

INTERLOCAL COOPERATIVE AGREEMENT

This Interlocal Agreement made and executed by and between the County of Marshall, Kentucky, a county in the Commonwealth of Kentucky, hereinafter referred to as "COUNTY", and the City of Benton, Kentucky, hereinafter referred to as "CITY".

WHEREAS, the County and City are presently engaged in a cooperative effort to formulate and create a City/County Industrial Development Authority in Marshall County, KY pursuant to KRS Chapter 154.50-020 *et seq.*; and

WHEREAS, The City and County do now desire to execute a formal agreement regarding the City/County Industrial Development Authority;

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the legal adequacy and sufficiency of which is hereby acknowledged by all parties hereto, the City and County do covenant and agree as follows:

1. **PURPOSE.** The purpose of this Agreement is to formally establish by written agreement a joint City/County Industrial Development Authority to aid in the recruitment, retention, and development of industry in Benton, Marshall County, Kentucky; and to further aid in the development and promotion of Marshall County, Kentucky and the various communities in the County as industrial sites, and to promote activities in Marshall County and Western Kentucky in general. The further purpose of this Agreement is to establish a joint industrial development authority responsible for administering this undertaking. This Agreement, and the joint board created hereunder, are made pursuant to the Kentucky Revised Statute Chapter 154.50-020 *et seq.*

2. **ESTABLISHMENT OF BOARD.** There is hereby established a joint board to be known as "The City/County Industrial Development Authority", which board is created pursuant to KRS 154.50-316 and the provisions hereof. The purpose of this Authority shall be to administer

the cooperative undertaking providing local industrial development in Marshall County, Kentucky, particularly in the City of Benton, Kentucky. The Authority is established as a joint Board, in which three members shall be appointed by the Mayor of the City, and three members by the County Judge/Executive. The Authority's membership shall serve as follows:

(a) Members of the Authority shall be appointed by the Mayor of the City and County Judge Executive. Each shall appoint three (3) members. All members shall serve for a term of four (4) years, except those initially appointed. Initial appointments shall be two (2) members for two (2) years, two (2) members for three (3) years, and two (2) members for four (4) years. Membership on the Board shall be in compliance with KRS 154.50-326.

(b) Notwithstanding the foregoing, any individual appointed pursuant to subsection (a) shall continue to serve until his or her successor has been appointed. Such individual shall also be eligible for reappointment.

3. **GENERAL FUNCTIONS OF THE AUTHORITY.** The purpose, duties and powers of this Authority shall be to:

(a) Acquire, retain and develop land for an industrial site in Benton, Kentucky; and to aid in the development and promotion of industry in Marshall County, Kentucky.

(b) To recruit industrial prospects to Marshall County and its various communities including private industrial firms or corporations.

(c) Cooperate with the Regional, State and Federal Agencies in formulating and developing plans, for acquiring and developing the site for an industry in accordance with these plans.

(d) To acquire by contract, lease, purchase, gift, condemnation or otherwise, any real or personal property, or rights therein, necessary or suitable for establishing an industrial site. The Authority may dispose of any real or personal property, or retain therein, which is in the opinion of the Authority or no longer needed to carry out its purposes. The Authority may sell or convey any or all

land owned, or optioned by it, to any public or private organization, governmental unit for the purpose of industrial development.

(e) Upon adoption by the Authority of a resolution reciting that the property is needed for industrial development cannot be acquired by negotiation and purchase at its fair market value, the governmental unit in which such land is located may direct and institute condemnation proceedings in the name of such governmental units, for the use and benefit of the Authority. The procedure for condemnation shall conform to the procedure set out in the eminent domain act of Kentucky. Upon acquisition of the property, the governmental unit shall convey the property to the Authority upon payment by the Authority to the governmental unit any amount of money equal to the judgment and cost paid by that governmental unit. These powers shall be limited by the provisions of KRS Chapter 416.

4. AUTHORITY'S POWER TO RECEIVE APPROPRIATIONS, FINANCE BY BORROWING, OR ISSUING OF REVENUE BONDS.

(a) In order to provide money for the purchase of property necessary to develop industrial sites, the legislative bodies of each governmental unit creating the Authority under KRS 154.50-020 *et seq.*, may make such appropriation from its general fund as it deems appropriate. All appropriation shall be made by the legislative body in such amounts, and proportions, and upon such terms as the legislative body may determine. Any funds appropriated shall be utilized by the Authority to carry out its duties and those powers assigned to it under the provisions hereof. The City and the County may provide any additional funding for the acquisition of any industrial site, and they may equally pay for any upkeep or maintenance needed by the Authority during the term hereof.

(b) The Authority may borrow money on its own credit in anticipation of revenue to be derived from the appropriation of other income. For such purposes, the Authority may pledge any appropriations or income anticipated.

(c) The Authority may pledge its property as security for funds borrowed or financed by any bonds. The Authority may borrow money to defray cost of requiring or developing any industrial site, or it may issue bonds pursuant to the provisions hereof or any other legal authority granted to it by law.

(d) The Authority may, as an alternative method and in addition to all other methods provided by law, acquire developed property for industrial development, and issue revenue bonds in connection therewith under the terms and provisions of KRS 154.50-020, and under said law, the term "governmental agency" means the authority and the term "public project" means an industrial site or building.

5. **OPERATIONS OF THE BOARD.**

(a) The Board should operate on the Fiscal period, starting July 1 of the year and ending the next June 30 in each year other than 2000. The members of the Board shall serve, without compensation, but shall be reimbursed for any actual and necessary expenses incurred by the conduct of the affairs of the Authority. The Authority shall, upon the appointments of its members, organize and elect officers. The Authority shall choose a chairman and vice-chairman who shall serve for a term of one year. The Authority may fix a salary for the Secretary/Treasurer, and the Secretary/Treasurer shall execute an official bond to be set and approved by the Authority, and the cost thereof shall be paid by the Authority. Further, the Authority may employ necessary counsel, fiscal agents, and engage employees to carry out its work and functions and prescribe such rules and regulations as are necessary for its operation.

(b) The Secretary/Treasurer shall keep the minutes of all meetings of the Authority and shall also keep a set of books showing the receipts and expenditures of the Authority. They shall preserve on file duplicate vouchers for all expenditures and shall present to the Authority, upon request, complete reports of all financial transactions and the financial condition of the Authority. Such

books and vouchers shall at all times be subject to examination by the City/County. The Authority's Board shall transmit annually a detailed report of all acts and actions of the Authority to the City/County.

6. **TERMS OF THE AGREEMENT.** The terms of this agreement, and each parties' obligations thereunder, shall remain in full force and effect for a period of twenty (20) years. Such terms shall be automatically renewed for an additional twenty year term unless either party terminates the agreement by providing to the other a written notice of termination one (1) year prior to the date of termination.

7. **EFFECTS OF TERMINATION.** In the event either the City or County terminates this agreement, the property acquired by the Authority will be disposed of as follows:

(a) In the event the property or equipment was donated by either the County or City, such property or equipment will be returned to the governmental unit which donated the equipment or property.

(b) In the event the property or equipment was acquired by the Authority, such equipment or property shall be disposed as agreed herein by the County and City. In the event the County and City cannot agree as to the disposition of such property or equipment, the property or equipment shall be sold in a commercially reasonable manner with the proceeds being applied first to the cost and expenses of the sale, and then distributed equally between the City and County.

(c) Termination shall not impair or otherwise hinder the Authority's obligation on any bonds outstanding at the time of termination.

8. **MISCELLANEOUS PROVISION.** This agreement represents the entire understanding and agreement reached between the parties, and all prior covenants, agreements, presentations and covenants are merged herein. This agreement shall be binding upon the parties hereto and shall be deemed fully enforceable in law or in equity. If any provision of this agreement

shall be held invalid under any applicable law, such invalidity shall not effect the remaining provisions of this agreement.

9. **EFFECTIVE DATE.** The effective date of this agreement shall be on the date when said agreement is executed by the City and County.

This the 15th day of September, 2000.

MARSHALL COUNTY, KENTUCKY

BY: Mike Miller
MIKE MILLER, COUNTY JUDGE/EXECUTIVE

ATTEST:

Dan Duke
DAN DUKE, COUNTY COURT CLERK

CITY OF BENTON, KENTUCKY

BY: James H. Wiseman
JAMES H. WISEMAN, MAYOR

ATTEST:

Debra Dowdy
DEBRA DOWDY, CITY CLERK

Subscribed and sworn to before me by Marshall County, Kentucky, by and through its County Judge/Executive, Mike Miller, and County Court Clerk, Dan Duke, on this the 15th day of September, 2000.

Melanie S. Chambers
NOTARY PUBLIC

My commission expires: 1/24/00

Subscribed and sworn to before me by City of Benton, Kentucky, by and through its Mayor, James H. Wiseman, and City Clerk, Debra Dowdy, on this the 15th day of September 2000.


Melanie S. Chambers
NOTARY PUBLIC

My commission expires: 1/24/04

This Agreement complies with the provisions of KRS 65.210 to KRS 65.300 and is approved for entry by the parties on this the 9th day of October, 2000.



JODY A. LASSITER
COMMISSIONER
DEPARTMENT FOR LOCAL GOVERNMENT

THIS INSTRUMENT PREPARED
BY: 

MARTIN W. JOHNSON
CITY ATTORNEY
BENTON, KY 42025