

INTERLOCAL COOPERATION AGREEMENT
between
SALT LAKE COUNTY
and
GREATER SALT LAKE MUNICIPAL SERVICES DISTRICT

8000 West and 2700 South Corridor Preservation

This Interlocal Cooperation Agreement (this “Agreement”) is entered into by and between **SALT LAKE COUNTY**, a body corporate and politic of the State of Utah (the “County”); and the **GREATER SALT LAKE MUNICIPAL SERVICES DISTRICT**, a special district created under Utah Code Chapter 17B-2a, Part 11 (the “MSD”). The County and the MSD may each be referred to herein as a “Party” and collectively as the “Parties.”

RECITALS:

A. The County and the MSD are “public agencies” as defined by the Utah Interlocal Cooperation Act, UTAH CODE §§ 11-13-101 to -608 (the “Interlocal Act”), and as such, are authorized to enter into agreements to act jointly and cooperatively in a manner that will enable them to make the most efficient use of their resources and powers. Additionally, Utah Code § 11-13-215 authorizes a county, city, town, or other local political subdivision to share its tax and other revenues with other counties, cities, towns, local political subdivisions, or the state.

B. During the 2015 General Session, the State Legislature amended Section 72-2-117.5 of the Utah Transportation Code, UTAH CODE §§ 72-1-101 to -16-402, to provide corridor preservation funds to local counties for disbursement to various cities and governmental entities, as recommended and endorsed by a council of governments (hereinafter “Corridor Preservation Funds”).

C. On January 16, 2025, the Salt Lake County Council of Governments (COG), an association of local governments in Salt Lake County, requested that the County Council approve its recommended distribution to the MSD from the Salt Lake County Corridor Preservation Fund to enable the MSD to acquire property needed for a future road construction project at 8000 West and 2700 South, Magna City, Utah.

D. The County and the MSD now desire to enter into this Agreement providing for the transfer of \$332,500 of Corridor Preservation Funds to the MSD to be used by the MSD as provided in this Agreement and in accordance with Utah Code § 72-2-117.5.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements contained herein, the sufficiency of which is hereby acknowledged,

the Parties represent and agree as follows:

ARTICLE 1 -DISBURSEMENT OF COUNTY TRANSPORTATION FUNDS

1.1. County Transportation Funds. The County shall allocate and disburse \$332,500 of Corridor Preservation Funds to the MSD from the Salt Lake County Corridor Preservation Fund, all on the terms and subject to the conditions of this Agreement.

1.2. MSD. The MSD shall use the Corridor Preservation Funds allocated and disbursed to it under this Agreement: a) for the purpose of acquiring property needed for the transportation project considered and approved by the Council of Governments on January 16, 2025, located at approximately 8000 West and 2700 South, Magna City, Utah; and b) in accordance with Utah Code § 72-2-117.5 and all other applicable federal, state and local laws, rules and regulations.

ARTICLE 2 — COVENANTS AND AGREEMENTS

2.1. Indemnification and Liability.

(a) Liability. Both Parties are governmental entities under the Governmental Immunity Act of Utah, UTAH CODE §§ 63G-7-101 to -904 (the “Immunity Act”). Neither Party waives any defenses or limits of liability available under the Immunity Act and other applicable law. Both Parties maintain all privileges, immunities, and other rights granted by the Immunity Act and all other applicable law.

(b) Indemnification. The MSD agrees to indemnify, hold harmless, and defend the County, its officers, agents, and employees from and against any and all actual or threatened claims, losses, damages, injuries, debts, and liabilities of, to, or by third Parties, including demands for repayment or penalties, however allegedly caused, resulting directly or indirectly from, or arising out of: i) the MSD’s breach of this Agreement; ii) any acts or omissions of or by the MSD, its agents, representatives, officers, employees, or subcontractors in connection with the performance of this Agreement; or iii) any improper use of the Corridor Preservation Funds. The MSD agrees that its duty to defend and indemnify the County under this Agreement includes all attorney’s fees, litigation and court costs, expert witness fees, and any sums expended by or assessed against the County for the defense of any claim or to satisfy any settlement, arbitration award, debt, penalty, or verdict paid or incurred on behalf of the County. The MSD further agrees that the MSD’s indemnification obligations in this Section 2.1 will survive the expiration or termination of this Agreement.

2.2. Recordkeeping. The MSD agrees to maintain its books and records in such a way that any Corridor Preservation Funds received from the County will be shown separately on the MSD’s books. The MSD shall maintain records adequate to identify the use of the Corridor Preservation Funds for the purposes specified in this Agreement. The MSD shall make its books and records available to the County at reasonable times.

2.3. Assignment and Transfer of Corridor Preservation Funds. The MSD shall not

assign or transfer its obligations under this Agreement nor its rights to the Corridor Preservation Funds under this Agreement without prior written consent from the County. The MSD shall use the Corridor Preservation Funds provided pursuant to this Agreement exclusively and solely for the purposes set forth in the Agreement.

ARTICLE 3 – DEFAULTS AND REMEDIES

3.1. **MSD Event of Default.** The occurrence of any one or more of the following shall constitute an “Event of Default” as such term is used herein:

(a) Failure of the MSD to comply with any of the material terms, conditions, covenants, or provisions of this Agreement that is not fully cured by the MSD on or before the expiration of a sixty (60) day period (or, if the County approves in writing, which approval shall not be unreasonably withheld, conditioned or delayed, such longer period as may be reasonably required to cure a matter which, due to its nature, cannot reasonably be cured within 60 days) commencing upon the County’s written notice to the MSD of the occurrence thereof.

3.2. **County’s Remedies in the Event of Default.** Upon the occurrence of any Event of Default, the County may, in its sole discretion, and in addition to all other remedies conferred upon the County by law or equity or other provisions of this Agreement, pursue any one or more of the following remedies concurrently or successively, it being the intent hereof that none of such remedies shall be to the exclusion of any other:

- (a) Withhold disbursement of Corridor Preservation Funds to the MSD;
and/or
- (b) Reduce the amount of any future disbursement of Corridor Preservation Funds to the MSD by the amount incurred by the County to cure such default; and/or
- (c) Terminate this Agreement.

ARTICLE 4 – MISCELLANEOUS

4.1. **Interlocal Cooperation Act.** For the purpose of satisfying specific requirements of the Interlocal Act, the Parties agree as follows:

- (a) This Agreement shall be approved by each Party pursuant to Utah Code § 11-13-202.5.
- (b) This Agreement shall be reviewed as to proper form and compliance with applicable law by duly authorized attorneys on behalf of each Party pursuant to and in accordance with Utah Code § 11-13-202.5.
- (c) A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Utah Code § 11-13-209.

(d) Except as otherwise specifically provided herein, each Party shall be responsible for its own costs of any action taken pursuant to this Agreement, and for any financing of such costs.

(e) No separate legal entity is created by the terms of this Agreement. Pursuant to Utah Code § 11-13-207, to the extent this Agreement requires administration other than as set forth herein, the County Mayor and the MSD General Manager are hereby designated as the joint administrative board for all purposes of the Interlocal Act.

(f) No real or personal property shall be acquired jointly by the Parties as a result of this Agreement. To the extent a Party acquires, holds, or 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.

4.2. Term of Agreement. This Agreement shall take effect immediately upon the approval of this Agreement by both Parties as provided in Utah Code § 11-13-202.5, and shall expire upon the earlier of: a) the date the Parties have performed all of the material obligations described herein; or b) three years from the date the Agreement is executed by both Parties. The Parties intend that the distribution described herein will be made promptly following execution of this Agreement and that the MSD will expend such distribution for the purposes stated in this Agreement promptly following receipt.

4.3. Non-Funding Clause.

(a) The County has requested or intends to request an appropriation of Corridor Preservation Funds to be paid to the MSD for the purposes set forth in this Agreement. If Corridor Preservation Funds are not appropriated and made available beyond December 31 of the county fiscal year in which this Agreement becomes effective, the County's obligation to contribute Corridor Preservation Funds to the MSD under this Agreement beyond that date will be null and void. This Agreement places no obligation on the County to contribute Corridor Preservation Funds to the MSD in succeeding fiscal years. The County's obligation to contribute Corridor Preservation Funds to the MSD under this Agreement will terminate and become null and void on the last day of the county fiscal year for which funds were budgeted and appropriated, except as to those portions of payments agreed upon for which funds are budgeted and appropriated. The Parties agree that such termination of the County's obligation under this Paragraph will not be construed as a breach of this Agreement or as an event of default under this Agreement, and that such termination of the County's obligation under this Paragraph will be without penalty and that no right of action for damages or other relief will accrue to the benefit of the MSD, its successors, or its assigns as to this Agreement, or any portion thereof, which may terminate and become null and void.

(b) If Corridor Preservation Funds are not appropriated and made available to fund performance by the County under this Agreement, the County shall promptly notify

the MSD of such non-funding and the termination of this Agreement. However, in no event, shall the County notify the MSD of such non-funding later than thirty (30) days following the expiration of the county fiscal year for which Corridor Preservation Funds were last appropriated for contribution to the MSD under this Agreement.

4.4. Force Majeure. Neither Party will be considered in breach of this Agreement to the extent that performance of their respective obligations is prevented by an Event of Force Majeure that arises after this Agreement becomes effective. "Event of Force Majeure" means an event beyond the control of the County or the MSD that prevents a Party from complying with any of its obligations under this Agreement, including but not limited to: a) an act of God (such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods); b) war, acts or threats of terrorism, invasion, or embargo; or c) riots or strikes. If an Event of Force Majeure persists for a period in excess of sixty (60) days, the County may terminate this Agreement without liability or penalty, effective upon written notice to the MSD.

4.5. Notices. Any notice required or permitted to be given hereunder shall be deemed sufficient if given by a communication in writing, and shall be deemed to have been received: a) upon personal delivery or actual receipt thereof; or b) within three days after such notice is deposited in the United States mail, postage pre-paid, and certified and addressed to the Parties at their respective addresses.

4.6. Ethical Standards. The MSD represents that it has not: a) provided an illegal gift in connection with this Agreement to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; c) breached any of the ethical standards in connection with this Agreement set forth in State statute or Salt Lake County Code of Ordinances § 2.07, Salt Lake County Code of Ordinances; or d) knowingly influenced, and hereby promises that it will not knowingly influence, in connection with this Agreement, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

4.7. Entire Agreement. This Agreement and the documents referenced herein, if any, constitute the entire Agreement between the Parties with respect to the subject matter hereof, and no statements, promises, or inducements made by either Party, or agents for either Party, that are not contained in this written Agreement shall be binding or valid.

4.8. Amendment. This Agreement may be amended, changed, modified or altered only by an instrument in writing signed by the Parties.

4.9. Governing Law and Venue. The laws of the State of Utah govern all matters arising out of this Agreement. Venue for any and all legal actions arising hereunder will lie in the District Court in and for Salt Lake County, State of Utah.

4.10. No Obligations to Third Parties. The Parties agree that the MSD's obligations under this Agreement are solely to the County and that the County's obligations under this Agreement are solely to the MSD. The Parties do not intend to confer any rights to third parties unless otherwise expressly provided for under this Agreement.

4.11. Agency. No officer, employee, or agent of the MSD or the County is intended to be an officer, employee, or agent of the other Party. None of the benefits provided by each Party to its employees including, but not limited to, workers' compensation insurance, health insurance and unemployment insurance, are available to the officers, employees, or agents of the other Party. The MSD and the County will each be solely and entirely responsible for its acts and for the acts of its officers, employees, or agents during the performance of this Agreement.

4.12. No Waiver. The failure of either Party at any time to require performance of any provision or to resort to any remedy provided under this Agreement will in no way affect the right of that Party to require performance or to resort to a remedy at any time thereafter. Additionally, the waiver of any breach of this Agreement by either Party will not constitute a waiver as to any future breach.

4.13. Severability. If any provision of this Agreement is found to be illegal or unenforceable in a judicial proceeding, such provision will be deemed inoperative and severable, and, provided that the fundamental terms and conditions of this Agreement remain legal and enforceable, the remainder of this Agreement shall remain operative and binding on the Parties.

4.14. Exhibits and Recitals. The Recitals set forth above and all exhibits to this Agreement are incorporated herein to the same extent as if such items were set forth herein in their entirety within the body of this Agreement.

4.15. Counterparts. This Agreement may be executed in counterparts and all so executed will constitute one agreement binding on all the Parties, it being understood that all Parties need not sign the same counterpart. Further, executed copies of this Agreement delivered by facsimile or email will be deemed an original signed copy of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties execute this Agreement as of the latest date indicated below.

SALT LAKE COUNTY:

Mayor or Designee

Date: _____

Recommended for Approval:

By: _____
Department Director

Date: _____

Reviewed as to Form:

Deputy District Attorney

**GREATER SALT LAKE MUNICIPAL
SERVICES DISTRICT:**

By: _____

Name: _____

Title: _____

Date: _____

Approved as to Form:

By: _____
Attorney for the District

Date: _____