

**INTERLOCAL COOPERATION AGREEMENT BETWEEN UTAH COUNTY AND
PAYSON CITY TO ADDRESS PROJECT MANAGEMENT AND MATCHING FUNDS
FOR THE PAYSON CANYON TRAIL PROJECT**

THIS INTERLOCAL COOPERATION AGREEMENT (the “AGREEMENT”), is made and entered into by and between Payson City Corporation (“PAYSON”) 439 W. Utah Avenue, Payson, Utah 84651 and Utah County (“COUNTY”) 100 East Center Street, Provo, Utah 84606, both entities are political subdivisions of the State of Utah.

WITNESSETH:

WHEREAS, the Utah Interlocal Cooperation Act, Utah Code Title 11, Chapter 13, permits local governmental units, including cities, counties and political subdivisions of the State of Utah to make the most efficient use of their powers by enabling them to cooperate with other public entities on the basis of mutual advantage and to exercise joint cooperative action for the benefit of their respective citizens; and

WHEREAS, PAYSON and COUNTY are local governmental units under the Interlocal Cooperation Act; and

WHEREAS, pursuant to the Act, the parties desire to work together through joint and cooperative action that will benefit the residents of PAYSON and COUNTY; and

WHEREAS, PAYSON and COUNTY desire to provide active transportation facilities in Utah County for use by its residents and visitors; and

WHEREAS, PAYSON has secured funding in the amount of \$5,419,600.00 through the Mountainland Association of Governments (MAG) Transportation Improvement Program (TIP) to design and construct a non-motorized paved trail in Payson Canyon; and

WHEREAS, MAG requires matching funds for the TIP funding, equal to 6.77% of approved project amount; and

WHEREAS, PAYSON and COUNTY will mutually benefit from the Payson Canyon trail system; and

WHEREAS, COUNTY will be the lead agency to administer the project and project funds because the trail will be located within an unincorporated area of Utah County; and

WHEREAS, PAYSON and COUNTY will share the responsibility for providing matching funds on a two-thirds (2/3) and one-third (1/3) basis, respectively.

NOW, THEREFORE, the parties do mutually agree, pursuant to the terms and provisions of the Act, as follows:

Section 1. PURPOSES

This Agreement has been established and entered into between PAYSON and COUNTY to formally establish the lead agency for the Payson Canyon Trail Project and define the financial obligations of each party for the matching funds secured through the Mountainland Transportation Improvement Program (TIP).

Section 2. ADMINISTRATION OF AGREEMENT

The parties hereto agree that, pursuant to Utah Code Section 11-13-207, Utah County shall act as the administrator responsible for the administration of this Agreement. The parties further agree that this Agreement does not anticipate nor provide for any organizational changes in the parties. The administrator agrees to keep all books and records in such form and manner as the City Auditor shall specify and further agrees that said books shall be open for examination by the parties hereto at all reasonable times.

Section 3. EFFECTIVE DATE; DURATION

This Agreement shall become effective and enter into force, within the meaning of the Interlocal Cooperation Act, upon the submission of this Agreement to, and the approval and execution hereof by Resolution of the governing bodies of the parties to this Agreement. The term of this Agreement shall be from the effective date hereof and extend for a term not to exceed 50 years from the date of this Agreement.

Section 4. PARTIES RESPONSIBILITIES

1. COUNTY shall:
 - a. Pay one-third of the required TIP match, currently estimated at \$122,302.31.
 - b. Be responsible for design, construction, contracts, invoicing, etc. associated with the trail improvements, utilizing funding secured through the Mountainland Transportation Improvement Program (TIP).
 - c. Allow portions of the trail to be located on COUNTY property.
2. PAYSON shall:
 - a. Remit payment to COUNTY an amount equal to two-thirds of the required TIP match, currently estimated at \$244,604.61.
 - b. Provide ancillary assistance to COUNTY in designing and constructing the trail system, as needed.
 - c. Allow portions of the trail to be located on CITY property.
3. Shared and separate responsibilities
 - a. Both parties shall share any charges beyond the MAG funded amount at the same proportion as the required TIP match.
 - b. Both parties will enter into a separate agreement to address future improvements and long-term maintenance of the trail.
 - c. If either party buys or sells personal or real property in furtherance of this Agreement, that party will retain responsibility for and control and ownership of the property.

Section 5. NO SEPARATE LEGAL ENTITY

PAYSON and COUNTY do not contemplate nor intend to establish a separate legal or administrative entity under the terms of this Agreement.

Section 6. METHOD OF TERMINATION

This Agreement will automatically terminate at the end of its term herein, pursuant to the provisions of paragraph three (3) of this Agreement. Prior to the automatic termination at the end of the term of this Agreement, any party to this Agreement may terminate the Agreement sixty (60) days after providing written notice of termination to the other parties. The parties of this Agreement agree to bring current, prior to termination, any financial obligation contained herein.

Section 7. INDEMNIFICATION

The parties to this Agreement are political subdivisions of the State of Utah. The parties agree to indemnify and hold harmless the other for damages, claims, suits, and actions arising out of the negligent errors or omissions of its own officials or employees in connection with this Agreement. It is expressly agreed that neither party waives any immunity, protection, or benefit of the Utah Governmental Immunity Act.

Section 8. FILING OF INTERLOCAL COOPERATION AGREEMENT

Executed copies of this Agreement shall be placed on file with the official keeper of records of PAYSON and COUNTY, and shall remain on file for public inspection during the term of this Agreement.

Section 9. AMENDMENTS

This Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be: (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, (c) submitted to and approved by an Authorized Attorney of each of the parties, and (d) filed in the official records of each party.

Section 10. GOVERNING LAW, JURISDICTION, AND VENUE

All questions with respect to the construction of this Agreement and all rights and liabilities of the parties shall be governed by the laws of the State of Utah. Jurisdiction and venue for the enforcement of this Agreement shall be found in the courts of Utah County, State of Utah.

(Signature Pages to Follow)

UTAH COUNTY

Authorized by Resolution No. _____, authorized and passed on the ____ day of November, 2025.

**BOARD OF COUNTY COMMISSIONERS,
UTAH COUNTY, UTAH**

BRANDON B. GORDON, Chair

ATTEST:
AARON R. DAVIDSON
Utah County Clerk

By: _____
Deputy County Clerk

REVIEWED AS TO FORM AND
COMPATIBILITY WITH APPLICABLE LAW:
JEFFREY S. GRAY
Utah County Attorney

BY: _____
Deputy County Attorney

PAYSON CITY

Authorized by Resolution No. _____, authorized and passed on the ____ day of _____, 2025.

WILLIAM R. WRIGHT, MAYOR

ATTEST:
KIM E. HOLINDRAKE
Payson City Recorder

By: _____
City Recorder

REVIEWED AS TO FORM AND
COMPATIBILITY WITH APPLICABLE LAW:
BRANDON DALLEY
Payson City Attorney

By: _____
City Attorney