL BE HELD IN AND FOR APACHE COUNTY, ARIZONA ON TUESDAY, NOVEMBER 6, 2018, AS DESCRIBED IN THE FOLLOWING PROCLAMATION, ORDER AND CALL OF ELECTION.

Dated this 17th day of April 2018

/s/ Alton Joe Shepherd
Chairman, Board of Supervisors

PROCLAMATION, ORDER AND CALL OF ELECTION

To all persons who are, or who may become, qualified electors of Apache County on or before October 9, 2018:

NOTICE IS HEREBY GIVEN THAT AN ELECTION WILL BE HELD IN AND FOR APACHE COUNTY, ARIZONA IN CONJUNCTION WITH THE GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018 AT THE POLLING PLACES SET FORTH BELOW.

At the special election the qualified electors of the County shall vote on the following official ballot:

OFFICIAL BALLOT

QUESTION

Shall Apache County be authorized to levy property taxes of \$2,000,000 for fiscal year 2019-20 and increasing by an additional \$200,000 in each of the following six fiscal years in excess of the County property tax levy limits otherwise prescribed by A.R.S. § 42-17051?

A yes vote shall have the effect of casting your vote in favor of authorizing Apache County to levy additional property taxes in excess of the County primary property tax levy limits.

Yes

A no vote, shall have the effect of casting your vote against authorizing Apache County to levy additional property taxes in excess of the County property tax levy limits

No

EXHIBIT B

NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF APACHE COUNTY, ARIZONA: A special election will be held in Apache County, Arizona, on November 6, 2018, at the following polling places:

Apache County Polling Places Master List- "2018"						
						<i>Revised 04/03/18</i>
Precinct Name	Polling Location	Physical Address	Post Office Box	City / Town / Place	Phone No.	Fax No.
02 ALPINE	Alpine Community Center	#12 County Road 2061	PO Box 523	Alpine AZ 85920	928-339-4330	N/A
03 CANYON DE CHELLY	Chinle Community Center	US HWY 191	PO Box 587	Chinle AZ 86503	928-674-9481	928-674-9479
05 CHINLE	Chinle Community Center	US HWY 191	PO Box 587	Chinle AZ 86503	928-674-9481	928-674-9479
09 CONCHO	Concho Elementary School	6 County Road 5101	PO Box 200	Concho AZ 85924	928-337-9357	928-337-3582
10 CORNFIELDS	Cornfields Chapter House - Headstart Room	8 mile South of Burnside Junction N15	PO Box 478	Ganado AZ 86505	928-755-5912	928-755-5917
11 COTTONWOOD	Cottonwood Senior Center	Rt 4 Cottonwood Chapter premises	PO Box 1139	Chinle AZ 86503	928-725-3740	928-725-3742
12 CORONADO	Apache County Annex-Pera Gym	75 W. Cleveland	PO Box 428	St. Johns AZ 85936	928-337-7537	928-337-7538
13 DENNEHOTSO	Dennehotsso Chapter House	1/2 mile SW of Dennehotsso School	PO Box 2301	Dennehotsso AZ 86535	928-658-3300	928-658-3304
16 EAGAR	Eagar Town Hall	22 West 2ND Street	PO Box 1300	Eagar AZ 85925	928-333-4128X2	928-333-5140
17 FLAT TOP	Life In Christ Fellowship	11 South Hamblin St.	PO Box 820	Eagar AZ 85925	928-333-5284	N/A
19 FT DEFIANCE	Fort Defiance Chapter House	Navajo Route 112	PO Box 366	Ft. Defiance AZ 86504	928-729-4352	928-729-4353
22 GANADO NORTH	Ganado Uni Sch. Dist. (Fieldhouse)	HWY 264	PO Box 1757	Ganado AZ 86505	928-755-1088	928-755-1042
23 GANADO SOUTH	Ganado Chapter House	Chapter Dr. HWY 264	PO Box 188	Ganado AZ 86505	928-755-5920/21	928-755-5927
25 GREER	Greer Fire House Station	38974 State Route 373	PO Box 242	Greer AZ 85927	928-735-7279	928-735-7325
27 HOUCK	Houck Chapter House	Exit 348	PO Box 127	Houck AZ 86506	928-688-2734	928-688-3068
29 KINLICHEE	Kinlichee Chapter House	8 Miles E. of Ganado, 27 miles W. of W/R	PO Box 860	St. Michaels, AZ 86571	928-755-3821	928-755-6364
31 KLAGETOH	Klagetoh Chapter House	15 miles South of State 264 on HWY 191	Unit 42 HC 58 Box 90	Ganado, AZ 86505	928-652-2704	928-652-2701
33 LUKACHUKAI	Lukachukai Chapter House	1/2 Mile S of N12 Mile Post 1	PO Box 248	Lukachukai AZ 86507	928-787-2500	928-787-2332
35 LUPTON	Tsesiani Multipurpose Bldg	I-40 Exit 357 Rt 12	PO Box 403	Lupton AZ 86508	928-688-2128	928-688-3150
37 MCNARY	McNary Community Center	103 S Cady	PO Box 1270	White River, AZ 85930	928-338-4831	928-338-9479
39 MANY FARMS	Many Farms Senior Center	HWY 191 W. of N. Route 59	PO Box 1050	Many Farms AZ 86538	928-781-3605	928-781-3608
41 MEXICAN WATER	Mexican Water Chapter House	HWY 160-BIA Road 5056	HC1 Box 38-1018	Teec Nos Pos, 86514	928-429-0986	928-429-3641
43 NAZINI	Nazini Senior Center	500 Yards N of the Nazini Chapter House within chapter compound	PO Box 7186	Nazini AZ 86540	928-755-5960	same as phone
45 NUTRIOSO	Nutriosso Community Center	County Rd 2016 #8	PO Box 366	Nutriosso AZ 85932	928-339-4462	None
46 OAK SPRINGS	Oak Springs Chapter House	8 Miles North of Lupton, CH & I-40, Exit 357 11 miles North on N-12	PO Box 486	Window Rock AZ 86515	928-871-6179	928-871-6182
48 PUERCO	Nahata Dził Commission Governance	Red Sand View Drive	PO Box 400	Sanders AZ 86512	928-688-2150	928-688-2235
51 RED MESA	Red Mesa School Conf. Rm	HWY 160 Mile Post 448	HC 61 Box 40	Teec Nos Pos AZ 86514	928-656-4100	928-656-4106
52 RED VALLEY	Red Valley Chapter House	HWY 491 Route N13 Buffalo Dr. Bldg. R006-001	PO Box 304	Red Valley AZ 86544	928-653-5800	928-653-5803
54 ROCK POINT	Rock Point Senior Center	HWY 191	PO Box 342	Rock Point AZ 86545	928-659-4350	928-659-4356
56 ROUGH ROCK	Rough Rock Chapter House	Hwy 8066	PO Box IHH-Rough Rock	Chinle AZ 86503	928-728-3361	928-728-3362
58 ROUND ROCK	Round Rock Chapter House	1/2 Mile E of Junction 191	PO Box 10	Round Rock AZ 86547	928-787-2511	928-787-2512
59 ROUND VALLEY	High School Auditorium	565 N. Butler St.	PO Box 610 Springerville, AZ 85938	Eagar AZ 85925	928-333-6592	928-333-5625
61 ST JOHNS	Apache County Annex-Pera Gym	75 W. Cleveland	PO Box 428	St. Johns AZ 85936	928-337-7537	928-337-7676

65 ST MICHAELS	St. Michaels Chapter House	Hwy 264 Across IHS Building	PO Box 829	St. Michaels AZ 86511	928-871-7842	928-871-3023
67 SAWMILL	Sawmill Senior Center	Mile Post 14 on N-7 (across from Sawmill Primary School)	PO Box 1786	Ft. Defiance, AZ 86504	928-729-4019	928-729-4286
70 SPRINGERVILLE	Town of Springerville Town Hall	418 East Main Street	418 East Main Street	Springerville AZ 85938	928-333-2656	928-333-3056
74 STEAMBOAT	Steamboat Chapter House	HWY 264, Mile Post 426	PO Box 117	Ganado, AZ 86505	928-736-2631	928-736-2634
76 SWEETWATER	Sweetwater Chapter House	14 Miles S of Red Mesa Store	PO Box 105 Teec Nos Pos AZ 86514	Teec Nos Pos AZ 86514	928-429-0977 or Sweetwaterchapter@hotmail.com	None
78 TACHEE	Blue Gap/Tachee Chapter House	Blue Gap Chapter House	PO Box 4427	Blue Gap AZ 86520	928-349-0507	928-223-7770
80 TEEC NOS POS	Teec Nos Pos Road Yard	HWY 160 Bia School RD # N 5114	PO Box 1952	Teec Nos Pos AZ 86514	928-656-3505	928-656-3506
82 VERNON	Vernon Public Library (Community Ctr)	10 CR 3142	PO Box 600	Vernon AZ 85940	928-532-5005 or 928-337-4923	same as phone or 328-337-3960
84 WHEATFIELDS	Tsaile/Wheatfields Chapter House	Rt. 12 & Rt. 64 - 8 Miles S on Rt. 12	PO Box 667	Tsaile AZ 86556	928-724-2220	928-724-2223
86 WIDE RUINS	Wide Ruins School Modular Building #1317 and 1318	18 Miles N of I-40 on HWY 191	PO Box 309	Chambers AZ 86502	928-652-3251	928-652-3286
88 WINDOW ROCK	Navajo Nation Museum	Hwy 264 and Postal Loop Rd	PO Box 1840	Window Rock AZ 86515	928-871-7941	928-871-7942

The polls will open at 6:00 a.m. and close at 7:00 p.m.

The purpose of the election is to permit the qualified electors of Apache County to vote on authorizing Apache County to levy secondary property taxes in excess of the county primary tax levy limit for the 2019-2020 fiscal year and for six subsequent fiscal years. The county has no override authority at this time.

Any qualified elector is eligible for early voting. Early voting materials may be obtained by contacting the Apache County Elections Department, 75 West Cleveland Street, St. Johns Arizona 85936; telephone (928) 337-7537. For more information about the foregoing, please review A.R.S. §§ 42-17051 and 42-17201.

Publish this Notice of Election at least twice in the official newspaper of the County, at least one week apart during the six calendar weeks preceding twenty days before the election. Additionally, oral announcements shall be made by radio and by leaving copies of this notice of election at the various Native American meeting places within the County that are known to have such notices orally announced in the native language.

Mr. Shamley stated he is requesting the agreement between Apache County and the Round Valley Rodeo Committee for an event at the Round Valley Rodeo Grounds be tabled until the May 1st meeting. Chairman Shepherd tabled the item.

Chairman Shepherd presented the request for District II for approval of a proclamation by Apache County recognizing the importance of the case of Williams vs. Lee. Chairman Shepherd the Navajo Nation has established the 4th Monday as Sovereignty Day and in an effort to carry on the legacy and history of Steamboat Arizona, the hometown of Mr. & Mrs. Williams. Chairman Shepherd stated on Monday, he is kicking off National County Government Week for District II with a short program in Steamboat and requested the Board approve the proclamation to recognize the family. Chairman Shepherd stated the proclamation should be corrected to reflect the 4th Monday not Tuesday of April. Mr. Shamley moved approval with the change to the 4th Monday of April, seconded by Mr. Shirley. Vote was unanimous.

Proclamation 2018
“Williams v. Lee - Sovereignty Day”

WHEREAS, Apache County recognizes that Steamboat, Arizona; hometown of Paul Williams Sr. and his wife, Lorena Williams, residents of Apache County District 2 were the petitioners in the Williams v. Lee, 358 U.S. 217 (1959), landmark case, in which the Supreme Court of the United States, held that the State of Arizona does not have jurisdiction to try a civil case between a non-Indian doing business on a reservation with tribal members who reside on the reservation, the proper jurisdiction for such cases being the tribal court; and,

WHEREAS, Paul Williams Sr. and Lorena Williams persisted through numerous appeals in the state and federal court systems in their effort to affirm the right of Navajo self-government and to reaffirm Navajo Nation sovereignty as recognized in the Navajo Treaty of 1868.; and,

WHEREAS, Williams v. Lee signified the "legal resurgence of Native America in [f]ederal Indian Law and in particular, the renaissance of the Indian sovereignty doctrine, inherent tribal sovereignty.; and,

WHEREAS, the Williams v. Lee case created a bridge between century-old affirmations of the immunity of Indian territories from state jurisdiction and the tribal self-determination policy of the twentieth century. It has been called the first case in the modern era of federal Indian law and is generally assumed to be the product of a timeless and unquestioning struggle of Indian peoples for sovereignty; and,

WHEREAS, the reservation had in place a sophisticated legal system and tribal court. Williams v. Lee and the self-determination movement that followed it represent a choice by American Indians to insist that respect for tribal status was necessary to ensure Indian equality as in the McGee v. Navajo Nation court case; and,

WHEREAS, citizenship requires that people be knowledgeable about public issues and possess the capacity to work toward solutions by acting together. History records voluntary actions by private citizens working together to right injustices, change directions and pursue benefits for the common good; and,

WHEREAS, in 2013, the Arizona State Senate honored Paul Williams Sr. and Lorena Williams with Arizona Senate Resolution 1003, for their "dedication and efforts to protect and exercise their freedom to govern themselves."

NOW THEREFORE, the Apache County Board of Supervisors hereby proclaim the 4th Monday of April to be “Sovereignty Day” and call upon residents to recognize and contribute to the imperative of protecting individual rights and tribal sovereignty for all citizens of the United States of America and Apache County.

Passed, Adopted and Approved by the Apache County Board of Supervisors this 17th day of April 2018.

/s/ Alton Joe Shepherd
Chairman of the Board

/s/ Ryan Patterson
Clerk of the Board

Gabriel Freeland and Lester Yazzie, on behalf of District II, requested approval to government lease/purchase equipment through Inland Kenworth and PACCAR Financial Corp., of two (2) new 2019 Kenworth T880 tractors for belly dump and equipment at a total cost of two hundred ninety-seven thousand, four hundred sixty dollars (\$297,460.00); at sixty-five thousand, eight hundred thirty-eight dollars and 87 cents (\$65,838.87) per year for five (5) years, utilizing State Contract #ADSP2014-063233. Mr. Freeland stated he looked at Peterbilt and Kenworth and the

Kenworth came in with a better engine and more readily available. Mr. Yazzie stated he reviewed the stats on both the Peterbilt and the Kenworth and the Kenworth was a better quality. Mr. Lester stated there is budget available to cover the cost. **Mr. Shirley moved approval, seconded by Mr. Shamley.** Mr. Shamley asked if this was a monthly payment. Mr. Freeland stated there is one payment \$65,837 and then four annual payments of \$65,837 for both tractors. Vote was unanimous.

Mr. Shirley moved to adjourn the meeting, seconded by Mr. Shamley. Vote was unanimous.

Approved this 1st day of May 2018.

/s/ Alton Joe Shepherd
Chairman of the Board

/s/ Ryan N. Patterson
Clerk of the Board