

**AGREEMENT FOR
BUILDING OFFICIAL SERVICES
BETWEEN
THE CITY OF RAMSEY, MINNESOTA AND
THE CITY OF ST. FRANCIS, MINNESOTA**

This agreement (“Agreement”) is made and entered into this ____ day of July, 2012 by and between the City of St. Francis, a Minnesota municipal corporation (“St. Francis”) and the City of Ramsey, a Minnesota municipal corporation (“Ramsey”). The Cities will collectively be referred to as parties.

WHEREAS, St. Francis has a Building Official position (“Building Official”); and

WHEREAS, St. Francis and Ramsey are committed to obtaining efficiencies in providing services to their respective citizens through the use of shared service arrangements; and

WHEREAS, the parties have held discussions and determined that it is in the best interests of both Cities to have the St. Francis Building Official provide Building Official services to Ramsey in addition to his duties for St. Francis; and

WHEREAS, this Agreement will detail the terms of that shared service; and

NOW THEREFORE, in consideration of the premises and good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **PURPOSE.** The purpose of this Agreement is for Ramsey to purchase Building Official services from St. Francis.
2. **SERVICES TO BE PROVIDED.** The Building Official will provide the following services for Ramsey:
 - a. **Building Inspections.** The Building Official will be responsible for the legal aspects of building code administration and enforcement to include plan reviews and inspections per the Uniform State Building Code and Ramsey City Ordinances.
 - b. **Permit Issuance.** The Building Official will accept and review assigned relevant building and related permit applications, conduct assigned necessary investigations, and ensure that said applications meet all requirements under all applicable Ramsey ordinances as well as all applicable State and Federal laws, rules, and regulations, and will issue permits consistent with Ramsey City ordinances.
 - c. **Administrative Assistance.** The Building Official will perform assigned relevant administrative assistance related to the above specified services.
 - d. **Hours worked at each City.** The parties acknowledge that the Building Official shall divide his time as needed between St. Francis and Ramsey. If either party requires Building Official

to work a set number of hours, the parties agree to meet in good faith to negotiate the number of hours the Building Official shall work at each respective City.

- e. **Building Official Not Available Due to Illness/Vacation.** St. Francis agrees to provide Ramsey with a replacement Building Official to provide services under this agreement if the regular Building Official is not available due to illness or vacation.

3. **TERM.** The term of this Agreement will continue until terminated pursuant to paragraph 10.

4. **COMPENSATION.**

- a. **Hourly Rate.** The compensation to be paid by Ramsey to St. Francis for the Building Official's services as defined herein shall be on an hourly basis equivalent to the hourly rate paid to Building Official by St. Francis plus one dollar (\$1) per hour to cover St. Francis administrative costs.
- b. **Health Insurance.** Ramsey agrees to pay a flat cent per hour equivalent to the contribution and increase in the health insurance and disability/life insurance payments that St. Francis provides to the Building Official divided by 174.

By way of illustration only, if the City of St. Francis increase its contribution toward the Building Official's health insurance on January 1, 2013 from \$650/month to \$675 per month, that will increase the hourly rate charged to Ramsey by (\$25 divided by 174) fourteen cents (\$.14) per hour.

- c. **Mileage.** Ramsey agrees to reimburse the City of St. Francis for mileage incurred by the Building Official in performing the duties noted in this Agreement for Ramsey, including mileage from the City of St. Francis City Hall to any inspection or meeting point. This amount will be established at the maximum rate permitted as a nontaxable expense by the IRS.

d. **Unemployment.**

- i. In the event that the Building Official becomes eligible for unemployment benefits as a result of Ramsey's termination of services pursuant to paragraph 10 of this Agreement, Ramsey will pay an amount to St. Francis equal to the St. Francis unemployment obligation divided by that percent of the Building Official's hours spent performing services for Ramsey in the prior full calendar quarter.

By way of illustration only, in the event that the Building Official had performed an average of ten (10) hours per week for Ramsey and thirty (30) hours per week for St. Francis in the prior calendar quarter, Ramsey would be required to pay St. Francis for 25% of the amount that St. Francis is required to pay the department of economic security for the Building Official's unemployment compensation.

- ii. In the event that the Building Official becomes eligible for unemployment benefits as a result of discontinued service by Ramsey and continued service by St. Francis but at a reduced level, Ramsey will pay an amount to St. Francis equal to the St. Francis unemployment obligation. Ramsey will not be obligated to pay any amounts toward unemployment where the reduced hours are solely attributable to St. Francis.
 - e. **Replacement Cost.** Ramsey agrees to pay the full hourly amount charged by a third party replacement for the Building Official for services performed for Ramsey while the Building Official is absent, whether because of vacation, sick leave or other reason, including resignation.
 - f. Ramsey agrees to pay a prorated share of all sick and vacation leave utilized by the Building Official. This will be an end of year adjustment based on the total paid leave utilized by the Building Official divided by the percentage of time the Building Official worked for Ramsey as compared to total services to both parties.
5. **BILLING.** St. Francis will bill Ramsey for services rendered under this Agreement on a monthly basis. Ramsey will make payments for services rendered by the Building Official divided by the percentage of time the Building Official worked for Ramsey as compared to total services to both parties.
6. **EMPLOYMENT STATUS.** The Building Official is an employee of St. Francis and will remain an employee of St. Francis while performing services under this Agreement. No tenure or any rights or benefits, including medical or health insurance coverage, sick leave, vacation leave, severance pay or other benefits available to Ramsey employees will accrue to the Building Official under this agreement unless specifically stated. Payment of wages as well as payroll deductions for PERA, taxes, unemployment insurance, health insurance, disability insurance, or worker's compensation will be made by the St. Francis as required by law.
7. **INSURANCE AND LIABILITY.**
- a. **Insurance.** While attending to Ramsey matters, the Building Official will be insured by Ramsey under its insurance coverages including commercial general liability. St. Francis will also carry similar insurance on the Building Official.
 - b. **Liability of St. Francis.** St. Francis agrees to defend and indemnify Ramsey and its employees, officials, volunteers and agents from and against all claims, actions, damages, losses and expenses arising out of the Building Official's performance or failure to perform his duties under this Agreement except where such claim, action, damage, loss and expense is attributable to a specific direction from Ramsey or its employees, officials, agents or representatives.
 - c. **Liability of Ramsey.** Ramsey agrees to defend and indemnify St. Francis and its employees, officials, volunteers and agents from and against all claims, actions, damages, losses and expenses arising out of the Building Official's performance or failure to perform his duties under this Agreement where such claim, action, damage, loss and expense is attributable to a specific direction from Ramsey or its employees, officials, agents or representatives.
8. **WARRANTIES.** In performing services under this Agreement, the St. Francis warrants and represents that the Building Official will exercise that degree of skill and care that a professional

building official would exercise under the same or similar circumstances. St. Francis further warrants and represents that the Building Official has and will maintain all necessary licenses and certifications necessary to perform the terms and conditions of this Agreement.

9. **DISPUTE RESOLUTION.** The parties shall cooperate and use their best efforts to ensure that the various provisions of this Agreement are fulfilled. The parties agree to act in good faith to undertake resolution of disputes, in an equitable and timely manner and in accordance with the provisions of this Agreement. If disputes cannot be resolved informally by the parties, the following procedures shall be used:
 - a. **Mediation.** Whenever there is a failure between the parties to resolve a dispute on their own, the parties shall first attempt to mediate the dispute. The parties shall agree upon a mediator, or if they cannot agree, shall obtain a list of court-approved mediators from the Anoka County District Court Administrator and select a mediator by alternately striking names until one remains. St. Francis shall strike the first name followed by Ramsey, and shall continue in that order until one name remains.
 - b. **Litigation.** If the dispute is not resolved within 30 days after the end of mediation proceedings, the parties may litigate the matter. Each party will be responsible for all of their own costs associated with such litigation.
 - c. **Termination.** In addition to the remedies outlined in this Paragraph, an ongoing dispute may also be resolved by terminating the Agreement as outlined in paragraph 10.
10. **TERMINATION/EXTENSION.**
 - a. **Termination.** This Agreement may be terminated by the party desiring that the Agreement be terminated providing thirty (30) days written prior notice to all other parties. Cause is not required for such termination. Payment for services rendered will be through the date of termination as identified in the written notification.
 - b. **Extension.** This Agreement may be extended beyond the time designated in Paragraph 3 of this Agreement by written agreement of all of the parties hereto which written agreement will contain any amendment of the existing terms of this Agreement. In the event that the Agreement is not formally extended by written agreement and services continue, the terms of this Agreement will continue to apply until Termination noted in paragraph 10(a) or the parties enter into a written extension Agreement.
11. **OWNERSHIP AND INSPECTION OF DOCUMENTS.** All documents including electronic data prepared under this Agreement will be the property of Ramsey and will be collected and maintained in a manner as deemed appropriate by Ramsey. Records Availability and Retention: The books, records, documents, and accounting procedures and practices of the Building Official relevant to this Agreement are subject to examination by St. Francis or its designated representative and either the Legislative Auditor or State Auditor as appropriate. The Building Official and both parties to this Agreement will be bound under the provisions of the Minnesota Data Practices Act and will maintain records in a fashion consistent with Minnesota Statutes, Chapter 13.
12. **GENERAL PROVISIONS.**

- a. **Entire Agreement.** This Agreement supersedes any prior or contemporaneous representations or agreements, whether written or oral, between the parties and contains the entire agreement.
- b. **Amendments.** Any modification or amendment to this Agreement shall require a written agreement signed by all parties.
- c. **Notice.** Any notice, statement or other written documents required to be given under this Agreement shall be considered served and received if delivered personally to the other party, or if deposited in the U.S. First Class mail, postage prepaid, as follows:
 - City of St. Francis
City Administrator
23340 Cree Street NW
St. Francis, MN 55070
 - City of Ramsey
Development Services Manager
7550 Sunwood Drive NW
Ramsey, MN 55303
- d. **Captions.** Captions or headings contained in this Agreement are included for convenience only and form no part of this Agreement between the parties.
- e. **Waivers.** The waiver by any party of any breach or failure to comply with any provision of this Agreement by another party shall not be construed as, or constitute a continuing waiver of such provision or waiver of any other breach of or failure to comply with any other provision of this Agreement.
- f. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.
- g. **Savings Clause.** If any court finds any portion of this Agreement to be contrary to law or invalid, the remainder of this Agreement will remain in full force and effect.
- h. **Successors and Assigns.** St. Francis shall not have any right to assign, transfer, or sublet its interest or obligations hereunder without the written consent of Ramsey. However, nothing in this subparagraph shall prevent St. Francis from providing Ramsey with a substitute for the incumbent Building Official in the event of the Building Official's absence or separation as provided for in paragraph 2(g).
- i. **Interpretation.** The laws of the State of Minnesota will govern as to the interpretation, validity, and effect of this Agreement.

IN WITNESS, the parties hereto have executed this Agreement the day and year first above stated.

CITY OF RAMSEY

CITY OF ST. FRANCIS

Sarah Strommen
Mayor

Jerry Tveit
Mayor

Kurt Ulrich
City Administrator

Matthew Hylan
City Administrator