

## BUILDING INSPECTION SERVICES AGREEMENT

This Building Inspection Services Agreement (hereafter, "Agreement"), is made and executed this 1st day of January, 2016 **2019**, by and between the City of Waite Park, a political subdivision organized under the laws of the State of Minnesota, (hereafter, "City") and Code Consulting Professionals, LLC., a Minnesota Limited Liability Company (hereafter, "Contractor"), collectively "the parties".

WHEREAS, the City has enacted the Minnesota Building Code (the "Code");

WHEREAS, the City requires building inspection services to ensure compliance with the Code;

WHEREAS, the Contractor is engaged in the business of providing building inspection services to cities and is licensed to provide such inspection services;

WHEREAS, the City desires to retain the building inspection services of Contractor subject to the terms and conditions set forth in this Agreement;

WHEREAS, the Contractor desires to provide such services to the City.

NOW, THEREFORE, for good and valuable consideration, based upon the mutual promises and covenants herein, the parties agree as follows:

**1. Building Official.**

The City hereby appoints and retains Code Consulting Professionals, LLC, as the Administrative Authority (hereafter, "Building Official") for the City.

**2. Representations and Warranties of Contractor.**

Contractor represents and warrants to City that Contractor and all its building inspection agents and/or employees are certified by the State of Minnesota. Contractor represents and warrants that the Contractor and all its building inspection agents/or employees hold all necessary and required licenses to perform the Required Services of this Agreement. The Contractor represents and warrants that the Contractor and all its building inspection agents and/or employees shall comply with all relevant federal, state, and local laws or ordinances, and all applicable rules, regulations, and standards existing or hereafter promulgated.

**3. Terms and Termination.**

**A. Term.**

This agreement is effective commencing January 1, 2016 **2019** and shall consist of a period of 36 months of service. The Agreement shall continue in effect until December 31, 2018 **2021** unless City and Contractor mutually agree in writing to extend or terminate this Agreement.

**B. Termination.**

1. **For Cause.** Either party to this Agreement may immediately terminate this Agreement and declare this Agreement void and of no further force or effect in the event of breach or default of any of the terms, conditions, or covenants contained in this Agreement or in the event of conflict of interest as described in Section 11 herein. Failure to terminate this Agreement for breach, default, or conflict of interest shall not constitute a waiver of the ability to terminate.
2. **General.** Either party may terminate this Agreement without cause with 90 days written notice.

**4. Scope of Services.**

The Contractor shall provide all services consistent with Minnesota Rule Chapter 1300 and any other relevant statute(s) related to the role of the Building Official. During the term of this agreement, the Contractor agrees to perform the following services:

- A. Providing Building Code inspections for new construction, nuisance complaints and existing structures, including fire code issues and building code issues as required by Minnesota Statutes and local ordinance;
- B. Providing re-inspections as required;
- C. Issuing occupancy permits upon final completion of the structure.
- D. Review of building plans for compliance with building code requirements which plans shall be reviewed in a timely manner with qualified personnel providing review.
- E. Providing monthly reports to the city administrator summarizing activities performed.
- F. ~~Rental inspections of 400 units per year unless an exception is made by the City due to additional work load constraints.~~ Rental inspections as scheduled by the City with follow up inspections counted as a unit as construction inspection schedule allows.
- G. Fire Inspections in an amount agreed by the Contractor and City Administrator.
- H. Providing reasonable availability of inspection services with full time regular inspection and office hours and availability to the public and city staff and officials for questions and inquiry.

City agrees to provide the Contractor with access to pertinent information, records, systems and data, as determined necessary in the discretion of the Contractor. The Contractor shall provide all building code related forms. The Contractor shall perform the services under this contract at such location and at such times, as the Contractor deems appropriate while providing necessary coverage per week.

The Contractor shall provide all tools, transportation, and communication devices it deems necessary to carry out the field services of this agreement. The City of Waite Park agrees to provide office space and a city inspection vehicle at the city's cost.

The Contractor agrees to proceed diligently and in accordance with its usual course and manner of business. The Contractor may at its discretion retain subcontractors in the performance of this agreement. All subcontracts shall reference this Agreement and require the subcontractor to comply with all of the terms and conditions of this Agreement and the city shall be notified of any proposed subcontractors and shall retain the right to approve the subcontractors, which approval shall not unreasonably be withheld. The Contractor shall be responsible for the satisfactory and timely completion of all work required under any subcontract and the Contractor shall be responsible for the payment of all subcontracts. The Contractor agrees to perform additional services, to which the parties agree during the term of this contract, under the terms and conditions of this agreement. Additional work may include work not involving building permits, such as evaluation of dilapidated buildings, hazardous excavations, the preparation of reports for enforcement of dilapidated buildings or hazardous excavations, and any other investigations or inspections reasonably deemed to be necessary by the City to protect the health, safety, and welfare of the citizens of the City.

## **5. Payment to Contractor.**

- A. Fees.** Contractor shall be paid a fee of ~~\$8,200~~ **\$9,000** per month beginning January 1, ~~2016~~ 2019. This fee will increase to ~~\$9,000~~ **\$10,200** upon the next scheduled monthly payment when Jim Howe or another employee of Code Consulting Professionals approved by the City and Code Consulting Professionals, performing the majority of the building inspection services to the City of Waite Park, has obtained their certification for limited building inspector in 2019. The majority of the building inspection services shall mean at least ~~75%~~ **70%** of the services are being provided by this employee who has obtained his limited building certification.

The contract will increase 3% in year ~~2017~~ **2020** and ~~2018~~ **2021**. If the certification described above is obtained in year ~~2017~~ **2019**, the compensation increase for obtaining the limited building certification will increase to ~~\$9,270~~ **\$10,506** per month upon the next scheduled monthly payment. If the certification described above is obtained in year ~~2018~~ **2020**, the compensation for obtaining the limited building certification will increase to ~~\$9,548.00~~ **\$10,821.18** per month. If the certification is not obtained in either year, the contract will increase by 3% on January 1<sup>st</sup> of that year. For ~~2017~~ **2020** that amount would be

~~\$8,446.00~~ **\$9,270** per month and for 2018 2021 that amount would be ~~\$8,699.38~~ **\$9,548.10** per month.

**B. Payment for Additional Work.** Additional work agreed to by the parties shall be paid at the rate of ~~\$65.00~~ **\$70.00** per hour of service with a two-hour minimum. All work shall be billed on a monthly basis and shall be due and payable within 35 days of receipt of such billing.

**C. No Reimbursement for Expenses.** The City shall not be required to reimburse Contractor for out-of-pocket expenses incurred by Contractor in the performance of its services pursuant to this Agreement.

The Contractor holds the obligation to apply for, pay, and obtain all permits and/or licenses required by any governmental agency for Contractor and its agents or assigns to provide the services contemplated herein.

**6. Records.**

Contractor shall maintain an adequate set of records from which City can determine the date, number, and findings of all inspections and building permit applications, together with any other information reasonably deemed necessary by the City. All original documentation shall be forwarded to the City with monthly billing.

Any reports, studies, photographs, negatives, or other documents prepared by Contractor in the performance of its obligations under this contract shall be the exclusive property of the City, and all such materials shall be remitted to the City by Contractor upon completion, termination, or cancellation of this contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this Contract without the prior written consent of the City.

**A.** The amount of such insurance will be as follows:

1. Public Liability Insurance in an amount of not less than One Million Dollars (\$1,000,000) for all damages arising for bodily injury or property damage to any one person and Two Million Dollars (\$2,000,000) for total injuries or damages arising from any one occurrence. Employer Liability policy of not less than \$1,000,000.
2. The City of Waite Park shall be listed as an additional insured on the Certificate of Insurance; and, Contractor shall defend, indemnify and hold the City harmless from any and all liabilities stemming from, or incurred incidental to, any and all work provided by contractor pursuant to this contract.

**B. Worker's Compensation Insurance:**

Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Coverage B, Employer's Liability. Insurance **minimum** amounts are as follows:

- \$100,000 — Bodily Injury by Disease per employee
- \$500,000 — Bodily Injury by Disease aggregate
- \$100,000 — Bodily Injury by Accident

If Minnesota Statute exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the State of Minnesota, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

The City of Waite Park shall be listed as an additional insured on the Certificate of Insurance; and, Contractor shall defend, indemnify and hold the City harmless from any and all liabilities stemming from, or incurred incidental to, any and all work provided by contractor pursuant to this contract.

**C. Automobile Public Liability Insurance:**

One Million Dollars (\$1,000,000) for all damages arising out of bodily injuries to, or death of one person, and One Million Dollars (\$1,000,000) for total injuries or damages arising from any one occurrence.

**D. Binding Effect.** All terms and conditions contained in this Agreement shall apply to bind the employees, agents, and assigns of the parties.

**E. Severability.** Should one term or condition of this Agreement be found invalid by a Court properly authorized to hear such matters, such finding shall have no effect on any of the other terms or conditions contained in this Agreement.

**F.** No fiduciary bond shall be required of Contractor.

**G.** Contractor shall, at all times employ and have a responsible inspector remain licensed by the State of Minnesota as a certified Building Official.

**H. Notices.** Any notices required under this Agreement shall be either personally delivered or mailed. The time period for any notice will begin either upon the date of personal service or the date the notice is mailed by first class United States Mail, postage prepaid. Notices shall be personally delivered or mailed to the following addresses:

1. Contractor:  
Code Consulting Professionals, LLC.  
10251 County Road 47  
St. Cloud, MN 56301

2. City:  
City of Waite Park  
Attn: City Administrator  
19 13th Avenue North  
Waite Park, MN 56387

**I. Records-Availability and Retention**

Pursuant to Minn. Stat. § 16C.05, subd. 5, the Contractor agrees that the City, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Contractor and involve transactions relating to this Agreement.

Contractor agrees to maintain these records for a period of six years from the date of termination of this Agreement.

Dated: \_\_\_\_\_

CITY OF WAITE PARK

CODE CONSULTING PROFESSIONALS,  
LLC

By \_\_\_\_\_  
Richard E. Miller  
Its Mayor

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Shaunna Johnson  
Its Administrator-Clerk-Treasurer