INTERLOCAL COOPERATION AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into by and between Washington County, a political subdivision of the State of Utah (the "County") and the City of St. George, a Utah municipal corporation ("St. George"), the City of Washington, a Utah municipal corporation ("Washington"), the City of Hurricane, a Utah municipal corporation ("Hurricane"), the City of Santa Clara, a Utah municipal corporation ("Santa Clara"), the City of Ivins, a Utah municipal corporation ("Ivins"), the City of Enterprise, a Utah municipal corporation ("Enterprise"), the City of Toquerville, a Utah municipal corporation ("Toquerville"), the City of LaVerkin, a Utah municipal corporation ("LaVerkin"), the City of Springdale, a Utah municipal corporation ("Springdale"), the Town of Leeds, , a Utah municipal corporation ("Enterprise"), the City of Leeds, a Utah municipal corporation ("Leeds"), the Town of Virgin, a Utah municipal corporation ("Virgin"), the Town of Rockville, a Utah municipal corporation ("Rockville"), the Town of Apple Valley a Utah municipal corporation ("Apple Valley")the Town of Hildale a Utah municipal corporation ("Hildale")and the Town of New Harmony a Utah municipal corporation ("New Harmony"). The municipalities shall collectively be referred to as "Municipalities," and the parties shall collectively be referred to as the "Parties." The purpose of the Agreement is to establish binding funding distribution guidelines for any revenue derived from a county-wide sales and use tax for funding recreational and cultural organizations and facilities.

RECITALS

A. A number of Washington County residents have expressed the desire to seek voter approval of a county-wide sales and use tax for funding recreational and cultural organizations and facilities ("RAP tax") in accordance with Utah Code Section 59-12-701et seq.;

B. Determining how such funds would be distributed will allow voters to make an informed decision of whether to approve the proposed RAP tax;

C. The Parties are authorized under the Utah Interlocal Cooperation Act, Utah Code Section 11-13-215, to enter into this Agreement regarding the sharing of tax revenue;

D. An interlocal agreement stating how RAP tax funds will be distributed is necessary in order for municipalities to use the revenue to secure funding for recreational and arts projects; and

E. This distribution of funds described in this Agreement is fair to county residents and will ensure that the cities and county work together to improve recreation, arts, and parks throughout Washington County.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and covenants hereinafter contained, the parties agree as follows:

1. **Distribution of funds.** The distribution of the total revenue collected annually in accordance with Utah Code Section 59-12-701 et seq. ("the Act") shall be as follows:

(a) Fifteen percent (15%) shall be appropriated for cultural organizations and shall be further distributed by the County as described in Section 3 below; and

(b) The remaining eighty-five percent (85%) shall be distributed to the Parties as described in Section 2 below, for use in accordance with the Act.

2. **Distribution to Parties.** The distribution of the eighty-five percent (85%) under Section 1(b) to the Parties shall be divided as follows:

(a) Sixty-seven percent (67%) (of the eight-five percent (85%)) shall be divided among the Parties based on the population as determined from the most recent U.S. Census; Washington County's portion shall be based on the population of the unincorporated area of the county;

(b) Thirty-three percent (33%) (of the eighty-five percent (85%)) shall be divided among the Parties based on "point of sale," or in other words based on where the sales and use tax was collected; Washington County's portion shall be based on sales that take place in the unincorporated area of the county.

3. **Distribution to cultural organizations.** The funds appropriated for cultural organizations shall be distributed by the County Commission after it receives recommendations and input from an advisory board. The advisory board shall be comprised of seven-members, appointed by the County Commission,

4. **Term.**

(a) This agreement shall take effect when it is executed by Washington County and one municipality. The term of the Agreement shall end on December 31, 2025, which is when the tax will expire unless renewed through a ballot measure (UCA § 59-12-703(4)(a)(ii)) However, the Agreement will terminate immediately if the RAP tax ballot proposition of 2014 fails.

(b) The Parties intend that the allocations herein of revenues provide a funding source for the projects a party may undertake that will continue throughout the term of any debt obligations issued to finance such project. This Agreement shall be irrevocable and shall continue unmodified through December 31, 2025, unless changed by mutual agreement in writing by each Party.

5. **Governmental Immunity.** The Parties are governmental entities and subject to the Governmental Immunity Act of Utah, Utah Code Ann. § 63G-7-101, et seq. ("Immunity Act"). The Parties agree that they shall only be liable within the parameters of the Immunity Act. Nothing in this Agreement shall be deemed a waiver of any rights, statutory limitations on liability, or defenses applicable to the Parties under the Immunity Act.

6. **Legal Compliance.** The Parties, as part of the consideration herein, shall comply with all applicable federal, state and county laws, and shall indemnify, defend, and hold one another harmless from and against any respective claims, actions, proceedings, damages or losses resulting from or arising as a result of any such failure of compliance.

7. **Interlocal Agreement.** In satisfaction of the requirements of the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101, et seq. ("Interlocal Act"), in connection with this Agreement, the District and the County (for purposes of this section, each a "party" and collectively the "parties") agree as follows:

(a) This Agreement shall be approved by each party, pursuant to § 11-13-202.5 of the Interlocal Act;

(b) This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each party, pursuant to § 11-13-202.5 of the Interlocal Act;

(c) A duly executed original counterpart of the Agreement shall be filed with the keeper of records of each party, pursuant to § 11-13-209 of the Interlocal Act;

(d) Each party shall be responsible for its own costs of any action done pursuant to this Agreement, and for any financing of such costs; and

(e) No separate legal entity is created by the terms of this Agreement. To the extent that this Agreement requires administration other than as set forth herein, it shall be administered by the County Commission and mayors of signatory municipalities acting as a joint board. No real or personal property shall be acquired jointly by the parties as a result of this Agreement. To the extent that a party acquires, holds, and disposes of any real or personal property for use in the joint or cooperative undertaking contemplated by this Agreement, such party shall do so in the same manner that it deals with other property of such party.

8. **Counterparts.** This Agreement may be executed in counterparts.

9. **Governing Law.** This Agreement shall be governed by the laws of the State of Utah both as to interpretation and performance.

10. **Integration.** This Agreement embodies the entire agreement between the Parties and shall not be altered except in writing signed by both parties.

[Signatures follow]

WASHINGTON COUNTY

James Eardley

James Eardley, Chair
Washington County Commission

5·22·2014
Date

Approved as to form:

Deputy Washington County Attorney

5-27-14
Date

CITY OF ST. GEORGE

Jon Pike, Mayor

Date

Approved as to form:

City Attorney

Date

Attorney Printed Name

CITY OF ENTERPRISE

Lee Bracken, Mayor

Date

Approved as to form:

City Attorney

Date

Attorney Printed Name

CITY OF HURRICANE

_____ _____

John Bramall, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

CITY OF HILDALE

_____ _____

Phillip Barlow, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

CITY OF IVINS

_____ _____

Chris Hart, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

CITY OF LAVERKIN

_____ _____

Kerry Gubler, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

CITY OF SANTA CLARA

_____ _____

Rick Rosenberg, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

CITY OF WASHINGTON

_____ _____

Kenneth Neilson, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

TOWN OF APPLE VALLEY

_____ _____

Richard Moser, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

TOWN OF LEEDS

_____ _____

Wayne Peterson, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

TOWN OF NEW HARMONY

_____ _____

Joel Webster, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

TOWN OF ROCKVILLE

_____ _____

Tracy N. Dutson, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

TOWN OF SPRINGDALE

_____ _____

Stan Smith, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

TOWN OF TOQUERVILLE

_____ _____

Darrin LeFevre, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name

TOWN OF VIRGIN

_____ _____

Bruce Densley, Mayor Date

Approved as to form:

_____ _____

City Attorney Date

_____

Attorney Printed Name