

**AMENDMENT TO
INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF DOUGLAS AND THE COUNTY OF
COCHISE FOR THE ESTABLISHMENT OF A
REGIONAL SERVICE CENTER IN THE
CITY OF DOUGLAS**

The City of Douglas (the “City”) and the County of Cochise (the “County”), having previously entered into an Intergovernmental Agreement in 2010 (“IGA”) for the establishment of a Regional Service Center (“RSC”) in the City of Douglas, hereby amend that Agreement, for their mutual benefit, as follows:

Recitals

1. Pursuant to Section V of the IGA, the County agreed to lease the RSC for ten (10) years, with an option to purchase thereafter in the amount of \$1,136,614.03.
2. Pursuant to Section VI.B, if the County exercised its purchase option, as part of the purchase price, the County agreed to deed the two County buildings at 661 G Avenue and 640 East 10th Street, in Douglas, Arizona to the City (the two facilities together being referred to as the “Facilities”), and in exchange the County would receive a deduction from the purchase price in the amount of the aggregate appraised values of the Facilities, up to a maximum of \$200,000.
3. The Facilities have been appraised in an aggregate amount of \$570,000.
4. The County and the City now wish to amend the IGA to provide for a more immediate purchase of the RSC by the County and convey of the Facilities to Douglas, and related amendments, with a closing date mutually acceptable to the parties, but no later than September, 2014 (“Closing Date”).

Now therefore, the parties agree as follows:

Agreement

1. The purchase price of the RSC shall be \$ 1,100,000, with the County receiving \$200,000 credit for conveying the Facilities to City.
2. Upon the execution of this Agreement, City shall provide to the Buyer a title commitment issued by Pioneer Title Company, pursuant to which such title company is prepared to issue to the County a standard coverage owner’s policy of title insurance for the RSC in the amount of the total purchase price. The title policy shall be paid for by the City.
3. Upon the execution of this Agreement, the County shall provide to City with a title commitment issued by Pioneer Title Company, pursuant to which such title company is prepared to issue to City a standard coverage owner’s policy of title insurance for the Facilities in the amount of \$200,000. The title policy shall be paid for by the County.
4. At Closing, City shall execute and deliver a good and sufficient special warranty deed, conveying good, insurable and marketable title to the RSC to the County, in

- fee simple free and clear of all monetary liens, encumbrances and other exceptions. The County will concurrently transfer \$ 900,000 in good funds to the City.
5. At Closing, the County shall execute and deliver a good and sufficient special warranty deed, conveying good, insurable and marketable title to the Facilities to the City, in fee simple free and clear of all monetary liens, encumbrances and other exceptions, except as set forth in Paragraph 8 below.
 6. After the conveyance of the RSC to the County, Paragraph II.A(v) of the IGA shall become null and void. The County shall have exclusive use of the first floor, unless the parties agree to lease or license space to the City on terms to be negotiated: provided, however, it is understood that if first floor space is available when the City requests to use it, and if the City's proposed use is for a special event, or no longer than three months, and does not interfere with any other use in the RSC, then the City may use the space at no cost. Any other use will require a formal separate agreement and may be subject to terms negotiated at that time.
 7. The City currently leases the office space in the Southeast corner of the first floor to Customs and Border Protection (CBP) at no cost. The County will continue to honor said lease with CBP for a period of 4 years from the date of this amendment. After this lease term expires, the County may renegotiate the terms of the lease with CBP at that time.
 8. County currently owns and operates a communications tower at the facility located at 661 G Avenue, which it needs to continue to operate. After Closing, the parties agree that the City shall be deemed to have granted the County a license to operate the communications tower, with the County having exclusive access seven days per week and twenty-four hours per day. The County will have exclusive use of the tower. For access to the tower, the County currently has the combination to the lock to the gate and a key to the equipment shed; the County shall retain both. In addition, the County owns a generator that is installed just outside the shed and an equipment rack that is located inside the facility's back entrance, for which the County shall be provided 24/7 access. The County also may replace, add to, or reconfigure the communications equipment and shall have all necessary 24/7 access for that purpose. The County currently has a key to access inside the building. If City changes or re-keys the lock, City will provide the County with a key. The license to use the tower, and access to equipment, shall be effective until such time that the County determines that it no longer needs to use the tower, at which time the County will remove the tower and all equipment at its own expense.
 9. In all other respects, the terms of the IGA remain in force and effect.

This Amendment to the Intergovernmental Agreement for Establishment of a Regional Service Center in the City of Douglas shall be effective upon approval of the governing boards of the parties hereto and signing and recordation with the Recorder for Cochise County.

Approved:

Ann English, Chairman Date
Cochise County Board of Supervisors

Attest:

Arlethe Rios
Clerk of the Board

Brenda Aguilar
City Clerk

Approved:

Daniel Ortega Jr., Mayor Date
City of Douglas

Approved as to form:

Britt Hanson
Chief Civil Deputy County Attorney

Juan P. Flores
City of Douglas, City Attorney