DAGGETT COUNTY ORDINANCE 2022-

AN ORDINANCE OF DAGGETT COUNTY, UTAH, ESTABLISHING THE METHOD, RULES, AND PROCEDURES FOR CONDUCTING THE ANNUAL TAX SALE

Whereas, §59-2-1351.1, Utah Code Annotated, authorizes the Daggett County Commission to establish procedures, by ordinance, for the sale of properties which have delinquent property taxes due, in a manner which best protects the financial interests of the delinquent property owner and meets the needs of the County to collect delinquent property taxes due; and

Whereas, the Daggett County Commission finds a public auction with the following defined rules and procedures, provides a fair opportunity for individuals to buy property with delinquent taxes, provides for a mechanism whereby multiple properties may be sold in one day, and protects the financial interests of the owner of property by selling a property to the highest bidder.

NOW THEREFORE, THE COUNTY LEGISLATIVE BODY OF DAGGETT COUNTY, UTAH ORDAINS AS FOLLOWS:

SECTION 1. DEFINITIONS

A. As used in this ordinance:

a. "Administrative cost" means expenses incurred by Daggett County in preparation of the tax sale.

b. "Bid" means an offer of a purchase price for a property.

c. "Bidder" means a natural person, husband and wife, or licensed business entity.

d. "Public employee" means a person who is not a public officer who is employed on a full-time, part-time, or contract basis by the County.

e. "Public officer" means all elected or appointed officers of the County who occupy policy making posts.

f. "Substantial interest" means the ownership, either legally or equitably, by an individual, the individual's spouse, or the individual's minor children, of at least 10% of the outstanding capital stock of a corporation or 10% interest in any other business entity.

g. "Tax sale" means the sale of properties with delinquent property tax due as authorized in Utah Code Ann.§ 59-2-1351 et. seq.

SECTION 2. BIDDER REGISTRATION PROCEDURES

The Daggett County Tax Sale auction will be conducted via an internet website ONLY. Each

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bidder must register with the online company conducting the Tax Sale. The name of the auction company will be indicated on the County website. Bid deposits may be necessary to register as a bidder. This process must be completed no later than the date and time indicated on the County Website or the official Notice of the Daggett County Tax Sale.

The County nor the online auction company can or will be held responsible for late or misdirected bid deposits, proxy bids or any other transmission, mailing, email or other correspondence necessary to participate in the bidding.

SECTION 3. REDEMPTION RIGHTS AND PROCEDURES

A property may be redeemed on behalf of the record owner, by any person, at any time prior to the start of the Tax Sale, on the scheduled date. Property is redeemed by paying to the County Treasurer, all delinquent taxes, interest, penalties, and administrative costs which have accrued on the property. Paying the delinquent amount does not grant ownership to the individual(s) or party(s) paying all delinquent taxes, interest, penalties and administrative costs. This only removes the property from the Tax Sale.

SECTION 4. PROHIBITED CONDUCT

Collusive bidding is not permitted. Collusive bidding means to conspire to rig bids or fix prices to make it difficult or impossible for other individuals to take part in the bidding process.

SECTION 5. CONFLICT OF INTEREST PROHIBITIONS AND DISCLOSURE REQUIREMENTS

Every public officer or public employee who purchases or has a substantial interest in any business entity which purchases property at the tax sale must disclose said interest in a sworn statement filed with the Daggett County Clerk. A copy of said disclosure must be provided to the Daggett County Commission, Daggett County Attorney's Office, and in the case of a public employee, their immediate supervisor. These disclosures are public information and shall be available to the public for inspection.

No public official or public employee may have a personal investment in a business entity which will create a substantial conflict between his private interests and the duties of his public office or employment in relation to the tax sale.

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SECTION 6. CRITERIA FOR ACCEPTING OR REJECTING BIDS

All bidding shall be conducted through the online company conducting the Tax Sale for the County. Bidding will advance in increments of a minimum of $100 or as indicated on each parcel listed for sale with the minimum acceptable bid starting at the total amount of past due taxes, penalties, interest, and administrative fees.

All bids shall be considered conditional, whether or not the bid is contested, until reviewed and accepted by the Board of County Commissioners acting at a regularly scheduled Commission meeting.

The County reserves the right to reject any and/or all bids.

SECTION 7. SALE RATIFICATION PROCEDURES

The Daggett County Auditor, or assigned Deputy, shall present the results of the May Tax Sale no later than two regularly scheduled County Commission meetings after the sale. The County Auditor, or assigned Deputy, will inform the commission regarding the number of properties sold, the number of properties struck off to the County, and the high bid amount for each property offered for sale at the tax sale.

The County Commission may ratify the results of the tax sale after hearing the details offered by the Daggett County Auditor or assigned Deputy.

SECTION 8. CRITERIA FOR GRANTING BIDDER PREFERENCE

All bidders have an equal opportunity to offer a bid on properties. Bids may be placed incrementally, or by "Auto Bid," in which a bidder's maximum offer is confidentially recorded by the system. Bidders who make a bona fide bid in the highest amount for a property become the successful bidder of the property auction.

SECTION 9. METHOD AND PROCEDURE OF PAYMENT, FEES AND PREMIUMS

All bids are an irrevocable offer to purchase the property in question. A bidder is legally and financially responsible for all properties bid upon. Payment in full by certified check/money order or wire transfer will be required no later than three (3) business days after the Tax Sale closes, unless otherwise advertised. No personal checks will be accepted and no financing is available. Other payment methods may be accepted depending on the on-line bid company's rules.

A minimum $40 recording fee is required in addition to the winning bid. Premiums charged by the online auction company may be associated with the sale of properties. This amount will be added to the winning bid and will be included in the total purchase price paid by the Buyer to the Seller. If the payment policy is not adhered to, the successful bidder will be considered in default. In the event of a default or other failure to pay, any deposits will be forfeited to the Daggett County Treasurer and the defaulting bidder will be banned from participation in all future tax sales. The DaggettCounty Treasurer reserves the right to pursue all available legal remedies against a non-paying bidder.

SECTION 10. PROCEDURES FOR CONTESTING BIDS AND SALES

Any person wishing to contest any action taken in connection with the Daggett County Tax Sale must present such protest to the Daggett County Commission, through the Daggett County Clerk's Office in writing, within ten (10) calendar days of the completion of the sale.

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Protests may be hand delivered or mailed to the County Clerk's Office at:

Daggett County Clerk
P.O. Box 219
Manila, UT 84046

SECTION 11. CRITERIA FOR STRIKING PROPERTIES TO THE COUNTY
Any parcel which does not receive a minimum bid shall be struck off to Daggett County. Parcels struck off to the County may be available for sale through the Daggett County Clerk's Office when approved by the Daggett County Commission.

Upon any final bid being rejected, the parcel may be offered to a bidder who offered the second highest bid in the amount of that bid. If the second highest bidder rejects the offer, the property shall be struck off to Daggett County.

SECTION 12. PROCEDURES FOR DISCLOSING PROPERTIES WITHDRAWN FROM THE SALE
The Auction website will update the list of properties as often as possible, until the week leading up to the tax sale, then it will update once a day until the start of the sale. The Daggett County website will be updated daily with any changes in the available properties.

Any properties which are redeemed or removed immediately prior to the beginning of the live auction the day of the Tax Sale, will be stricken and removed from live bidding prior to the close of the bid group.

SECTION 13. DISCLAIMER BY COUNTY WITH RESPECT TO TAX SALE PROCEDURES
Properties sold via the online Daggett County Tax Sale shall be conveyed by Auditor's Tax Deed. This form of deed is not a warranty deed. No warranty or guarantee is made, expressed or implied, relative to the title, location, or condition of properties for sale. In addition, the County assumes no responsibility, implied or otherwise, that tax sale properties are in compliance with zoning ordinances, mining and reclamation regulations, building codes and permits, and/or any other applicable regulations or permits. In addition, Daggett County makes no warranties or representations as to whether the property is buildable or developable.

Any property sold pursuant to the Tax Sale is without guarantee or warranty whatsoever as to correctness of ownership, size, boundaries, location, structures or lack of structures upon the land, liens, titles, or any other matter or thing whatsoever. Daggett County does not warrant or represent that any property purchased during the Tax Sale is habitable or in any particular condition.

Daggett County also makes no warranties or representations regarding the accuracy of the assessment of the property or accuracy of the legal description of the real estate or improvements thereon. It is the responsibility of the bidder to determine the physical aspects of the property, its geographical location, and accessibility. Daggett County makes no warranties regarding the availability, validity, or existence of water rights associated with any of the properties sold during the tax sale.

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It is the bidder's responsibility to determine the liabilities, including other liens and encumbrances, that exist on each property before and after the sale. The properties are sold "as is." Additionally, Daggett County is not liable in any way whatsoever for damages sustained to property purchased from the time of sale until the recordation of the Auditor's Tax Deed to a purchaser.

All properties sold at the Daggett County Tax Sale fall under the rule of *caveat emptor,* or "let the buyer beware", and all purchasers are accordingly hereby so notified.

SECTION 14. SEVERABILITY
Should any portion of this ordinance be found for any reason to be unconstitutional, unlawful, or otherwise void or unenforceable, the balance of the ordinance shall be severable therefrom, and shall survive such declaration, remaining in full force and effect.

SECTION 15. REPEAL OF CONFLICTING ORDINANCES
To the extent that any ordinances, resolutions or policies of Daggett County conflict with the provisions of this ordinance, they are hereby amended or repealed to comply with the provisions hereof.

SECTION 16. EFFECTIVE DATE
This Ordinance, Daggett County Ordinance 2022-??, shall become effective immediately after the required publication thereof, as set forth in Utah Code§ 17-53-208(6).

PASSED AND ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS
OF DAGGETT COUNTY, UTAH this 5th day of April, 2022.

BOARD OF COUNTY COMMISSIONERS
DAGGETT COUNTY, UTAH

March 30, 2021

Attest:

_____
Matt Tippets, Chairman

_____
Brian Raymond
County Clerk

_____
Jack Lytle, Member

_____
Randy Asay, Member

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