

**SPONSORSHIP AGREEMENT BETWEEN UTAH COUNTY AND PAYSON CITY FOR  
THE CONSTRUCTION OF THE FOREBAY TRAILHEAD**

This agreement is made between UTAH COUNTY (“County”), a political and corporate body of the State of Utah, with its office located at 100 East Center Street, Provo, Utah 84606, and PAYSON CITY (“City”), with its office located at 439 W. Utah Ave. Payson, UT 84651.

**RECITALS**

**WHEREAS**, the Tourism, Recreation, Cultural, Convention, and Airport Facilities Tax Act allows a county to impose a tax (“TRCC Tax”) and use the revenue from the imposition of the tax for the development, operation, and maintenance of cultural, recreation and tourist facilities, *see* Utah Code Ann. § 59-12-603(2)(a);

**WHEREAS**, City desires to develop, construct and operate a recreation and tourist facility to be known as the Forebay Trailhead;

**WHEREAS**, the Forebay Trailhead will be a recreation and tourist facility, as defined under Utah Code § 59-12-602, which means that it is publicly owned or operated park, campground, marina, dock, golf course, water park, historic park, monument, planetarium, zoo, bicycle trails, and other recreation or tourism-related facility; and

**WHEREAS**, the County desires to use TRCC Tax revenue for the development, operation, and maintenance of the Forebay Trailhead to promote recreation and tourism in the area.

**NOW THEREFORE**, in consideration of the mutual promises set forth herein, it is agreed by and between the County and City as follows:

**(1) THE COUNTY CONTRIBUTION.**

The County agrees to reimburse City for expenses of the development, operation, and maintenance of the Forebay Trailhead. The maximum reimbursement amount will not exceed \$ 40,000. City will be responsible for all expenses; the County will be responsible for reimbursing City up to the maximum reimbursement amount in accordance with the terms of this agreement upon completion of the Forebay Trailhead in compliance with Section 2.

**(2) PURPOSE AND RESTRICTION ON USE OF MONIES.**

The TRCC funds contributed to City by the County under this agreement are to be used for the development, operation, and maintenance of the Forebay Trailhead as set forth in the plan documents attached as **Exhibit A**. Changes to the attached development plans must be approved before any reimbursement is authorized by Utah County. If the completed project differs from the Forebay Trailhead as set forth in **Schedule A**, then City must get the County's consent or any funds reimbursed to City should be returned and repaid to the County. If City does not complete the trail improvements, funding will be forfeited.

**(3) METHOD OF PAYMENT.**

The parties agree that County will make payments to City upon completion of the project and upon the County receiving documented reimbursable costs incurred by City for the purpose stated in Section 2 and subject to the maximum reimbursement amount in Section 1. City will send invoices to the billing address listed on **Schedule B**. The County may provide notice of a different billing address in the future through a written or oral communication. No reimbursement for any costs incurred after December 31, 2025 and submitted after March 31, 2026 will be made by the County to City.

**(4) TERM OF AGREEMENT.**

This agreement commences when it is signed by both parties and terminates on March 31, 2026.

**(5) SEPARATE LEGAL ENTITIES.**

- (a) The County is interested only in the results to be achieved, and the conduct and control of all improvements done to the Forebay Trailhead will lie solely with City. City is not to be considered an agent or employee of the County for any purpose, and the employees of City are not entitled to any of the benefits that the County provides for the County's employees. Persons employed by the County and acting under the direction of the County shall not be deemed to be employees or agents of City.
- (b) City shall comply with all laws regarding unemployment insurance, disability insurance, and workers compensation insurance. City shall have no authorization, express or implied, to bind the County to any agreement, settlement, liability, or understanding whatsoever, and agrees not to perform any acts as agent for the County except as expressly set forth herein. City shall furnish a Certificate of Insurance to the County evidencing that City has workers' compensation insurance for City and all employees and volunteers of City.

**(6) INDEMNIFICATION.**

City will indemnify and hold the County and its agents, representatives, employees, and officials, harmless from all costs, expenses, and liabilities incurred by City or its agents, representatives, employees, or officials, arising out of or related to, directly or indirectly, this agreement, including attorney's fees and litigation costs. The County and City are governmental entities, and nothing contained herein shall constitute a waiver of the protections, immunities, and liability limits of the Governmental Immunity Act, U.C.A. § 63G-7-101, *et. seq.* CITY's

obligations under this indemnity and hold harmless provision shall survive the expiration or other termination of this agreement.

**(7) AUDIT.**

It is agreed by the parties that the County may audit the records of City related to this agreement.

**(8) APPLICABLE LAW.**

It is agreed by the parties that this agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Utah.

**(9) ENTIRE AGREEMENT.**

This agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this agreement.

**(10) MODIFICATION.**

Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if placed in writing and signed by each party or an authorized representative of each party, unless stated otherwise in this agreement.

*[Remainder of page left blank. Signature page follows.]*

**IN WITNESS WHEREOF** the parties have signed and executed this agreement to be duly executed on the \_\_\_\_\_.

THE COUNTY:  
BOARD OF COUNTY COMMISSIONERS  
UTAH COUNTY, UTAH

By: \_\_\_\_\_  
William C. Lee, Chair of the Board

APPROVED AS TO FORM AND LEGALITY:  
DAVID O. LEAVITT  
Utah County Attorney

By: \_\_\_\_\_  
Deputy County Attorney

PAYSON CITY:

By: \_\_\_\_\_  
Name: William R. Wright  
Its: Payson City Mayor

**SCHEDULE A**

**FOREBAY TRAILHEAD**

**Tourism, Recreation, Cultural, Convention (TRCC) / Transient Room Tax  
(TRT) Funding Request Application for Public Entities  
from PAYSON CITY**

## **SCHEDULE B**

### **Billing Specifics:**

If possible, we prefer electronic invoices with supporting documentation be emailed to [AP@UtahCounty.gov](mailto:AP@UtahCounty.gov).

If Payson City prefers to submit physical invoices with supporting documentation, the invoices and supporting documentation can be sent to the following address:

**Utah County Government  
Attn: Accounts Payable  
100 East Center Street, Suite 3600  
Provo, Utah 84606-3159**

The County will notify Payson City if this information changes during the term of this agreement.