

Item # _____

Moved by: _____

Seconded by: _____

Prepared by: Alicia Lindsey

Reviewed by: Lee Hopson
County Attorney

RESOLUTION TO AMEND A THREE-YEAR INTERLOCAL AGREEMENT BETWEEN THE CITY OF MEMPHIS, THE COUNTY OF SHELBY AND THE OFFICE OF SHELBY COUNTY TRUSTEE FOR THE COLLECTION OF CURRENT AND DELINQUENT CITY AD VALOREM TAXES TO RELIEVE THE TRUSTEE FROM THE REQUIREMENT OF COLLECTING CURRENT TAXES ON BEHALF OF THE CITY AND REDUCE THE CONTRACT AMOUNT FROM \$1,250,000.00 TO \$1,015,000.00 PER YEAR AND TO ALLOW FOR AN EXTENSION PERIOD FROM FEBRUARY 1, 2016 THROUGH JUNE 30, 2017 WITH OPTIONS TO RENEW FOR TWO ADDITIONAL ONE-YEAR TERMS. SPONSORED BY COMMISSIONER DAVID REAVES.

WHEREAS, Effective February 1, 2013 the City of Memphis entered into an Interlocal Agreement with the County of Shelby and the Office of the Shelby County Trustee for three years and \$3,750,000 to allow the Trustee's Office to collect current and delinquent Ad Valorem taxes on behalf of the City of Memphis as approved by resolution of the Memphis City Council on January 24, 2013; and

WHEREAS, The parties desire to amend Section 3.02 to allow for an extension period from February 1, 2016 through June 30, 2017 and to include annual options to renew beginning on July 1, 2017 through June 30, 2018 and July 1, 2018 through February 1, 2019 attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, The parties acknowledge that the Trustee's Office lacks the present system capability to collect current taxes on behalf of the City of Memphis; and

WHEREAS, The Trustee's Office had been compensated at an annual amount equal to \$1,250,000 per annum, plus the City's pro-rata share of the total litigation expenses incurred pursuant to this Agreement which includes advertising and title work expenses; and

WHEREAS, The parties desire to amend said Agreement to reflect a decrease in the compensation to be paid to the Trustee's Office for the annual collection fee from \$1,250,000.00 to \$1,015,000.00 during the period that the Trustee's Office is relieved from the requirement of collecting current taxes on behalf of the City of Memphis.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the Interlocal Agreement among the City of Memphis, the County of Shelby and the Office of the Shelby County Trustee's Office for the provision of collecting delinquent City of Memphis Ad Valorem taxes be amended and extended through June 30, 2017, attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

BE IT FURTHER RESOLVED, That the option to renew for two (2) additional one (1) year renewal periods is hereby approved subject to the adoption of the appropriate year's Operating Budget.

BE IT FURTHER RESOLVED, That the County Mayor is hereby authorized to execute said contract as well as the future renewals on behalf of Shelby County Government, an executed copy of which is to be placed on file in the Purchasing Department.

BE IT FURTHER RESOLVED, That this Resolution shall become effective in accordance with the Shelby County Charter, Article II, § 2.06(B).

Mark H. Luttrell Jr.
Mayor

Date: _____

ATTEST:

Deputy Clerk of County Commission

ADOPTED: _____