

465 1st Avenue
P.O. Box 970
Holbrook, AZ 86025
Holbrookcity@ci.holbrook.az.us
Telephone 928-524-6225
Fax 928-524-2159

OUR MISSION

City of Holbrook Government exists to provide ethical and responsible local government.

AGENDA

Regular City Council Meeting
6:00 p.m. October 24, 2019

Pursuant to ARS 38-431.02, notice is hereby given to the Holbrook City Council, and to the General public that a meeting, which is open to the public, will be held on above-mentioned date, in the City Council Chambers, at 465 First Avenue, Holbrook, Arizona. Members of the City Council may choose to participate in this meeting telephonically. The City Council may adjourn into executive session, which will not be open to the public, to discuss certain matters in accordance with ARS 38-431.03. Electronic versions of this agenda can be found at www.ci.holbrook.az.us.

The items on the following agenda are for discussion or consideration and possible action:

- 1) CALL TO ORDER:
- 2) ROLL CALL:
- 3) PLEDGE OF ALLEGIANCE/INVOCATION:
- 4) CALL TO THE AUDIENCE FOR ITEMS ON THE AGENDA:
The City Council welcomes public comment at this time only for items listed on this Agenda.
There is a five-minute time limit per citizen.
- 5) CONSENT AGENDA: **Tab 1**
 - A. September 26, 2019 Minutes.
- 6) SUMMARY OF CURRENT EVENTS:
Mayor:
Council Members:
City Manager:
Police Chief:
- 7) NEW BUSINESS: **Tab 2**
 - A. Award bid for three Police Department vehicles - Nathan Christiansen. **Tab 3**
 - B. Approve the purchase of a John Deere 524L loader - Pat Serna.
 - C. Library Annual Report - Wendy Skevington.
- 8) CALL TO THE AUDIENCE FOR ITEMS NOT ON THE AGENDA:

The City Council welcomes public comment for items not listed on this Agenda. There is a three-minute time limit per citizen.

Citizens may complete one Request to Speak "Public Comment" card per night and submit it to the City Clerk before or during the Council meeting. During this time, any member of the public may come forward and address the City Council on any issue within the jurisdiction of the Council. Public Comment time is reserved for citizen comments regarding non-agendized items. Speakers are limited to 3 minutes per speaker to address the Council during "Public Comment" time. Members of the City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01 (H), action taken as a result of public comment will be limited to directing City staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date. Items on the agenda will not be heard or discussed in Call to the Public. Video or audio tapes or other overhead visual aids are not allowed during these public appearances. All speakers should begin their remarks by stating their name and address for the record.

9) **SUBMISSION OF WRITTEN PETITION FOR ITEMS NOT ON THE AGENDA:**

Requests to have an item discussed on the Agenda should be presented on the "Request & Petition of citizens to City of Holbrook Council" form during the Submission of Written Petition to the Council at a regular meeting. Once this form is submitted, the Council will consider the petition and a response will be given within 31 days per the Holbrook City Charter Article II, Section 2.18.

10) **ADJOURNMENT:**

Posted the 18th day of October 2019.


Cher Reyes, CMC, CPM, City Clerk

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on the agenda. Matters discussed by the public during public appearances cannot be discussed by the City Council unless they are specifically listed on this agenda. Speaker's visual aids or recorded tapes are not allowed. Members of the public shall refrain from making personal, impertinent or slanderous remarks and from becoming boisterous. Unauthorized remarks from the audience, clapping, stomping of feet, yelling or any similar demonstrations are also prohibited. Violations of these rules may result in removal from the meeting. Individual members of the public body may respond to criticism made by those who have addressed the public body.

1
2
3 MINUTES OF THE REGULAR MEETING OF THE
4 HOLBROOK CITY COUNCIL HELD ON SEPTEMBER 26, 2019
5

6 CALL TO ORDER:
7

8 Mayor Young called the meeting to order at 6:00 p.m.

9 ROLL CALL:

10 Mayor Merrill Young, Councilmembers Tim Dixon, Adam Marsh, Francie Payne, Mike
11 Nilsson and Mark Jackson. Councilmember Earl Kester was absent and excused as he
12 was at a car show.

13 PLEDGE OF ALLEGIANCE/INVOCATION:

14 The pledge was led by Mayor Young and the invocation was given by Councilmember
15 Mike Nilsson.

16 CITY STAFF:

17 City Manager Ted Soltis and City Clerk Cher Reyes.

18 PUBLIC ANNOUNCEMENTS AND PRESENTATIONS:

19 CONSENT AGENDA:

20 Councilmember Dixon made a motion to approve the consent agenda, the minutes of
21 the regular meeting held on August 13, 2019 and a Fair/Festival License application by
22 Arizona Sake for October 5, 2019. Vice-Mayor Payne seconded. The motion carried
23 with the following vote, Councilmember Dixon, "aye", Councilmember Jackson "aye",
24 Councilmember Kester "aye", Councilmember Marsh "aye", Councilmember Nilsson,
25 "aye", Vice-Mayor Payne "aye" and Mayor Young, "aye"

26 SUMMARY OF CURRENT EVENTS:

1 MAYOR:

2 Mayor Young reported that he and Manager Soltis had attended the League of Cities
3 and Towns conference and it was very informative.

4 Mayor Young reported that on August 27 he and Manager Soltis met with several other
5 cities and Senators Allen and Bowers in Phoenix regarding water adjudication.

6 Mayor Young reported that the Fair Board had done a wonderful job on this years fair
7 and that it was superb.

8 Mayor Young reported that Gwen Leopald had passed away at 102. Ms. Leopald is the
9 former owner of the Pow Wow.

10 COUNCILMEMBERS:

11 Councilmember Marsh congratulated the winners of the Rodeo and 4H events at the
12 Fair.

13 MANAGER:

14 • The Mayor and I attended the League Conference in Tucson. It was very informative and
15 beneficial. I attended several sessions on water rights. The mayor attended a PSPRS (Public
16 Safety Personnel Retirement System) session. We also have ideas for improving our City
17 display. Like promoting our partnership with the Petrified Forest. We have a great
18 partnership with the cities and towns of Navajo and Apache counties.
19

20 • I attended the annual Labor Day barbeque fundraiser at the Jeffers Ranch. Great food and
21 for a good cause. Benefits went to clothe-a-child and other programs.
22

23 • We have formed a partnership with Navajo County IT department to provide the City
24 with technical support. Partnering with the County will save money. Thank you, Navajo
25 County.
26

27 • You may have noticed there has been a delay adding parking in-front of the Sheriff's
28 office on Buffalo. We are working with the County to ensuring the new sidewalk meets
29 ADA standards.
30

1 • The demolition process has started on the Magnusson. The owners have hired a
2 demolition contractor. They completed the applicable demolition paperwork. They are
3 working on additional paperwork. The actual demolition will begin in early October.
4

5 • We are working with the owner of the Star Inn.
6

7 • The Mayor and I attended a meeting at the Capital. Representatives from the Little
8 Colorado River Coalition met with Speaker of the House Rusty Bowers and Senator Sylvia
9 Allen. The coalition expressed the importance of a partnership between the state and
10 municipalities, farmers, ranchers, and rural Arizonians to protect our water rights. Litigation
11 has been ongoing for over 40 years. Uncertainty over the outcome of this litigation is
12 harmful. Businesses considering moving to Arizona need to know that the water supply is
13 stable. Ongoing litigation adds uncertainty. The Speaker and Senator Allen support our
14 efforts.”
15

16 • We will be utilizing our Facebook page to disseminate information.
17

18 • We have officially received a grant from Gila River Indian Community in the amount of
19 \$112,982 to purchase three new vehicles for the Police Department. Thank you to the Gila
20 River Indian Community and to the Police Department for the successful grant.
21

22 • My wife and I assisted at the ticket booth for the County Fair. We had a lot of fun. It was
23 a great fair. We are fortunate to have it in our community. Thank you to all who volunteer
24 their time to make the fair a success.
25

26 • ADEQ (Arizona Department of Environmental Quality) inspected our transfer station.
27 They review whether proper notification was filed and facility operations. No deficiencies
28 were noted. Thank you to staff for a job well done.
29

30 • Finally, you probably read about the pond project in the newspaper. Up to this point all
31 work has been volunteer and will continue to be for some time. That means it is difficult to
32 put a timeframe on the various stages. The next important part of the project is to obtain soil
33 core samples. Hopefully this will happen within the next 30 days. A meeting, with the
34 various individuals involved in the project, will be scheduled once the coring is completed
35 and analyzed. The type of soil has important implications for the future of this project. In the
36 meantime, we are gathering information on available funding sources and maintenance costs.
37

38 NEW BUSINESS:

39 A. Mayor Young opened the public hearing at 6:16 p.m. Ashley DeBoard, Attorney for
40 Dmitri Kupritsky and Chia Min Chang addressed the Council stating that several
41 documents had been given to the Council which consists of photos of the property. Ms.

1 DeBoard stated that her clients purchased the property in 2013 in hopes to fix it up and
2 someday retire in Holbrook. Ms. DeBoard stated that the structure is an L-shaped
3 residence which is a 3 bedroom 2 bathroom residence in the front and the back
4 structure is separated by a wall and the past owner Christopher Matt purchased it as a
5 foreclosure property in 2002 and at that time the back unit existed. Ms. DeBoard stated
6 that her clients have put almost \$80,000 in repairs into the structure to-date. Ms.
7 DeBoard stated that it is beautiful now and that they used all local contractors and
8 electricians to complete the work. Ms. DeBoard stated that Mr. Krupitsky had
9 approached the City for a second address and it was at that time they discovered that a
10 Conditional Use Permit (CUP) was needed. Ms. DeBoard stated that a Planning and
11 Zoning meeting was held on August 22, 2019. Ms. DeBoard stated that unfortunately
12 Ms. Chang and Mr. Krupitsky did not receive notice of the meeting so they did not
13 attend. Ms. DeBoard stated at the meeting 2 of the neighbors had voiced concerns
14 regarding the CUP for items such as inadequate parking and whether or not there had
15 been a building permit issued. Ms. DeBoard stated that both of these neighbors have
16 revoked their original concerns in writing. Ms. DeBoard stated that the Planning and
17 Zoning Commission was concerned with the fact that the CUP was filed by Dmitri
18 Krupitsky and the property owner was listed as Chia Min Chang and the Commission
19 was unsure of the relationship. Ms. DeBoard stated that Mr. Krupitsky is the spouse of
20 Ms. Chang. Ms. DeBoard stated that she would like to address the concerns of the
21 neighbors: that the property was not properly zoned for duplex-Ms. DeBoard stated
22 that it is properly zoned as long as a CUP is obtained which Mr. Krupitsky applied for,
23 no Building permit obtained-Ms. DeBoard stated that they did not believe a building

1 permit was required for this property but if that is incorrect they will happily apply for
2 one- and insufficient parking. Ms. DeBoard stated that there are three parking spaces
3 onsite. Ms. DeBoard continued stating that ARS Title 5 Section 467 allows for a safe
4 harbor for subsequent owners for work done on a structure before they owned property
5 stating that they are not responsible for subsequent owners not obtaining a building
6 permit. Ms. DeBoard asked that the condition on the CUP be removed if the Council
7 does approve it, the condition being if the property transfers to another person the CUP
8 is null and void. Planning and Zoning Commission Chairman Mike Sample spoke to the
9 Council stated that the property owners within 300 foot had been noticed of the CUP
10 application and the meeting was held on August 22, 2019. Mr. Sample stated that
11 discussion was held regarding the structure and that building permits were brought up
12 but the Commission let the property owners know that was not within their jurisdiction.
13 Mr. Sample stated that after hearing from the neighbors and not knowing what the
14 relationship was for Mr. Krupitsky on the application the permit was denied.
15 Councilmember Dixon asked what sections of the zoning code apply to this matter. City
16 Clerk Reyes responded Chapter 6 Section 1-5(C.4.). Councilmember Dixon asked that
17 a CUP be explained. Chairman Sample stated that if you have a property and you want
18 to put something into that zoning that is not allowed you need to apply for a CUP. City
19 Clerk Reyes explained further stating that all zones have Principal Permitted Uses and
20 then uses that are allowed by CUP. City Clerk Reyes stated that if it is not a Principal
21 Use and a CUP allows for it then a permit needs to be requested. Vice-Mayor Payne
22 asked if the CUP could be allowed without the condition. Chairman Sample stated that
23 he believes that this is acceptable. City Clerk Reyes stated that after a period of time

1 this would be a grandfathered unit. Councilmember Marsh asked if Ms. Chang is the
2 only listed owner on the deed. Chairman Sample stated yes and that the Commission
3 did not know that there was a relationship and the denial was based mainly on the
4 neighbors protesting the CUP. Councilmember Dixon asked if any of the
5 Commissioners looked at the property before the meeting. Chairman Sample stated
6 that he had. Councilmember Jackson stated that he is pleased that Zoning is looking
7 into stuff and making sure everything is kosher beforehand and he thanked the
8 Commission for that. Chairman Sample stated that the Commission also likes to put
9 conditions on the permit that the property be maintained and kept free from weeds and
10 debris but as this permit was denied those conditions were not listed. Councilmember
11 Dixon asked City Clerk Reyes if a building permit was required. Ms. Reyes responded
12 that from what she could determine had been done to the structure no permit was
13 required except for a gas and electric inspection which she was sure were done. Ms.
14 Reyes stated that when these inspections were done that is when it should've been
15 caught that the structure was turned into a duplex. Mayor Young asked Ms. DeBoard to
16 step back up to the podium for further questions. Councilmember Dixon asked when
17 Mr. Krupitsky came to City to ask for a permit. Councilmember Dixon asked if anything
18 they have done up to this point a permit would have been required. City Clerk Reyes
19 replied on a gas and electric inspection. City Clerk Reyes researched records and
20 stated that the inspections were done on June 20, 2019. Councilmember Dixon stated
21 that a comment was made that they wanted to leave Hawaii and retire in Holbrook and
22 usually that works the other way around. Ms. DeBoard stated that the community of
23 Holbrook is very friendly and the cost of living in Hawaii is very expensive. Mayor

1 Young commented that there are guidelines within planning and zoning and he would
2 really like to see Citizens follow the procedures. Councilmember Nilsson made a
3 motion to approve the Conditional Use Permit and that the CUP will continue along with
4 change in ownership. Councilmember Dixon seconded. Vice-Mayor Payne asked that
5 as stipulation be put on the permit that the property be maintained. Mayor Young stated
6 that is in code already. Councilmember Marsh stated that housing was an issue that the
7 Council has discussed and if they can assist in getting better housing in Holbrook they
8 should do so. Councilmember Jackson asked if they have a property manager. Ms.
9 Chang stated they did. Councilmember Dixon sated that he believes Mr. Krupsitsky
10 attempted in good faith to get the permits required. The Mayor called for the question
11 and the motion carried with the following votes: Councilmember Dixon “aye”,
12 Councilmember Jackson “aye”, Councilmember Marsh, “aye, Councilmember Nilsson,
13 “aye”, Vice-Mayor Payne, “aye” and Mayor Young, “aye”.

14 CALL TO THE AUDIENCE FOR ITEMS NOT ON THE AGENDA:

15 ADJOURNMENT:

16 There being no further business to come before the Council at this time Councilmember
17 Marsh made a motion to adjourn and Vice-Mayor Payne seconded. The meeting was
18 unanimously adjourned at 7:03 p.m.

19
20
21

Merrill Young, Mayor

22
23 I hereby certify that the foregoing minutes are a true and correct copy of the minutes of
24 the regular meeting of the Holbrook City Council held on September 26, 2019. I further

1 certify that the meeting was duly called and held and that a quorum was present.

2

3

4

Cher Reyes, CMC, CPM, City Clerk

City of Holbrook
Council Action Form

Meeting Date: October 24, 2019

Tab: _____

To: Mayor and City Council

From: Nathan Christensen


Subject: Approve the purchase of three Police Department vehicles.

Discussion: The Police Department received a \$112,982 grant from the Gila River Indian Community to purchase three vehicles. Bidding was advertised. Show Low Ford was the only bidder at \$109,125.96. Additional equipment wiring harnesses were added to each vehicle increasing the bid price to \$111,401.22. To keep the costs down, equipment will be installed by staff.

Fiscal Impact: -\$1,580.78 for vehicle purchase. However, equipment costs will be about \$39,000 for all three vehicles.

Recommendation: Approve purchase of three vehicles from Show Low Ford for \$111,345.96.

Submitted by: 
Nathan Christensen

Approved by: 
Ted Soltis, City Manager



"YOUR FRIENDLY FAMILY FORD DEALER"

October 10, 2019
City of Holbrook
Holbrook, AZ 86025

RE: Proposed Vehicle Bid POLICE VEHICLES

Show Low Ford proposes the following bid on a 2020 Ford Explorer Interceptor 4wd.

See Attached for more information

Fleet pricing on each vehicle is \$34,354.88 + \$2,778.86 local sales tax for a total out the door of \$37,133.74. The total for 3 units would come to \$111,401.22.

An extended service plan for these vehicles is available. A 5 year 100,000 mile comprehensive plan would be an additional \$2,615.

This vehicle would need to be ordered directly from the factory. Show Low Ford does not have any control over factory delivery times. Show Low Ford appreciates the opportunity to participate in serving the City of Holbrook.

Sincerely,

Guy Hatch
Dealer Principal
Show Low Ford
928-537-3673

CNGP530

VEHICLE ORDER CONFIRMATION

10/10/19 14:04:09

==> Dealer: F71492

2020 EXPLORER 4-DOOR

Page: 1 of 2

Order No: 0001 Priority: A2 Ord FIN: QB837 Order Type: 5B Price Level: 025

Ord Code: 500A Cust/Flt Name: CITY OF HOLBR PO Number:

RETAIL

RETAIL

K8A	4DR AWD POLICE	\$40615	51R	DRV LED SPT LMP	\$395
	.119" WHEELBASE		55F	KEYLESS - 4 FOB	340
UM	AGATE BLACK		67V	CONNECTOR KIT	185
9	CLTH BKTS/VNL R			.WIRING KIT-RR	
6	EBONY			.WIRING KIT-FRT	
500A	EQUIP GRP		68G	RR DR/LK INOP	75
	.AM/FM STEREO		86T	RR TAILLAMP HSG	60

FLEX-FUEL

99B 3.3L V6 TI-VCT (3530)

44U 10SPD AUTO TRAN NC

JOB #2 ORDER

67U ULTIMATE WR KIT 560

.GRILL WIRING

.RR MOUNT PLATE

17A AUX CLIMATE CTL 610

425 50 STATE EMISS NC

F1=Help

F4=Submit

S006 - MORE DATA IS AVAILABLE.

TOTAL BASE AND OPTIONS 40505

TOTAL 40505

THIS IS NOT AN INVOICE

* MORE ORDER INFO NEXT PAGE *

F8=Next

F3/F12=Veh Ord Menu

QC07469

City of Holbrook
Council Action Form

Meeting Date: October 24, 2019

Tab: _____

To: Mayor and City Council

From: Pat Serna


Subject: John Deere 524L Loader Purchase

Discussion: As a result of constant use and its age (1997), the loader the City presently owns is no longer reliable, constantly breaking down. Due to the age of the City fleet, equipment, and resulting maintenance workload, we do not recommend purchasing used equipment.

Fiscal Impact: \$148,998.01. \$100,000 was budgeted for this purchase. The additional revenue will come out of contingency. This acquisition is discounted through Sourcewell - formally NJPA, a cooperative purchasing program.

Recommendation: Approve the purchase of a new John Deere 524L loader from RDO Equipment Co for \$148,998.01.

Submitted by: 
Pat Serna, Street Maintenance Manager

Approved by: 
Ted Soltis, City Manager



Retail Purchase Order

RDO Equipment Co.
 5500 East Penstock Avenue
 Flagstaff AZ , 86004
 Phone: (928) 526-0639 - Fax: (928) 526-2498

Bill To:
 CITY OF HOLBROOK
 PO BOX 970
 HOLBROOK, AZ, 860250970
 NAVAJO ()
 (928) 524-6225

Ship To:
 CITY OF HOLBROOK
 PO BOX 970
 HOLBROOK, AZ, 860250970
 (928) 524-6225

Purchase Order Date: 10/10/2019
Purchase Order #: 1248011
Purchaser Account #: 6225013
Customer Sales Tax Exempt #: None

Customer Purchaser Type: Governmental - City/Town/Village
Customer Market Use: Earth Moving - Land Improvement
Location of First Working Use: HOLBROOK, AZ, 860250970
Dealer Account Number: 177634
Sales Professional: Bryan Anthony
Phone: (928) 526-0639
Fax:
Email: banthony@rdoequipment.com

Equipment Information

Quantity	Serial Number Stock Number	Hours (approx.)	Status / Year / Make / Model Additional Items	Cash Price
1	TBD TBD	0	New 2019 JOHN DEERE 524L	\$222,121.00
			Freight Out Freight Out	
			Freight in Freight In	
			Customer Discount Sourcewell Discount 39% off list	(\$85,652.19)
			Warranty -John Deere Comprehensive-36 Months, 3000 Hours,Deductible: 200, Exp Date: 10/10/2022	
			Equipment Subtotal:	\$136,468.81

Purchase Order Totals

Balance:	\$136,468.81
Tax Rate 3: (AZFL 9.181%)	\$12,529.20
Sales Tax Total:	\$12,529.20
Sub Total:	\$148,998.01
Cash with Order:	\$0.00
Balance Due:	\$148,998.01

Legal Information

For the Construction Product(s)

ACKNOWLEDGMENTS - Purchaser offers to sell, transfer, and convey the item(s) listed as "Trade In" to the Dealer at or prior to the time of delivery of the above Product(s), as a "trade-in" to be applied against the cash price. Purchaser represents that each "trade-in" item shall be free and clear of all security interests, liens, and encumbrances at the time of transfer to the Dealer except to the extent shown below. The price to be allowed for each "trade-in" item is listed on this document. The Purchaser promises to pay the balance due shown hereon in cash, or to execute a Time Sale Agreement (Retail Installment Contract), or a Loan Agreement for the purchase price of the Product(s), plus additional charges shown thereon, or to execute a Lease Agreement, on or before delivery of the Product(s) ordered herein. Despite delivery of the Product(s) to the Purchaser, title shall remain with the Seller until one of the foregoing is accomplished. Except as provided herein and as necessary to protect RDO Equipment from the claims of a bankruptcy trustee or a buyer in the ordinary course of business, the Purchaser and the Dealer agree that this Purchase Order is not a security agreement and that delivery of the Product(s) to the Purchaser pursuant to this Purchase Order will not constitute possession of the Product(s) by the Purchaser, as a debtor, for the purposes of the purchase money security provisions in any statutes relating to personal property security or its equivalent. Purchaser understands that its rights in connection with this purchase are limited as set forth in this Purchase Order. I (we) hereby grant a security interest to RDO Equipment in the Product.

DISCLOSURE OF REGULATION APPLICABILITY - When operated in California, any off-road diesel vehicle may be subject to the California Air Resources Board In-Use Off-Road Diesel Vehicle Regulation. It therefore could be subject to retrofit or accelerated turnover requirements to reduce emissions of air pollutants. More information is available on the California Air Resources Board website at <http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>.

IMPORTANT WARRANTY NOTICE - The Standard Warranty for new John Deere construction and forestry products is set forth in a separate document provided by the dealer. Please read the Standard Warranty carefully before signing. No express warranty is made unless specified in the Warranty Statement. PURCHASER'S RIGHTS AND REMEDIES PERTAINING TO THIS PURCHASE ARE LIMITED AS INDICATED IN THE STANDARD WARRANTY AND PURCHASE ORDER. WHERE PERMITTED BY LAW, NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS IS MADE.

TERMS & CONDITIONS VERIFICATION STATEMENT Use of John Deere Data Services ("Services"), if applicable, and all rights and obligations of John Deere and the Purchaser (or "Customer" as identified in the applicable agreement), are governed by the terms and conditions outlined in the Warranty Statement and the applicable John Deere Construction & Forestry Company Subscriptions & Data Services Dealer Agreement and/or Customer Data Services agreements available at www.JohnDeere.com/Agreements. Purchaser agrees to be bound by these terms and conditions if Purchaser activates or otherwise uses any of the Data Services. If Purchaser does not agree to these terms and conditions, Purchaser must not activate or otherwise use the Data Services.

The undersigned purchaser(s) (the "Purchaser") hereby orders the product (the "Product") described above from the Dealer. The Dealer shall not be liable for failure to provide the Product or for any delay in delivery if such failure or delay is due to the Dealer's inability to obtain such Product from the manufacturer or supplier or other cause beyond the Dealer's control. The cash price shown above is subject to the Dealer receiving the Product from the manufacturer or supplier prior to any change in price by the manufacturer or supplier and is also subject to any new or increased taxes being imposed upon the sale of the Product after the date of this Purchase Order.

Upon signature of delivery acknowledgment, customer is accepting the equipment, including attachments, in "AS IS" condition, agreeing to notify RDO Equipment Co. within 24 hours of any damages or discrepancies found upon receipt of equipment.

Signature Area

Purchase Order Accepted By:

(Customer's Signature)

(Date Accepted)

(Authorized Signature of Dealer)

(Date Accepted)

Delivery of Equipment Acknowledgement:

(Customer's Signature)

/ Date Accepted /

Standard Warranty Acknowledgement:

(Delivered On)

(Warranty Begins)

Extended Warranty Oil Sampling Acknowledgement:

(Customer's Initials)

(deal owner's title's Initials)

Equipment Options

Qty	Serial Number	Year / Make / Model	Description
1	TBD	2019 JOHN DEERE 524L	7570DW 524L WHEEL LOADER 0924 JD POWERTECH ENGINE 1010 STANDARD WHEEL LOADER 1110 5 SP POWERSHIFT TRANSMISSION 1210 100 AMP ALTERNATOR 1310 FLAT BLACK CURVED STACK 1410 STANDARD ENGINE AIR INTAKE 1510 STANDARD HYDRAULIC FAN 1610 FUEL TANK W STD FILTER 170C JDLINK ULT 5 YEAR SERVICE 1905 STANDARD CAB 1934 5 INCH DISPLAY MONITOR 1970 HYDRAU HYDRAULIC FLUID 2010 STANDARD ZBAR 2120 STEERING WHEEL ONLY 2220 DELUXE SEAT, CLOTH 2360 JOYSTICK CONTROLS 2402 TWO FUNCTION HYDRAULICS 2510 RIDE CONTROL 2605 ENGLISH DECALS & MANUALS 2708 8 AMP CONVERTER 2890 NO PAYLOAD SCALE 3046 AXLE,STD REAR & HYD FRONT 3120 MANUAL DIFFERENTIAL LOCK 4932 20.5R25 1* L2 NBP RADIAL 3PC 5530 STANDARD FRONT FENDERS 5610 LEFT SIDE STEPS ONLY 5840 NO FORK FRAME 5940 NO TINES 7120 HALOGEN WORK & DRIVE LIGHTS 8220 REAR HITCH & COUNTERWEIGHT 8250 NO REAR CAMERA OR DETECTION 8298 NO STROBE BEACON OR BRACKET 8310 EXTERIOR MIRRORS - STANDARD 8360 RADIO - STANDARD 8450 AC CHARGE 8560 HYD COUPLER-JRB 416 PATTERN 8850 CUTTING EDGE BOLT ON - SHORT 8900 BUCKET - 2.5 CUBIC YARD 9410 GUARDS-TRANSMISSION & BOTTOM 9707 NBP 20.5R25 1* L2 RADIAL 3PC

STANDARD WARRANTY FOR NEW JOHN DEERE CONSTRUCTION, UTILITY, CCE AND FORESTRY PRODUCTS – US & Canada

- **Construction, Forestry & Compact Construction Equipment (CCE) Products***: 12 months Full Machine Standard Warranty
- *** Compact Construction Equipment Products** Delivered and settled on or after 01 June 2018: 24 months or 2000 hours (whichever comes first) Full Machine Standard Warranty
- **C&E Series Pull-Type Scrapers**: 6 months Full Machine Standard Warranty
- **DC & DE Series Pull-Type Scrapers**: 12 months Full Machine Standard Warranty
- **Scraper Tractors**: 24 Months or 2000 Hours (whichever occurs first) Full Machine Standard Warranty
- **Forestry Attachments**: 12 Months or 2000 Hours (whichever occurs first) Full Machine Standard Warranty
- **Frontier Equipment**: 6 months Full Machine Standard Warranty (90 days in rental applications)

The "Standard Warranty" is part of the warranty protection package available from John Deere Construction & Forestry Company (John Deere Limited in Canada) ("John Deere") to purchasers of new John Deere products ("product"):

STANDARD Warranty is John Deere's standard new product warranty, described in this document, provided at no additional charge to the purchaser.

EXTENDED Warranty is a separate repair contract made available by John Deere for purchasers who wish to complement their Standard Warranty coverage. Complete Extended Warranty details, including coverage options and limitations, are set forth in the Application for Extended Warranty, which is available from authorized John Deere dealers.

STRUCTURAL Warranty applies to certain structural components as listed below and as described in this document.

FACTORY-INSTALLED UNDERCARRIAGE Warranty applies to certain undercarriage components as listed below and as described in this document.

A. STANDARD WARRANTY - GENERAL PROVISIONS

John Deere will repair or replace, at its option, any parts (except those specified below) of a new John Deere product that, as delivered to the original retail purchaser(s), are defective in material or workmanship. Performance of this warranty will be free of charge for parts and labor/labour, except as otherwise stated below. Standard Warranty applies only to purchases from John Deere and authorized John Deere dealers and, except as otherwise provided in the next sentence and section L below, is extended only to the original retail purchaser of the product. Remaining Standard Warranty applicable to a used John Deere product is transferred to a subsequent purchaser of the product only if the subsequent purchaser requests a transfer from an authorized John Deere dealer before the product's Standard Warranty expires. Coverage begins on the date of delivery of the product to the original retail purchaser. For purposes of this warranty, a product that has been rented, used for demonstration purposes for 150 or more hours, or otherwise used prior to its original retail purchase has been "used" for the total duration of such use. Warranty statements required by law covering engine emissions-related parts and components are found on a separate written warranty certificate provided to the purchaser at the time of the original retail purchase.

B. WHAT IS COVERED BY STANDARD WARRANTY -

All parts of a new John Deere product (except those noted in Sections D and E below) are covered during the Standard Warranty period set out above.

C. EXCLUSIVE REMEDY -

The repair or replacement of covered parts or components that are defective, as provided in Sections A, B, D.2 and D.3 herein, shall be the purchaser's exclusive remedy for any defect in the product. However, if after repeated attempts such repair or replacement fails to correct the performance problem caused by the defect, the purchaser's sole remedy shall be a refund of the amount paid for the product (in exchange for a return of the product), excluding any transportation charges, license fees, taxes and insurance premiums, and less a reasonable allowance for use of the product prior to its return. In no event will the dealer, John Deere or any company affiliated with John Deere be liable for any incidental or consequential damages, including but not limited to loss of profits, rental of substitute equipment or other commercial loss. Correction of defects in the manner provided above shall constitute fulfillment of all liabilities of the Dealer, John Deere, or any company affiliated with John Deere to the purchaser or any other

person, whether based upon contract, tort, strict liability, or otherwise. This limitation does not apply to claims for personal injury.

D. ITEMS COVERED SEPARATELY -

1. Standard Warranty does not apply to batteries, radios, tires, cameras, or to Cummins, MTU or Detroit Diesel Engines installed in John Deere products, which are covered by separate written warranties.
2. Factory-Installed Undercarriage Warranty covers all non-rubberized factory-installed undercarriage wear components for 3 years or 4,000 hours from the date of delivery to the original retail purchaser, whichever occurs first (unless terminated earlier under Section F, below). For purposes of this warranty, a product that has been rented, used for demonstration purposes for 150 or more hours, or otherwise used prior to its original retail purchase has been "used" for the total duration of such use. In addition to the items listed in section E below, Factory-Installed Undercarriage Warranty does not cover: failures due to wear, machine application, maintenance practices, or improper machine configuration; removal and installation labor/labour; transportation or hauling costs; unapproved parts; non-wear items; and rubberized undercarriage components such as rubber tracks. Warranty claims will be pro-rated based upon wear of the failed component and whether track shoe width is approved by John Deere. Factory-Installed Undercarriage Warranty does not apply to Scraper Tractors.
3. StructurALL Warranty for new John Deere Products (except Compact Excavators & Loaders, Skid-Steer Loaders, Compact Track Loaders, Scraper Tractors, Pull-Type Scrapers, and Forestry Attachments, which are not eligible for StructurALL Warranty) begins at the date of delivery to the original retail purchaser and ends (unless terminated earlier under Section F, below) after three (3) years, or 10,000 hours (whichever occurs first). For purposes of this warranty, a product that has been rented, used for demonstration purposes for 150 or more hours, or otherwise used prior to its original retail purchase has been "used" for the total duration of such use. **StructurALL Warranty applies only to the following structural components listed below as installed on the product at the time of original manufacture.** If a particular component is not listed below it is not covered by StructurALL Warranty.

Arm; Articulation Joint (incl. pins & bushings); Bin Frame; Boom; Carbody; C-Frame*; Circle Frame; Coupler (John Deere built ONLY); Dipperstick; Draft Frame; Engine Frame; Equipment Frame; Grapple Arch and Grapple Boom; Loader Arm; Loader Frame; Mainframe; Moldboard Lift Arm; NeverGrease™ Pin Joints [Includes steering pin and bushing joints (standard equipment), roller elements (roller bearings) in bucket to boom joints and sliding elements (bushing) for boom and linkage joints (optional equipment)]; Rollover Protection Structure (ROPS); Side Frame; Swing Frame; Track Frame; Undercarriage Frame; X-Frame; Z-bar loader linkage (including bell crank and bucket driver link); Specialty booms and arms marketed as "heavy duty" by John Deere.

Items Covered by StructurALL for Cut-to-Length Forestry Machines: Front frame (welded assembly); Rear frame (welded assembly); Crane king post with basement; Middle joint frame; Cabin swing frame; Main Boom

StructurALL Warranty does not apply to:

1. Any product used primarily in extreme duty or severe duty applications such as but not limited to: demolition and wrecking, chemical plant (including fertilizer plants), salt mines, steel mill, land fill and transfer stations, scrap handling, scarifying and other applications that are similarly destructive or similarly heavy duty except specialty booms and arms as stated in Section D.3 above.
2. C-Frames on H-Series & J-Series Crawlers equipped with root rakes or used in forestry applications unless equipped with an "extreme duty" reinforcement package.
3. Cut-to-Length Forestry Heads and Slash Bundler Units.
4. Crawlers equipped with optional side booms.
5. Cut-to-Length Forestry, Excavator, and Log Loader swing bearings.
6. Motor Graders equipped with front- or rear-mounted snow wings.

E. ITEMS NOT COVERED -

John Deere is NOT responsible for the following:

1. Freight
2. Adjustments to compensate for wear, for periodic maintenance or adjustments that result from normal wear and tear.
3. Damage caused by unapproved adjustments (electronic or mechanical) to machine or machine components outside of published specifications including but not limited to engine, hydraulic components and relief valves.
4. Program updates, calibrations, and pressure adjustments.
5. Diagnostic Time
6. Additional Labor/Labour Time - Above SPG/Labor/Labour Rate
7. Additional Cleaning - Above SPG/Labor/Labour Rate
8. Rental Fees
9. Depreciation or damage caused by normal wear or application, lack of reasonable and proper maintenance, failure to follow operating instructions, misuse, negligence, collision or other accidents.
10. Premiums charged for Overtime Labor/Labour
11. Transportation to and from the dealership.
12. Travel time, mileage or service calls by the dealer.
13. Non-John Deere components or modifications, Rotobec grapples, and attachments installed aftermarket.
14. Shop supplies and maintenance items such as, but not limited to: filters, fuels, oil, hydraulic fluid, lubricants, coolants, conditioners, shop towels, cleaners and degreasers. Note: Reimbursement for refills of oils/coolants lost due to a warrantable failure is covered when a system failure occurs outside the boundaries of a normal oil change (within 25% of specified change interval as provided in the Operator's Manual).
15. Torn, cut, or worn hoses.
16. Wear items, such as, but not limited to: body liner, belts, blades, bulbs, lubricated joints (including pins and bushings), dry brakes, brake linings, dry clutch linings, saw blades, chains, skidder grapple shocks, color marking nozzles, and articulation bumpers.
17. Items such as cutting-edge parts, delimiting knives, bucket teeth and rubber track are not warranted for depreciation or damage caused by normal wear, lack of proper maintenance, misuse, failure to follow operating instructions, the elements or accident.
18. Any defect in a non-covered component, or damage to or failure of a covered component caused by a defect in a non-covered component.
19. Secondary damage which occurs from continued operation of a product after recognition of the occurrence of a failure.
20. Parts supplied or modifications done by third party suppliers.
21. Topping off fluids when fluid levels fall in the range between low and full
22. Parts/Kits not ordered on machine and installed aftermarket. These parts will be covered by any applicable parts warranty.
23. Attachments installed aftermarket – i.e. Winch not installed at factory.
24. Custom options installed outside the factory – i.e. G.R. Manufacturing option packages.
25. Used Products (except as otherwise provided in section L below).

F. TERMINATION OF WARRANTY-

John Deere is relieved of its obligations under Standard Warranty, StructurALL Warranty, Factory-Installed Undercarriage Warranty and/or Extended Warranty if:

1. Service (other than normal maintenance and replacement of service items) is performed by someone other than an authorized John Deere dealer; or
2. The product is modified or altered in ways not approved by John Deere; or
3. Any unapproved or improperly sized attachment is installed on the product. Approval and attachment size shall be at John Deere's sole discretion. (Consult dealer prior to installing attachments or product modification).
4. The product is moved outside the US and/or Canada.

G. PARTS REPLACED UNDER WARRANTY -

Only new or remanufactured parts or components furnished or approved by John Deere, will be used if John Deere elects to repair the product. If any such part or component is defective in material or workmanship when installed in the product, John Deere will repair or replace, as it elects, such defective part or component, provided the defect is

reported to an authorized John Deere dealer within 90 days of installation or before expiration of the applicable Standard Warranty, Factory-Installed Undercarriage Warranty and/or StructurALL Warranty whichever is later.

H. TELEMATICS

NOTICE: Products may be equipped with telematics hardware and software ("Telematics") that transmit data to John Deere/ Dealer. Purchaser may deactivate Telematics at www.jdlink.com.

Notwithstanding Purchaser's right, title or interest in the Products, Purchaser agrees that John Deere and Dealer (their affiliates, successors and assigns), without further notice to Purchaser have the right to:

1. Access, use, collect and disclose any data generated by, collected by, or stored in, Products or any hardware or devices interfacing with Products ("Machine Data");
2. Access Machine Data directly through data reporting devices integrated within, or attached to, Products, including Telematics ("Data Reporting Systems"); and
3. Update the Data Reporting Systems software from time to time. Machine Data will only be used in accordance with John Deere's Machine Data Policy, located at www.JohnDeere.com/MachineDataPolicy.

I. OBTAINING WARRANTY SERVICE -

To obtain warranty service, the purchaser must request warranty service from a John Deere dealer authorized to sell the product to be serviced. When making such a request, the purchaser must present evidence of the product's delivery date, make the product available at the dealer's place of business, and inform the dealer in what way the purchaser believes the product to be defective. Standard Warranty, Factory-Installed Undercarriage Warranty and/or StructurALL Warranty repairs may be made in the field if the purchaser and servicing dealer so desire. However, John Deere will not be responsible for any charges (such as dealer travel time, mileage or extra labor/labour) that would not have been incurred had the product been repaired at the dealer's place of business.

J. NO IMPLIED WARRANTY, CONDITIONS OR OTHER REPRESENTATION -

Where permitted by law, neither John Deere nor any company affiliated with it makes any warranties, representations, conditions or promises, express or implied, as to the quality, performance, or freedom from defect of its products, other than those set forth in this document and **NO IMPLIED WARRANTY OF MERCHANTABILITY, CONDITIONS OR FITNESS IS MADE.**

K. NO DEALER WARRANTY -

The selling dealer makes no warranty of its own on any item covered by this warranty, and makes no warranty on other items unless the dealer delivers to the purchaser a separate written warranty certificate specifically warranting the item. **The dealer has no authority to make any representation or promise on behalf of John Deere, or to modify the terms or limitations of this warranty in any way.**

L. USED JOHN DEERE PRODUCTS ONLY -

John Deere will transfer remaining Standard Warranty, Factory-Installed Undercarriage Warranty and/or StructurALL Warranty to the purchaser of a used John Deere construction and/or forestry product that has been used for less than the full warranty period provided at the product's original retail purchase. This transfer is not effective until change of ownership is registered by a John Deere dealer. **ALL THE TERMS, INCLUDING LIMITATIONS AND EXCLUSIONS, OF THE JOHN DEERE STANDARD WARRANTY, FACTORY-INSTALLED UNDERCARRIAGE WARRANTY, AND/OR STRUCTURALL WARRANTY ORIGINALLY PROVIDED FOR THE PRODUCT REMAIN IN EFFECT AND APPLICABLE.**

