

INTERGOVERNMENTAL AGREEMENT

Administration and Funding of Branch and Affiliate Libraries of the Coconino County Free Library District

This Intergovernmental Agreement (IGA) is entered into this ____ day of _____, 2024, by and among **Coconino County** (the “**County**”), a political subdivision of the State of Arizona, with offices at 219 East Cherry Street, Flagstaff, Arizona 86001; the **City of Flagstaff** (“**Flagstaff**”), an Arizona municipal corporation with offices at 211 West Aspen Avenue, Flagstaff, Arizona 86001; the **City of Williams**, an Arizona municipal corporation with offices at 113 South First Street, Williams, Arizona 86046; the **City of Page**, an Arizona municipal corporation with offices at 697 Vista Avenue, Page, Arizona 86040; the **Town of Fredonia**, an Arizona municipal corporation with offices at 25 North Main Street, Fredonia, Arizona 86022; the **City of Sedona**, an Arizona municipal corporation with offices at 102 Roadrunner Drive, Sedona, Arizona 86336; (all of the foregoing collectively referred to as the “**Operating Parties**”); and the **Coconino County Free Library District** (the “**District**”), a county free library district, special taxing district, and political subdivision of the State of Arizona duly formed and existing under the provisions of Title 11, Chapter 7, Article 1, and Title 48, Chapter 24, of the Arizona Revised Statutes, governed by the Coconino Board of Supervisors and acting through the District Board of Directors.

RECITALS

- A. Each of the Operating Parties wishes to remain a member of the District and sponsors or operates one or more public libraries funded by the District;
- B. The District and the Operating Parties are funded by a county free library district tax levied by the District and collected on the District’s behalf by the County;
- C. The parties wish to set forth their agreement regarding the allocation of such tax receipts and the administration of the Operating Party libraries;
- D. The Operating Parties have most recently been operating under an Intergovernmental Agreement dated January 23, 2018, which expired on its own terms as of June 30, 2023 (“the 2018 IGA”); and
- E. This IGA is modeled after the 2018 IGA, but revisions are included throughout the document.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Operating Parties and District agree as follows:

1. Definitions

- 1.1 **Affiliate Library:** Libraries that are members of the District and receive funding through the District, but whose local governments retain responsibility for library staffing, facilities, operations, and maintenance. As set forth in Appendix A, the current Affiliate Libraries are: (1) City of Flagstaff Main Library (Downtown), (2) City of Flagstaff East Branch, (3) Fredonia Public Library, (4) Page Public Library, (5) Sedona Public Library, and (6) Williams Public Library.
- 1.2 **Base Amount:** For purposes of this Agreement, the Base Amount is Four Million, Two Hundred Thirteen Thousand, Six Hundred Forty-Five Dollars (\$4,213,645.00).
- 1.3 **Branch Library:** Libraries that are members of the District and receive funding through the District, but whose staffing and library operations are the responsibility of the City of Flagstaff. As set forth in Appendix A, Branch Libraries are: (1) East Flagstaff Community Library, (2) Coconino County Bookmobile, (3) Coconino County Correctional Facility Library, (4) Forest Lakes Community Library, (5) Tuba City Public Library, and (6) Grand Canyon Community Library.
- 1.4 **Coconino County Library District Board (or “District Board”):** The Coconino County Board of Supervisors serves as the Coconino County Library District Board. The District Board:
 - 1.4.1. Governs the Coconino County Free Library District pursuant to A.R.S. § 48-3901 et seq.
 - 1.4.2. May do the following in furtherance of the objectives of the District: (1) Make information, technology, and resources available to every library patron; (2) Provide a place for studying, researching, reading, and learning; (3) Provide educational and informational programs for all age groups; (4) Provide literacy promotion programs for all age groups, with special emphasis on early literacy, school readiness, adult literacy, digital literacy, and workforce development.
 - 1.4.3. May exercise all such other powers provided by law.
- 1.5 **County Librarian:** Per A.R.S. § 11-908, the County Librarian is appointed by Board of Supervisors, and serves at the pleasure of the Board. Eligibility requirement includes the possession of a certification of qualifications issued by the Board of Library Examiners. If the County Librarian is an employee of Flagstaff or another party to this agreement, he or she may perform other job duties in addition to serving as the County Librarian, and will be subject to all personnel rules and regulations of their employing agency, including terms of employment. In the event the Board relieves such employee from serving as County Librarian, this action will not automatically result in termination of employment. The County Librarian:
 - 1.5.1. Manages the supervisors, facilities, and operations for the Branch Libraries.

- 1.5.2. Oversees Library District budgets, narratives, reporting, and speaking before the County Budget Team and Coconino County Library District Board.
- 1.5.3. May serve as a non-voting member of the Flagstaff City-Coconino County Public Library Board.
- 1.6 District: The Coconino County Free Library District, a county free library district, special taxing district, and political subdivision of the State of Arizona, duly formed and existing under the provisions of Title 11, Chapter 7, Article 1, and Title 48, Chapter 24, of the Arizona Revised Statutes (A.R.S. § 48-3901 et seq), governed by the Coconino County Board of Supervisors acting as the District Board.
- 1.7 District Libraries: All Affiliate, Branch, Other Libraries, and the Main Library. These libraries may be members of the District or may contract with the District.
- 1.8 Excess or Deficit: These terms refer to the difference between the amount of the Total Library District Tax and the Base Amount.
- 1.9 Facility Maintenance: Maintenance of a facility, including minor repair and daily upkeep of buildings, as set forth more fully in Appendix A.
- 1.10 Flagstaff City-Coconino County Public Library Board: The Flagstaff City-Coconino County Public Library Board (the “Library Board”), whose formation is provided for in a separate Intergovernmental Agreement by and between Coconino County and the City of Flagstaff dated June 28, 2022, is comprised of one (1) Flagstaff City Council Member or designee, four (4) Flagstaff City residents, three (3) members appointed by the Coconino County Board of Supervisors with one (1) appointee being a Coconino County Supervisor or designee, and two (2) being County residents. The City Council Member and County Supervisor are ex officio, non-voting members of the Board. The Library Director may also be a non-voting member. The Library Board:
 - 1.10.1. Advises and makes recommendations to the Library Director, the City Manager, the City Council, and the Coconino County Library District Board.
- 1.11 Fund Balance: Any amount of money that was approved for distribution but not spent in the fiscal year in which it was approved. These funds are held in separate accounts. Per State law (A.R.S. § 35-190), all appropriations expire at the end of a fiscal year. Therefore, the allocation and expenditure of such funds require approval by the appropriate Board or Council or their designee(s) prior to being spent.
- 1.12 Growth or Decline: These terms refer to either an increase or decrease in the funding that is available from the tax levy from the previous year.
- 1.13 Library Services: These services include but are not limited to: facilities for reading and study; purchase and maintenance of materials; access to online services and databases, including the internet; reference service, both in person and by telephone; request and interlibrary loan service; community programming; employment support services; and

facility operation and maintenance. Library services are those that are in support of literacy. Any other services are categorized as Other Services. See definition 1.18.

- 1.14 Main Library: The Library located in Flagstaff that is the central library.
- 1.15 Operational Management: The control of the activities involved in providing Library Services, including but not limited to setting hours of operation, staffing, budget oversight, safety, programming, and collections.
- 1.16 Other Libraries: All Libraries that are members of the District, excluding Affiliate and Branch Libraries, including the Coconino County Law Library and the Havasupai Library. The jurisdictions/communities in which Other Libraries are located are responsible for library facilities, operations, and staffing.
- 1.17 Other Services: Services offered that are non-traditional library services. These may include: food service and programs such as beading or walking field trips. District funds are to be prioritized for Library Services, as defined in 1.14.
- 1.18 Ownership: Statement of legal owner of the building and land. When a lease exists, owner and lessee are identified.
- 1.19 Total Library District Tax (“total tax”): For purposes of this Agreement, the Total Library District Tax is the gross amount collected annually from the Library District tax levy.

2. Allocation of Total Tax Receipts

Base Amounts were determined by the original amounts set forth in the Library Tax Allocation Study of 1996 (Appendix B) plus all subsequent Growth/Decline allocations. Amounts were revised to be effective FY2018/FY2019. Adjusted Base Amounts will be reviewed at the time of IGA renewal.

Upon receipt of total tax funds, District will first allocate to Flagstaff the amount of One Hundred Thousand Dollars (\$100,000.00) to provide for District oversight of Branch, Affiliate, and Other Libraries, as set forth in Appendix C. This allocation will be adjusted annually to reflect the percentage of Flagstaff personnel pay increases, through market and merit increases or other pay/benefit increases, at the sole discretion of Flagstaff.

The Base Amount shall then be allocated for Library Services and Other Services (with funds prioritized for Library Services) as follows, and as provided in Section 3.5:

- 2.1 Sixty-Nine Thousand, Eight Hundred Eighteen Dollars (\$69,818.00) to the Town of Fredonia for the Fredonia Public Library; and
- 2.2 Three Hundred Thirty-Six Thousand, Eight Hundred Forty-Six Dollars (\$336,846.00) to the City of Page for the Page Public Library; and

- 2.3 Two million, Two Hundred Twenty-Four Thousand, Two Hundred Seventy-Two Dollars (\$2,224,272.00) to Flagstaff for the Main and Branch Libraries in the City of Flagstaff; and
 - 2.4 Seventy-Eight Thousand, One Hundred Eighty-Seven Dollars (\$78,187.00) to Flagstaff for the County Bookmobile; and
 - 2.5 Seventy-Two Thousand, Nine Hundred Eighteen Dollars (\$72,918.00) to County for the Coconino County Correctional Facility Library; and
 - 2.6 Ninety-Four Thousand, Four Hundred Sixty-Four Dollars (\$94,464.00) to Flagstaff for the Grand Canyon Community Library; and
 - 2.7 Two Hundred Nine Thousand, Six Hundred Fifty-Eight Dollars (\$209,658.00) to Flagstaff for the Tuba City Public Library; and
 - 2.8 Eighty Thousand, Five Hundred Forty Dollars (\$80,540.00) to Flagstaff for the Forest Lakes Public Library; and
 - 2.9 Five Thousand, Three Hundred Sixty-Seven Dollars (\$5,367.00) to Flagstaff for the Havasupai Public Library; and
 - 2.10 Three Hundred Eighteen Thousand, Two Hundred One Dollars (\$318,201.00) to Flagstaff to provide information technology support to Branch, Affiliate, and Other Libraries, divided into these portions:
 - a. One Hundred Forty-Six Thousand, Two Hundred Forty Dollars (\$146,240.00) to Automation Replacement; and
 - b. One Hundred Seventy-One Thousand, Nine Hundred Sixty-One Dollars (\$171,961.00) to District IT personnel; and
 - 2.11 Three Hundred Ninety-One Thousand, Two Hundred Sixty-Seven Dollars (\$391,267.00) to the Sedona Public Library 501(c)(3) as directed by the City of Sedona for the Sedona Public Library; and
 - 2.12 Ninety-Five Thousand, Forty-Seven Dollars (\$95,047.00) to the City of Williams for the Williams Public Library; and
 - 2.13 Ninety-Six Thousand, Five Hundred Forty-One Dollars (\$96,541.00) to County for the County Law Library; and
 - 2.14 Forty Thousand, Five Hundred Twenty Dollars (\$40,520.00) to Flagstaff for District Shared Digital Services.
- 3. Administration of Funds; Amounts Collected Over or Under the Base Amount**

- 3.1 All funds for the Branch Libraries, as set forth in Section 2, shall be administered by Flagstaff; Flagstaff will administer funds for the District as outlined in this IGA; funds for the Affiliate Sedona Public Library shall be administered by Sedona Public Library; funds for the County Law Library shall be administered by the County; and funds for each of the other Affiliate Libraries shall be administered by the incorporated city or town in whose jurisdiction such library situated.
- 3.2 In the event that the District, in any fiscal year during the term of this Agreement, collects less total tax than the Base Amount (Decline), any tax collections shall be allocated first to the District oversight as provided in Section 2, above. Remaining funds will then be allocated to the District libraries at a rate that is proportionate to the Base Amount. The Base Amount shall not drop below \$5,000 for any library.
- 3.3 In the event that the District, in any fiscal year during the term of this Agreement, collects more total tax than the Base Amount (Excess), then such tax collections shall be allocated first as follows:
 - a. Oversight funding and Base Amount allocations shall be made as set forth in Section 2;
 - b. Excess tax revenues derived from an increase in Assessed Valuation of property within the District as measured from the 2018 Tax Year through the most recent tax year (AV Growth) shall be forwarded to Flagstaff or Affiliate Libraries to be expended, with the advice of the Coconino County Library District Council for: District-wide automation and growth projects; allocation to libraries based on criteria set forth by the Coconino County Library District Council; and expansion of existing library facilities and services. Criteria for Allocation to Libraries is attached as Appendix D;
 - c. Any excess revenues derived from a District property tax rate increase approved for the current tax year (Rate Growth) shall be forwarded to Flagstaff or Affiliate Libraries to be expended as determined by the District Board, with the advice of the Library Council. Allocations may be made on a District-wide basis, or made for special needs of individual libraries, such as capital improvement or repairs, automation upgrades, or replacement of the Bookmobile. Any party administering the facility for which such special need occurs shall provide sufficient matching funds as determined by the Library Council.
- 3.4 Any funds of the District not expended in any fiscal year shall be held by Flagstaff or by Affiliate Libraries. These funds may be used in subsequent years for the uses described in Section 3.3, provided that the appropriate Board or Council allocates such funds through a budget appropriation. Branch Library base funds that are unused will be held by Flagstaff in a Fund Balance account specific to the branch. All funds disbursed to Affiliate Libraries remain with the Affiliate Library and will be allocated according to the procedures of the municipality or organization under which they operated.

- 3.5 Base funding for Affiliate Libraries shall be dispersed directly to the responsible cities, except the Base funding for the Sedona Public Library shall be disbursed to the Sedona Public Library 501(c)(3). Base funding for the Coconino County Law Library shall be disbursed directly to the County. Base funding for Branch Libraries and the Havasupai Library shall be disbursed to Flagstaff. The District Board shall disburse the base funds allocated as follows: one-half (50%) of each amount allocated shall be distributed by November 30th of each fiscal year covered by this Agreement, and the balance of each such allocation no later than the following May 31st.
- 3.6 All funds allocated and disbursed under this Agreement shall be used solely for the purposes set forth in this Agreement and as approved by the Board or Council .
- 3.7 The District Board shall provide to all parties a full accounting and reconciliation of collections and disbursements no later than 60 days following the end of each fiscal year.
- 3.8 District tax collections will be reconciled by the District Board following the close of the fiscal year and held by Coconino County Free Library District. These funds will be distributed as set forth in 3.5 above.
- 3.9 In 2024/2025, the Coconino County Free Library District will conduct a new library study to review library operational models and formulas for tax funding allocations. The study will be funded by the District. The scope of work for the study will be drafted by the Library Director in consultation with the District Board and the Parties to this Agreement. The procurement and contract for these services will follow Coconino County procurement procedures. The District Board shall have sole authority to enter into any resulting contract on behalf of the District.

4. Effective Date and Term

- 4.1 The effective date of this Agreement will be July 1, 2023 (the “Effective Date”), regardless of when it is finally approved by all Parties.
- 4.2 The initial term of this Agreement shall commence on the Effective Date and continue in full force and effect until midnight on June 30, 2025, unless sooner terminated as indicated in this Agreement. Upon expiration of this initial term, this Agreement may be renewed by mutual agreement of the Parties for an additional two (2) year period, with the opportunity for additional renewals every two (2) years thereafter, up to a total term of ten (10) consecutive years.
- 4.3 This Agreement may be terminated for conflict of interest pursuant to A.R.S. § 38-511.
- 4.4 Any party may withdraw from this Agreement for convenience by providing at least 90 days written notice to all other parties. Any party who withdraws from the Agreement is no longer entitled to any benefits set forth in the Agreement, but the Agreement shall otherwise remain in full force and effect with respect to the remaining parties.

- 4.5 Upon termination of this Agreement for any reason, any property purchased by a party using funds already paid to it shall remain the property of such party.

5. Assignment of Library Grants

In addition to those funds allocated to Flagstaff under Section 2 of this Agreement, the County and the District hereby assign to Flagstaff their rights to library grant funds distributed by the State of Arizona during the term of this Agreement, and agree that Flagstaff may receive such grant funds directly from the State, provided that any and all such grant funds are expended solely for purposes of operation and development of this county-wide free public library service.

6. Operations and Reporting

- 6.1 During the term of this Agreement, each of the Operating Parties shall, with respect to all District public libraries sponsored and/or operated by it:
 - 6.1.1 Ensure that all such libraries (other than the Coconino County Correctional Library) provide full use of their facilities and services to the general public or to a reasonably acceptable level of services to the general public under the circumstances;
 - 6.1.2 Cooperate in the planning and implementation of cooperative resource-sharing and District-wide automation projects and activities as the District Board shall reasonably request;
 - 6.1.3 Maintain monthly circulation statistics and provide them to the Library Director and to the District Board, as requested;
 - 6.1.4 Complete or assist the District in completing its annual statistical survey for the state Library Extension Service; and
 - 6.1.5 Provide to the District, upon the District Board's reasonable request, a written accounting describing the application of all funds allocated and disbursed under this Agreement.
- 6.2 No later than September 30th of each year during the term of this Agreement, Flagstaff shall provide the District Board with an annual summary of expenditures of Flagstaff under this Agreement for the preceding fiscal year.
- 6.3 Flagstaff shall advise Affiliate Libraries as needed, but Affiliate Libraries remain responsible for library Operational Management, providing information technology support (unless otherwise agreed to by Flagstaff), securing a facility for library purposes, and Facility Maintenance. Flagstaff shall be responsible for the Operational Management of Branch Libraries, providing information technology support, and Facility Maintenance. These respective duties are set forth in the Matrix of Library Details, attached as Appendix A.

7. Indemnification

Each Operating party shall maintain adequate insurance to cover any liability arising from the acts or omissions of the Party's employees or agents, and adequate insurance to provide Arizona statutory workers' compensation benefits to any of their employees who may be injured in the course of their work.

8. Notices

Unless otherwise specified in this Agreement, any notice or other communication required or permitted to be given under this Agreement shall be in writing and sent to the address given below for the party to be notified, or to such other address notice of which is given in accordance with this Section:

Deputy City Manager
City of Flagstaff
211 West Aspen Avenue
Flagstaff, Arizona 86001

Deputy County Manager
Coconino County
219 East Cherry Street
Flagstaff, Arizona 86001

City of Williams, Mayor
113 South First Street,
Williams, Arizona 86046

City of Page, Mayor
697 Vista Avenue
Page, Arizona 86040

Town of Fredonia, Mayor
25 North Main Street
Fredonia, Arizona 86022,

City of Sedona, Mayor
102 Roadrunner Drive,
Sedona, Arizona 86336

Sedona Library Board of Directors Chair
3250 White Bear Road,
Sedona, Arizona 86336

9. Authority to Contract

Each of the Operating Parties represents and warrants that it has full power and authority to enter into and perform its obligations under this Agreement, in accordance with A.R.S. § 11-952.

10. Prior Agreements, Integration, Modification

10.1 The Parties acknowledge and agree that they have not relied upon any statements, representations, agreements, or warranties, except as expressly provided in this Agreement, and that this document constitutes the parties' entire agreement with respect to the matters addressed in the Agreement. All prior or contemporaneous agreements and understandings, oral or written, with respect to such matters are superseded by this Agreement.

10.2 This Agreement may be modified or amended only by written agreement signed by all parties, and any such modification or amendment will become effective on the date specified in the amendment.

11. Severability

In the event that a court of competent jurisdiction holds any part or provision of this Agreement void or of no effect, the remaining provisions of the Agreement shall remain in full force and effect, to the extent that the enforcement of such remaining terms shall continue to reflect substantially the intent of the parties to this Agreement.

12. Waiver

No failure to enforce any condition or covenant of this Agreement shall imply or constitute a waiver of the right to insist upon performance of such condition or covenant, or of any other provision of this Agreement, nor shall any waiver by any party of any breach of any one or more conditions or covenants of this Agreement constitute a waiver of any succeeding or other breach of this Agreement.

13. Headings

The headings used in this Agreement are for convenience only and are not intended to alter or affect the meaning of any provision of this Agreement.

14. No Third-Party Beneficiaries

This Agreement is made solely for the purpose of the parties. There are no intended third-party beneficiaries.

15. Governing Law

This Agreement shall be governed, interpreted, and enforced in accordance with the laws of the State of Arizona.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

City of Flagstaff

By: Becky Daggett, Mayor

Attest:

City Clerk

**Coconino County Free Library
District and Coconino County**

By: Jeronimo Vasquez, Chairman
Coconino County Board of Supervisors

Attest:

County Clerk

City of Williams

By: Don Dent, Mayor

Attest:

City Clerk

City of Page

By: Bill Diak, Mayor

Attest:

City Clerk

City of Sedona

By: Sandy Moriarty, Mayor

Attest:

City Clerk

Town of Fredonia

By: Christy Riddle, Mayor

Attest:

Town Clerk

**Acknowledged and Approved by:
Sedona Public Library**

By: Chairman of the Board of Directors

Attest:

Secretary of the corporation

The undersigned counsel have determined that this Agreement is in proper form and within the powers and authority of the respective parties represented under the laws of this state.

Sterling T. Solomon, City Attorney
Counsel for the City of Flagstaff

William P. Ring, County Attorney
Counsel for Coconino County and
Coconino County Free Library District

Counsel for the City of Williams

Joshua Smith, City Attorney
Counsel for the City of Page

Counsel for the Town of Fredonia

Kurt Christianson, City Attorney
Counsel for the City of Sedona