

**SECOND AMENDMENT TO  
INTERGOVERNMENTAL AGREEMENT  
FOR THE  
JOINT USE LAW ENFORCEMENT FACILITY**

This is the second amendment (the “Second Amendment”) to the Intergovernmental Agreement that was originally entered into by the parties on December 21, 1998 (the “IGA”), and then subsequently amended on August 20, 2002 (the “First Amendment”). The parties to this IGA remain the City of Flagstaff, an Arizona municipal corporation (the “City”); Coconino County, a political subdivision of the State of Arizona (the “County”); and the Coconino County Jail District (the “District”), a political subdivision of the State of Arizona (the “Jail District”).

This Second Amendment is entered into the \_\_\_\_ day of \_\_\_\_\_, 2023, for the purpose of formalizing and clarifying the responsibilities of each of the parties with regard to insuring the facility and its contents.

RECITALS

WHEREAS:

- A. Under the terms of the IGA, the City, and the County jointly entered into a project to develop certain properties on Sawmill Road in Flagstaff, Arizona;
- B. As a result of the IGA, the County fully owns and occupies (100% ownership and occupancy) the following real property:
  - a. Parcel 104-08-001-E, 951 E. Sawmill Road, defined in the 1998 IGA as the “Jail Facility.”
  - b. Parcel 104-03-004-G, 1001 E. Sawmill Road, defined in the 1998 IGA as the “Juvenile Facility.”
- C. As a result of the IGA, the City and the County jointly own and occupy as tenants in common with undivided interest the following real property:
  - a. Parcel 104-08-001-D, 911 E. Sawmill Road, defined in the 1998 IGA as the “Site.”
    - i. City of Flagstaff – 67.93% undivided interest
    - ii. Coconino County – 32.07% undivided interest
- D. Since the inception of this IGA, the parties have had a mutual understanding regarding the agreement for ensuring that these three properties are sufficiently insured, although this agreement has never been reduced to writing;
- E. For purposes of memorializing the mutual understanding regarding insurance, the parties now reduce to writing the following:

AGREEMENTS

1. Real Property Insurance of Buildings with Sole Ownership/Occupancy. Each Party shall be responsible for carrying property insurance on and paying the full premiums for any building that they fully own and/or occupy and shall bear full risk of loss to those properties, which is currently as follows:
  - The Jail District fully occupies 951 E. Sawmill Road, defined in the 1998 IGA as the “Jail Facility,” and is solely responsible for property insurance.
  - The County fully occupies 1001 E. Sawmill Road, defined in the 1998 IGA as the “Juvenile Facility,” and is solely responsible for property insurance.
  
2. Real Property Insurance of Joint Use Facility. The City shall be responsible for carrying a property insurance policy for the entire property that is currently jointly owned and jointly occupied, located at 911 E. Sawmill Road, defined in the 1998 IGA as the “Facility.” The plan shall be an all-risk policy with a replacement cost basis.
  - i. The City will name the County on its property insurance plan as an additional-insured. The City will also list the County as Loss Payee for their interests in the event of a claim and payout under the City’s insurance policy.
  - ii. The parties will share the costs of the premiums for insurance coverage on the jointly-owned-and-occupied property as follows:
    1. City of Flagstaff – 67.93%
    2. Coconino County – 32.07%
  - iii. No later than May 1 of each year that this IGA is in effect, the City will provide the County with an estimate on the County’s proportionate cost of the property insurance premiums.
  - iv. No later than July 1 of each year that this IGA is in effect, the City will send the County an invoice reflecting the actual proportionate cost that the County owes. The County will pay this invoiced amount within thirty (30) business days after receiving the invoice.
  - v. No later than July 1 of each year that this IGA is in effect, the City will send the County a certificate of insurance verifying renewal, including the amount of building coverage and deductible for same.
  
3. Insurance of Contents of Buildings. Each party shall bear the sole risk and responsibility for the contents and insurance of their respective contents values in any property included in this Agreement, whether or not co-occupied. The City and the County each waive rights to recovery from the other for damage to their contents located in or on any property within this Agreement, unless those losses are determined to be the sole fault of the other party, its employees, officers, agents, or subcontractors.

4. Appraisals. The Parties will work together to obtain an appraisal of the jointly owned and occupied properties at least once every 3 years to make sure that the insurance limit is carried at 100% of that limit. The Parties will share the cost of the appraisal using the same percentage split as laid out above in section 2.ii. A copy of the appraisal and the total insurance price shall be sent to each Party.
  - i. The Parties shall each review property values for the properties that are subject to this Agreement and adjust their insured value each year with an increase for inflation matched to the consumer price index (CPI) or as the result of a qualified appraisal of the subject buildings.
5. Changes in the Proportion of Occupancy. Should the proportion of occupancy for any of the included properties change in the future, the Parties will execute a new Amendment to the IGA in order to address any required change in insurance requirements including any proportional responsibility for payment of insurance premiums, appraisal costs, and any proportional interest in a property loss to a jointly owned and occupied building.
6. Premises Liability Insurance. The Parties recognize that their respective Law Enforcement Legal Liability insurance covers their own interests for premises liability associated with this shared building. The Parties shall each endorse their Law Enforcement Legal Liability Insurance coverage with Additional Insured status for the other Party with respect to the ownership and operation of this building owned as tenants in common and occupied by both Parties. The Parties shall evidence such insurance and endorsement to the other Party by July 1 of each year.
7. Change in Insurance Carrier. If either the City or the County changes its insurance carrier during the Term, the Party changing its insurance carrier shall notify the other Party ninety (90) days prior to the change in carrier.
8. Indemnification. The final paragraph of the IGA's Indemnification section is replaced with the following:

To the extent permitted by law, each Party agrees (as “**Indemnitor**”) to indemnify, defend and hold harmless the other Parties and their officers, officials, agents, employees (collectively “**Indemnitees**”) from and against any and all claims, losses, liability, costs, or expenses, including reasonable attorney's fees (collectively “**Claims**”) arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims are caused by the act, omission or negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, or employees. If a Claim or Claims by third parties become subject to this indemnity provision, the Parties shall expeditiously meet to discuss a common and mutual defense. If the Parties cannot reach an agreement regarding claims on their own, the Parties agree to a mediation before an independent mediator who shall be appointed based on the agreement of all parties, with each Party paying an equal share of the mediation costs. Obligations under this indemnification provision which result from events that precede any dissolution of this IGA shall survive termination of this IGA.

9. Any provisions of the original IGA and the first Amendment that are unchanged by this Second Amendment shall remain in full force and effect.

10. In the event there is any conflict between the IGA, the First Amendment, and this Second Amendment, the provisions of this Amendment will govern.

COCONINO COUNTY & COCONINO  
COUNTY JAIL DISTRICT

CITY OF FLAGSTAFF

\_\_\_\_\_  
Board of Supervisors/Chair of Jail  
District Board of Directors  
Attest:

\_\_\_\_\_  
Becky, Daggett, Mayor  
  
Attest:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
City Clerk

Approved as to form and powers:

\_\_\_\_\_  
Deputy County Attorney

\_\_\_\_\_  
City Attorney