

# LOT – MOU draft 5/1/19

## **Agreement to Create a Tri-Town Local Option Tax Memorandum of Understanding**

An Agreement by and between: Town of Fayston, Town of Waitsfield and Town of Warren, Vermont.

WHEREAS, the Towns of Fayston, Waitsfield and Warren, Vermont share a common interest in investing for the future of the Mad River Valley; and

WHEREAS, the Mad River Valley share an area wide watershed, roadway network, commercial center and recreation industry; and

WHEREAS, the Towns have allotted funds to participate in an area wide planning program since 1979; and

WHEREAS, the towns joined together in a Memorandum of Understanding (hereinafter MOU) with other parties in 1983 to monitor major development in the Mad River Valley; and

WHEREAS, 24 VSA Chapter 121, Section 4866 provides that municipalities may form an intermunicipal agreement for cooperation in providing services and facilities in a manner and under a form of organization that best accords with the needs of the municipalities;

NOW, THEREFORE, it is agreed to create a tri-town municipal fund, Mad River Valley Local Option Tax (hereinafter LOT) collected by each town, which said Towns agree to implement simultaneously on retail sales, room sales, food sales, and alcohol sales per 24 VSA Chapter 138 to benefit The Mad River Valley.

### **ARTICLE I PURPOSE**

The purpose of the Mad River Valley Local Option Tax (hereinafter MRVLOT) is to provide a sustainable source of funds to invest in the future of the Mad River Valley. The investment program shall be directed toward the physical, social, economic, fiscal, environmental, cultural and aesthetic wellbeing of the member towns and their inhabitants.

### **ARTICLE II DURATION**

The MRVLOT shall be ongoing unless terminated in accordance with Article IX within.

### **ARTICLE III ORGANIZATION**

The organization of the MRVLOT shall be as follows:

**MRVLOT Commission:** Each member Town shall be represented on the MRVLOT Commission by two commissioners. In addition, the Mad River Valley Planning District (hereinafter MRVPD) shall appoint the chair of the MRVLOT Commission.

**A. Appointment:** The Selectboard of each member Town shall appoint two representatives from their respective Towns to the MRVLOT Commission. The Chair shall be chosen from the sitting municipal members of the MRVPD Steering Committee. Town representatives shall serve at the pleasure of their respective Selectboards. The Chair shall serve at the pleasure of the MRVPD Steering Committee, its assigns or successors, or may be removed, for cause, with at least one commission member of each town voting in the affirmative.

**B. Term of Office:** The term of office for all representatives shall initially be for one year. Initial terms of office shall commence immediately upon appointment. Subsequent terms shall begin on April 1 and be for alternate term lengths of two and three years, one from each town.

**C. Powers and Duties:** In order to accomplish the purposes of the MRVLOT, as set forth in Article I of these Articles, the powers and duties of the MRVLOT Commission shall include taking receipt of the full amount of monies collected by each Town from the LOT, distributing the funds collected in the manner dictated by the Bylaws of the MRVLOT Commission (attached as Appendix A) to the following organizations and ensuring the funds are spent in accordance with requests for said funds as presented to the MRVLOT Commission by the following entities and organizations:

- i. Mad River Valley Housing Coalition (MRVHC)
- ii. Mad River Valley Transportation Advisory Council (MRVTAC)
- iii. Mad River Valley Recreation District (MRVRD)
- iv. Mad River Valley Chamber of Commerce
- v. MRVFLO Reserve Fund (defined with process in MRVFLO Bylaws)
- vi. Member Towns may access fund by submitting grant requests that indicate the request provides a benefit to the broad Mad River Valley community.
- vii. Other entities may submit requests for funds to the MRVLOT Commission subject to the provisions of the MRVLOT Bylaws
- viii. MRVLOT Commission shall adopt an annual action plan and budget
- ix. MRVLOT Commission shall monitor all awards of funds.
- x. MRVLOT Commission shall conduct data collection and make recommendations
- xi. MRVLOT Commission shall undertake any other activities necessary or desirable to carry out its mandate.

**D. Officers:** The MRVLOT Commission shall have a Chair, appointed by the MRVLPD Steering Committee per Article III, A, and a Secretary-Treasurer, elected by the MRVLOT Commission members, and any other officers the MRVLOT Commission considers necessary for the conduct of its business. The Chair shall call and preside over meetings of the MRVLOT Commission. The Secretary-Treasurer shall record the minutes of the meetings, shall be responsible for correspondence and shall keep the financial records and accounts of the MRVLOT.

**E. Meetings of the MRVLOT Commission:** The frequency and method of calling regular and special meetings of the MRVLOT Commission, procedures for the transaction of business and other necessary matters shall be in accordance with the Bylaws adopted by the MRVLOT Commission and Vermont Open Meeting Law.

**F. Quorum and Voting:** A quorum shall be necessary for the transaction of any business and shall consist of a majority of the MRVLOT Commission, including representation from all member Towns. Action shall be by a simple majority of the total membership with each Town having a vote in the affirmative.

**G. Annual Report:** The MRVLOT Commission shall prepare an Annual Report for publication in the Town Report of each member town. The Annual Report shall account for the MRVLOT funds from the preceding year.

**H. Administration:** The MRVLPD will provide administrative support to the MRVLOT to include administration of grant process, distribution of grant funding determined by the Commission, and accounting audits annually, in accordance with generally accepted accounting procedures.

#### **ARTICLE IV POWERS AND DUTIES OF THE MRVLOT**

The MRVLOT, acting through the MRVLOT Commission, shall possess powers and duties consistent with provisions of 24 VSA Chapter 121, Section 4866, except paragraph 8.

#### **ARTICLE V FINANCING**

The MRVLOT Commission shall prepare an annual action plan and shall establish a budget to determine the allocation of funds on an annual basis. The MRVLOT shall not have the authority to require an assessment from its member Towns; rather, the budget shall be financed through the collection of the total LOT funds raised by member towns.

#### **ARTICLE VI AMENDMENTS**

These Articles may be amended, in whole or in part, in the following manner:

A. An amendment to these Articles may be proposed only by a 2/3-majority vote of the MRVLOT Commission with an affirmative vote to do so with at least one vote from each town.

B. A proposed amendment shall be adopted or rejected by the voters of each member Town by Australian ballot at a regular or special Town meeting, duly warned for the purpose of considering the proposed amendment. At least one public hearing shall be held in each member Town not less than five, nor more than 15 days prior to said Town meetings.

C. If approved by a majority of voters in each Town, the amendment shall become effective immediately.

**ARTICLE VII ADDITION OF MEMBER MUNICIPALITIES**

The MRVLOT Commission may authorize the inclusion of additional municipalities outside of the District by amending these Articles as provided in Article VI. Any authorized municipality may act to enter the MOU according to the approval procedures of 24 VSA, Chapter 121, Section 4863.

**ARTICLE VIII WITHDRAWAL**

Procedure and conditions for withdrawal from the MOU shall be as provided in 24 VSA Chapter 121, Section 4863. A decision to withdraw shall be effective 30 days after the vote by Australian ballot of the voters of the withdrawing member Town.

**ARTICLE IX DISSOLUTION**

The MOU may be dissolved in accordance with the provisions of 24 VSA Chapter 121, Section 4863 (H). The MRVLOT Commission, by an affirmative vote of each town, may dissolve the MRVLOT. Any decision to dissolve must be approved by the voters of the member Towns via Australian ballot.

**ARTICLE X RATIFICATION**

These Articles shall take effect April 1, 2020 if voters in each member Town have ratified this Agreement by Australian vote.

Agreed to this day \_\_\_\_\_

By \_\_\_\_\_  
Town of Fayston

By \_\_\_\_\_  
Town of Waitsfield

By \_\_\_\_\_  
Town of Warren

By \_\_\_\_\_  
Mad River Valley Planning District

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