

RESOLUTION 2020-42
A CONTRACT WITH MORGAN COUNTY COMMISSION
FOR THE ADMINISTRATION AND COLLECTION OF TAXES

BE IT RESOLVED by the Town Council of the Town of Trinity, Alabama that the Trinity Town Council does hereby authorize the Mayor to execute a contract with Morgan County for a period of three years, beginning October 1, 2020 through September 30, 2023 for the administration and collection of Sales, Use, Rental, Alcoholic Beverages taxes and Leasing taxes.

ADOPTED AND APPROVED THIS 9th DAY OF NOVEMBER 2020.

Mayor Vaughn Goodwin

ATTEST:

Barbara L. Jones, Town Clerk

STATE OF ALABAMA

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MORGAN COUNTY

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CONTRACT FOR THE ADMINISTRATION AND COLLECTION OF SALES, ETC. TAXES

This agreement made and entered into this 1st day of October, 2020 by and between the Town of Trinity, a municipal corporation, hereinafter called "Trinity," and the Morgan County Commission, the governing body of Morgan County, Alabama, herein called "Commission":

WITNESSETH:

1. **Recitals.** Trinity is a municipal corporation and has, by ordinance, levied certain sales, use, rental, lodging, tobacco products, alcoholic beverages taxes and gasoline taxes (herein collectively "taxes") against and in respect to sales, uses and transactions of business within the Town of Trinity, Alabama, and its police jurisdiction. The Commission, through its Sales Tax Collection Department, possesses the ability and expertise to administer and collect such taxes and does in fact administer and collect sales and use tax due to Morgan County. Act Number 93-657 of the Alabama Legislature authorizes Trinity and the Commission to enter into an agreement for the administration and collection of such taxes by the Commission, and Trinity, by ordinance duly enacted by its Town Council and the Commission by resolution duly adopted by it, have resolved to enter into this agreement for the collection by the Commission of Trinity's taxes
2. **Commission to Collect Trinity Taxes.** Trinity engages the Commission to administer and collect the sales, use, rental, alcoholic beverages taxes and leasing taxes, including late penalties and interest thereon, of any, now or hereafter levied by the Town Council of the Town of Trinity. Commission accepts such engagement and agrees to perform the duties more specifically set forth elsewhere herein. Such engagement shall be for the term and upon the conditions specified herein.
3. **Term of Agreement.** The term of agreement shall be for a period of three years, commencing as of the 1st day of October, 2020 and ending on the 30th day of September, 2023, with the option of renewal by mutual agreement of the parties expressed in writing.
4. **Compensation.** As compensation for the services rendered by the Commission, Trinity agrees to pay the Commission 2 percent of Total Collection of revenue to be deducted by the Commission from the Bi-Weekly transfer. Annually, the parties will review the collection experience for the preceding twelve (12) months.
5. **Duties of Commission.** Consistent with Trinity's ordinances, copies of which are attached hereto and made a part hereof by reference, the Commission shall perform the following duties for Trinity:
 - (a) Utilizing information furnished by Trinity and such other information that may be available to the Commission regarding businesses that collect sales tax and engage in business within Trinity or its police jurisdiction, enter such information into the Commission's computers to enable the Commission to perform billing and collection service;

- (b) Maintain a separate post office box for collection of taxes;
- (c) Deposit tax monies received on at least a bi-weekly basis into a separate bank account at Renasant Bank and designated for the Town of Trinity and provide evidence the Commission has deposited said funds;
- (d) Enter data relating to taxes into the Commission's computer and provide to Trinity at reasonable times records of such data, including but not limited to printouts relating to gross receipts reporting, taxes received, delinquent accounts, balances due and overpayments;
- (e) Provide backup printouts and documentation;
- (f) Provide and mail delinquent payment notices on all delinquent accounts, notices of balances due and notices advising overpayment, all in a timely manner so as to minimize the accrual of delinquent accounts;
- (g) Provide Trinity by the tenth (10th) day of the month following the tax month in question a summary of information relating to delinquent accounts;
- (h) Provide Trinity with a year-end summary printout reflecting all tax revenues collected, including information relating to delinquent accounts;
- (i) Prepare and distribute on a timely basis all forms, labels, letters and other documentation reasonably necessary to enable taxpayers to report, return and pay their taxes and licenses in a timely manner;
- (j) Pay all expenses associated with postage and mailing of notices and forms to taxpayers;
- (k) Provide up to three (3) Morgan County employees who, upon being authorized to do so by Trinity, shall issue citations and perform such other duties as are customarily performed by license inspectors;
- (l) When auditing taxpayers for compliance with Morgan County's sales tax requirements, also audit for such taxpayer's compliance with Trinity's tax requirements.

6. Commission to Act in a Fiduciary Capacity. It is agreed that all monies collected by Commission pursuant to this contract shall be held in a fiduciary capacity for Trinity and that title to said monies shall at all times remain in Trinity, subject to such amounts as may be owed by Trinity to Commission for services rendered pursuant to this agreement. Commission shall be entitled to deposit any funds collected to an account maintained with a reputable bank or other financial institution until the same are paid over to Trinity as provided for herein.
7. Commission Employees. It is understood that any employees of the Commission assigned to perform the Commission's duties under this agreement are and shall remain employees of the Commission for all purposes, including, but not limited to, all matters relating to the compensation of such employees, tax withholdings, insurance matters, workmen's compensation matters, provision of benefits, supervision and disciplinary procedures. The

Commission and its supervisory employees shall have full and complete control and supervision over such employees and such employees shall not be responsible or answerable to Trinity or any of its employees with respect to duties performed under this agreement. Commission shall be deemed at all times to be an independent contractor and shall determine the method, details and means of performing the services to be performed under this agreement.

8. Trinity to Control Legal Action. Commission agrees to take all steps reasonable necessary to collect the taxes subject to this agreement, but in the event it becomes necessary to initiate legal procedures for the collection of such taxes, Commission will inform Trinity of such and Trinity will then determine whether and by what methods further legal action will be taken to collect such taxes. All expenses, including attorney's fees, associated with such legal procedures shall be the responsibility of Trinity and Commission will cooperate in the prosecution of such legal actions so long as Trinity indemnifies the Commission against any cost or expense associated with the same. In and about the attempts to collect and enforce such taxes, both Trinity_ and the Commission, and its employees, shall have the same rights, remedies, powers and authorities as would be available to the State Department of Revenue if Trinity's ordinances were being administered and enforced by the State Department of Revenue.
9. No Assignment. The Commission's rights and obligations under this contract may not be assigned without the specific written consent and approval of Trinity. Nevertheless, the Commission may delegate any duty or responsibility hereunder to any of its officers or employees so long as such officers and employees are instructed to operate within the terms and provisions of this agreement.
10. No Liability. The Commission agrees to exercise reasonable diligence and good faith in performance of this agreement, but under no circumstances shall the Commission or Morgan County, or any of its officers, agents, or employees, be liable to Trinity for the noncollection or nonenforcement of said taxes or tax ordinances.
11. Termination by Trinity. Trinity shall have the right to terminate this agreement for any of the following reasons:
 - (a) Breach of any covenant, term or condition herein by Commission;
 - (b) The use of any scheme, artifice or practice by the Commission or its employees, for the purpose of thwarting or circumventing the terms or intent of this agreement;
 - (c) The enactment of any legislation, regulation or other legal requirement which declares this agreement to be void or which prohibits agreements of this nature or which causes Trinity to lose revenue by virtue of the contractual relationship between Trinity and Commission.
 - (d) The failure by the Commission or its employees to fully cooperate with Trinity in the provision of the services required by this agreement;

- (e) The continued failure by the Commission or its employees to give adequate and satisfactory service consistent with the purposes of the agreement;
12. Termination by Commission. The Commission shall have the right to terminate this agreement for any of the following reasons:
- (a) Breach of covenant, term or condition herein by Trinity;
 - (b) The failure by Trinity or its employees to cooperate fully with the Commission so that the Commission can properly provide the services required by this agreement;
 - (c) The enactment of any legislation, regulation or other legal requirement which declares this agreement to be void or which prohibits agreements of this nature or which causes the Commission or Morgan County to lose revenue by virtue of the contractual relationship between it and Trinity; or
 - (d) The use of any scheme, artifice or practice by Trinity for the purpose of thwarting or circumventing the terms or intent of this agreement.
13. No Waiver. The waiver by either party of any breach of any provision of this agreement shall not operate or be construed as a waiver of any subsequent breach by the other party.
14. Severability. If any one or more of the provisions contained in this agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this agreement shall be construed as if such invalid, illegal or unenforceable condition had never been contained herein; provided, however, that in the event it shall be determined that the agreement of Trinity to pay the Commission for services rendered under this agreement is invalid or unenforceable, then this agreement shall thereupon become null and void and unenforceable.
15. Payment of Attorney's Fees. In the event any civil action or other proceeding is brought to enforce or interpret the provisions of this agreement, the losing party shall be responsible for the payment to the prevailing party for reasonable attorney's fees and other expenses incurred in connection with said proceeding.
16. Entire Agreement. This writing contains the entire understanding and agreement of the parties. All other agreements outside this writing are merged herein and no agreement or representation other than such as are set forth herein shall have any force and effect.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives this ____ day of _____, 20__.

TOWN OF TRINITY

BY: _____
Its Mayor


ATTEST:

Its Town Clerk

MORGAN COUNTY COMMISSION

BY:  _____
Ray Long
Its Chairman

ATTEST:


Julie Reeves
Its Chief Administrative Officer

RESOLUTION 21-023

BE IT RESOLVED by the Morgan County Commission of Morgan County, Alabama, that the Commission does hereby authorize the Chairman to execute Contracts and Amendments for the Administration and Collection of Sales, Etc. Taxes for the Town of Eva, Town of Falkville, Town of Priceville, and the Town of Trinity for a period of (3) years, beginning October 1, 2020 through September 30, 2023, this the 27th day of October 2020.

