

## Fremont County Sales Tax for Economic Development Memorandum of Understanding

This Memorandum of Understanding is made and entered into this 18<sup>th</sup> day of Dec., 2020 by and between the governing bodies of Fremont County ("County"), City of Riverton ("Riverton"), City of Lander ("Lander"), Town of Dubois ("Dubois"), Town of Shoshoni ("Shoshoni"), Town of Hudson ("Hudson") Town of Pavillion ("Pavillion").

### RECITALS

**WHEREAS**, W.S. §39-15-204(a)(vi) allows for an excise tax of up to one percent (1%) for economic development if approved by the electorate; and

**WHEREAS**, the proposition to approve an excise tax for the purpose of economic development was placed on the 2020 Primary Election ballot and approved by a majority of the qualified voters; and

**WHEREAS**, the Economic Development shall be defined as "any project that retains or increases employment, and/or results in a net gain of money into the community;" and

**WHEREAS** Thirty percent (30%) of the net proceeds of the tax shall be used to support transportation infrastructure such as commercial air service and ground transportation; the remaining seventy percent (70%) will be allocated to the County and 6 Municipalities based on population to manage and invest in economic development projects of their choosing; and

**WHEREAS**, the tax proposed was approved in the Primary Election on August 18, 2020, and shall become effective on April 1<sup>st</sup>, 2021 and, as provided by W.S. 39-15-203(a)(v)(C), the same proposition shall be submitted at the general election in 2024 (While the ballot proposition listed March 1 as the effective date of the tax, the Wyoming Department of Revenue has stated that taxes must commence at the start of a fiscal quarter.); and

**WHEREAS**, the board of county commissioners shall, by ordinance, impose an excise tax upon retail sales of tangible personal property, admissions and services as defined by Wyoming statutes; and

**WHEREAS**, the ballot verbiage was "Shall the Board of County Commissioners of the County of Fremont, State of Wyoming, be authorized to impose an excise tax for economic development of one-half percent (1/2%) upon retail sales of tangible personal property, admissions and services made within the county as defined by Wyoming state statutes, the purpose of which is for economic development. Economic Development shall be defined as any project that retains or increased [sic] employment, and/or results in a net gain of money into the community. Thirty percent (30%) of the net proceeds of the tax shall be used to support transportation infrastructure such as commercial air service and ground transportation:[sic] the remaining seventy percent (70%) will be allocated to the County and 6 Municipalities based on population to manage and invest in economic development projects of their choosing. Economic Development projects on the Wind River Indian Reservation are eligible for county allocation. If passed, the tax shall become effective on March 1<sup>st</sup>, 2021,[sic] and as provided by W.S. 39-15-203(a)(v)(C) the same proposition shall be submitted at the general election in 2024."

**ARTICLE I**  
**PURPOSE**

Recognizing that economic development is important for the sustainability and growth of Fremont County, this MOU's purpose is to outline the best use of these sales tax funds for the benefits of its residents. While each municipality and the county may have different projects to best serve their citizens, the intent of this MOU is to provide guidelines so the tax collections can be efficiently and best used.

**ARTICLE II**  
**ADMINISTRATION**

1. Parties agree the sales tax collected and distributed by the Wyoming Department of Revenue will be distributed to municipalities and county based on population and the funds will be used exclusively for Economic Development purposes. The first 30% of each distribution will be used for transportation purposes as outlined below:
  - a. Parties agree that 20% of each party's proceeds from the sales tax for economic development received will be distributed monthly to City of Riverton for commercial air service. Fremont County Air Service Team (FAST) will review options and make recommendations to the Riverton City Council for approval for final distribution.
  - b. Parties agree that 10% of the each of their proceeds from the sales tax will be distributed monthly to Fremont County Association of Governments (FCAG) for ground transportation. Wind River Transit Authority (WRTA) and other ground transportation entities may submit proposals and recommendations to FCAG for approval and distribution of funds.
  - c. Parties agree to provide a representative to FCAG or any Fremont County collaborative group for the evaluation and determination of the annual transportation portion of costs.
2. The remaining 70% of the sales tax collected for economic development will be distributed, based on population, to the Parties, who each have the right to designate staff, create a committee, or assign an existing Economic Development Organization (EDO) to receive and review all submitted economic development project proposals for their respective municipality or county. Based on the needs of their community, the economic impact, net inflow of cash and retaining and growing jobs, the assigned group will make a recommendation to their respective governing body, city council or county commissioners for final approval.
3. Parties agree to create a restricted line item in their municipal and county budgets for ½ cent economic development tax proceeds and expenditures. No part of the tax shall be transferred to a party's general fund for general operations.
4. Parties shall not advance funds nor over-obligate project expenditures prior to receiving funds in the restricted line item.
5. Parties have the right to collaborate with any other municipality or the County for the purpose of a joint project or program that benefits the greater Fremont County area.
6. Parties have the right to contribute and/or combine other funds (including grant awards) to accomplish ED projects.
7. Each party to this agreement shall have the right to spend their full distribution of sales tax for economic development purposes in their community. If their funds are not used or obligated to specific economic development projects by the general election in 2024, other parties to this agreement may apply to the governing body holding the unobligated funds for these funds to be used for economic development projects in other communities. Expenditures in each community shall be at the sole discretion of the community holding these funds. Collaboration is encouraged and all parties agree the best use of these funds are for timely economic development projects with the County.

**ARTICLE III**  
**DISPUTES**

Any controversy or claim arising out of, or relating to, this Agreement, including, but not limited to, alleged breach of the Agreement, may be settled by mediation in accordance with Wyoming Statute §1-43-101 et seq. Should mediation fail, the parties may proceed with any/all legal avenues available under Wyoming or Federal Law.

**ARTICLE IV**  
**ENTIRE AGREEMENT**

The parties hereto agree this agreement represents the entire agreement of the parties and all prior negotiations, discussions and agreements have been incorporated herein.

**ARTICLE V**  
**GOVERNMENTAL PARTIES**

The parties do not waive sovereign or governmental immunity by entering into this Agreement. Each of them specifically retains all immunities and defenses available to them as sovereigns or governmental entities pursuant to W.S. §1-39-101, et seq., and all other applicable law. Designations of venue, choice of law, enforcement actions, and similar provisions should not be construed as a waiver of sovereign or governmental immunity. The parties agree that any ambiguity in this Agreement shall not be strictly construed, either against or for either party, except that any ambiguity as to immunity shall be construed in favor of immunity.

**ARTICLE VI**  
**EFFECTIVE DATE**

This Agreement becomes effective after the one-half percent (1/2%) Sales and Use Tax for Economic Development passes on the Primary Election Ballot on August 18, 2020. All parties will receive an executed copy of the MOU at that time, for their records.

**ARTICLE VII**  
**MODIFICATION**

No provision of this Agreement may be modified or altered solely by an individual party. Modifications must comply with Wyoming statutes and require notification to all parties, who shall have thirty (30) days to respond before a vote by all parties during an FCAG, or similar meeting. A majority vote by the parties will result in an adoption of the modification which shall be reduced to writing and signed by all parties, and will be effective thirty (30) days after the date upon which vote is taken.

**ARTICLE VIII**  
**NO THIRD PARTY BENEFICIARIES**

The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Contract shall not be construed so as to create such status. The rights, duties and obligations contained in this Contract shall operate only between the parties to this Contract, and shall inure solely to the benefit of the parties to this Contract. The provisions of this Contract are intended only to assist the parties in determining and performing their obligations under this Contract.

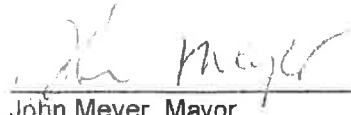
Now therefore, the authorized representatives of the Governing Bodies listed below execute this Memorandum of Understanding through their signatures below:

**Fremont County, Wyoming, by and through its Board of County Commissioners**

**ATTEST:**

  
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Travis Becker, Chairman

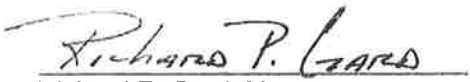
**Town of Dubois, Wyoming**


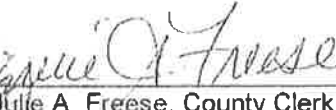
  
\_\_\_\_\_  
John Meyer, Mayor

**City of Lander, Wyoming**

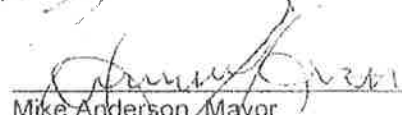
  
\_\_\_\_\_  
Monte Richardson, Mayor

**City of Riverton, Wyoming**


  
\_\_\_\_\_  
Richard P. Gard, Mayor

  
  
\_\_\_\_\_  
Julie A. Freese, County Clerk

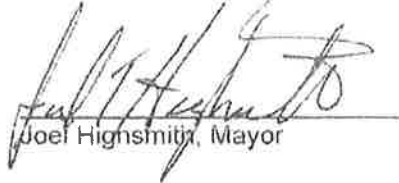
**Town of Hudson, Wyoming**

  
\_\_\_\_\_  
Mike Anderson, Mayor

**Town of Pavillion, Wyoming**

  
\_\_\_\_\_  
Chuck Snyder, Mayor

**Town of Shoshoni, Wyoming**

  
\_\_\_\_\_  
Joel Hignsmith, Mayor