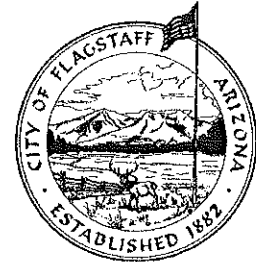


**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**



**To:** The Honorable Mayor and Council

**From:** Mary Jo Jenkins, Director  
Management Services  
779-7615

**Date:** October 22, 2008

**Meeting Date:** November 4, 2008

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**Title:** First Amendment to the Transit Service IGA between Northern Arizona Intergovernmental Public Transportation Authority and the City of Flagstaff for the Shared Construction and Maintenance of the Phoenix Avenue Parking Lot .

**Recommended Action:**

Approve the first amendment to the IGA between Northern Arizona Intergovernmental Public Transportation Authority ("NAIPTA") and the City of Flagstaff.

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**ACTION SUMMARY:**

Approval of this amendment will provide for NAIPTA to reimburse the City for NAIPTA's share of the cost of construction of the Phoenix parking lot, which is the new west side transit center. The amendment also sets forth the responsibilities for maintenance between the two parties relative to the shared site.

**DISCUSSION:**

**Background/History:**

In 2006, the City entered into an intergovernmental agreement with NAIPTA for transit services within the City which had previously been provided by the County.

As part of NAIPTA's long range plan, transit centers are an important element that allows passengers to connect with other routes within the City in order to meet their transportation needs. NAIPTA had previously operated a transit center adjacent to NAU in its north parking lots. When NAU that site for the construction of a new conference center and hotel, NAIPTA moved to a temporary site adjacent to fire station 7 and undertook an analysis of the most advantageous sites for a new transfer center.

**Key Considerations:**

Both the City and NAIPTA benefit by using this site jointly to achieve two objectives, 1) additional parking in the downtown area, and 2) a new site for the NAIPTA transfer center.

**Community Benefits and Considerations:**

The new transfer center and parking lot will provide a key component to the transit system that will allow passengers to access other routes in the City to get to their destinations.

**Community Involvement:**

NAIPTA hired a consultant who conducted an in-depth analysis of various sites in the downtown area that would be suitable for a transfer site. The study included consultation with the businesses, City traffic, property, engineering staff and City management on the pros and cons of the various sites. Existing studies were evaluated, including the redevelopment plan for downtown. This site is slated to be used for construction of the Rio de Flag project and ultimately some type of redevelopment. The selection of this site took into consideration of all these components. Once the construction of the Rio de Flag project is accomplished, it is anticipated that this site could continue to serve as a transit center, and be redeveloped to include other activities, such as parking, retail, and other mixed use activities.

**Financial Implications:**


NAIPTA has \$170,000 in grant funds for its share of the expenses related to the construction of the site. NAIPTA shall reimburse the City for these expenditures. The use of federal funds does carry additional responsibilities for both parties if the site use as a transit center ceases; the Federal Transportation Authority will require NAIPTA to reimburse for any residual value. This IGA clarifies that this will be the City's responsibility should the site be converted to other uses.

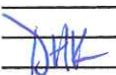
**Options and Alternatives:**

Council approved the construction of the site in the spring of 2008; this IGA only provides for the financial reimbursement.

**Attachments/Exhibits:**

First Amendment to the Transit Service IGA between Northern Arizona Intergovernmental Public Transportation Authority and the City of Flagstaff

  
\_\_\_\_\_  
**Department Head** (*Acknowledgment that all reviews have been completed and required approvals initialed below.*)

INITIALS	RESPONSIBILITY	DATE	INITIALS	RESPONSIBILITY	DATE
_____	BIDS/PURCHASES	_____	_____	FINANCE/BUDGET	_____
_____	GRANTS	_____	_____	CONTRACTS	_____
	LEGAL	10/22/08	_____	IGAS	_____
_____	_____	_____	_____	_____	_____

DATE OF COUNCIL APPROVAL: \_\_\_\_\_

After recording, return to:  
City Clerk  
City of Flagstaff  
211 W. Aspen Avenue  
Flagstaff, AZ 86001

**FIRST AMENDMENT TO TRANSIT SERVICE INTERGOVERNMENTAL  
AGREEMENT**

**CITY OF FLAGSTAFF**

**AND**

**NORTHERN ARIZONA INTERGOVERNMENTAL PUBLIC TRANSPORTATION  
AUTHORITY**

THIS FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT (this "First Amendment") is made and entered into effective as of the \_\_\_ day of \_\_\_\_\_, 2008 (the "Effective Date"), by and between the City of Flagstaff, an Arizona municipal corporation ("City"), and the Northern Arizona Intergovernmental Public Transportation Authority ("NAIPTA") a corporate body and political subdivision of the State of Arizona ("NAIPTA"). City and NAIPTA are sometimes referred to in this First Amendment collectively as the "Parties" and each individually as a "Party."

**RECITALS:**

A. The Parties entered into an Intergovernmental Agreement for transit services dated July 1, 2006, (the "Original IGA"). All capitalized terms used without definition in this First Amendment shall have the definitions ascribed to them in the Original IGA, as modified by this First Amendment.

B. The Parties now desire to amend the Original IGA to provide for the shared construction and development of a Parking Lot and Transfer Center (the "Center") on property owned in fee by the City and located on Phoenix Avenue between Mike's Pike and Beaver St. (the "Phoenix Avenue Property"), upon the terms and conditions contained in this First Amendment.

C. Construction of the Center will be funded in part through a grant from the Federal Transit Authority ("FTA" and the "FTA Grant"), with matching funds provided through the dedicated transit tax funds. The FTA Grant and the dedicated transit tax funds are referred to in this First Amendment as the Federal Funds. Federal law requires that the Transfer Center funded area of the Property be used for transit purposes (as defined by the FTA) for a period of 30 years following completion of construction of the Center, and that in the event the Transfer Center area of the Phoenix Avenue Property ceases to be so used, 80% of the residual value of the Transfer Center (the "Residual Value") must be reimbursed; as forth in this First Amendment.

## AGREEMENTS:

NOW, THEREFORE, for and in consideration of the foregoing Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby amend the Original IGA as follows:

1. Section 1, "Obligations of NAIPTA" is amended by adding new Section 1.3 to read:

### 1.3 Parking Lot and Transfer Center Obligations

1.3.1 NAIPTA will be responsible for cooperating in the planning and development of the Phoenix Avenue Property for the Center. NAIPTA will participate in review of plans and specifications of site development with timely response as set forth by the City.

1.3.2 NAIPTA shall share the cost to plan and develop the Center with Flagstaff, and shall bear \$153,000 of said costs, not to exceed \$170,000 without written authorization.

1.3.3 NAIPTA shall, within 30 days of receiving any City Reimbursement (as defined in Section 2.7.2,) refund the residual value of the FTA Grant to the FTA.

1.3.4 Upon completion of the Center, NAIPTA will maintain the bus parking and tracking area of the Property. Maintenance as used in this Section 1.3.4 and in Section 2.7.2 below, includes litter pick-up, snow removal and graffiti removal.

2. Section 2, "City's Obligations" is amended by adding new Section 2.7 to read:

### 2.7 Parking Lot and Transfer Center Obligations

2.7.1 City shall be responsible for procurement and purchasing of all services, including professional services, and all materials, necessary for the development of the Center, in compliance with FTA procurement regulations. In addition City is responsible for construction of the Center on the Phoenix Avenue Property, including installation of infrastructure necessary to serve the Center, and preparation of the Phoenix Avenue Property for the construction.

2.7.2 Upon completion of the Center, City will maintain the private vehicle parking lot area of the Property. Maintenance for purposes of this Section 2.7.2 shall have the same meaning as in Section 1.3.4. City shall also maintain all landscaping on the Property, including but not limited to watering, fertilizing, pruning, protection as appropriate from the elements, and replacement of plantings when necessary, in City's reasonable discretion.

2.7.3 In the event that the Phoenix Avenue Property is used for non-transit purposes (as defined by the FTA) within 30 years after the completion of the

Center, City shall, within 60 days of the change in use, reimburse NAIPTA 80% of the Residual (the "City Reimbursement"). The Residual Value shall be calculated as provided by federal regulations.

3. Reaffirmation of Original IGA. Except as amended by this First Amendment, the Original IGA shall remain in full force and effect. In the event of any conflict between this First Amendment and the Original IGA, the terms of this First Amendment shall prevail.

10. Counterparts. This First Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, binding on all of the Parties. The Parties agree that this Amendment may be transmitted between them via facsimile. The Parties intend that the faxed signatures constitute original signatures and that a faxed agreement containing the signatures (original or faxed) of all the Parties is binding upon the Parties.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have executed this First Amendment effective as of the Effective Date set forth above.

CITY OF FLAGSTAFF

NAIPTA

\_\_\_\_\_  
Sara Presler,  
Mayor

\_\_\_\_\_  
Al White  
Board Chair

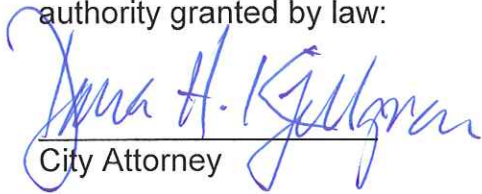
Attest:

Attest:

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

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

Approved as to form and as to  
authority granted by law:

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

\_\_\_\_\_  
General Counsel