

PUBLIC NOTICE

**THE PINETOP-LAKESIDE TOWN COUNCIL
WILL HOLD A REGULAR MEETING ON
THURSDAY, FEBRUARY 5, 2026, AT 6:00 P.M.
THE MEETING WILL BE HELD IN THE TOWN COUNCIL CHAMBERS
LOCATED AT 325 W. WHITE MOUNTAIN BOULEVARD,
LAKESIDE AZ 85929**

SOME MEMBERS OF COUNCIL MAY PARTICIPATE TELEPHONICALLY

AGENDA

A. Call to Order

Mayor

- Roll Call and Ascertain Quorum
- Pledge of Allegiance
- Invocation

Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Town Clerk's Office and interested persons should contact the Town Clerk's Office for further information.

B. Call to the Public

Mayor

This is a business meeting of the Town Council. The Town values and welcomes public input. Please address the Council as a whole and not individual Council Members. Do not address staff or members of the audience. Council action on items brought up in Call to the Public is limited by the Open Meeting Law. The Council may direct staff to study the matter and reschedule for further consideration at a later date. Items on the agenda will not be heard or discussed in Call to the Public. Individuals are limited to three (3) minutes.

C. Consent Agenda

Mayor

All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of Town Council requests that an item or items be removed for discussion. Council Member may ask questions without removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.

C.1 Consider Approval of the Minutes of the Town Council *Deputy Clerk*
Special Meeting held on January 14, 2026. *Valichnac*

C.2 Consider Approval of the Minutes of the Town Council *Deputy Clerk*
Regular Meeting held on January 15, 2026. *Valichnac*

C.3 Consider Approval of the Minutes of the Town Council *Deputy Clerk*
Special Meeting held on January 21, 2026. *Valichnac*

D. Business Before the Council

Public comment will be taken at the beginning of each agenda item after the subject has been announced by the Mayor and explained by staff. Any citizen who wishes may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

D.1 Discussion and Consider Legal Action of Resolution No. 26-1799, *Town Manager Salskov*
Entering into an Intergovernmental Agreement (IGA) with Navajo County for Court Collection and Criminal Justice Services.

D.2 Discussion and Consider Legal Action of Resolution No. *Interim Town Clerk Valichnac*
26-1800, Approving a Call of Election for the August 4, 2026 Primary Election and November 3, 2026 General Election.

D.3 Discussion, Review and Possible Approval of the Town *Mayor Irwin*
Manager Contract.

E. **Adjournment** *Mayor Irwin*

Posted on January 30, 2026 at 5:00 p.m. at the following locations:

Mackenzie Valichnac, CMC
Deputy Town Clerk

Town Hall
325 W. White Mountain Blvd.
Lakeside, AZ 85929

Town Website
<https://pinetoplakesideaz.gov>

Pinetop U.S. Post Office
712 E. White Mountain Blvd.
Pinetop, AZ 85935

Lakeside U.S. Post Office
1815 W. Jackson Lane
Lakeside, AZ 85929

Meeting can be viewed at https://www.youtube.com/channel/UCN53WdzuQen_exXNbatODlw.

Note: This meeting is open to the public. All interested people are welcome to attend. A copy of agenda background material provided to Council Members, with the exception of material relating to possible executive session, are available for public inspection at the Town Clerk’s Office, 325 W. White Mountain

Boulevard, Lakeside, AZ 85929, Monday through Friday from 8:00 a.m. to 5:00 p.m. or online at <https://pinetoplakesideaz.gov>

AMERICAN WITH DISABILITIES ACT: The Town of Pinetop-Lakeside intends to comply with the A.D.A. If you are disabled or physically challenged and need special accommodations to participate, please contact the Town Clerk at (928) 368-8696 Ext. 221 at least 48 hours prior to the meeting.



Meeting Date:	February 5, 2026	Agenda Item #:	C.1
Subject:	Consider Approval of the Minutes of the Town Council Special Meeting held on January 14, 2026.		

**MINUTES OF THE SPECIAL MEETING OF THE
HONORABLE TOWN COUNCIL OF THE TOWN OF PINETOP-
LAKESIDE, ARIZONA, HELD ON WEDNESDAY, JANUARY 14, 2026, IN
THE TOWN COUNCIL CHAMBERS LOCATED AT 325 W. WHITE
MOUNTAIN BOULEVARD, LAKESIDE, AZ 85929**

➤ **Roll Call**

The following Council Members were present:

Name	Position
Stephanie Irwin	Mayor
Sterling Beus	Vice Mayor
Taber Heisler	Council Member
Jerry Smith	Council Member
Harry Turner	Council Member
Todd Fernau	Council Member
Jeff Phillips	Council Member

Staff Present:

Name	Position
Kristi Salskov	Town Clerk-Interim Town Manager
Dan Barnes	Chief of Police-PLPD
Dan Wilkey	Police Commander
Stacy MacArthur	Accountant
Mackenzie Valichnac	Deputy Town Clerk
Malaina Spillman	Interim Public Works Director
Mary Ann Hampton	Library
Annie DeRosier	Marketing & Communications Director
Precila De La Garza	Police Department Secretary
Eric De La Garza	Collection Center Supervisor
Frank Naranjo	Parks Supervisor
Luis Gonzalez	Facilities Department
Lisa Mears	Public Works Secretary
Allanna Jackson	Visitor Center Receptionist
Rose Jones	Parks Department

Mayor Irwin called the Special Meeting of the Pinetop-Lakeside Town Council to order at 4:00 p.m.

B. Business Before the Council

B.1 Town Manager Candidate Public Presentations.

To view this item, please go to:

<https://www.youtube.com/watch?v=2rBieIKG3UM>

Accountant MacArthur explained the final steps of Town Manager hiring process. At this meeting, the applicants will be presenting their public presentation. There will not be follow-up questions after the presentation.

Applicant Jak Teel presented first. To view the presentation, use the link above. The presentation started at minute 5:00.

Applicant Kristi Salskov presented second. To view the presentation, use the link above. The presentation started at minute 22:45.

After the presentations, Mayor Irwin adjourned the meeting.

Adjournment

Mayor Irwin

There being no further business at this time, the regular meeting was adjourned at approximately 4:42 p.m.

Stephanie Irwin
Mayor

ATTEST:

Mackenzie Valichnac, CMC
Deputy Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Town Council of the Town of Pinetop-Lakeside, Arizona, held on the 14th day of January, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of January, 2026.

Mackenzie Valichnac, CMC
Deputy Town Clerk



Meeting Date:	February 5, 2026	Agenda Item #:	C.2
Subject:	Consider Approval of the Minutes of the Town Council Regular Meeting held on January 14, 2026.		

**MINUTES OF THE REGULAR MEETING OF THE
HONORABLE TOWN COUNCIL OF THE TOWN OF PINETOP-
LAKESIDE, ARIZONA, HELD ON THURSDAY, JANUARY 15, 2026, IN
THE TOWN COUNCIL CHAMBERS LOCATED AT 325 W. WHITE
MOUNTAIN BOULEVARD, LAKESIDE, AZ 85929**

➤ **Roll Call**

The following Council Members were present:

Name	Position
Stephanie Irwin	Mayor
Sterling Beus	Vice Mayor
Taber Heisler	Council Member
Jeff Phillips	Council Member
Todd Fernau	Council Member
Jerry Smith	Council Member
Harry Turner	Council Member

Staff Present:

Name	Position
Kristi Salskov	Town Clerk/ Interim Town Manager
Dan Barnes	Police Chief
Daniel Wilkey	Police Commander
Malaina Spillman	Interim Public Works Director
Gabe Buldra	Finance Director (telephonically)
Stacy MacArthur	Accountant
Betsy Peck	Library Manager
Annie DeRosier	Marketing & Communications Director
Frank Naranjo	Public Works Parks Supervisor
Mackenzie Valichnac	Deputy Town Clerk
Lisa Mears	Public Works Secretary
Precila De La Garza	Police Executive Secretary
Eric De La Garza	Collection Center Supervisor

Mayor Irwin called the Regular Meeting of the Pinetop-Lakeside Town Council to order at 6:00 p.m. A quorum was present.

➤ **Pledge of Allegiance and Invocation**

Mayor Irwin led the Pledge of Allegiance to the Flag.

The Invocation was offered by Council Member Fernau.

B. Call to the Public

Mayor Irwin called for public comments.

Mike Moffenbier, President of the Pinetop-Lakeside Chamber of Commerce, initially approached the podium but was asked to reserve comments related to the Town Manager interviews for Agenda Item D.2.

Jennifer Buttero stated, *“Good evening, everyone, Vice Mayor or Mayor, Vice Mayor and Council. So, in looking back at last year's transactions and things like that, I want to say everyone did a wonderful job on being able to tighten things up. I just want to put a challenge out there, not only for our residents, but also within, the town staff. When looking at a lot of the transactions, a lot of them were, outside of town limits that potentially we have retailers who are who are within town limits, certain things like hardware stores and stuff like that. And I just wanted to challenge all of us to try and take a step back and look and think, “how could I spend my money a little bit more locally, like, extreme local?” And for such as, like, Ace Hardware, the Brown family is incredibly generous. I can't tell you how many times you've probably seen the donations that they have spread throughout the community. So just being a little bit more mindful of that. The second item is when it, also comes to purchases, a lot of several transactions within one department across several days taking place. How can we be a little bit more thoughtful in terms of can we maybe take a Friday afternoon to sit back and think, “hey, what do we need to buy for next week?” Especially within our own departments and consolidate that so we only have somebody going out once within a week or twice versus numerous times.” So that way we can hopefully move through our projects a little bit more efficiently. So that was my only cause of the action. Thank you.”*

C. Consent Agenda

Mayor Irwin announced consideration of the Consent Agenda and explained that all items listed would be acted upon by a single vote of the Council, unless a member of the Council asked that specific items be removed from the Consent Agenda, discussed, and voted upon separately.

Vice Mayor Beus moved to approve the Consent Agenda. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Turner	X		
Council Member Smith	X		

Mayor Irwin then declared the motion passed unanimously.

C.1 Consider Approval of the Minutes of the Town Council Regular Meeting held on December 4, 2025.

Vice Mayor Beus moved to approve the Minutes of the Town Council Regular Meeting held on December 4, 2025. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Smith	X		
Council Member Turner	X		

C.2 Consider Approval of the Minutes of the Town Council Work Session held on December 4, 2025.

Vice Mayor Beus moved to approve the Minutes of the Town Council Work Session held on December 4, 2025. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Smith	X		
Council Member Turner	X		

C.3 Consider Approval of the Minutes of the Town Council Regular Meeting held on December 18, 2025.

Vice Mayor Beus moved to approve the Minutes of the Town Council Regular Meeting held on December 18, 2025. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Smith	X		
Council Member Turner	X		

C.4 Consider Approval of the Town Check Register for the Period of December 1 through 31, 2025.

Vice Mayor Beus moved to approve the Town Check Register for the Period of December 1 through 31, 2025. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Smith	X		
Council Member Turner	X		

D. Business Before the Council

D.1 Presentation of the December 2025 Financial Report.

To view this item, please go to:

<https://www.youtube.com/live/gUISu00MWPg?si=c5WfjNCPmfqBU23l>

This item begins at minute: 7:45.

Finance Director Gabe Buldra presented the December 2025 Financial Report.

Key highlights included: - General Fund revenues year-to-date totaled approximately \$3.96 million. Transaction Privilege Tax collections were approximately \$2.8 million. General Fund expenditure was approximately 39% percent of budget, remaining below targeted spending levels. The General Fund cash balance increased month-over-month, with a projected year-end balance of approximately \$1.4 million.

Council thanked Director Buldra for the report. No action was taken.

D.2 Interviews of Town Manager Applicants Kristi Salskov and Jak Teel

<https://www.youtube.com/live/gUISu00MWPg?si=c5WfjNCPmfqBU23l>

This item begins at minute: 11:50.

Mike Moffenbier stated, *“Again, I want to just thank the committee, the hiring committee, you did an amazing job. Our town certainly deserves the best, and I'm sure you guys are going to deliver that to us. I think what we need in our town is somebody who can quickly assess, you know, operations, innovation, and where a town needs to be headed. We need somebody with stability and consistency. We need somebody who can determine short term action, long term vision, and the ability to manage controls and pivot community and budget control. We have to discern fiscal responsibility and be able to document fiscal responsibility. We must be able to live the real game, not talk a good game. So, I just ask that all of you to take that into consideration. And they must be present and active in the community, both the local constituents as well as the business community. And as the president of the Chamber of Commerce, I just ask all of you to keep that in high consideration, and I know that you'll make the right decision tonight. Thank you very much.”*

Jennifer Buttero stated, *“Good evening, everyone. Thank you so much for inviting me to be a part of the meet and greet last night. It was, it was really good. It was really important, to be able to not only see what each candidate brings to the table, but also to hear from fellow town members what they find most important within our community. A couple of my peers within the community raised a lot of questions in terms of each one of the candidates, and a lot of them were addressed last night. As you go into contract tonight with the final decision, I just ask that you take into consideration, the ability for the candidate to be able to see their decisions through over the course of, a five year plan and to make sure that we are not coming back here in a year or two and having to revisit this, due to, you know, whatever a candidate decides to do after a very short period of time. Being able to make a decision and then also seeing it come to fruition is absolutely critical. So, I hope that we can all take that into consideration when we're looking at our contract and making sure that we're locking our candidate in place permanently. Thank you.”*

Allison Hephner stated, “Mayor, Vice Mayor, Council, staff. Hi, everyone. I’m here and I’m really excited for what’s going on, and we’re getting a new town manager. So, thank you for that. I know too, like Jennifer says, I know that a lot of went into that. I just want to provide some insight. I’m up here because I want to support a specific candidate. And the reason for that is recently I had a lot of work that has kind of held up in a project that I’m working on in this community. And this individual was able to reduce the barriers very quickly, and I was able to partner with the staff a little bit more efficiently. I didn’t know this person before this. It was pretty obvious, and it made things much easier and we’re back on track. And that’s what’s important is in this community. For me, as somebody who’s a community champion and has been responsible for bringing several million dollars into the community, I’ve worked really hard at doing that. And it’s my partnership, and it’s the fact that I’m a local, and I’ve been living here for thirty-five years. It has given me the opportunity to be able to expand a lot of things in this community. You have to know the people, and you have to know the community. One of the things that we see a lot, with working a lot with Summit, our physicians come here and they can’t stay. Their wives don’t like it, their family’s not here, what you know, it’s a different place, you’re kind of by yourself. You also have to have the in. You got to be a local a lot of the time, just to get things done. So, this individual, has done a lot in a little a short time. And it’s just I just want to let you know that I personally am impressed by it. I hope that, you guys see some of that too. So I just wanted to speak to that. So, thank you.”

Rob Hephner stated, “Mayor, Vice Mayor, and Council Members, staff, you obviously have a hard decision in front of you. I watched the other evening as the presentations were made of you online. You have two very solid candidates. I think that’s that is a testament to the process that you went through to get to this point. From this point, I would say to you, fifteen years ago, I moved here. There was a unifying message that was given to me when I got here fifteen years ago. I’ve heard it again and again and again. In fact, we just heard it at the very beginning of the meeting in the Call of the Public. At one point during COVID, we had a 30 foot by 10 foot sign at the entry of town saying, “please buy local”. Local solid to a local community and to a small community and local should be, if all things are considered equal and you can buy local, it should be the obvious choice. So, I would say to you, when you’re looking at this and, you know, specifically speaking to Kristi and nothing against the other candidate, she’s done already something in the job. So, you’re not even you’re not even trying this without knowing. You’re knowing. She’s already done great things. You’ve just heard from my wife. And I can tell you internally that hadn’t moved at all. She needed MOU with the Blue Ridge. That wouldn’t have happened without Kristi. Kristi stepped in, did the work. I don’t know if you’ve ever dealt with Blue Ridge. I’m not going to name names but there’s individuals who can hold it up and make it not happen, and she made it happen with that individual. So that’s a testament to her. So, I can say undoubtedly that, “buy local” would be a great message to send. Hire local. You know, you say consistently we were sitting in the economic development, meeting. And it was like, well, we want people to be able to, you know, we want our kids to be able to come back here and have a job. So, when a person lives in the

community, is vested in the community, and does the job, I think they've earned it. Thank you for your time."

Mayor Irwin thanked everyone for their comments and stated that they will proceed with the interviews. Each candidate was given the questions 24 hours in advance to evaluate their depth of understanding instead of who is able to respond to questions under pressure. Council will consider all of the evaluations and feedback that has occurred over the application process.

Kristi Salskov was interviewed first. To view the interview please use the link above starting at minute 20:30.

Jak Teel was interviewed second. To view the interview please use the link above starting at minute 31:03.

D.3 Pursuant to A.R.S. 38-431.03 A.(1)(3)(4) Upon a public majority vote of the members constituting a quorum, a public body may hold an executive session but only for the following purpose:

1. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine to be maintained as confidential or consideration should occur at a public meeting.

3. Discussion or consultation for legal advice with the attorney or attorneys of the public body.

4. Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.

➤ *Discussion, Consideration and Possible Appointment of a Town Manger.*

Town Council will reconvene the Regular Meeting to consider taking action on item D.3.

Vice Mayor Beus made a motion to go into Executive Session. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Smith	X		
Council Member Turner	X		

Mayor Irwin then declared the motion passed unanimously. The Council entered into Executive Session at 6:44 p.m. and reconvened at 7:37 p.m.

Mayor Irwin stated that this has been a long process to pick the next Town Manager. She believes that either of the candidates would do an amazing job and she thanked both of them for applying. Throughout the process, the Council has received input from community members and staff, which has been taken into consideration.

Mayor Irwin made a motion to go into contract negotiations with Kristi Salskov. Council Member Heisler seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Smith	X		
Council Member Turner	X		

Mayor Irwin then declared the motion passed unanimously.

D.4 Pursuant to A.R.S. 38-431.03 A.(3)(4) Upon a public majority vote of the members constituting a quorum, a public body may hold an executive session but only for the following purpose:

- 3. Discussion or consultation for legal advice with the attorney or attorneys of the public body.**
- 4. Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of**

negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.

- *Discussion and provide direction to the Town Attorney regarding Town Manager contract negotiation.*

Town Council will reconvene the to adjourn the Regular Meeting. No action will be taken on this item.

Vice Mayor Beus made a motion to go into Executive Session. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Phillips	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Smith	X		
Council Member Turner	X		

Mayor Irwin then declared the motion passed unanimously. The Council entered into Executive Session at 7:40 p.m. and reconvened at 8:15 p.m.

No action was taken.

Adjournment:

Mayor Irwin

There being no further business at this time, the regular meeting was adjourned at approximately 8:15 p.m.

Stephanie Irwin,
Mayor

ATTEST:

Mackenzie Valichnac, CMC,
Deputy Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Pinetop-Lakeside, Arizona, held on the 15th day of January, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 15th day of January, 2026.

Mackenzie Valichnac, CMC,
Deputy Clerk



Meeting Date:	February 5, 2026	Agenda Item #:	C.3
Subject:	Consider Approval of the Minutes of the Town Council Special Meeting held on January 21, 2026.		

**MINUTES OF THE SPECIAL MEETING OF THE
HONORABLE TOWN COUNCIL OF THE TOWN OF PINETOP-
LAKESIDE, ARIZONA, HELD ON WEDNESDAY, JANUARY 21, 2026, IN
THE TOWN COUNCIL CHAMBERS LOCATED AT 325 W. WHITE
MOUNTAIN BOULEVARD, LAKESIDE, AZ 85929**

➤ **Roll Call**

The following Council Members were present:

Name	Position
Stephanie Irwin	Mayor
Sterling Beus	Vice Mayor
Taber Heisler	Council Member
Jerry Smith	Council Member
Harry Turner	Council Member
Todd Fernau	Council Member
Jeff Phillips	Council Member

Staff Present:

Name	Position
Kristi Salskov	Town Clerk-Interim Town Manager
Dan Barnes	Chief of Police-PLPD
Dan Wilkey	Police Commander
Stacy MacArthur	Accountant
Mackenzie Valichnac	Deputy Town Clerk
Malaina Spillman	Interim Public Works Director
Betsy Peck	Library Director
Annie DeRosier	Marketing & Communications Director
Precila De La Garza	Police Department Executive Secretary

Mayor Irwin called the Special Meeting of the Pinetop-Lakeside Town Council to order at 4:00 p.m.

B. Business Before the Council

B.1 Pursuant to A.R.S. 38-431.03 A.(3)(4) Upon a public majority vote of the members constituting a quorum, a public body may hold an executive session but only for the following purpose: 3. Discussion or consultation for legal advice with the attorney or attorneys of the public body. 4. Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. → Discussion and provide direction to the Town Attorney regarding Town Manager contract negotiation.

To view this item, please go to:

<https://www.youtube.com/live/ZfEWznsfkZE?si=MuCcdyuPudMGUY8m> and <https://www.youtube.com/live/dKae7mRvNbY?si=OAbPb0dYtnWBWHHh>

Mayor Irwin introduced the agenda item.

Vice Mayor Beus moved to enter into executive session. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Heisler	X		
Council Member Fernau	X		
Council Member Turner	X		
Council Member Phillips	X		
Council Member Smith	X		

Mayor Irwin then declared the motion passed unanimously. The Council entered into Executive Session at 4:01 p.m. and reconvened at 5:07 p.m. The Town Attorney will create a contract with the terms that were agreed upon and the contract will be approved at a future Town Council meeting.

Adjournment

Mayor Irwin

There being no further business at this time, the regular meeting was adjourned at approximately 5:08 p.m.

Stephanie Irwin
Mayor

ATTEST:

Mackenzie Valichnac, CMC
Deputy Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Town Council of the Town of Pinetop-Lakeside, Arizona, held on the 21st day of January, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 21st day of January, 2026.

Mackenzie Valichnac, CMC
Deputy Town Clerk



Meeting Date:	February 5, 2026	Agenda Item #:	D.1
Subject:	Discussion and Consider Legal Action of Resolution No. 26-1799, Entering into an Intergovernmental Agreement (IGA) with Navajo County for Court Collection and Criminal Justice Services.		



TOWN OF PINETOP-LAKESIDE COUNCIL DECISION REQUEST (CDR)

Meeting Date: February 5, 2026

Agenda Item #: **D.1**

Subject: Discussion and Consider Legal Action of Resolution No. 26-1799, Entering in to an Intergovernmental Agreement (IGA) with Navajo County for Court Collection and Criminal Justice Services.

Department/Presenter: Kristi Salskov, Town Manager

Type of Action Requested: Resolution Ordinance Formal Action/Motion
 Public Hearing Other

BACKGROUND:

The Town of Pinetop-Lakeside is a party to an Intergovernmental Agreement (IGA) with Navajo County and several other incorporated municipalities for the provision of court collection and criminal justice services. Under this agreement, Navajo County provides court collection services for municipal Magistrate Courts and, through the County Attorney and Public Defender, provides prosecution and defense services for certain criminal misdemeanor cases filed in Justice Court by municipal law enforcement officers.

Arizona Revised Statutes §§ 11-951 and 11-952 authorize public agencies to enter into intergovernmental agreements for joint or cooperative action. A.R.S. § 11-952(L) further authorizes such agreements between municipalities and courts for related services for a term not to exceed ten years, subject to approval.

The attached IGA continues the long-standing practice of utilizing Navajo County services to promote efficiency, consistency, and continuity in court operations and criminal justice services. The agreement is for a one-year term beginning in FY 2025-2026 and applies uniformly to the participating municipalities.

FINANCIAL ANALYSIS:

Under the terms of the IGA, each participating municipality is required to pay an annual Court Collection and Criminal Justice Services fee to Navajo County. The fee structure is intended as an interim methodology for this one-year term and will remain unchanged for the duration of the agreement.

For FY 2025-2026, the Town of Pinetop-Lakeside's annual fee is \$16,570.00

This fee covers:

- Court collection services for civil and criminal fines, restitution, and other court-ordered monetary amounts associated with the Town's Magistrate Court; and
- Prosecution of state law misdemeanor cases filed in Justice Court by municipal police officers, as well as defense services provided by the Public Defender, including necessary support services.

Funds for this expense are included within the adopted budget for FY 2025-2026. The agreement does not include cost escalators during the term and allows for withdrawal with proper notice should the Town determine an alternative service delivery model is warranted in the future.

RECOMMENDATION

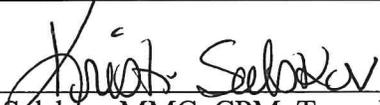
Staff recommends that the Town Council approve the Intergovernmental Agreement for Court Collection and Criminal Justice Services with Navajo County and authorize the Mayor to execute the agreement on behalf of the Town

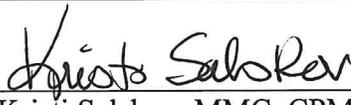
ALTERNATIVES:

Take no action.

RECOMMENDED MOTION:

I move to adopt Resolution No. 26-1799, entering into an Intergovernmental Agreement (IGA) with Navajo County for Court Collections and Criminal Justice Services.

Recommended by:

Kristi Salskov, MMC, CPM, Town Manager

Reviewed and Approved by:

Kristi Salskov, MMC, CPM, Town Manager

TOWN OF PINETOP-LAKESIDE

RESOLUTION NO. 26-1799

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, AUTHORIZING THE MAYOR TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH NAVAJO COUNTY AND OTHER PARTICIPATING MUNICIPALITIES FOR COURT COLLECTION AND CRIMINAL JUSTICE SERVICES.

WHEREAS, Arizona Revised statutes §§11-951 and 11-952 authorize public agencies to enter into intergovernmental agreements for joint or cooperative action:
and

WHEREAS, Navajo County provides court collection services for municipal Magistrate Courts and criminal justice services through the County Attorney and Public defender for certain misdemeanor cases filed in Justice Court; and

WHEREAS, the Town of Pinetop-Lakeside desires to continue participating in an intergovernmental agreement to ensure efficient and effective delivery of these services; and

WHEREAS, the Intergovernmental Agreement establishes a one-year term and an annual fee of \$16,570.00 for FY2025-2026 for the Town of Pinetop-Lakeside.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Pinetop-Lakeside, Arizona, as follows:

1. The Town Council hereby approves the Intergovernmental Agreement for Court Collection and Criminal Justice Services with Navajo County and the Participating municipalities.
2. The Mayor is authorized and directed to execute the Intergovernmental Agreement and such other documents as may be necessary to implement the Intergovernmental Agreement on behalf of the Town.
3. This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by a majority vote of the Mayor and Town Council of the Town of Pinetop-Lakeside in an open meeting on this 5th day of February, 2026.

TOWN OF PINETOP-LAKESIDE

Stephanie Irwin
Mayor

ATTEST:

Mackenzie Valichnac, CMC
Interim Town Clerk

APPROVED AS TO FORM:

William J. Sims

William J. Sims, III
Town Attorney

**INTERGOVERNMENTAL AGREEMENT FOR COURT COLLECTION AND
CRIMINAL JUSTICE SERVICES**

THIS INTERGOVERNMENTAL AGREEMENT (“IGA”) is made as of November 18, 2025 (the “Effective Date”) by and between NAVAJO COUNTY, a political subdivision of the State of Arizona (the “County”), and the incorporated Arizona Municipalities of HOLBROOK, PINETOP-LAKESIDE, SHOW LOW, SNOWFLAKE, TAYLOR, AND WINSLOW (individually the “Municipality” and collectively the “Municipalities”).

WHEREAS, the County operates the Holbrook, Pinetop-Lakeside, Show Low, Snowflake-Taylor, and Winslow Justice Courts in the respective Municipalities; and

WHEREAS, the Municipalities operate their own municipal Magistrate Courts; and

WHEREAS, both types of courts process cases involving matters originating within the corporate limits of the respective Municipality; and

WHEREAS, the court collection duties of the Justice Court and the Magistrate Court are similar in most respects; and

WHEREAS, A.R.S. §§ 11-951 and 11-952 authorize public agencies such as the County and the Municipalities to enter into intergovernmental agreements for joint or cooperative action; and

WHEREAS, A.R.S. § 11-952(L) specifically provides that public agencies may enter into intergovernmental agreements with the Superior Court, Justice Courts, and Magistrate Courts concerning related services and facilities for a term not to exceed ten years, with the approval of any such agreement by the Presiding Judge of the Superior Court in the county in which the court or courts providing the services or facilities are located; and

WHEREAS, each Municipality has requested that the County Court Collection Staff perform collection services for its Magistrate Court, and the County is willing to provide such services upon the terms set forth herein; and

WHEREAS, each Municipality has likewise requested that the County, through its County Attorney and Public Defender, provide criminal prosecution and defense services in criminal misdemeanor cases filed by the Municipality’s police officers in the Justice Court, and the County is willing to provide such services upon the terms set forth herein.

NOW, THEREFORE, the parties hereby agree as follows:

1. PURPOSE:

- A.** The purpose of this IGA is to achieve greater efficiency in the operation of the Magistrate and Justice Courts by having the County Court Collection staff perform collection services for the Magistrate Courts.

B. The further purpose of this IGA is to continue the practice of having Municipal police officers and other law enforcement officers file criminal misdemeanor cases, other than municipal code violations, in the appropriate Justice Court for prosecution by the County Attorney and defense by the Public Defender, and to provide for compensation from each Municipality to the County to help defray the costs associated with these criminal justice services.

2. **TERM / EFFECTIVE DATE:** The term of this IGA shall be one year from and after the Effective Date, unless terminated in accordance with paragraph 5 below.

3. **RESPONSIBILITIES OF THE COUNTY:**

A. The County Court Collection staff will provide appropriate collection services for civil and criminal fines, restitution, and other monetary amounts ordered by each Municipality's Magistrate Court.

B. The County Court Collection staff will devote the same care and attention to Magistrate Court cases as to Justice Court cases. The County does not warrant that the services provided hereunder will be error-free, and the County shall have no liability to a Municipality in connection with collection services except in instances of gross negligence or willful misconduct. The County shall indemnify, defend, and hold harmless each municipality and its officials, officers, agents, and employees from and against any and all claims, actions, expenses, losses, or liabilities arising out of the County's gross negligence or willful misconduct in relation to collection services.

C. The County Attorney shall prosecute all criminal misdemeanor violations of state law filed in the Justice Courts by Municipal police officers and other law enforcement officers. The Public Defender shall provide defense services as appointed to do so. Title 28 civil traffic cases, as well as all cases arising out of municipal code violations, shall be filed in the appropriate Magistrate Court unless otherwise agreed by the parties through their prosecuting attorneys. The County shall bear the burden and expense of providing all prosecution, defense, and support services required under this paragraph, subject to payment of an annual fee by each Municipality as set forth in paragraph 4 below.

4. **RESPONSIBILITIES OF EACH MUNICIPALITY:**

A. **Court Collection and Criminal Justice Service Fee:** As compensation in full to the County for all services to be provided hereunder, each Municipality shall pay an annual Court Collection and Criminal Justice Services Fee (the "Fee") as follows:

Municipality	Annual Fee (FY 2025-2026)
Holbrook	\$56,217.00
Pinetop-Lakeside	\$16,570.00
Show Low	\$40,463.00
Snowflake	\$9,455.00
Taylor	\$9,455.00
Winslow	\$64,705.00

(1) These fees shall remain unchanged for the term of this Agreement. The parties acknowledge that this Fee structure is intended as an interim measure for this one-year term, and future agreements may adopt a different methodology of calculating the Fee.

- B. Each Municipality shall provide, at no cost to the County, timely and complete information and materials in relation to Magistrate Court cases as may reasonably be required for the County Court Collection staff to provide services hereunder.
- C. Each Municipality shall indemnify, defend, and hold harmless the County and its officials, officers, agents, and employees from and against any and all claims, actions, expenses, losses, or liabilities arising out of collection services provided by the County, except for matters within the scope of the County's indemnity to the Municipality as set forth in paragraph 3. B.

5. WITHDRAWAL / TERMINATION:

A. Any Municipality may withdraw from this IGA, effective as of the next anniversary of the Effective Date, by giving written notice to the County Manager no later than 120 days before the next anniversary of the effective date; any such withdrawal shall not have the effect of terminating this IGA so long as one or more other Municipalities remain as parties. The County may terminate this IGA, effective as of the next anniversary of the Effective Date, by giving written notice to the respective City or Town Managers of the Municipalities no later than 120 days before the next anniversary of the Effective Date. In the event of a withdrawal or termination, the parties shall cooperate to ensure a smooth transition so that the operations of their respective courts are not disrupted.

6. **AUTHORITY:** Each party warrants and represents that the official executing this IGA on its behalf has been authorized to do so by duly adopted resolution of its governing board or council and that this IGA has been reviewed by its legal counsel and determined to be in the proper form and within the scope of its authority.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this IGA as of the Effective Date.

NAVAJO COUNTY

DocuSigned by:
By *Dawnafe Whitesinger*
05002749692C446...
Chairman, Board of Supervisors

Attest:

Signed by:
Melissa Buckley
583A5DE819EE48C...
Clerk of the Board

Approved as to form and Authority:

Signed by:
Brad Carlson
F5F73C6089EA424...
County Attorney

CITY OF HOLBROOK

By _____
Mayor

Attest:

City Clerk

Approved as to form and Authority:

Attorney

TOWN OF PINETOP-LAKESIDE

By _____
Mayor

Attest:

Town Clerk

Approved as to form and Authority:

William J. Sims

Attorney

CITY OF SHOW LOW

By _____
Mayor

Attest:

City Clerk

Approved as to form and Authority:

Attorney

TOWN OF SNOWFLAKE

By _____
Mayor

Attest:

Town Clerk

Approved as to form and Authority:

Attorney

TOWN OF TAYLOR

By _____
Mayor

Attest:

Town Clerk

Approved as to form and Authority:

Attorney

CITY OF WINSLOW

By _____
Mayor

Attest:

City Clerk

Approved as to form and Authority:

Attorney

**APPROVED FOR THE NAVAJO
COUNTY SUPERIOR COURT:**

Presiding Judge



Meeting Date:	February 5, 2026	Agenda Item #:	D.2
Subject:	Discussion and Consider Legal Action of Resolution No. 26-1800, Approving a Call of Election for the August 4, 2026 Primary Election and November 3, 2026 General Election.		



**TOWN OF PINETOP-LAKESIDE
COUNCIL DECISION REQUEST (CDR)**

Meeting Date:	February 5, 2026	Agenda Item #:	D. 2
Subject:	Consider Approval of Resolution No. 26-1800, Authorizing a Call of Election for the Town of Pinetop-Lakeside 2026 Primary and General Elections.		
Department/Presenter:	Mackenzie Valichnac, CMC, Interim Town Clerk		
Type of Action Requested:	<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Formal Action/Motion
	<input type="checkbox"/> Public Hearing	<input type="checkbox"/> Other	

RECOMMENDATION:

Staff recommends that Mayor and Council authorize the Call of Election for the Town’s 2026 Primary Election on August 4, 2026 and the General Election on November 3, 2026.

DISCUSSION:

PLEASE NOTE: If House Bill 2022 passes, the Primary Election date will change from August 4, 2026 to July 28, 2026. The filing period for Candidate Packets would be changed to Monday, March 2 through Monday, March 30 at 5:00 p.m. Candidate Packets are available for pick up with the Clerk Office, by appointment.

Section 1. Designation of Election Date; Purpose

- A. The Town of Pinetop-Lakeside will hold a Primary Election on Tuesday, August 4, 2026, in conjunction with the County Election, for the purpose of electing a Mayor and three (3) Council Members, all with 4-year terms. The General Election will be held on Tuesday, November 3, 2026, to fill any seats that remain unfilled after the primary election.

Section 2. Deadline for Voter Registration

Navajo County registration and voting lists will be used for the municipal election. In order to be qualified to vote you must be registered by Monday, July 6, 2026 @ midnight.

Section 3. Designating Date and Place to File Candidate Nomination Form

Candidates seeking municipal office may obtain candidate packets, which contain nomination papers and other election materials, that must be filed by candidates for public office at the Pinetop-Lakeside Town Clerk's Office, 325 W. White Mountain Blvd., Lakeside AZ 85929.

Candidates must file nomination papers and other nomination forms by 5:00 p.m. on April 6, 2026, at the Pinetop-Lakeside Town Clerk's Office for their names to appear on the Primary Election Ballot. The earliest date for filing nomination papers is March 9, 2026. Candidates seeking nomination for Town Council will be required to obtain a minimum of 60 signatures and no more than 120 signatures.

RECOMMENDED MOTION:

I move to approve Resolution No. 26-1800, authorizing the Call of Election for the Town's 2026 Primary Election to be held on August 4, 2026, and the General Election to be held on November 3, 2026.

Recommended by:

Mackenzie Valichnac, CMC, Interim Town Clerk

Review and Approved by:

Kristi Salskov, MMC, CPM, Town Manager

TOWN OF PINETOP-LAKESIDE

RESOLUTION NO. 26-1800

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, NAVAJO COUNTY, STATE OF ARIZONA, DESIGNATING A PRIMARY ELECTION DATE; DESIGNATING THE DEADLINE FOR VOTER REGISTRATION; DESIGNATING THE PICK-UP LOCATION FOR CANDIDATE PACKETS; DESIGNATING THE FILING PERIOD; AND TO FILL AND ONE (1) TOWN COUNCIL SEAT (MAYOR) AND THREE (3) TOWN COUNCIL SEATS, ALL WITH TERMS OF FOUR (4) YEARS.

BE IT RESOLVED, by the Mayor and Council of the Town of Pinetop-Lakeside, as follows:

Section 1. Designation of Election Date; Purpose

A. The Town of Pinetop-Lakeside will hold a primary election on Tuesday, August 4, 2026, in conjunction with the county election, for the purpose of electing one (1) Council Member (Mayor) and three (3) Council Members, all with 4-year terms. Any candidates receiving a majority of all votes cast at the Primary Election will be declared elected as of the date of the General Election without running at the General Election. A general election will be held on Tuesday, November 3, 2026, to fill any seats that remain unfilled after the Primary Election.

Section 2. Deadline for Voter Registration

Navajo County registration and voting lists will be used for the municipal election. In order to be qualified to vote you must be registered by Monday, July 6, 2026.

Section 3. Designating Date and Place to File Candidate Nomination Form

Candidates seeking municipal office may obtain Nomination Papers and Candidate Handbook's from the Town Clerk's Office located at Town Hall, 325 W. White Mountain Blvd., Lakeside, AZ 85929. Nomination Petitions and other candidate documents must be filed with the Town Clerk (by appointment). The filing period is March 9, 2026, through April 6, 2026, by 5:00 P.M., in order for candidates' names to appear on the Primary Election Ballot. Petitions received after 5:00 p.m. on April 6, 2026, will not be considered.

PASSED AND ADOPTED by a majority vote of the Mayor and Town Council of the Town of Pinetop-Lakeside in an open meeting on this 5th day of February, 2026.

TOWN OF PINETOP-LAKESIDE

Stephanie Irwin
Mayor

ATTEST:

APPROVED AS TO FORM:

Mackenzie Valichnac, CMC
Interim Town Clerk

William J. Sims, III
Town Attorney



Meeting Date:	February 5, 2026	Agenda Item #:	D.3
Subject:	Discussion, Review and Possible Approval of the Town Manager Contract.		



As instructed by Council, Town Attorney Bill Sims revised the previous Town Manager contract. The Attorney sent the revised contract to Town Manager Kristi Salskov and she approved the contract. The contract (Exhibit A) is ready for review and approval by the Town Council.

Exhibit A

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made and entered into as of January 19, 2026 ("**Effective Date**") by and between the Town of Pinetop-Lakeside, an Arizona municipal corporation, (hereinafter called either the "**Town**" or "**Employer**") and Kristi Salskov (hereinafter called the "**Manager**" or "**Employee**").

RECITALS

WHEREAS, the Pinetop-Lakeside Town Council (the "**Council**") desires to enter into an employment agreement with the Employee in order to retain Employee's services as the Town Manager; and

WHEREAS, the Employee desires to perform managerial services for the Town; and

WHEREAS, the Town and the Employee have agreed to the terms hereof in order to retain the services of the Employee as the Town Manager.

NOW, THEREFORE, the Town and the Manager, for and in consideration of the terms, conditions and provisions hereinafter established have agreed, and do hereby agree as follows:

Section 1: Term

The term of employment of the Manager shall commence as of the Effective Date ("**Commencement Date**") and terminate on the fifth anniversary of the Effective Date (the "**Employment Term**"). Employee shall serve as the Town Manager during the Employment Term unless this Agreement is terminated by the Employer or the Employee as provided in Section 12 of this Agreement. Manager understands that she serves as an "at-will" employee and at the pleasure and will of the Town Council as permitted by A.R.S. § 9-303.C and Chapter 2.08 of the Town Code, as may be amended from time to time.

Section 2: Duties and Authority

The Town hereby employs the Manager to serve as the Town Manager of the Town of Pinetop-Lakeside in order to perform the duties and functions specified in the Town Code, Chapter 2.08, as amended; and to perform other legally permissible and proper duties and functions as the Town Council shall from time to time assign to Manager. All duties assigned to the Manager shall be discharged consistent with the professional role and responsibility of the Town Manager position. The employment provided for by this Agreement shall be the Employee's sole employment.

Section 3: Compensation

The Employer agrees to pay Employee an annual base salary of One Hundred-Twelve Thousand Nine Hundred and Eighty-Five Dollars (\$112,985.00) for the first year of the Employment Term of this Agreement (the "**Commencement Date Salary**"). The Employer agrees to pay the Employee in equal installments on a bi-weekly basis during the term of this

Agreement. After the Commencement Date the Commencement Date Salary may be adjusted by the Employer as part of the Town's annual budget process. Council may adjust the Town Manager pay commensurate with Director level Salary and Benefit pay adjustments on or before each anniversary of the Commencement Date if warranted as determined by the Annual Performance Evaluation required by Section 4 of this Agreement.

Section 4: Performance Evaluations; Goal Setting.

A. The Town Council shall initially review and evaluate the performance of Employee six (6) months after the Effective Date. For this initial evaluation, the Manager shall propose for Town Council consideration evaluation criteria no later than ninety (90) days after the Effective Date. Thereafter, the Manager shall be evaluated at least once annually no later than January 1st of each year of the Employment Term. For these annual evaluations, the Manager shall propose for Town Council consideration evaluation criteria no later than October 1st of each year of the Employment Term

B. From time to time, the Town Council and Manager shall define the goals and performance objectives that they determine necessary for the proper operation of the Town of Pinetop-Lakeside and in the attainment of the Town Council's policy objectives and shall further establish a relative priority among those various goals and objectives

Section 5: Automobile Allowance.

Town agrees to reimburse Manager for automobile expenses, including (without limitation) lease, loan, insurance and gas, in an amount not more than Seven Hundred Dollars (\$700) per month for all of Manager's Town-related business travel within the State of Arizona. The Manager shall be responsible for purchasing liability and property insurance for Manager's vehicle provided under this Section 5, with liability limits of at least \$300,000/\$500,000 or a \$500,000 single limit at all times during Manager's employment with Town. This vehicle liability insurance policy shall name the Town as an additional insured.

Section 6: Cell Phone Allowance.

Town agrees to furnish to Manager a cell phone allowance in the sum of \$100/month. The Manager agrees to provide the corresponding contact number to all Council members and department heads.

Section 7: Vacation and Sick Leave.

Manager shall accrue, and have credited to her personal account, vacation leave, and sick leave as set forth in the Town's Employee Manual for employees who have five or more years of service. Vacation leave credits will continue to accrue with no preset limit should Manager be unable to use accrued vacation leave credits. In the event that the Manager leaves employ of the Town, the Manager shall be entitled to compensation for all days of accrued and unused vacation leave.

Section 8: Insurance.

Manager shall be entitled to the same medical, dental, vision, life, short-term disability, and long-term disability insurance coverage accorded all full-time employees of the Town at no cost to the Manager. In addition, Manager's family shall also be included in the Town's medical, dental, and vision insurance programs at the Town's expense. Manager understands that the Town's medical insurance plan will vary from year to year and policy period to policy period based upon budget and other concerns. Manager further agrees to participate in the Town's wellness program, at no cost to the Manager, when the program is available for Town employees.

Section 9: Retirement.

The parties agree that Manager is eligible to take part in the Arizona State Retirement System ("ASRS") which is operated and managed by the State of Arizona. The parties further agree that Manager and Town will take part in the ASRS retirement plan, in accordance with the applicable laws, rules, and regulations of this State and the United States; and that the parties will contribute to the Manager's retirement plan at the same level as for other full-time department heads employed by the Town.

Section 10: Professional Development.

Subject to Town budget constraints, and with the prior approval of the Town Council, Town hereby agrees to budget and pay for travel, meals and lodging and other reasonable expenses of Manager for professional and official travel, meetings, and occasions adequate to continue the professional development and training of Manager and to adequately pursue necessary official functions for the Town, including but not limited to the ICMA Annual Conference, and the Arizona City Managers' Association.

Section 11: Manager Subject to Employee Manual; Residency.

A. Manager shall be subject to the applicable provisions of the Town Code and the Town's Employee Manual, as amended.

B. Manager shall live within fifteen (15) minutes of the Town Hall.

Section 12: Termination

For the purpose of this Agreement, termination shall occur when one of the following occurs:

1. The Town Council votes to terminate the Employee;
2. Resignation, retirement or death of the Employee;
3. Mutual agreement of the Council and Employee in writing signed by the Employee and the Town; and
4. Expiration of the term of the Agreement.

Section 13: Severance

A. If Manager is terminated "without cause" at a time Manager is willing and able to perform her duties under this Agreement, then Town agrees to pay Manager a lump sum cash payment equal to six (6) months' base salary (the "**Severance Pay**") plus accrued benefits to include all accrued vacation leave, paid holidays, and leave. Manager shall also be entitled to receive payment for sick leave as set forth in Section 903 of the Town's Employee Manual.

B. If Manager is terminated "for cause" or for any criminal violation of a felony or misdemeanor involving dishonesty or moral turpitude, theft, perjury or misrepresentation, bodily injury, drugs, or alcohol; then Town shall have no obligation to pay the Severance Pay designated in Section 13.A above. "For cause" shall mean that Manager commits a violation of federal, state, or local laws, regulations or policies, the Town Code, the Town's Employee Manual, or other Town policies. If, however, subsequent civil or criminal proceedings fail to establish that Manager committed such crime or act or affirmatively prove that she did not, then the Manager's termination will be considered to have occurred "without cause" and she will be entitled to payment of the Severance Pay set forth above within thirty (30) days without interest and interest will be charged at the legal rate beginning after thirty(30) days.

C. In the event Manager voluntarily resigns, terminates her position with the Town, or if her Agreement terminates due to the death of the Employee, then the Town shall have no obligation to pay the Severance Pay designated in Section 13.A above.

D. If Manager is unable to perform the functions and duties of Town Manager in the opinion of a physician selected by the Town, Town will have the option of termination subject to payment of one-half (1/2) of the Severance Pay described in Section 13.A above.

E. As a condition precedent to receiving any Severance Pay, Manager shall execute a severance agreement acceptable to both parties, which shall include Manager's (i) full release of the Town, Town Council members, and all of its agents and employees from any and all claims, including but not limited to demands, damages, causes of action or liability arising out of Manager's employment or termination of employment with the Town, and any discrimination claims, and (ii) agreement not to initiate or cause to be initiated any lawsuit, claim, grievance, proceeding, or investigation of any kind, under any contract, law, or regulation, pertaining to employment with the Town.

Section 14: Indemnity

The Town shall defend, save harmless, and indemnify the Manager against any lawsuit, tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring within the scope and in the performance of the Manager's duties as Town Manager, and will pay for the amount of legal fees, settlement or judgment arising therefrom. The parties understand and agree that in the event of any such claim that the Town may assign the defense of such claim or action to its insurer(s), and Manager understands that the Town or its insurers shall control the appointment or retaining of any lawyer or law firm to provide the defense of the Manager contemplated by this section. The parties also agree that Manager may retain counsel of her own choosing at her

own cost to provide additional, personal legal advice in the event of a claim covered by this indemnity. Any settlement of any claim must be made with prior approval of the Employer in order for indemnification, as provided in this Section 14 to be available. Employee recognizes that Employer shall have the right to compromise and settle any claim or suit.

Section 15: Bonding

Manager represents and warrants that she has never violated the terms of any bond and that no bonding company has ever paid a third party on behalf of the Manager. Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

Section 16: Other Terms and Conditions of Employment

The Employer shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Town of Pinetop-Lakeside Town Code or any other law.

Section 17: Notices

Notice pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows or to such other address provided by the parties:

- (1) EMPLOYER: Mayor Town of Pinetop-Lakeside, 325 W. White Mountain Boulevard, Lakeside, AZ 85929
- (2) EMPLOYEE: Ms. Kristi Salskov [REDACTED]

Alternatively, notice required pursuant to this Agreement may be personally served on Employer by hand-delivering the notice to the Pinetop-Lakeside City Clerk or to the Employee by hand-delivering the notice to the Employee. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 18: General Provisions

A. Integration. This Agreement and any attachments represent the entire agreement between Employer and Employee relating to the employment of Employee by the Employer and supersede all prior negotiations, representations or agreements, either expressed or implied, written or oral. It is mutually understood and agreed that no alteration or variation of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the parties hereto. Written and signed amendments shall automatically become part of this Agreement and shall supersede any inconsistent provision therein; provided, however, that any apparent inconsistency shall be resolved, if possible, by construing the provisions as mutually complementary and supplementary.

B. Binding Effect. This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Severability. If any part, term or provision of this Agreement shall be held illegal, unenforceable or in conflict with any law, the validity of the remaining portions and provisions hereof shall not be affected.

D. Arbitration. In the event that there is a dispute hereunder which the parties cannot resolve between themselves, the parties agree to attempt to settle the dispute by nonbinding arbitration before commencement of litigation. The arbitration shall be held under the rules of the American Arbitration Association. The matter in dispute shall be submitted to an arbitrator mutually selected by Employer and Employee. In the event that the parties cannot agree upon the selection of an arbitrator within seven (7) days, then within three (3) days thereafter, the Employer and Employee shall request the presiding judge of the Superior Court in and for the County of Gila, State of Arizona, to appoint an independent arbitrator. The cost of any such arbitration shall be divided equally between the Employer and Employee. The results of the arbitration shall be nonbinding on the parties, and any party shall be free to initiate litigation subsequent to the final decision of the arbitrator.

E. Governing Law and Venue. The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona. Any action at law or in equity brought by either party for the purpose of enforcing a right or rights provided for in this Agreement shall be tried in a court of competent jurisdiction in Navajo County, State of Arizona.

F. Attorney's Fees and Costs. In the event either party shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition in this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs including: all litigation and appeal expenses, collection expenses, reasonable attorney's fees, necessary witness fees and court costs to be determined by the court in such action.

G. Conflict of Interest. The provisions of A.R.S. §38-511 relating to cancellation of contracts due to conflicts of interest shall apply to this Agreement.

By _____
Stephanie Irwin, Mayor

By _____
Kristi Salskov, Town Manager

ATTEST:

By _____
Mackenzie Valichnac, CMC
Interim Town Clerk

APPROVED AS TO FORM

By William J. Sims
William J. Sims, Town Attorney