



BOARD OF COMMISSIONERS WORK SESSION MEETING
117 South Main Street, Monticello, Utah 84535. Commission Chambers
November 18, 2025 at 9:00 AM

AGENDA

The public will be able to view the meeting on San Juan County's Facebook live and Youtube channel

CALL TO ORDER

ROLL CALL

AGENDA ITEMS

1. Consideration and Approval of the Building Inspector Agreement with Monticello City under the Utah Code Annotated 11-13-202.5(3). Mitch Maughan, County Attorney
2. Discussion on Combining Justice Court with San Juan County and Monticello City. Mitch Maughan, County Attorney

ADJOURNMENT

The Board of San Juan County Commissioners can call a closed meeting at any time during the Regular Session if necessary, for reasons permitted under UCA 52-4-205

All agenda items shall be considered as having potential Commission action components and may be completed by an electronic method **In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the San Juan County Clerk's Office: 117 South Main, Monticello or telephone 435-587-3223, giving reasonable notice**

Dated October 20, 2025

Re: Interlocal Agreement with Monticello City for Inspection Services

Commissioners Harvey, Stubbs & Maughan & Monticello City:

According to Utah Code Annotated 11-13-202.5(3), any agreement that has been approved by the commission will not take effect until it has been reviewed, approved, and signed by the County Attorney.

The Monticello City Contract for Inspection Services was included on the agenda several meetings ago; however, I did not approve it for the reasons outlined in this document. Although I attempted to have it placed on the agenda for the last meeting, Mack declined to do so. So I am sending it to each of you and to Monticello City directly to ensure that it is placed on the agenda.

I. Review of City and County Responsibilities for Building Inspection Services (contributed by Bart Kunz).

Utah gives local jurisdictions the responsibility to inspect projects under Utah Code section 15A-1-207(1). And in *DeBry v. Noble*, 888 P.2d 428, 441-42 (Utah 1995), the Utah Supreme Court described building inspections as a core governmental function. A narrow exception to this responsibility occurs when a local government collects a fee for a building inspection but does not conduct the inspection promptly.

If a municipality or county collects a fee, the municipality or county “shall ensure that the construction project receives a prompt inspection.” Utah Code sections 10-9a-542(2)(a) & 17-27a-537(2)(a). But if a county or municipality can’t provide a building inspection within 3 business days after receiving a request and collecting a fee, the applicant may engage a third-party inspection firm from a list. Utah Code section 15A-1-105 requires the county to keep a list. Utah Code section 17-27a-537(2)(b). (The municipal counterpart appears in MLUDMA at 10-9a-542(2)(b). Interestingly, the MLUDMA version has a carveout that the county version lacks, requiring the municipality to conduct the inspection on the date set by the applicant if it is more than three days after the application.)

Under 15A-1-105, a municipality or county must maintain a “third-party inspection firm list.” For counties of the first through **fourth** class (and municipalities located therein), the list must include at least three firms.¹ If an applicant engages a third-party firm because the municipality or county can’t get to the inspection in time, the applicant must notify the government which

¹ For counties of the fifth or sixth class (and municipalities located therein), the list needs just one firm

firm it is hiring, the third-party inspector submits the report to the government, and the government pays the cost of the inspection, so long as it doesn't exceed the original request. Utah Code section 15A-1-105(2). The government is not liable for such inspections. Utah Code section 15A-1-105(4).

The reports are supposed to be submitted to the "local regulator," which is defined in the State Construction Code as a political subdivision, not necessarily a building inspector or building official. Utah Code section 15A-1-202(12). (Note that section 15A-1-105 refers to section 15A-1-102 for the definition, but that section lacks any such definition.)

Incidentally, section 15A-1-105(1)(d)(ii) allows building inspectors from adjacent cities and counties to be third-party inspectors. So, a county inspector might be able to pick up some extra work from a neighboring jurisdiction.

Consequently, while building inspections may be a topic of an interlocal agreement under Utah Code section 11-13-212, *a local government should take care if it chooses to enter into such an interlocal agreement with an adjacent jurisdiction using its own building inspector if its inspector could have otherwise separately and independently contracted for such work.*

Given the above, the best approach given the statutory language of Utah Code Section 11-13-212 would be to have Monticello City contract directly with a building inspector (which can be the same inspector as the county has engaged).

II. Other Issues with the Agreement.

1. The Agreement does not comply with the statutory language for creating interlocal agreements.

2. According to the Agreement, the City Manager and the City Planning and Zoning Director are the two administrators of the Agreement. No one from the County is named as a joint administrator. It is odd that the County is providing the City a service and the City is the administrator of the interlocal. It would make more sense to have the county act as the administrator since they are providing the service (or have a joint administrator from the County and the City. Also, the Agreement needs to clarify the powers of the joint administrator, especially if it is the city. Does the city schedule the building inspector? Those types of items should be addressed.

3. More than likely, the County will not be insured by UCIP because of the indemnification provisions in the Agreement. UCIP does not provide coverage for liability a member has accepted by way of a contract. UCIP uses standard industry language in its agreements with its members. The industry does not allow its insureds to obligate the insurer to provide coverage to other entities by way of a contract, and neither does UCIP. If the County agrees to indemnify and defend the City for claims made against the City, that obligation will fall on the county and UCIP will not provide a defense to the City or pay any claims against the City.²

4. The Agreement references the San Juan County Building Department but there is no such legal entity and hence no official governing docs/powers, etc.

III. COMPLIANCE WITH STATUTE

The Agreement references the interlocal agreement act and says the Agreement is made pursuant to the act but it fails to specifically state whether it creates a separate interlocal entity as required by Utah Code Annotated, §11-13-202 & §11-13-206.

Interlocal Agreements must comply with the Interlocal Cooperation Act, codified in Title 11, Chapter 13. There are different requirements depending on whether the Agreement create an interlocal entity.:

1(b) *IF* the agreement creates an interlocal entity, it must contain:

- (i) the precise organization, composition, and nature of the interlocal entity;
- (ii) the powers delegated to the interlocal entity;
- (iii) the manner in which the interlocal entity is to be governed; and
- (iv) subject to Subsection (2) [below], the manner in which the members of its governing board are to be appointed or selected;

Regardless of whether it creates a separate entity, the Agreement must contain:

1(a) its duration

(c) its purpose

² FYI, under the State Procurement Act, any contract that requires the state to indemnify another party in a contract is considered invalid and unenforceable. UCIP recommends member Counties to adopt the same position that the County will not agree to indemnify or defend any other party to a contract.

- (d) the manner of financing the joint or cooperative action and of establishing and maintaining a budget for it;
- (e) the permissible method or methods to be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination;
- (f) the process, conditions, and terms for withdrawal of a participating public agency from the interlocal entity or the joint or cooperative undertaking;
- (g)
 - (i) whether voting is based upon one vote per member or weighted; and
 - (ii) if weighted voting is allowed, the basis upon which the vote weight will be determined;

(2) Each agreement under Section 11-13-203 or 11-13-205 that creates an interlocal entity shall require that Utah public agencies that are parties to the agreement have the right to appoint or select members of the interlocal entity's governing board with a majority of the voting power.

If the Agreement does not create an interlocal entity, then the provisions of Section 11-13-206 still apply but there are additional provisions. The Agreement must provide for:

- (a) the joint or cooperative undertaking to be administered by:
 - (i) an administrator; or
 - (ii) a joint board with representation from the public agencies that are parties to the agreement;
- (b) the manner of acquiring, holding, and disposing of real and personal property used in the joint or cooperative undertaking;
- (c) the functions to be performed by the joint or cooperative undertaking; and,
- (d) the powers of the joint administrator.

The Agreement lacks some of these statutory provisions entirely and others could be more detailed.

CONCLUSION

A review of the County's responsibilities includes the following:

1. Counties and municipalities must have their own building inspectors, either as employees, contract employees, or by interlocal agreement (though these agreements can present difficulties). A building official can also be the building inspector or some other county official.
2. The County must ensure that builders/owners who reside in the County receive a prompt inspection (3 days or less). The City must also ensure that its builders/owners receive a prompt inspection (3 days or less) ³.
3. If the County fails to meet that deadline, the builder/owner may engage a third party inspector from a list provided by the County. The County must maintain a third party inspection list. For counties of the first through **fourth** class (and municipalities located therein), the list must include at least **three** firms
4. The County needs to designate a "local regulator". "Local regulator" means a political subdivision of the state that is empowered to engage in the regulation of construction, alteration, remodeling, building, repair, installation, inspection, or other activities subject to the codes. "Local regulator" may include the local regulator's designee. §15A-1-202(12)
5. The Commissioners need to decide if they want to have Monticello City contract with its own building inspector or if the County wants to enter into an interlocal agreement, remembering the caution set out in Utah State Code, §11-13-212, - a local government should take care if it chooses to enter into such an interlocal agreement with an adjacent jurisdiction using its own building inspector if its inspector could have otherwise separately and independently contracted for such work.
6. If the County desires to enter into an interlocal agreement with the City for inspection services, then the Agreement needs to be revised to comply with the statutory provisions as more fully set forth in Sections II and III above.

Dated this ___ day of October, 2025.

San Juan County Attorney's Office

/s/ Mitchell D Maughan
County Attorney

³ This assumes that the County or the City charges a fee.

**AGREEMENT BETWEEN
THE CITY OF MONTICELLO AND SAN JUAN COUNTY
FOR BUILDING INSPECTION SERVICES**

This Agreement is made and entered into pursuant to 11-13-1, Utah Code Annotated, as amended, commonly referred to as the Interlocal Cooperation Act, by and between San Juan County, a body corporate and politic of the State of Utah, hereinafter referred to as "County", and the City of Monticello, a municipal corporation of the State of Utah, hereinafter referred to as "City".

WITNESSETH

WHEREAS, City wants a safe and secure environment for its citizens, businesses and all others within the City boundaries; and

WHEREAS, City desires to make the most cost-effective use of tax dollars to provide building inspection services; and

WHEREAS, City feels that the San Juan County Building Department can provide excellent, cost-effective building inspection services within the City boundaries; and

WHEREAS, City is required by State Code to have a licensed building official performing the needed functions of inspections and plan approvals, and requests this role be filled by San Juan County Building Department; and

WHEREAS, City and County have determined that it is mutually advantageous to enter into this Agreement for the San Juan County Building Department to provide building inspection services in the City; and

WHEREAS, it is agreed that the services provided will be paid for by the City as hereinafter set forth and the respectful entities have determined and agree that the amount set forth herein is reasonable, fair and adequate compensation for providing the described building inspection services;

NOW THEREFORE, pursuant to the Utah Interlocal Cooperation Act the parties hereby agree as follows:

**SECTION ONE:
AGREEMENT**

1.01 The County, through the San Juan County Building Department agrees to furnish building official services and to enforce State laws within the corporate limits of City, to the extent and in the manner hereinafter set forth.

1.02 This Agreement terminates and supersedes any existing building inspection service agreement, whether oral or written, between the parties.

1.03 The concepts set forth in the above recitals are recognized and incorporated as an integral part of this agreement.

1.04 The City Manager and City Planning & Zoning Administrator shall be the administrators of this Agreement.

1.05 The City will enforce all City Codes and ensure land use is appropriate and shall issue stop work orders as necessary.

1.06 The County will designate a deputy and/or an appropriate supervisor as the liaison to the City for the purpose of coordinating the activities of the City of Monticello, attending staff and City Council meetings as reasonably requested, and to oversee the delivery of building services under this agreement.

SECTION TWO: SCOPE OF SERVICES

2.01 The City of Monticello shall be responsible to furnish all personnel for the collection of applications and fees, data input into building software, compliance investigations, communications with County employees and applicants, Stop Work Orders (as applicable) , Certificate of Occupancy, follow-up communications, as well as any other services in the field of construction that are within the legal power and ability of the City of Monticello to provide.

2.02 The County will furnish all necessary labor, supervision, equipment, vehicles, communication software, communications with City and applicants, copy of fee schedule, and other items of equipment reasonably necessary to provide the services described herein.

2.03 The personnel and equipment furnished by the County will provide responsive, direct services within the normal operating hours of County Administration, Monday through Friday, 8am to 5pm.

2.04 The County will adjust operating hours set in accordance with 2.03, to meet all State current and future state code timeline requirements and deadlines. Provided that the change of operating hours is at the cause from County personnel.

2.05 The City will provide the software for the upload and documentation on the City's Building permits. The County will document its work in the City system along with any attachments to each building permit. If work is accidentally uploaded to the wrong entity building permit software, the respected party must notify the other party within 48 hours to correct the upload to the correct software.

SECTION THREE:
AUTHORITY AND EMPLOYMENT STATUS

3.01 For purposes of liability, County officers or employees or contractors shall not be deemed to be City officers or employees except as more fully specified in the Agreement. All building inspection officers employed by the County to perform duties under the terms of this Agreement shall be County employees, and shall have no right to any City pension, civil service, or any other City benefit for services provided hereunder. The County will have full supervision authority over all persons employed to carry out the requirements of this agreement. Any contractors under contract will provide services as requested by the County and will be under the full supervision of the County.

SECTION FOUR:
INDEMNIFICATION

4.01 The City shall be responsible for all damages to persons or property that occur as a result of the negligence or fault of the City in connection with the performance of this Agreement. The City shall also defend and indemnify the County for all claims and expenses that arise out of the enforcement of a State law or City ordinance that is deemed to be unlawful or unconstitutional.

4.02 The County shall be responsible for all damages to persons or property that occur as a result of negligence or fault of the County in connection with the performance of this Agreement. The County shall indemnify and hold the City free and harmless from all claims that arise as a result of the negligence or fault of the County, its officers, agents and employees.

4.03 In the event that the City or any of its officers or employees are named as co-defendants with the County or any of its officers or employees in any civil action based upon the delivery of County services under the terms of this Agreement, the County agrees to undertake the defense of the City or any of its officers or employees so named under a reservation of rights agreement until such time as they have been successfully dismissed from the action or it has been determined by the County that a conflict of interest exists, at which time City will be notified of its duty to independently undertake and pay for the defense of the City or its officer or employee named as a co-defendant in such civil actions.

4.04 In the event that the County or any of its officers or employees are named as co-defendants with the City or any of its officers or employees in any civil action based upon the delivery of City services under the terms of this Agreement, the City agrees to undertake the defense of the County or any of its officers or employees so named under a reservation of rights agreement until such time as they have been successfully dismissed from the action or it has been determined by the City that a conflict of interest exists, at which time County will be notified of its duty to independently undertake and pay for the defense of the County or its officer or employee named as a co-defendant in such civil actions.

SECTION FIVE:
RESPONSIBILITY FOR SALARY AND BENEFITS

5.01 The City shall not assume any liability for the payment of any salaries, wages, employment benefits or other compensation to any County personnel performing services hereunder for the City and will not assume any other employment related liability except as provided for in this Agreement.

5.02 The City shall not be liable for compensation or indemnity to any County employee for injury or sickness arising out of his employment, unless otherwise provided herein, and the County hereby agrees to hold the City harmless against any such claim.

SECTION SIX:
TERM OF AGREEMENT

6.01 Unless terminated sooner as provided for herein, this Agreement shall be effective 12:01 am, August 27, 2025, and shall run for a five (5) year period until 12 midnight August 26, 2030.

6.02 In the event the City desires to extend this Agreement for a succeeding five year period, the City Council, by April 15 of the year of the expiration date of this Agreement, shall notify the County Commissioners that it wishes to renew the agreement, whereupon the County Commissioners, not later than May 15, shall notify the City Council in writing of its determination concerning the renewal for an additional five-year period together with any readjusted rates for the new extended agreement and a new agreement shall be executed. If these notifications are not made, this agreement shall expire and shall terminate on the final day of this agreement.

6.03 Notwithstanding the provisions of this Section, either party may terminate this Agreement at any time by giving 30 days prior written notice to the other party. In the event of a termination all services will be carried out to the end of the month, regardless of which party terminates the agreement. Payments will be prorated based on time of cancellation and refunds to the City or payments from the City will be processed within 30 days after the day of termination of the agreement.

SECTION SEVEN:
COMPENSATION FOR SERVICES

7.01 The City agrees to pay to the County the amount set forth in Attachment A, which is attached hereto and incorporated herein by reference, for the services provided pursuant to this agreement. The amount listed on Attachment A includes, but is not limited to: building inspection fee, etc., etc., etc. The City shall pay the amount set forth in Attachment A, as scheduled in this agreement, even during times when a new officer is being recruited, hired, trained, etc. to fill a vacancy under this agreement.

7.02 The City's payments will cover all work required for each permit, including all inspections by the County through completion of the permit. If additional inspections or unplanned adjustments are needed, they will be added to the permit with a note explaining the reason. The City will then collect the additional fees based on the agreed fee schedule and make adjustments as stated in Attachment A.

7.03 The City shall budget for and remit the amounts due to the County at the close of the semi-annual year: June and December. If such payment is not remitted to the County within 30 days following the end of the quarter, a reminder will be send out from the County inquiring about the payment. Both parties are responsible for tracking the payment amounts due following the semi-annual schedule.

7.04 The compensation paid by the City to the County pursuant to this Agreement shall be used for the services provided pursuant to this Agreement, and County shall not have the authority or right to use such funds for other purposes. Further, the County agrees not to offset the City's present or future budget because of the compensation paid pursuant to this Agreement.

SECTION EIGHT: REPORTS AND RECORDS

8.01 Records will be maintained of all building inspection activity and services in the City and the records will be accessible to the City at all reasonable times. The County will prepare an annual report of building inspections in the City and will review the report annually with City Staff at a meeting upon request. The County will also provide updates to online building records within 48 hours of services rendered to the City.

SECTION NINE: COORDINATION

9.01 The City's Manager, City's Mayor, or other designated representatives may confer with the County, and/or his designated contract representatives, to coordinate with the San Juan County Building Department regarding the performance or services under this Agreement, the costs for future periods under this contract, or any other issues related to the services provided under this contract. Such meetings will be subject to the discretion and availability of the Building Department Manager and shall be handled in accordance with County policy.

9.02 All inspections must be requested by the City Planning & Zoning Administrator. The County will schedule each inspection directly with the property owner based on the proper timeline for the requested inspection. Following completion, the County shall document the inspection in the City system within 48 hours.

9.03 The County shall notify the City of any adjustments to the County fee schedule for plan reviews or inspection fees within 1 week of adoption, to allow proper collection of the fees.

SECTION TEN:
GOVERNMENTAL OR CITY PROJECTS

10.01 City building projects, plan reviews, and inspections will be paid at the applicable rate set forth in Attachment A.

10.02 County projects within the City’s municipal boundary will be requested through the City system and given the same timeline as all other building requests. Fees will be waived for all services provided by the County. Non-inspection-related City fees will still be assessed, unless waived or adjusted by City Council at the County’s request.

10.03 Other Governmental projects within the City’s municipal boundary will pay the set fees and follow the same process as standard building permits, unless an adjustment is requested and approved by the City Council and the County Commission.

IN WITNESS WHEREOF The City of Monticello, by resolution duly adopted by its City Council, caused this Agreement to be signed by its Mayor and attested by its Clerk, and San Juan County, by resolution of its County Commissioners, has caused this Agreement to be signed by the Chairman of said Commission and attested by its Clerk, all on the day and year appearing below their respective signatures.

THE CITY OF MONTICELLO

By _____
Mayor Bayley Hedglin

Date _____

ATTEST:

Approved as to form and for compliance
with state law:

City Recorder

City Attorney

BOARD OF COUNTY COMMISSIONERS OF SAN JUAN COUNTY

By _____
Chairman Silvia Stubbs

Date _____

ATTEST:

Approved as to form and for compliance
with state law:

San Juan County Clerk

San Juan County Attorney

Attachment A

County and City have agreed upon the following fee schedule.

Payments to County

Semi-Annual payments in the amount of **\$3,000 (\$6,000 yearly)** will be made by June 30 and December 31 of each year. This will continue for five (5) years as stated in the current contract and on the terms specified in Section Seven, Compensation of Services.

Payment Review

When yearly City Inspections reach over 75 inspections or stay under 35 inspections, a review of this agreement be made to adjust the rate of the later semi-annual payment. During such time, the rates will be adjusted based on the cost of the building fees as set by the County. Following years will resume at standard rate as set by the above payment schedule.

Payment Review Process:

Upon recognizing that the inspections have increased or decreased below the above threshold, the recognizing party will notify the other of the finding within one (1) month. Parties will hold a meeting to calculate the new fee based on the assumed average for the remaining year. This meeting may be delayed until later in the year once all building has slowed down for the season.

For Example. In the eighth month, only 20 inspections have occurred. Due to this fact the rate will be reduced to reflect that change based on the remaining inspections to be added to the system (2 permits added with a total of 5 inspections). 5 inspections at \$65 per inspection (as set by the County Fee Schedule) would reduce the remaining balance due to \$325. This amount plus any plan review fees would be the total due for the second yearly payment ($\$130 \times 2 = \$260 + 325 = \$585$ total year end payment) Overage inspections would work in the same way increasingly based on the County inspection and plan review fees.



STAFF REPORT

MEETING DATE: October 21, 2025

ITEM TITLE, PRESENTER: Mitch Maughan

RECOMMENDATION: EnterTextHere

SUMMARY

Judge Lyon Hazleton will retire at year's end. He currently presides over two separate courts: San Juan County Justice Court (handling Class B misdemeanors and below for the county) and Monticello Justice Court (handling similar cases within city limits). Each court operates independently with its own judge contract.

A joint decision with Monticello City is needed to determine future court structure before choosing the judge selection panel. Three options are being considered:

- Keep both courts separate, maintaining their individual contracts, identities, costs, and revenues.
- Merge the courts under an interlocal agreement that outlines shared responsibilities, costs, and revenues.
- Dissolve Monticello Justice Court, giving San Juan County Justice Court jurisdiction over all areas except Blanding City. Monticello City would not share costs or receive revenue.

This is for information only. I request permission to consult with Monticello City and return to the commission with a more detailed analysis of each option—including pros, cons, and proposed cost and revenue sharing—at the next meeting or in a work session.

HISTORY/PAST ACTION

EnterTextHere

FISCAL IMPACT

EnterTextHere