# Erda City Disconnect Study – June 2026

**June 10, 2026**

**Introduction:**

This analysis provides Erda City, a Utah Municipality, and the Erda City Council with relevant information regarding two proposed disconnect applications known as the East Disconnect and the West Disconnect.

**Reason for the Study:**

Utah Code § § 10-2-501-510 pertains to municipal disconnection procedures.

This Analysis Addresses the Following Utah Code Sections:

10-2-502.5. Hearing on request for disconnection -- Notice -- Determination by municipal legislative body -- Petition in district court.

(1) No sooner than three weeks after notice is provided under Subsection 10-2-501(3), the legislative body of the municipality in which the area proposed for disconnection is located shall hold a public hearing.

(2) The municipal legislative body shall provide notice of the public hearing:

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> (a) at least seven days before the hearing date, in writing to the petitioner and to the legislative body of the county in which the area proposed for disconnection is located; and
> (b) For the municipality, as a class B notice under Section 63G-30-102, for at least 10 days before the hearing date.

**10-2-502.7. Court action states that:**

(1) After the filing of a petition under Section 10-2-502.5 and a response to the petition, the court shall, upon request of a party or upon its own motion, conduct a court hearing.
(2) At the hearing, the court shall hear evidence regarding the viability of the disconnection proposal.
(3) The burden of proof is on the petitioner to prove, by a preponderance of the evidence:

> (a) the viability of the disconnection;

(b) that Justice and equity require that the territory be disconnected from the municipality;

(c) that the proposed disconnection will not:

(i) leave the municipality with an area within its boundaries for which the cost, requirements, or other burdens of providing municipal services would materially increase over previous years;

(ii) make it economically or practically unfeasible for the municipality to continue to function as a municipality; or

(iii) leave or create one or more islands or peninsulas of unincorporated territory; and

(d) that the county in which the area proposed for disconnection is located is capable, in a cost-effective manner and without materially increasing the county's costs of providing municipal services, of providing to the area the services that the municipality will no longer provide to the area due to the disconnection.

(4) In determining whether the petitioner has met the petitioner's burden of proof with respect to Subsections (3)(c)(i) and (ii), the court shall consider all relevant factors, including the effect of the proposed disconnection on:



(a) the municipality or community as a whole;

(b) adjoining property owners;

(c) existing or projected streets or public ways;

(d) water mains and water services;

(e) sewer mains and sewer services;

(f) law enforcement;

(g) zoning; and

(h) Other municipal services.

**10-2-506. Taxes to meet municipal obligations.**

(1) If the court orders a disconnection of territory from a municipality, the court shall also order the county legislative body to levy taxes on the property within the disconnected territory that may be required to pay the territory's proportionate share of the municipal obligations accrued. In contrast, the territory was part of the municipality.

(2) Any tax levy ordered by the court under Subsection (1) shall be collected by the county treasurer in the same manner as though the disconnected territory were a municipality.

**Reasons Claimed for Disconnections:**

1. The applicants contend that the City does not provide meaningful services to most of the properties proposed for disconnection. Specifically, they claim that Erda City does not provide the following:

- Roads Department
- Parks and Recreation Department
- Police Department
- Culinary Water or Sewer Services
- Solid Waste Collection

2. Tooele County is currently providing most essential services within the area,

- Road Department Services
- Sheriff's Office Services
- 2 Solid Waste Collection
- City Planning, provided by Tooele County's Community Development Director
- City Engineering, provided by Tooele County's Engineer

3. Asserting that the level of governmental services available within the city is lower than the services available in unincorporated Tooele County. The landowners would be better served by being located within the unincorporated county.

4. Asserting that land-use planning for the subject property would be more harmonious with

existing uses and planning in the surrounding unincorporated areas.

5. Compliance with Utah State Statutes:

Asserting that this petition meets the statutory standards for disconnection because:

- The disconnection is viable.
- Justice and equity require disconnection for the landowners.
- The cost of providing municipal services will not materially increase as a result of the disconnection.

- Erda City will continue to function effectively as a municipality.
- The disconnection will not create islands of unincorporated territory.
- Tooele County can provide municipal services cost-effectively.

**ANALYSIS:**

The City of Erda has retained Bonneville Research to prepare an unbiased, good-faith initial fiscal and legal impact statement for the proposed municipal disconnection, and the budget officer, together with legal counsel, has prepared an unbiased, good-faith initial fiscal and legal impact statement for the proposed municipal disconnection that the referendum proposes including:

**1. <u>Yes</u>, Erda City does provide meaningful services to most of the properties proposed for disconnection. Specifically, Erda City provides:**

- Roads Department
- Parks and Recreation Department
- Police Department
- Culinary water or sewer services
- Solid waste collection

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**2. <u>Yes</u>, Erda City Efficiently and Effectively Contracts for Municipal Levels of Services from Tooele County Under Contracts:**

- Tooele Roads Department:
    - Highways & Streets: Annually $469,553

- Tooele Sheriff's Department:
    - Law Enforcement: Annually $387,765
    - Dispatch: Annually $36,445

- **Solid Waste Collection:** Tooele County operates a landfill south of Tooele along SR 36, and the Department of Solid Waste Management bills county residents quarterly for garbage services.

- **City Planning:** The Erda City Council has adopted the city's code, general plan, land use map, and land use decisions are governed by both the Tooele County Land Use Ordinance (adopted by Erda) and the Erda General Plan.
    - The Erda Planning Commission is made up of seven members representing five (5) Planning Districts with two (2) At-Large Members.

- The Erda City Planner works evenings under contract to Erda City to examine submitted materials and make independent recommendations to the Erda City Planning Commission.

- **Erda City Engineering Services** are provided under Professional Engineering contracts by:
  - Ensign Engineering, which is also used by multiple cities and Tooele County.
  - Aqua Engineering, and
  - Hales Engineering.

- Other Tooele County Cities Contracting with Tooele County for Municipal Level Services:
  - Vernon, Stockton, and Lake Point

**3. Yes, Tooele County is currently capable of providing basic Rural Levels of Essential Services within the area, including:**

- Road Department services
- Sheriff's Office services
- Solid waste collection
- County levels of transportation and land use planning services.
- City engineering, provided by Tooele County's Engineer, and Professional Engineering Services, using many of the same Engineering Contractors as do Erda, Tooele County, and multiple Tooele County Cities.

**4. No, the level of governmental services available within Erda City is not lower than the services available in unincorporated Tooele County, and the petitioning landowners would not be better served by being located within the unincorporated county.**

- The petitioners have not provided evidence that Erda City offers a lower level of service than that in unincorporated Tooele County, or that landowners would be better served in the unincorporated county.

**5. No, land-use planning for the subject property would not be more harmonious with existing uses and planning in the surrounding unincorporated areas.**

- The Disconnect Petitioners have not provided any evidence that Land-use planning for the subject property would be more harmonious with existing uses and planning in the surrounding unincorporated areas.

**6. Compliance with Utah State Statutes:**

- This petition does not meet the statutory standards for disconnection because:
- The Disconnect Petitioners have not provided any evidence that Land-use planning for the subject property would be more harmonious with existing uses and planning in the surrounding unincorporated areas.

**7. The Disconnect Petitioners have not provided any evidence that:**

- Justice and equity require disconnection for the landowners.
- The cost of providing municipal services will not materially increase as a result of the disconnection.
- Erda City will continue to function effectively as a municipality.
- The disconnection will not create islands of unincorporated territory.

**8. Tooele County, however, has clearly demonstrated its ability to provide municipal-level services to Erda and other Tooele cities cost-effectively. Still, no evidence has been presented of the cost of disconnect:**

- Tooele City 2025 Property Tax Certified Tax Rate: 0.002476
2 - Grantsville City 2025 Property Tax Certified Tax Rate: 0.001368
- Lakepoint City 2025 Property Tax Certified Tax Rate: 0.000881
- Erda City 2025 Property Tax Certified Tax Rate: 0.000877
- Vernon City 2025 Property Tax Certified Tax Rate: 0.000385

**9. Erda City <u>Major Revenue Sources:</u>**

- Sales Taxes: $899,751
- Intergovernmental Revenue: $472,124
- Property Taxes: $446,023
- Franchise Taxes: $211,584
- Interest Income: $138,380
- Licenses and Permits: $128,336
- Miscellaneous: $117,435
- Mass Transit Tax: $84,743
- Charges for Services: $13,632
- Total Revenues: $2,512,008

**10. Anticipated Erda City Revenue Losses:**

## Erda City Disconnect Study – June 2026

- **East Disconnect Area:**

| | |
|---|---|
| • Acres: | 3,711.08 |
| • Erda Total | 25.8% |
| • Total Number of Parcels: | 292 |
| • Estimated % Erda Total | 25% |

- **West Disconnect Area:**

| | |
|---|---|
| • Acres: | 3,747.2 |
| • Erda Total | 26.0% |
| • Total # of Parcels: | 210 |
| • Estimated % of Erda Total | 25% |

- **Summary of Erda City Total Losses:**
  - **Acres: A potential Total Loss of 51.8% of Erda's Current 14,400 Acres**
  - **Total Parcels: A potential Total Loss of half of 502 of Erda's Current Parcels**
  - **And a potential loss of more than 50% of Erda's Current Annual Property Tax**
2 **Receipts**
  - **And a potential loss of more than 50% of Erda's Current Annual Sales, Intergovernmental, Franchise, and Mass Transit Tax Receipts**

- **Disconnecting Agricultural Properties and the Potential Impact on Erda City Property Tax Revenues:**
  - **Agricultural Valuation:** Evaluating farmland by productivity may lower tax revenues as urban development increases.
  - **Urban Expansion:** Balancing farmland preservation with growth in taxable property is essential to maintain revenue.
  - **Urban Farming Assessment (HB240):** May encourage urban agriculture but could reduce taxable land, requiring careful evaluation.
  - **Rollback Tax Amendments (HB0237):** Raising preservation funding from 20% to 100% may cut short-term revenues but improve property values over time.
  - **Promoting Sustainable Farming:** Supporting sustainable practices can boost local growth and sales tax revenues, helping offset property tax losses.
  - **Stability and Diversification:** A thriving agricultural sector can stabilize property values and create new revenue streams through food security initiatives.

**Conclusion:** While challenges exist, preserving farmland and promoting urban agriculture offer significant opportunities for Erda City's sustainable development and revenue enhancement.

**RECOMMENDATIONS:**

**Navigating Government Contracting/Double Taxation in Tooele County Property Taxes: A Helpful Guide/The Pros and Cons of Contracting Government Functions**

Outsourcing can improve government efficiency and reduce costs as local governments seek ways to provide high-quality services despite financial constraints. Collaborative alliances with private entities contribute to increasingly effective public service delivery.

While outsourcing can improve services, it requires strong oversight and clear contracts to reduce risks, including the risk of unexpected costs.

As Susan Duerksen from In the Public Interest points out, "Governments are increasingly turning to privatization as a path for sustainability," illustrating the importance of a careful approach.

2 Since the 1980s, outsourcing has helped improve public services. Well-managed privatization helps governments confront today's challenges and serve communities. Strong partnerships are key.

Outsourcing enables governments to improve operations and control costs through innovative partnerships.

**Across the U.S.**, local governments are increasingly adopting collaborative alliances to deliver key services as budgets tighten, reflecting a broader trend toward greater effectiveness.

**While outsourcing offers** cost savings and higher service quality, success depends on strong oversight and well-designed contracts that tackle potential risks.

Since the 1980s, governments have increasingly relied on outsourcing to tackle contemporary service delivery challenges. Effective privatization can help tackle evolving community needs.

- Well-managed partnerships are key to succeeding in this developing landscape of government services.

- Now, let's turn our attention to public contracting and double taxation issues in Tooele County property taxes.
- Public Service Contracting is a manageable aspect of owning property in Tooele County.

Confusion frequently arises when entities such as the county, a city, or a PID assess the same property. Knowing how this process works empowers property owners.

Erda City contracts with Tooele County to provide certain city services, complicating the distinction between county-level services and those funded by Erda property taxes.

- Tooele Roads Department:
  - Highways & Streets: Annually $469,553
- Tooele Sheriff's Department:
  - Law Enforcement: Annually $387,765
  - Dispatch: Annually $36,445
- Solid Waste Collection: Tooele County manages a landfill south of Tooele off of SR 36. The Department of Solid Waste Management bills county residents quarterly for garbage fees.

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- City Planning: The Erda City Council has adopted the city's code, general plan, land use map, and land use decisions are governed by both the Tooele County Land Use Ordinance (adopted by Erda) and the Erda General Plan.
  - The Erda Planning Commission is made up of seven members representing five (5) Planning Districts with two (2) At-Large Members.
  - Planning and Zoning – Erda City contracts with the Tooele County Planning Director, who works evenings under contract to Erda City to examine submitted materials and make independent recommendations to the Erda City Planning Commission in addition to her county role.
- Erda City Engineering Services are provided under Professional Engineering contracts by:
  - Ensign Engineering, which is also used by multiple cities and Tooele County.
  - Aqua Engineering, and
  - Hales Engineering.

- Other Tooele County Cities Contracting with Tooele County for Municipal Level Services:
    - Vernon, Stockton, and Lake Point

**How Public Contracting/Double Taxation Occurs**

Tooele County's property tax system is structured around numerous districts, each having its own rate. Property owners may pay taxes to several districts, which can be overwhelming.

If your property is within a PID established in 2019 for newer developments, you may see an extra assessment in addition to county and city taxes.

Long-term assessments, such as 30-year plans by developers or cities within PIDs, are intended to fund infrastructure but may increase tax bills and cause concerns about double taxation.

**What Might Double Taxation Look Like in Practice?**

A Utah homebuyer recently experienced a significant tax increase, from about $2,000 to over $10,000, due to a 30-year PID assessment by the city of Ivins. Additionally, mixed-use or redevelopment zones may be subject to multiple assessments by special districts.



**Steps to Address Your Concerns:**

1. **Use the Tooele County Assessor's Parcel Search to get details on all your properties' assessments from different districts**.
2. **Explore the Utah State Tax Commission Assessor's Property Tax Rates:**

Tooele County in 2025 had 91 different Tax Areas, ranging from "Final Adopted Tax Rates of:

- Tooele County 0.001132
- Multi-County Assessing & Collecting Levy0.000014
- Tooele County Assessing & Collecting Levy 0.000320
- Tooele County School District 0.000847

And in the following areas, you pay an extra:

- Tooele City 0.002476
- Grantsville City 0.001368
- Wendover 0.002826
- Vernon Town 0.000385
- Erda City 0.000877
- The Tooele Valley Mosquito District 0.000236
- The Lakepoint Improvement District 0.00080
- The North Tooele Fire Protection District 0.000871
- The Lakepoint Cemetery & Park Service Area 0.000184
- Stansbury Greenbelt Service Area 0.001408
- Stansbury Recreation Service Area 0.001408
- Rush Valley Recreation Water Conserve Dist. 0.000053
- South Rim Special Services District 0.000238
- Oquirrh-Point Public Infrastructure Dist. 0.000877

In the following Tax Areas, you pay an additional Municipal Services Fund of 0.000893:

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- 006
- 007
- 010
- 011
- 011-9500
- 013
- 016
- 019
- 025
- 026
- 027
- 028
- 029
- 030
- 034
- 036
- 037
- 045
- 046
- 047
- 083

Source: Utah State Tax Commission: taxarearates2025.pdf

**Review your tax bill and see how much** you owe each district. If unclear, contact the Treasurer's Office.

If you think your assessment is inaccurate, challenge it by filing an online, mail, or in-person appeal.

Look for exemptions for homesteads, seniors, veterans, or people with disabilities to ease your tax burden.

Contact your district's tax office with questions about your assessment or rate. They can help with concerns.

**Final Thoughts:**

The confusion about double taxation in Tooele County stems from multiple assessments, not duplicate bills.

By reviewing your assessments, knowing district tax rates, and seeking appeals or exemptions, you ensure your tax bill is fair.

These steps not only protect your money but also help you understand your community's tax system.

You're in control—Erda looks forward to working with you on tax and contracting concerns!

Public contracting and overlaying tax districts can be complex, but they are manageable for Tooele property owners. Because multiple entities—such as the county, city, or a PID—may assess the same property, understanding how these assessments work helps owners to stay informed and confident. Multiple entities, including the county, city, or PID, assess the same property; understanding this helps owners be informed and confident.

2 Erda City hires Tooele County for upgraded services. This might blur the line between county services and those funded by Erda property taxes.

- **Law Enforcement Support**: Benefit from additional patrols by Tooele County Sheriff's Deputies for faster response times and a safer community.
- **Planning and Zoning**: Erda partners with the Tooele County Planning Director to provide expert services so developments meet community needs.
- **Public contracting and double taxation in Tooele County involve multiple tax districts, each with its own rate. Owners may pay several districts. If within a PID, expect extra assessments beyond** county and city taxes.

Such long-term assessments, lasting over 30 years, aim to improve infrastructure. Although potentially beneficial, they can increase taxes and create the impression of double taxation.

**What Does It Look Like?**

A clear example is a homebuyer in Utah who saw their property tax increase dramatically from around $2,000 to over $10,000 due to a 30-year assessment imposed by the city of Ivins through a PID. Moreover, properties in mixed-use or redevelopment zones may be subject to multiple assessments by various entities, such as water or sewer districts.

**The Pros and Cons of Contracting Government Functions:**

Outsourcing offers governments a chance to increase efficiency and cut costs. Local governments in the U.S. are exploring innovative solutions to provide high-quality services amid tight budgets. Cooperative partnerships with private entities have yielded considerable cost savings and improvements in public service delivery.

However, while outsourcing can improve service quality, it requires careful oversight and well-structured contracts to reduce risks, such as unexpected costs. As Susan Duerksen from In the Public Interest points out, "Governments are increasingly turning to privatization as a path to long-term sustainability," stressing the importance of a careful approach.

Since the 1980s, outsourcing has been a practical strategy for elevating public service delivery, demonstrating that, when done effectively, privatization can help governments address today's challenges and better serve their communities. A focus
2 on well-managed partnerships is vital for success.

**Steps to Address Your Concerns:**

**Explore the Tooele County Assessor's Parcel Search:** This user-friendly tool helps you uncover vital details about all assessments affecting your property across the various districts.

**Check the Utah State Tax Commission Assessor's Property Tax Rates:**

Knowledge is power! Tooele County had 91 different tax areas in 2025, each contributing to the overall rates:

- Tooele County: 0.001132
- Multi-County Assessing & Collecting Levy: 0.000014
- Tooele County Assessing & Collecting Levy: 0.000320
- Tooele County School District: 0.000847

And for added clarity, you might notice these additional contributions:

- Oquirrh-Point Public Infrastructure District (PID) #1: 0.004000
- Wendover: 0.002826
- Tooele City: 0.002476
- Grantsville City: 0.001368
- The Lakepoint Improvement District: 0.000881
- Erda City: 0.000877
- Vernon Town: 0.000385
- The Tooele Valley Mosquito District: 0.000236

**For Example:**

| | | | | |
|---|---|---|---|---|
| Tax Area 049 - 0000 | | | | |
| 1010 | TOOELE | 0.001132 | 0.001132 | 0.001132 |
| 1015 | MULTICOUNTY ASSESSING & COLLECTING LEVY | 0.000014 | 0.000014 | 0.000014 |
| 1020 | COUNTY ASSESSING & COLLECTING LEVY | 0.000320 | 0.000320 | 0.000320 |
| 2010 | TOOELE COUNTY SCHOOL DISTRICT | 0.008047 | 0.009135 | 0.008047 |
| 3005 | ERDA | 0.000877 | 0.000877 | 0.000877 |
| 4010 | STANSBURY PARK IMPROVEMENT DISTRICT | 0.000056 | 0.000056 | 0.000056 |
| 4030 | TOOELE VALLEY MOSQUITO ABATEMENT DISTRICT | 0.000236 | 0.000236 | 0.000236 |
| 4090 | NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT | 0.000871 | 0.000871 | 0.000871 |
| **Total for Tax Area 049 - 0000** | | **0.011553** | **0.012641** | **0.011553** |

**The Pros and Cons of Contracting Government Functions:**

2 Outsourcing offers governments a chance to increase efficiency and cut costs. Local governments in the U.S. are exploring innovative solutions to provide high-quality services amid tight budgets. Cooperative partnerships with private entities have yielded significant monetary savings and improvements in public service delivery.

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**Navigating Government Contracting/Double Taxation in Tooele County Property Taxes**

- Government Contracting/Double Taxation in Tooele County can be complex for property owners, often occurring when multiple taxing entities assess the same property.
- This confusion is compounded by contracts, such as the one between Erda City and Tooele County, to provide a higher level of city services.
- Property owners might experience multiple tax assessments due to distinct tax districts, especially when properties fall within a Public Infrastructure District (PID). These PIDs can impose additional long-term assessments—sometimes significantly raising annual tax bills. For instance, a homeowner's property tax increased from around $2,000 to over $10,000 due to a PID assessment.
- Properties in redevelopment zones commonly face multiple assessments, creating the impression of double taxation.

**Steps to Address Your Concerns:**

- Explore the Tooele County Assessor's Parcel Search:
- This tool provides details on all assessments affecting your property.



- Review Utah State Tax Commission Property Tax Rates:
- In 2025, Tooele County had 91 different tax areas, with rates varying considerably across various districts. Knowing these aspects of property taxation can enable homeowners in Tooele County.

Knowing these aspects of property taxation can enable homeowners in Tooele County.

***GENERAL LIMITING CONDITIONS:***

*Every reasonable effort has been made to ensure that this Study's data reflects accurate, timely, and reliable information.*

- *The Study is based on estimates, assumptions, and other information developed by Bonneville Research from its independent research effort, general knowledge of the region, primary data sources including Erda, the Utah State Tax Commission, and the Utah State Auditor's Office, and consultations with the Client's representatives.*
- *No responsibility is assumed for inaccuracies in reporting by the Client, its agents, or any other data sources used in preparing or presenting this Study. This report is based on information collected during April of 2026, and Bonneville Research has not undertaken any update of its research since that date. Bonneville Research makes no warranty that any of the values or results contained in this Study will be achieved. This report is not to be used with any public or private offering of securities or for any other similar purposes. This Study is qualified in its entirety and should be considered considering these limitations, conditions, and considerations.*



**Robert Springmeyer, the Principal of Bonneville Research, performed this Disconnection Study.**

*Mr. Springmeyer is actively involved in redevelopment and other economic impact projects. He has supplied independent financial and redevelopment analyses for numerous urban renewal agencies within the State and completed "Fair Value Analyses" for the Cities of Holladay and South Salt Lake.*

*Mr. Springmeyer is the Chairman of Bonneville Research. He has directed the Economic Analysis/Tax Studies completed for the Downtown Alliance, the Utah State Tax Review Commission, Salt Lake County, Brigham City, Salt Lake, Sandy, Bountiful, and South Jordan Cities, including the Urban Renewal Agencies of Salt Lake, Taylorsville, Holladay, South Salt Lake, Draper, West Jordan, Ogden, South Jordan, Sandy, and Murray.*

*He is educated in Political Science, Economics, and Business Management, and has consulted with local governments for over 40 years. He has been listed in Who's Who in Finance and Who's Who in the West.*