

**INTERGOVERNMENTAL AGREEMENT OF THE CITY OF BATON ROUGE AND
PARISH OF EAST BATON ROUGE, THE ST. GEORGE TRANSITION DISTRICT AND
THE CITY OF ST. GEORGE**

This Intergovernmental Agreement (“**Agreement**”) is entered into by the **City of Baton Rouge and the Parish East Baton Rouge** (“**City-Parish**”), represented herein by its duly authorized Mayor-President and the **City of St. George** (“**St. George**”), represented herein by its duly authorized Mayor and the **St. George Transition District** (“**District**”), represented herein by its duly authorized Chairman.

WHEREAS, Act 2020, No. 361 effective June 12, 2020, enacting La. R.S. 33:3076 – 3080 (the “**Transition Act**”), created the District for the purpose of protecting the health, safety, welfare, comfort and security of the people of St. George by “funding the delivery of essential public services” and preventing “cash flow difficulties” in “the event the lawsuit challenging the incorporation of the city of St. George, within East Baton Rouge Parish is unsuccessful,” La. R.S. 33:3076;

WHEREAS, on April 26, 2024, in the lawsuit challenging the incorporation of the city of St. George entitled *Mayor-President Sharon Weston Broome, et al v. Organizers of the Petition to Incorporate St. George*, 2023-C-01108 C/W 2023-C-01118, the Louisiana Supreme Court found the incorporation of St. George reasonable and rendered “judgment in favor of Proponents” of the incorporation of St. George approved by the electors on October 12, 2019 and notified all counsel of record;

WHEREAS, the effective date of this Intergovernmental Agreement shall be April 26, 2024 (the “**Effective Date**”);

WHEREAS, the Parties recognize that the transition of services and funds from the City-Parish to St. George will require cooperation of numerous individuals and entities and the dissemination of accurate public information by the City-Parish and St. George and that some services and funding will need to be addressed in subsequent agreements;

WHEREAS, the boundaries in the Petition to Incorporate St. George approved by the electors on October 12, 2019 include certain areas which the City of Baton Rouge claims were annexed after the election as shown on Exhibit B, and that the post-election annexations were challenged by the Organizers of the proposed City of St. George (“**Disputed Areas**”) which suit is still pending;

WHEREAS, the Parties intend to provide for the transition of certain services and funds for St. George outside of the Disputed Areas and to treat the Disputed Areas as unincorporated for the purpose of this Intergovernmental Agreement until a final determination of the pending litigation and that no Party intends nor shall this Intergovernmental Agreement be construed as a waiver any right, claim or defense in the pending litigation by any Party or litigant;

WHEREAS, on May 14, 2024, pursuant to La. R.S. 33:6 Governor Jeff Landry appointed a mayor and chief of police for St. George “to serve until the next general municipal election and until their successors take their oaths of office”;

WHEREAS, in accordance with the Transition Act the District has since June 10, 2024 been administered and governed by a five-person board of directors, including a designee of the City-Parish who was appointed by Mayor-President Broome;

WHEREAS, the Parties desire to authorize the City-Parish to “continue to levy and collect the parish tax [2% on sales and use tax] within the corporate limits” of the City of St. George “for the purpose of providing essential public services to, or funding essential public services for, the

citizens within St. George until the date the St. George Transition District levied a 2% sales and use tax” pursuant to this Intergovernmental Agreement ;

WHEREAS, on June 24, 2024, the District adopted a Resolution to impose a 2% sales and use tax within the District whose boundaries are coterminous with St. George ;

WHEREAS, the City-Parish is the collector of sales and use taxes for all taxing authorities within East Baton Rouge Parish including St. George and the District which are both located entirely within East Baton Rouge Parish;

WHEREAS, by approval of this Intergovernmental Agreement the District approves an agreement with the City-Parish to collect the 2% sales and use tax for the District on the same terms and conditions applicable to other taxing authorities in East Baton Rouge Parish with an effective date of June 24, 2024 (the “Collection Agreement”);

WHEREAS, the St. George Council called an election to be held on December 7, 2024 to approve the replacement of parish tax with a 2% sales and use tax to be levied by St. George and should the voters approve the replacement of the parish tax, St. George will enter into a Collection Agreement with the City-Parish on the same terms and conditions applicable to other taxing authorities in East Baton Rouge Parish;

WHEREAS, certain services necessary for the protection of public, health, safety, and welfare of the residents, property owners and businesses of St. George were provided by the City-Parish;

WHEREAS, the City-Parish, St. George, and the District desire to ensure the continued provision of uninterrupted services to the residents, property owners and businesses of East Baton Rouge Parish within St. George during the transition of funding and services in St. George;

WHEREAS, the City-Parish, St. George, and the District desire to address certain issues in connection with the funding and operation of St. George as a municipality within East Baton Rouge Parish; and,

WHEREAS, the terms and conditions of this Intergovernmental Agreement have been approved by the Metropolitan Council, the Board of Directors of the District and the St. George City Council.

NOW THEREFORE, in consideration of these premises and advantages to be received by the residents, property owners and businesses of the City-Parish, St. George, and the District (collectively “Parties”), agree the foregoing recitations are integral to this Intergovernmental Agreement and are therefore, incorporated as if fully set forth herein below and the Parties do therefore, agree as follows:

A. Services which the City-Parish will Provide to St. George which are not provided to other Municipalities in East Baton Rouge Parish:

1. For services that were provided by the City-Parish to St. George from the Effective Date through June 30, 2024, St. George authorizes the City-Parish to retain 100% of the sales and use tax collected in St. George through the continuation of the parish tax and through the collection of the sales and use tax levied by the District through June 30, 2024 in full and final payment for said services. Beginning with sales and use taxes collected for the month of July 2024, said taxes shall be distributed upon approval of this Agreement by the Metropolitan Council, the Board of Directors of the District and the St. George City Council which shall be signed and signature of the respective representative of each body on the date of approval by the respective body, the City-

Parish will distribute to the District the sum of \$4,000,000 per month representing, the average estimated sales and use taxes collected monthly in St. George on or before the 10th of second month following collection.. Any payment not timely made shall bear interest at a rate of 5% per annum.

2. The parties recognize that the average estimated sales and use tax amounts set for the above reflect good faith estimates of the minimum monthly sales tax collection in St. George based on collections through June 30, 2024 less the collection fee due to the City-Parish. The Parties agree to reconcile the actual amounts of sales taxes collected in St. George for collections beginning on July 1, 2024 following the completion of the audit of City-Parish's sales and use tax collections. If any additional sales and use taxes are determined to be due to the District, after review and acceptance of the audit by the District, the City-Parish shall pay the additional amount of sales and use tax collected to the District within 60 days of approval of the amount by the District. If any sales and use taxes are determined to have been overpaid by the City-Parish to the District, the District shall return the amount of the overpayment to the City-Parish.
3. The City-Parish will continue to provide certain services provided within St. George prior to its incorporation in the same manner and to the same extent as provided to the unincorporated areas now in the City of St. George through March 31, 2025 including but not limited to all emergency services provided during inclement weather, emergency debris removal and maintenance and repair of traffic signs and signals on all state, parish and local roads. The City-Parish shall provide to St. George all services provided to other municipalities within East Baton Rouge Parish to St. George, including but not limited to animal control services, collection of sales and use taxes and emergency services, on the same terms as provided to the other municipalities. These services are listed generally on Exhibit A.
4. Beginning on July 1, 2024, St. George agrees to pay to the City-Parish for services not provided by the City-Parish to other municipalities in East Baton Rouge Parish, the documented Direct Costs for services provided in St. George not to exceed the monthly Direct Cost listed on Exhibit A plus an administrative fee not to exceed 10% of the documented Direct Costs. At such time as St. George provides written notice to the City-Parish that St. George will begin providing any of the services listed on Exhibit A in St. George, the City-Parish shall cease to provide such services and shall discontinue assessing any cost for said service as of a mutually agreed upon date, but in no event less than 30 days, following which St. George shall have the sole and exclusive responsibility for providing such services and the City-Parish shall have no further responsibility for providing such services, except for completing or correcting services which the City-Parish began or received any fee to perform said service.
5. With respect to jurisdictional services provided or to be provided to the City of St. George such as Animal Control, Alcoholic Beverage Control, and Building Inspections, St. George hereby recognizes determinations were made by the City-Parish in accordance with the provisions of the City-Parish Code of Ordinances. For any services continued after September 30, 2024, the City-Parish shall not be responsible for enforcing ordinances which may be inconsistent therewith unless approved by the Director of the Department. Approval shall not be delayed or arbitrarily withheld. With respect to any application received since the Effective Date, the City-Parish shall provide copies of or access to all records to St. George's designated representative. St. George's designated representative shall have the authority to disapprove any application.

6. With respect to planning and zoning, the City-Parish shall process all applications for rezoning or modification received on or before September 30, 2024 in accordance with the City-Parish Unified Development Code, including accepting applications, publishing notice thereof and developing presentations for the St. George Planning Commission or Zoning Commission to review for approval, deferment or rejection under the provisions of the St. George Uniform Development Code. Staff of the City-Parish Planning and Zoning office shall attend planning and zoning meetings, board of adjustment meetings and council meetings in St. George, if any planning, rezoning or modification received on or before September 30, 2024 is scheduled to be considered at such meeting; however, City-Parish's staff shall not be responsible for rendering any opinions or making recommendations for approval, deferment or rejection. The City-Parish shall be entitled to retain all application and other fees and shall charge and shall additionally be compensated at the rate of \$182.13 per hour for each meeting, whether formal or informal, attended for an application in St. George except the Disputed Areas. The City-Parish shall provide St. George with an itemized invoice for each meeting attended. St. George shall pay any undisputed amounts within 30 days of receipt of the invoice.
7. City-Parish shall provide St. George with all records or access to such records necessary for St. George to efficiently provide services including but not limited to all historical records regarding planning and zoning and all GIS data maintained by the City-Parish within St. George.
8. In the event the City-Parish advanced any amounts on behalf of the District or the City of St. George, for the cost of publishing legal notices in The Advocate prior to the receipt of the first sales and use tax payment, such amount shall be deducted from the sales and use taxes to be distributed to the District for July 2024 collections.
9. Residential curbside garbage, recycling, and other collection services pursuant to the contracts between the City-Parish and BFI Waste Services d/b/a as Republic Services of Baton Rouge and between the City-Parish and Richard's Disposal for out-of-cart collection services shall continue in accordance with the terms of the contracts applicable to the City of Baton Rouge, the City of Central and the unincorporated area in East Baton Rouge Parish. All services related to said contracts performed by the City-Parish including billing and collection of fees and the 311 call center for these services shall continue. All costs of these services shall continue to be paid by the solid waste fee collected by the City-Parish.

B. Compensation for Services:

St. George may elect to continue some of the governmental services presently being provided by the City-Parish and/or to continue some services provided to the City-Parish through contracts with third parties. Within 30 days of the execution of this Intergovernmental Agreement, the City-Parish shall send a notice approved by St. George to each contractor scheduled to perform services in St. George after September 30, 2024 to be funded by the General Fund of the proposed termination of the contract or portion of the contract under the non-appropriation provision and shall provide instructions to contact St. George regarding possible assignment or transfer of the contract. In the event St. George approves continuation of any contracts, appropriate amendments shall be made to the contract. The costs of the contract shall be deducted from the Direct Costs on Exhibit A. For services to be provided by employees or Departments of the City-Parish, St. George shall pay to the City-Parish the actual direct cost of such services as set forth in Exhibit A plus an administrative fee of up to 10%.

The direct cost was determined as June 30, 2024 for the trailing 12 months, utilizing the following cost allocation methodology and process:

- i. A portion of the total direct cost of services shall be allocated to St. George utilizing the verified population submitted by St. George to the U.S. Census Bureau within the boundaries set forth in the 2018 Petition for Incorporation of (80,873) as the numerator, with the City-Parish population of 456,781, less the municipalities of Baker (12,455), Central (29,565) and Zachary (19,319), from the 2020 U.S. census as the denominator resulting in 20.45% (“Allocation Formula”). If St. George’s population made available on the U.S. Census website, subsequent to the execution of this Intergovernmental Agreement is different, the population will be updated for the following calendar year.
- ii. The Parties acknowledge that the boundaries of the City of St. George include certain areas that may be determined to have been annexed by the City of Baton Rouge as shown on Exhibit B, and that these annexations have been challenged by the Organizers of the proposed City of St. George. Upon a final determination of this litigation related to the Disputed Areas, the Allocation Formula will be adjusted accordingly for the following calendar year, if the population of St. George based on the population certified to the 2020 U.S. Census Bureau changes by more than 1%.

C. Transition:

The Parties recognize that a smooth transition of government services and funding is in the best interests of the residents, property owners and businesses in East Baton Rouge Parish and that the transition shall take place, first between the City-Parish and the District and then between the City-Parish and St. George. The Parties acknowledge that the Transition Act provides for the termination of the District and agree this Intergovernmental Agreement shall remain in effect between the City-Parish, and St. George following the termination of the District. Any funds due to or due from the District shall paid to or by St. George.

The Parties intend to avoid any loss of any available funding which could be collected by St. George or by the City-Parish to provide essential services within any part of East Baton Rouge Parish and agree to collaborate to provide accurate information to residents, property owners and businesses. The Parties agree to cooperate in the notification of residents, property owners, businesses and other agencies necessary for St. George to collect funds due to St. George after the Effective Date. On or before October 1, 2024, the City-Parish shall provide to St. George the records of all businesses which remitted sales and use taxes to the City-Parish, paid an occupational license tax in 2024, all business which were issued any alcohol beverage permits and all businesses which paid insurance premium taxes which are located in St. George in an electronic format to enable St. George to notify businesses of the transfer of the responsibility from the City-Parish to St. George to collect said taxes and fees. The City-Parish shall immediately take all actions necessary to add a column entitled “St. George” to the sales and use tax collection form following the execution of this Intergovernmental Agreement and shall take all actions necessary to delineate the actual amount of sales and use taxes collected within St. George for the period beginning on July 1, 2024 from sales tax collectors in St. George including but limited to applying for a separate sales and use tax I.D for the Louisiana Office of Motor Vehicles and the Louisiana Remote Sellers Commission.

The City-Parish shall immediately take all necessary actions to update information on its website and to incorporate links to the St. George website to inform the residents, property owners and businesses in St. George regarding accessing services and paying fees.

The City-Parish shall assist St. George in informing the public of the necessity of replacing the parish tax with the 2% sales and use tax to be collected by St. George.

D. Insurance Coverage:

The District and St. George shall be covered at all times from the Effective Date by the City-Parish's Insurance Reserve Fund for services provided by the City-Parish. If the City-Parish elects not to continue coverage for the District or St. George through the City-Parish Insurance Reserve Fund shall transfer to St. George an amount equal to the balance in the Insurance Reserve Fund on the Effective Date of this Intergovernmental Agreement multiplied by the Allocation Formula. With respect to any claim or litigation arising from any action taken by the City-Parish prior to the date of execution of this Intergovernmental Agreement, the City-Parish shall defend and indemnify the District and St. George and its officials and agents.

E. Effective Date and Term:

This agreement is retroactive to April 26, 2024, and shall remain in force and effect until amended in writing or mutually terminated by the Parties, such consent shall not be unreasonably withheld. The Parties acknowledge that this Intergovernmental Agreement addresses only certain services and funding and that additional agreements may be necessary to resolve other matters arising from the incorporation of St. George.

F. Notice:

Any notice required by this Intergovernmental Agreement shall be deemed sufficient if delivered to the undersigned Parties or their successors.

THUS DONE AND SIGNED in East Baton Rouge Parish, Louisiana, by the by the duly authorized representatives on the dates shown.

WITNESSES:

Approved as to form:

Office of the Parish Attorney

Approved as to form:

St. George City Attorney

**CITY OF BATON ROUGE AND
PARISH OF EAST BATON ROUGE**

BY: _____
Sharon Weston Broome, Mayor-President

Date: _____

CITY OF ST. GEORGE

BY: _____
Dustin Yates, Mayor

Date: _____

ST. GEORGE TRANSITION DISTRICT

BY: _____
Andrew Murrell, Chairman

Date: _____

EXHIBIT A

% of St. George population compared to Baton Rouge + Unincorporated 80,873 / 395,445 = 20.45%

Estimated City of St. George Cost of Services

Prepared from Information received from City-Parish as of 8/20/2024

- Eastside Fire Protection District cost to be updated on population basis. The majority of Eastside is in unincorporated area. Only a very small area of St. George is served by Eastside Fire Protection District. The total amount in the 2024 General Fund Budget of \$75,320 needs to be prorated by population.
- Justice of the Peace & Ward Constables. Requested information to support this cost not yet provided.

Eastside Fire Protection District	\$75,320
Justice of the Peace & Ward Constables	\$19,460

The following costs to be updated to reflect 2020 U.S. Census population. Any applications fees received by the Department of Development to be applied to the cost.

- Estimate for Animal Control to reflect 2020 U.S. Census population. Services to continue through December 31, 2025.
- Estimate for Commission for Collecting Taxes to be updated to reflect actual fees paid by other taxing authorities. Services to continue through December 31, 2025.
- Maximum Annual costs to be pro-rated per month to be paid to through March 31, 2024.
- Maximum Annual costs to be reduced by the amount of third-party contracts cancelled.

Services / Uses	Maximum Annual Direct Cost	Maximum Administrative Fee	Maximum Total Annual Fee
Animal Control	\$384,110	0	\$384,110
Clerk of Court	\$157,460	0	\$157,460
Commission for Collecting Taxes	0	\$500,460	\$500,460
Coroner	\$875,760	0	\$875,760
Department of Development*	\$3,269,860	\$326,986	\$3,596,846
Department of Maintenance**	\$5,206,500	\$520,650	\$5,727,150
Department of Transportation & Drainage**	\$2,447,830	\$244,783	\$2,692,613
District Attorney	\$2,126,010	0	\$2,126,010
District Court	\$2,183,470	0	\$2,183,470
Family Court	\$378,420	0	\$378,420
Juvenile Court	\$492,770	0	\$492,770
Registrar of Voters	\$179,130	0	\$179,130
Sheriff's Office	\$2,550,750	0	\$2,550,750
TOTAL	\$20,252,070	\$1,592,879	\$21,844,949

*Fees collected by City-Parish to be deducted from verified cost of services provided in St. George.

**Verification of cost of services provided in St. George required.