

RESOLUTION NO.

12-04

**TITLE: A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH WELD COUNTY FOR PAYMENT OF BONUS AMOUNTS FOR CERTAIN REPORTED OIL AND GAS EMPLOYEES RESIDING WITHIN MUNICIPAL BOUNDARIES**

WHEREAS, the Board of Trustees finds that it is in the public interest for the Town of Hudson to continue to receive payment of severance taxes and federal mineral lease distribution for certain reported oil and gas employees residing with the Town of Hudson boundaries, and

WHEREAS, Weld County has entered into an agreement with William Jerke to assist in ensuring that an accurate number of oil and gas employees residing within unincorporated Weld County and the various municipalities within Weld County are reported to the state of Colorado, and

WHEREAS, the Board of Trustees finds that it is in the public interest for the Town of Hudson to ensure that an accurate number of oil and gas employees residing with the Town of Hudson are reported to the Colorado Department of Local Affairs, and

WHEREAS, the Town of Hudson offers, through this IGA, to share in the cost agreement with Weld County and Mr. Jerke by paying the bonus amount for all reported oil and gas employees residing with the Town of Hudson boundaries over the average number of employees reported for their municipality for 2011.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF HUDSON, COLORADO, AS FOLLOWS:


Section 1, The intergovernmental agreement for payment of bonus amounts for certain reported oil and gas employees residing within municipal boundaries with Weld County for the period beginning January 1, 2012, and ending December 31, 2012 is hereby approved.

INTRODUCED, READ and PASSED this 4<sup>th</sup> day of January, 2012.



BOARD OF TRUSTEES,  
TOWN OF HUDSON, COLORADO

  
Neal Pontius, Mayor

  
Linnette Barker, Town Clerk

**INTERGOVERNMENTAL AGREEMENT FOR PAYMENT OF BONUS AMOUNTS  
FOR CERTAIN REPORTED OIL AND GAS EMPLOYEES RESIDING  
WITHIN MUNICIPAL BOUNDARIES**

THIS INTERGOVERNMENTAL AGREEMENT is made and entered into effective as of the 11 day of January, 2012, A.D. between the COUNTY OF WELD, a political subdivision of the State of Colorado, whose address is ~~915 10th Street~~, P. O. Box 758, Greeley, 1150<sup>th</sup> Street CO 80632, hereinafter referred to as "Weld County," and the TOWN OF HUDSON, a municipal corporation of the State of Colorado, with address of 557 Ash, P.O. Box 351, Hudson, CO 80642, hereinafter referred to as "Municipality."

WITNESSETH:

WHEREAS, the Colorado Department of Local Affairs ("DOLA") distributes revenue derived from energy and mineral extraction statewide, with revenues coming from State Severance Tax receipts and Federal Mineral Lease non-bonus payments, and

WHEREAS, on October 26, 2011, the Board of County Commissioners entered into an agreement with William Jerke to assist in ensuring that the maximum number of oil and gas employees residing within unincorporated Weld County and the various municipalities within Weld County are reported to the State of Colorado, and

WHEREAS, generally, the terms of the agreement with Mr. Jerke call for the payment of a base amount of \$20,000 plus for all reported oil and gas employees residing within Weld County over 2,045 (residing in unincorporated Weld County), a bonus amount of 5% of the State of Colorado Severance Tax Direct Distribution payment per employee (maximum \$50), and 5% of the Federal Mineral Lease Distribution per employee (maximum \$50), paid to Mr. Jerke upon the receipt of said State and Federal sums by the County (said distributions being collectively referred to herein as "Distributions"), and

WHEREAS, Municipality recognizes that it will benefit financially from the payment of the \$20,000 by County, because the work performed by Mr. Jerke will most likely result in increased Distributions to it by DOLA, and

WHEREAS, Municipality offers, through this IGA, to share in the cost of the agreement with Mr. Jerke by paying a prorate share of the additional base of \$10,000 (the increase of the base from \$10,000 to \$20,000) dependent upon the municipalities percentage of the 2,045 employees counted in 2011 (as shown on the attached Exhibit "A"), plus the bonus amount for all reported oil and gas employees residing within their municipality in 2012 over the number of employees reported for their municipality for 2011, and

WHEREAS, in accordance with Section 29-1-203, C.R.S., political subdivisions may cooperate or contract with one another to provide any function, service or facility lawfully authorized to each of the corporations or contracting entities.

2012-0112

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

1. PAYMENT BY MUNICIPALITY OF BONUS AMOUNTS FOR CERTAIN REPORTED OIL AND GAS EMPLOYEES RESIDING WITHIN MUNICIPALITY'S BOUNDARIES: Municipality agrees to pay to County a prorate share of the additional base of \$10,000 (the increase of the base from \$10,000 to \$20,000) dependent upon the municipalities percentage of the 2,045 employees counted in 2011 (as shown on the attached Exhibit "A"), plus the bonus amount for all reported oil and gas employees residing within their municipality in 2012 over the number of employees reported for their municipality for 2011. The term "bonus amount" shall be the amount of 5% of the State of Colorado severance tax direct distribution payment per employee (maximum \$50), and 5% of the federal mineral lease distribution per employee (maximum \$50). Payment shall be made by Municipality to County at the end of the quarter when the Distributions are received.
2. TERM: The term of this IGA shall be from January 1, 2012, to and until December 31, 2012.
3. ENTIRE AGREEMENT: This writing constitutes the entire IGA between the parties hereto with respect to the subject matter herein, and shall be binding upon said parties, their officers, employees, agents and assigns and shall inure to the benefit of the respective survivors, heirs, personal representatives, successors and assigns of said parties.
4. NO WAIVER OF IMMUNITY: No portion of this IGA shall be deemed to constitute a waiver of any immunities the parties or their officers or employees may possess, nor shall any portion of this IGA be deemed to have created a duty of care which did not previously exist with respect to any person not a party to this IGA.
5. NO THIRD PARTY BENEFICIARY ENFORCEMENT: It is expressly understood and agreed that the enforcement of the terms and conditions of this IGA, and all rights of action relating to such enforcement, shall be strictly reserved to the undersigned parties and nothing in this IGA shall give or allow any claim or right of action whatsoever by any other person not included in this IGA. It is the express intention of the undersigned parties that any entity other than the undersigned parties receiving services or benefits under this IGA shall be an incidental beneficiary only.

Signed by the parties this 11<sup>th</sup> day of January, 2012.

ATTEST: [Signature]  
Weld County Clerk to the Board

COUNTY OF WELD, a political  
subdivision of the  
State of Colorado

By: [Signature]  
Deputy Clerk to the Board

By: [Signature]  
Sean P. Conway, Chairman  
Board of County Commissioners of the  
County of Weld  
JAN 1 1 2012



TOWN OF HUDSON, a municipal  
corporation of the State of Colorado

By: [Signature]  
Linnette Barker, Town Clerk

By: [Signature]  
Neal Pontius, Mayor

**EXHIBIT "A"****JERKE 2012 CONTRACT BASE ALLOCATION TO MUNICIPALITIES****COLORADO EMPLOYEE RESIDENCY REPORT- NUMBER OF EMPLOYEES**

<u>MUNICIPALITY</u>	<u>2011</u>	<u>Percent</u>	<u>Original</u> <u>\$10,000 Base</u>	<u>Prorata Share of</u> <u>\$10,000 Allocation</u>	<u>Total Share of</u> <u>\$20,000 Base</u>
AULT	15	0.007335	\$ -	\$ 73.35	\$ 73.35
DACONO	21	0.010269	\$ -	\$ 102.69	\$ 102.69
EATON	35	0.017115	\$ -	\$ 171.15	\$ 171.15
ERIE	10	0.00489	\$ -	\$ 48.90	\$ 48.90
EVANS	286	0.139853	\$ -	\$ 1,398.53	\$ 1,398.53
FIRESTONE	17	0.008313	\$ -	\$ 83.13	\$ 83.13
FORT LUPTON	123	0.060147	\$ -	\$ 601.47	\$ 601.47
FREDERICK	24	0.011736	\$ -	\$ 117.36	\$ 117.36
GARDEN CITY	5	0.002445	\$ -	\$ 24.45	\$ 24.45
GILCREST	22	0.010758	\$ -	\$ 107.58	\$ 107.58
GREELEY	733	0.358435	\$ -	\$ 3,584.35	\$ 3,584.35
GROVER	1	0.000489	\$ -	\$ 4.89	\$ 4.89
HUDSON	15	0.007335	\$ -	\$ 73.35	\$ 73.35
JOHNSTOWN	57	0.027873	\$ -	\$ 278.73	\$ 278.73
KEENSEBURG	14	0.006846	\$ -	\$ 68.46	\$ 68.46
KERSEY	32	0.015648	\$ -	\$ 156.48	\$ 156.48
LA SALLE	38	0.018582	\$ -	\$ 185.82	\$ 185.82
LOCHBUIE	26	0.012714	\$ -	\$ 127.14	\$ 127.14
MEAD	9	0.004401	\$ -	\$ 44.01	\$ 44.01
MILLIKEN	43	0.021027	\$ -	\$ 210.27	\$ 210.27
NUNN	5	0.002445	\$ -	\$ 24.45	\$ 24.45
PIERCE	7	0.003423	\$ -	\$ 34.23	\$ 34.23
PLATTEVILLE	46	0.022494	\$ -	\$ 224.94	\$ 224.94
RAYMER	0	0	\$ -	\$ -	\$ -
SEVERANCE	10	0.00489	\$ -	\$ 48.90	\$ 48.90
WINDSOR	49	0.023961	\$ -	\$ 239.61	\$ 239.61
BRIGHTON	0	0	\$ -	\$ -	\$ -
NORTHGLEN	0	0	\$ -	\$ -	\$ -
LONGMONT	0	0	\$ -	\$ -	\$ -
BERTHOUD	0	0	\$ -	\$ -	\$ -
UNINCORPORATED WELD COUNTY	<u>402</u>	0.196577	<u>\$ 10,000.00</u>	\$ 1,965.77	<u>\$ 11,965.77</u>
<b>TOTAL</b>	<b>2045</b>	<b>1</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 20,000.00</b>