

RESOLUTION NO. 92-211

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DELTA, UTAH APPROVING AN INTERLOCAL COOPERATION ACT AGREEMENT WITH MILLARD COUNTY FOR SHARING OF TAX REVENUES AND OTHER PURPOSES DESCRIBED IN THE AGREEMENT, APPOINTING AN ATTORNEY TO REVIEW THE AGREEMENT FOR THE PURPOSES OF THE INTERLOCAL COOPERATION ACT AND PROVIDING FOR ADMINISTRATION OF THE AGREEMENT.

RECITALS:

The City Council of the City of Delta, Utah (referred to in this resolution as the "City Council") adopts the following statement as the basis for adopting this resolution:

A. The mayors of each incorporated city and town located in Millard County, with the advice and consent of their respective city and town councils, organized the Millard County Municipal Council.

B. The Millard County Municipal Council proposed that Millard County adopt a program whereby revenues from a special tax levy imposed by Millard County on taxable property and property subject to a fee in lieu of tax would be shared with the incorporated cities and towns located in Millard County.

C. The Board of Commissioners of Millard County directed that the revenue sharing proposal be placed on the ballot as a special proposition in the November, 1991 election.

D. The majority of voters casting ballots in the November, 1991 election in Millard County approved the special revenue sharing proposition.

E. Millard County budgeted for revenue sharing in the Millard County budget year beginning January 1, 1992 and has established a revenue sharing amount of \$500,000.00 to be divided between the ten (10) incorporated cities and towns in Millard County prorated according to their population as determined in the 1990 census.

F. The City Council hereby determines that it is in the best interests of the residents of Delta City for Delta City to participate in the revenue sharing program and to adopt an agreement under the Interlocal Cooperation Act in the substantial form of the agreement attached to this resolution. This agreement should be adopted to implement the revenue sharing program proposed by the Millard County Municipal Council and approved by the Board of Commissioners of Millard County and to provide for proper administration the revenue sharing funds received.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Delta, Utah:

Section 1. Agreement Approved. The City Council hereby approves the interlocal agreement attached to this resolution and authorizes Delta City to enter into an interlocal agreement in substantially the same form as that attached to this resolution. The City Council further authorizes the mayor and city recorder to execute and attest this agreement on behalf of Delta City and to deliver the same to Millard County for execution on behalf of Millard County. The City Council further authorizes the Delta City Recorder to file the interlocal agreement in the records of Delta City after it has been executed on behalf of Delta City and Millard County.

Section 2. Appointment of Attorney. Richard Waddingham is hereby appointed as the Delta City Attorney for purposes of reviewing the attached interlocal agreement or any revision thereof that substantially complies to the form of the interlocal agreement as attached hereto. This appointment and the review to be completed by Mr. Waddingham shall be in accordance with UCA § 11-13-9.

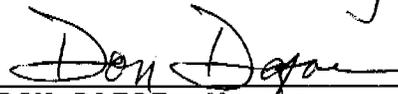
Section 3. Administration of Agreement. The agreement adopted hereby shall be administered under the direction of the Delta City Mayor.

Section 4. Effective Date. This resolution shall become effective upon adoption. The agreement adopted hereby shall become effective in accordance with the terms of the Utah Interlocal Cooperation Act upon execution by both parties, approval by attorneys for both parties as provided in UCA § 11-13-9 and filing of a copy of this agreement with the keeper of records for both parties hereto.

Section 5. Repeal of Conflicting Resolutions. To the extent that any resolutions or policies of Delta City or any other actions of Delta City conflict with the provisions of this resolution, they are hereby amended to be in accordance with the provisions hereof.

Section 6. Severability. In the event that any provisions of this resolution less than the entire resolution are held invalid by a court of competent jurisdiction, this resolution shall be deemed severable and such finding of invalidity shall not affect the remaining portions of this resolution.

ADOPTED AND APPROVED this 22nd day of July, 1992.



DON DAFOE, Mayor

Attest: 
~~DOROTHY JEFFERY~~, *Virginia Taylor*
Deputy Delta City Recorder

COPY

INTERLOCAL COOPERATION ACT AGREEMENT FOR REVENUE SHARING

THIS AGREEMENT is made by and between the following political subdivisions of the State of Utah:

- I. **MILLARD COUNTY**, a body corporate and politic of the State of Utah, of P.O. Box 226, Fillmore, UT 84631, referred to in this agreement as "Millard County;" and
- II. **DELTA CITY**, a municipal corporation of the State of Utah, of 76 North 200 West, Delta, UT 84624, referred to in this agreement as "Delta City."

Millard County and Delta City are referred to collectively in this agreement as the "parties."

WITNESSETH:

The parties recite the following as the basis for entering this agreement:

A. The parties hereto are both political subdivisions of the State of Utah and desire to enter into this agreement under the authority of the Utah Interlocal Cooperation Act as set out in Title 11, Chapter 13, Utah Code Annotated.

B. The Board of Commissioners of Millard County approved a special ballot proposition for the November, 1991 election ballot within Millard County to determine whether Millard County voters would authorize a proposal whereby Millard County would impose a tax levy not to exceed .0002 on all taxable property within the county and use the revenues from that tax levy for sharing from Millard County by interlocal agreement to the ten (10) incorporated cities and towns located within Millard County.

C. A majority of those casting votes in the November, 1991 election held in Millard County voted to approve the additional tax levy and use of the revenues therefrom for sharing with the incorporated cities and towns.

D. Millard County has designated and budgeted approximately \$500,000.00 of the revenue received by it as the actual amount to be distributed by Millard County to the ten (10) incorporated cities and towns located within Millard County for revenue sharing during the Millard County budget year that began January 1, 1992. A tax levy of slightly less than .0002 has been imposed by Millard County in addition to all other tax levies required for the Millard County budget for 1992.

E. The parties desire to enter this agreement setting out the terms and conditions which they feel represent the best interests of the residents of Millard County and Delta City and for the sake of providing a uniform program of revenue sharing between Millard County and the incorporated cities and towns in Millard County.

NOW, THEREFORE, the parties enter into this interlocal cooperation act agreement, as follows:

Section 1. Agreement to Levy Tax. Millard County agrees that it will, acting through the Board of Commissioners of Millard County, budget approximately \$500,000.00 and impose an ad valorem property tax and fee in lieu of ad valorem property tax (the "Tax Levy") on all property located in Millard County at a rate of not more than .0002 for the tax year 1992. Millard County agrees to budget the approximate \$500,000.00 for revenue sharing under this agreement and impose the Tax Levy for the specific purpose of generating revenues to share with the ten (10) incorporated cities and towns located within Millard County, including Delta City, as set out in this agreement.

Section 2. Agreement to Share Revenue. Millard County agrees to share with Delta City a portion of the amount designated by Millard County in its budget for revenue sharing as described in Section 1 of this agreement. The portion to be received by Delta City shall be determined by multiplying the total revenue that Millard County has budgeted for distribution by a fraction. The numerator of the fraction shall be the population of Delta City as determined by the most recent census count or estimate released by the United States Census Bureau. The denominator of the fraction shall be the total population for all incorporated cities and towns located in Millard County under the most recent population count performed by the United States Census Bureau. These Census Bureau figures shall be used for the fractional formula, unless different figured are agreed upon by Millard County and all ten (10) incorporated cities and towns.

2.1. As used in this Section 2, the term "total revenue that Millard County has budgeted for distribution" shall mean either A) the total amount identified in its budget by Millard County to be available for distribution in the current budget year; or, B) the total amount collected by the Millard County Treasurer from the Tax Levy imposed by Millard County under Section 1 of this agreement, less the actual costs incurred by Millard County in levying, collecting and distributing the additional Tax Levy. Whether option "A" or option "B" is used in a given budget year shall be determined solely by the Millard County Commission.

2.2. In the event the Millard County Commission elects to distribute the actual amount received from the Tax Levy, the amount that any taxpayer pays under protest may be deducted from the amount that otherwise would have been collected and distributed

to Delta City under this paragraph. The amount so held shall be invested by the Millard County Treasurer until such protest has been resolved in accordance with applicable Utah statutes and regulations. Upon final resolution of such protests and payment of the amount of the Tax Levy as may be due upon resolution of the protest, the Millard County Treasurer shall make a timely distribution to Delta City of its pro rata share as determined under this Section 2.

Section 3. Use of Revenues. Delta City shall use the revenues received from Millard County under this agreement solely for capital projects, capital equipment or in liquidating or payment of debts incurred in capital projects or the purchase of capital equipment and in accordance with expenditures approved by Delta City in its budget, or amendments thereto, for the fiscal year beginning July 1, 1992 and ending June 30, 1993. Such budget and any amendments thereto shall be adopted in accordance with the Uniform Fiscal Procedures Act for Utah Cities.

3.1. Expenditures under this Section 3 shall substantially conform to the list of capital projects or expenditures or debt retirement submitted to Millard County prior to adoption by Millard County of its tentative budget for the current contract year beginning with the list submitted for the budget year that began January 1, 1992 and will end December 31, 1992. Expenditures may deviate from the initial list so submitted to Millard County, provided that such expenditures are for the purposes set forth in this Section 3 and conform to the budget adopted by the Delta City Council for the fiscal year beginning July 1, 1992 and each fiscal thereafter during the term of this agreement and/or any extensions thereto.

3.2. Delta City shall maintain a detailed record of all expenditures of revenues received under this agreement in accordance with the Uniform Fiscal Procedures Act for Utah Cities. Approval for expenditure of such funds shall be made in accordance with the Uniform Fiscal Procedures Act for Utah Cities and any further procedures adopted by Delta City.

3.3. All expenditures of revenues received under this agreement by Delta City shall be included in the annual audit and all related reports prepared in accordance with the Uniform Fiscal Procedures Act for Utah Cities and all requirements and regulations issued by the Utah State Auditor's office.

Section 4. Audit by Millard County. All records maintained by Delta City of appropriations and expenditures of revenues received under this agreement shall be subject to audit by Millard County at any time thereafter.

Section 5. Term of Agreement. This agreement shall be for a term of one (1) year beginning July 1, 1992 and ending June 30, 1993; provided, however, that this agreement shall at the sole

option and discretion of Millard County, automatically renew each year thereafter from year to year for a period not to exceed ten (10) years.

5.1. In the event Millard County elects to discontinue revenue sharing with Millard County's incorporated cities and towns, Millard County shall provide each said incorporated city or town with at least ninety (90) days written notice of Millard County's intent to so terminate revenue sharing. Millard County's failure to provide such written notice shall be construed as a commitment by Millard County to continue with revenue sharing to said incorporated cities and towns of Millard County for the next contract year.

5.2. Delta City shall submit to the Millard County Auditor a list of capital projects, capital equipment purchases, or debt retirement for which it would budget and expend funds received under this agreement for the next Delta City budget year. This list shall be approved by the Delta City Council and shall be submitted to the Millard County Auditor on or before September 30 of the current contract year, unless an extension of time in which to submit such list is granted by Millard County.

5.3. Millard County shall include the capital budget requests of Delta City and all other participating and qualifying municipalities in the Millard County budget, either under its general fund or under a special revenue sharing fund established by Millard County, for the next Millard County budget year that begins after the current contract year.

5.4. Delta City shall include the capital expenditures or debt retirement submitted to Millard County and the revenues to be shared by Millard County to Delta City under this agreement as part of the Delta City capital budget for the next Delta City budget year that begins after the current contract year.

5.5. As used in this agreement, the term "current contract year" means the initial one-year term of this agreement, or any one (1) year extension hereof in which the date in question falls.

5.6. As used in this agreement, the term "next contract year" means any year following the current contract year to which this agreement is extended by agreement between the parties or is automatically renewed.

Section 6. Time of Payment. Millard County shall pay Delta City eighty percent (80%) of the amount estimated by the Millard County Auditor and Millard County Treasurer as Delta City's proportionate share of the taxes levied under Section 1, by applying the formula set out in Section 2, on or before July 15, 1992, provided that all documentation requested by Millard County has been received by Millard County. The balance of the amount to

be paid to Delta City under Section 2 shall be paid by Millard County as soon as conveniently possible, after any protest of taxes have been settled, but no later than June 15, 1993, subject to an appropriation for that purpose by Millard County, and each ensuing June 15, subject to appropriations for that purpose by Millard County during the term of this agreement and/or any extensions thereto.

Section 7. Title to Property. Any property acquired under any capital project or any capital expenditure made by Delta City with revenues received by Delta City under this agreement shall be and remain the property of Delta City, free and clear of any interest or claim of Millard County. Delta City shall have sole and exclusive control of such property, subject to such further interlocal agreements as Delta City may enter with respect to use and ownership of such property. The parties acknowledge that Millard County has no claim or interest in such property and that the responsibility for proper use, care and maintenance thereof shall remain solely with Delta City. Delta City shall maintain all necessary insurance respecting the value of such property and liability for use thereof. Delta City shall be solely responsible for any liability or claim resulting from use or ownership of such property and shall indemnify and defend Millard County against any claim arising from use or ownership of such property.

Section 8. Subject to Appropriation. The Board of Commissioners of Millard County may fully exercise its legislative discretion to determine whether the revenue sharing arrangement set out herein shall be continued or discontinued for any cause that said County Commission deems, in its sole and exclusive discretion, fit or appropriate. Delta City acknowledges that legislative discretion whether to continue said program is vested solely with the Millard County Board of Commissioners.

Section 9. Amendment. This agreement may be amended under the procedures set out in the Utah Interlocal Cooperation Act by an amendment in writing adopted by resolution of the respective governing bodies of the parties hereto. Any such amendments shall be consistent with and contain the same terms as the other municipalities located within Millard County which participate in the program for the contract year affected by any amendment or amendments.

Section 10. Severability. In the event that any provision of this agreement less than the entire agreement is held invalid by a court of competent jurisdiction, this agreement shall be deemed severable and such finding of invalidity shall not affect the remaining portions of this agreement.

Section 11. Effective Date. This agreement shall become effective upon the date it is approved by resolution by the respective governing bodies of the parties hereto, approved by the

designated attorney for each party and filed with the appropriate keeper of records for each respective party hereto.

IN WITNESS WHEREOF, the parties have each executed this agreement effective as of July 1, 1992.

7-26-92

MILLARD COUNTY:

Jer E. Bunker
Chairman, Board of County Commissioners of Millard County, Utah

Attest: Marlene A. Whicker
MARLENE A. WHICKER,
Millard County Clerk

Approved pursuant to
UCA § 11-13-9:
Leray G. Jackson
LERAY G. JACKSON,
Millard County Attorney

DELTA CITY:

Don Dafoe
DON DAFOE, Mayor
City of Delta, Utah

Attest: Virginia Taylor
~~DOROTHY JEFFERY~~, Virginia Taylor
Deputy Delta City Recorder

Approved pursuant to
UCA § 11-13-9:
Richard Waddingham
RICHARD WADDINGHAM,
Delta City Attorney