

AGREEMENT

THIS AGREEMENT (the "Agreement") is entered into this 20th day of June, 2017 by and between County Services Support, Inc. ("CSS") a Utah non-profit corporation having an address at 5397 Vine Street, Murray, Utah, 84107, and Tooele County (the "County"), a body corporate and politic of the State of Utah. CSS and the County are sometimes referred to collectively as the "Parties" and individually as a "Party."

The Parties agree that the following Recitals are true and accurate to the best of their knowledge.

RECITALS

A. CSS is a Utah non-profit corporation organized and operated pursuant to the Utah Nonprofit Corporation Act and the Cooperative Association Act. CSS is a tax exempt entity pursuant to section 501(c)(4) of the Internal Revenue Code.

B. CSS was incorporated by officers of the Utah Association of Counties ("UAC") in their capacity as agents of UAC and pursuant to instructions from UAC. One of the purposes of CSS is to provide administrative support to counties in delivering services required by law and to pool resources for counties to provide such services where there is a benefit to doing so.

C. UAC is a Utah non-profit corporation organized and operated pursuant to the Utah Nonprofit Corporation Act and the Cooperative Association Act. UAC is a tax exempt entity pursuant to section 501(c)(4) of the Internal Revenue Code. The primary purpose of UAC is to promote social welfare through better county government and, through cooperative and mutual efforts, maintain counties as an essential part of the government structure.

D. The Directors of CSS include officials employed by Utah counties, including perhaps the County itself, and officials employed by UAC. CSS's officers may also include officials employed by Utah counties, including perhaps the County itself, and officials employed by UAC.

E. Each county in the State of Utah is a member of UAC, including the County itself. The Officers of UAC are elected officials from member counties, including perhaps the County itself. The Directors of UAC are officials employed by Utah counties, including perhaps the County itself.

F. The Utah State Tax Commission values certain mines, utilities and railroad properties located in the State. The Tax Commission's "Centrally Assessed Team" sets

the value and apportions it to taxing entities (such as counties) based on the locations of property. Local county treasurers bill and collect the tax for such centrally assessed properties,

G. Such value assessments are subject to appeal by the taxpayer and/or the counties themselves.

H. Because centrally assessed properties (also referred to as "CAP") necessarily involve multiple counties, cooperative efforts are necessary. Often, however, the counties involved have different and/or conflicting interests. As a result, Utah counties historically contracted with UAC to handle appeals and other issues related to centrally assessed property.

I. Recent changes in applicable law, however, require legislative bodies of the counties themselves to act with regard to CAP values and appeals. Thus, counties can no longer delegate all their authority to UAC with regard to CAP valuation and appeals.

J. Nevertheless, a centralized organization can still act in an advisory capacity to coordinate county action and provide assistance to individual counties with regard to CAP values and appeals.

K. The Parties recognize that providing such coordination and assistance falls squarely within the purpose of CSS, and that having such advisory services centrally provided by CSS would promote social welfare, improve county government, and be economically advantageous for Utah counties and their citizens.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Creation and Maintenance of CAP Committees.**

A. CSS shall create, staff, and maintain at least two standing CAP committees in order to coordinate county action and provide assistance to individual counties with regard to CAP values and appeals. The responsibilities of, and services provided by the CSS CAP committees, shall include the following:

- Track and review all CAP valuations.
- Track and review all CAP appeals initiated by taxpayers.

- Provide input and guidance to assist counties in determining which CAP valuations to appeal, and which CAP taxpayer appeals the counties might want to cross-appeal. This input and guidance may come through outside help or through a partnership with county staff.
- Coordinate meetings for timely discussion and decision regarding expert recommendations.
- Solicit and evaluate applications from legal counsel interested in providing litigation services to counties in a CAP appeal.
- Arrange legal counsel to represent a county (or counties) in individual CAP appeals.
- Assist with any contracts needed for counties to participate jointly in a CAP appeal.
- Track potential legislation and foster changes to the law as needed.

B. Because the CSS CAP committees are advisory in nature, they may not make binding decisions for the County or any other individual county. The County must exercise its own discretion in deciding whether to consider, adopt, reject or modify a recommendation from a CAP committee.

C. If the County is involved in a CAP appeal, it will enter into contracts with legal counsel as necessary, and it will have the attorney/client relationship associated with such contracts. Although the CSS committees might help facilitate the agreements necessary for the County to participate in a CAP appeal, CSS is not responsible for the quality or nature of any legal services rendered to the County in such an appeal; nor is it responsible for the payment of any fees associated with such legal services rendered to the County. **Neither CSS nor any of its CAP committee members, in his/her role as a committee-member, will provide legal advice to Counties.**

D. The CAP committees shall include 1) an Oversight Committee, and 2) a Recommended Appeals Subcommittee. The Recommended Appeals Subcommittee (“RAS”) will do most of the work in evaluating which CAP valuations and appeals the counties should participate in, as well as evaluating the legal counsel to contract with for a particular case. Counsel shall be recommended based upon such relevant factors as experience, competence, ethics, responsiveness, and cost. The Oversight Committee will oversee the RAS, review its recommendations, and pass those recommendations on to the affected counties. The Oversight Committee and/or CSS itself may create additional CAP committees if appropriate. The membership and operations of these committees are

more particularly described in Exhibit A, attached hereto. The committees are subject to CSS's Articles and Bylaws.

2. Access to Information.

A. In order to provide the services identified in Section 1 above, and pursuant to UTAH CODE ANN. §§ 59-2-213, the County hereby designates CSS to act as an agent in order to receive initial valuation information identified in UTAH CODE ANN. § 59-2-201(1).

B. In order to provide the services identified in Section 1 above, the County hereby designates CSS to act as an agent in order to receive appeal notifications as identified in UTAH CODE ANN. § 59-2-1007(8)(a).

C. CSS acknowledges and agrees to abide by the standards and requirements of confidentiality regarding taxpayer information as set forth in UTAH CODE ANN. § 59-1-404.

3. Administrative Fees.

A. Base Annual Administrative Fee. Each participating county shall pay an annual base administrative fee ("Base Administrative Fee") to CSS to cover the services rendered by CSS in operating the committees and performing common tasks associated with CAP property values and appeals. The amount of the base administrative fee shall be determined by CSS and shall take into account anticipated fees and expenses, the number of participating counties, each county's population and the amount of centrally assessed property in that county. The Base Administrative Fee for each county is subject to change annually. The Base Administrative Fee for each participating county is due and payable to CSS 30 days after invoice. Depending upon the number of participating counties, the Base Administrative Fee is subject to change prior to the beginning of the term of the Agreement. Also, at the end each year, the Base Administrative Fee for each county is subject to review and may be adjusted up or down depending upon the actual fees and expenses incurred by CSS. Such adjustments, if any, shall be reflected in invoices, credits and/or payments issued by CSS to affected counties no later than March 1 of the following year.

The County's Base Administrative Fee for the year 2017 is
\$ _____.

B. CAP Appeal Fee. If any county participates in a CAP appeal (whether initiated by the taxpayer or a county), that county shall pay an additional administrative fee to cover additional services rendered and expenses incurred by CSS, if

any, with respect to that particular appeal. These case specific fees (“CAP Appeal Fees”) shall be assessed by CSS through invoices delivered to the counties participating in a particular CAP appeal. Such invoices shall be issued no more frequently than monthly and must be paid within 30 days from receipt. The invoices shall provide 1) a detailed breakdown of all the services rendered and expenses incurred by CSS, and 2) a calculation of the apportionment of the amount among the participating counties. The apportionment of the CAP Appeal Fee shall be based on the original assessments issued by the Tax Commission for the subject property, unless agreed otherwise by CSS and the participating counties.

4. Term and Termination of Agreement.

a. Term. The term of this Agreement, shall be one year, beginning on January 1, 2017 and ending on December 31, 2017. If the Agreement is renewed, the terms shall be one year thereafter.

b. Renewal. This Agreement shall automatically renew at the end of each term for an additional one year term unless either party gives the other written notice pursuant to paragraph (c) below.

c. Termination. During the term of the Agreement, either Party may terminate this Agreement with or without cause upon (30) days written notice. Except as provided in paragraph d, below, if the County terminates this Agreement during, but before the end of, the term, no portion of the Base Administrative Fee is refundable. If CSS terminates this Agreement before the end of its term, it shall refund the County a prorated portion of its Base Administrative Fee representing the remaining months left in the term of the Agreement.

d. One Year Obligation. This Agreement shall create no obligation on the County as to succeeding fiscal years. If funds are not appropriated for a succeeding fiscal year to fund performance by the County under this Agreement, County shall promptly (and in no event later than ten (10) days) notify CSS of said non-funding and the termination of this Agreement.

5. CSS as an Independent Contractor. The relationship of CSS to the County under this Agreement shall be that of an independent contractor. No agent, employee or servant of CSS or the County shall be deemed to be an employee, agent or servant of the other Party except as defined in this Agreement. None of the benefits provided by each Party to its employees, including but not limited to worker’s compensation insurance, health insurance and unemployment insurance, are available to the employees, agents, or servants of the other party by virtue of this Agreement. CSS and the County shall each be solely and entirely responsible for its acts and for the acts of its agents, employees, and servants during the performance of this Agreement. CSS and

the County shall each make commercially reasonable efforts, where appropriate, to inform third parties that CSS is acting as an independent contractor. Nothing herein shall create a partnership or joint venture relationship between the Parties.

6. **Conflicts of Interest.** The Parties acknowledge, as noted above in the Recitals, that officials from Utah counties (either elected officials and/or employees) may also serve as officers and/or directors of CSS and/or UAC. In addition, officials from Utah counties may serve on committees of CSS and/or UAC—including the CAP committees identified herein. As long as such county officials fully disclose their involvement with their county to CSS, and their involvement with CSS to the county, the fact that such individuals are serving in multiple roles shall not, in and of itself, give rise to a conflict of interest that would, in any way, impede the enforceability of this Agreement as to the County or any other county.

7. **Miscellaneous Provisions**

a. Each person signing below represents and warrants (a) that he/she is authorized to execute this Agreement for and on behalf of the Party for whom he/she is signing, (b) that such Party shall be bound in all respects hereby, and (c) that such execution presents no conflict with any other agreement of such Party.

b. This Agreement constitutes the entire agreement between the Parties relative to the subject matter hereof, and there are no representations, warranties, or agreements, or any conditions or contingencies, whether express or implied, or oral or written, except as set forth herein. This Agreement may be modified only in a writing executed by the Parties.

c. No assignment or delegation of this Agreement or any of the rights or obligations hereunder by any Party hereto shall be valid without the prior written consent of the other Party or Parties.

d. This Agreement shall be governed by the laws of the State of Utah. Any litigation arising out of this Agreement shall be conducted in applicable courts in Salt Lake County, Utah, and the Parties expressly agree and consent to such jurisdiction and venue.

e. This Agreement shall be construed as if equally drafted by the Parties, and no rules of strict construction against any Party shall be applied.

f. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalid, illegal, or unenforceable provision(s) shall be limited or eliminated only to the extent

necessary to remove such invalidity, illegality, or unenforceability, and the other provisions of this Agreement shall not be affected thereby.

g. All written notices or communications required or permitted to be given under this Agreement shall be sufficient if delivered personally, via email, via facsimile, or mailed postage prepaid by first class, registered or certified mail posted in the United States and addressed as identified in the opening paragraph of this Agreement. Such notices or communications shall be treated as being effective when delivered, if delivered personally, by email or by facsimile. If sent by mail, they shall be treated as being effective at the earlier of actual receipt or seventy two (72) hours after the same has been deposited in a regularly maintained receptacle for the deposit of United States mail.

IN WITNESS WHEREOF, the Parties have voluntarily executed this Agreement as of the day and year stated above.

COUNTY SERVICES SUPPORT, INC.

By: _____
Its: _____

TOOELE COUNTY

By: Wade B. Brown
Its: _____

4824-1252-6149, v. 1

ATTEST:

Marilyn K. Gillette
MARILYN K. GILLETTE
TOOELE COUNTY CLERK/AUDITOR

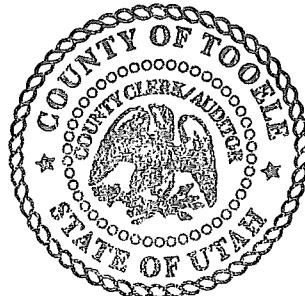


EXHIBIT A

COUNTY SERVICES SUPPORT, INC.

CENTRALLY ASSESSED PROPERTY COMMITTEES

OVERSIGHT COMMITTEE

Makeup: There shall be 29 members of the committee, individually identified and appointed by each of the participating counties. The Chair shall be nominated and appointed by the Oversight Committee members. Unless otherwise determined by the Board, the term of committee membership shall be 2 years.

Duties and Operation: The duties of the Oversight Committee shall include, but shall not be limited to: 1) evaluating and making decisions on recommendations from the Recommended Appeals Subcommittee ("RAS"); 2) providing such recommendations, input and other guidance directly to counties; 3) overseeing the RAS, nominating, approving and (as necessary) removing, its members; 4) tracking potential legislation regarding Centrally Assessed Property ("CAP") and related issues, and fostering changes to laws and policies as appropriate. The Oversight Committee shall meet at the direction of the Chair, and no less than 3 times per year. The Chair, or his/her designee, shall keep minutes of each meeting, as well as all agendas, exhibits and other documents associated with committee meetings.

RECOMMENDED APPEALS SUBCOMMITTEE

Makeup: There shall be at least 10 members of the RAS, as nominated and appointed by the Oversight Committee. The Chair shall be nominated and appointed by the RAS committee members. Unless otherwise determined by the Board, the term of the committee membership shall be 2 years.

Duties and Operations: The duties of the RAS shall include, but shall not be limited to: 1) tracking and reviewing all CAP valuations and all CAP appeals initiated by taxpayers; 2) providing input and guidance to counties regarding which CAP valuations to appeal and which CAP taxpayer appeals to cross-appeal; 3) coordinating regular meetings of the committee for all purposes, including expert recommendations; 4) soliciting and evaluating applications from legal counsel interested in providing litigation services to counties in a CAP appeal; 5) generally assigning a county (or counties) in arranging for legal representation in individual CAP appeals; 6) assisting with any contracts needed for

counties to participate jointly in a CAP appeal; 7) making recommendations, where appropriate, to the Oversight Committee for specific actions and nominations for RAS members. The RAS shall meet at the direction of the Chair, and no less than 3 times per year. The Chair, or his/her designee, shall keep minutes of each meeting, as well as all agendas, exhibits and other documents associated with committee meetings.

2017 Centrally Assessed Administrative Dues

County	2015 Centrally Assessed Valuation	2017 Dues
Beaver	733,448,503	\$1,500
Box Elder	1,148,514,780	\$2,000
Cache	318,388,256	\$1,000
Carbon	851,129,252	\$1,500
Daggett	135,132,084	\$1,000
Davis	569,514,497	\$1,500
Duchesne	1,389,753,372	\$2,000
Emery	1,765,736,914	\$2,000
Garfield	77,589,906	\$500
Grand	468,678,101	\$1,000
Iron	486,458,162	\$1,000
Juab	459,938,600	\$1,000
Kane	54,106,437	\$500
Millard	1,863,698,236	\$2,000
Morgan	184,746,379	\$1,000
Piute	30,674,266	\$500
Rich	154,961,068	\$1,000
Salt Lake	6,562,693,770	\$2,500
San Juan	419,216,948	\$1,000
Sanpete	80,710,790	\$500
Sevier	502,660,835	\$1,500
Summit	418,388,253	\$1,000
Tooele	793,865,622	\$1,500
Uintah	3,803,265,066	\$2,000
Utah	1,530,045,292	\$2,000
Wasatch	81,221,773	\$500
Washington	474,961,254	\$1,000
Wayne	11,740,748	\$500
Weber	647,465,044	\$1,500
Statewide	26,018,704,208	\$36,500

Valuation	Dues
5,000,000,001 +	\$2,500
1,000,000,001 - 5,000,000,000	\$2,000
500,000,001 - 1,000,000,000	\$1,500
100,000,001 - 500,000,000	\$1,000
0 - 100,000,000	\$500