

BUILDING INSPECTION SERVICES AGREEMENT

This agreement (this "Agreement") is entered into this 22 day of January 2010 by and between Inspectron, Inc., a Minnesota corporation with its principle place of business located at 15120 Chippendale Ave., Rosemount, MN, 55068 ("Inspectron") and the City of Ramsey an incorporated Minnesota city with its principle offices located at 7550 Sunwood Dr. N.W. Ramsey MN 56043 ("City").

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

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

WHEREAS, the City desires to enter into an agreement for the purchase of building inspection services with Inspectron; and

WHEREAS, Inspectron desires to provide such services to the City,

NOW THEREFORE, upon adequate consideration, the receipt and sufficiency of which is acknowledged, the parties hereto agree as follows:

1. **Inspection services.** During the term of this agreement, Inspectron agrees to perform inspection services as outlined in the proposal dated November 13, 2009 (attached hereto as Exhibit A).
2. **Condition of Inspection Services.**
 - a) City agrees to provide Inspectron with access to pertinent information, records, systems and data, as determined necessary in the discretion of Inspectron. The city shall provide all required forms. Inspectron shall assist in the responsibilities of administration and enforcement of the City's zoning ordinance by reviewing, as directed by the city, certain building permits for final zoning approval and land use. City shall hold Inspectron harmless and indemnify Inspectron from any and all claims that arise or may arise from zoning, land use, ordinances or incomplete or incorrect information on the permit application, except in the case of gross negligence by Inspectron. Such indemnification and hold harmless shall specifically include damages, claims costs and reasonable attorney fees.
 - b) Inspectron shall perform the services under this Agreement at such location and at such times as Inspectron deems appropriate while providing the coverage requested by the City.
 - c) Inspectron shall provide all tools, and communication devices it deems necessary to carry out the field services of this Agreement. The City shall provide an inspection vehicle and appropriate desk space for use by Inspectron employees for plan review, in the event plan review services are requested by the City.

- d) All employees of Inspectron performing services hereunder shall be certified State of Minnesota building inspectors.
- e) Inspectron agrees to proceed diligently and in accordance with its usual course and manner of business in providing the services requested by the city herein. Inspectron may at its discretion retain subcontractors in the performance of this agreement. Inspectron shall notify the City in the event a sub-contractor will be used. Inspectron is contractually responsible for all service provided including any subcontracted labor. Inspectron agrees to perform additional services, to which the parties agree during the term of this contract under the terms and conditions of this agreement.

3. **Term of Agreement.** This Agreement is effective commencing January 25, 2010 and shall consist of a period of six months of service. This Agreement may be automatically extended upon such terms and conditions as contained herein.

4. **Non-exclusive Agreement.** Inspectron acknowledges that the City is not granting it by this Agreement, the exclusive right to perform all of the City's commercial and residential building inspections and or plan reviews. The services performed by Inspectron shall be only those specifically directed by the City's Building Official.

5. **Payment.** In consideration of such consulting work, the City agrees to pay to Inspectron under the following schedule:

- a). Commercial and Residential inspections performed by qualified employees: \$50 hour
- b) Commercial and Residential Plan Review performed by qualified employees: \$50 hour

Hourly charges are inclusive of equipment charges, communication charges and overhead.

Work will be billed on a monthly basis and shall be due and payable upon receipt of such billing. The City upon receipt of such billing shall pay within 30 days.

Payments more than 30 days delinquent shall accrue a 1.5 percent monthly finance charge.

6. Notwithstanding the Agreement terms outlined in the November 13, 2009 "Proposal to the City of Ramsey", the City does not by this Agreement, contract with Inspectron for a minimum number of hours per week. The number of hours required of Inspectron shall be at the sole discretion of the City.

7. **Confidentiality.** Subject to compliance by the City with the State of Minnesota data practices laws, the City agrees that it will not reveal divulge or make known to any person, firm, or corporation any secret or confidential information during or after the term of this agreement. Confidential information shall be defined as knowledge, systems,

practices or other information submitted in writing or other tangible form designated as confidential by Inspectron. The City shall use such confidential information for the limited purposes of this agreement.

8. **No Employment Relationship.** Nothing in this Agreement shall be construed to create an employment, partnership, joint venture, license or agency relationship between the parties hereto and neither party shall have the right or authority to bind the other. For purposes of this Agreement, Inspectron shall be deemed an independent contractor. Inspectron's employees shall not be entitled to any employment benefits customarily given to City employees.

9. **Inspectron Employees.** The City agrees that it will not hire any of Inspectron's employees, who have provided services under this agreement, during the term of this contract or for a period of one year after the expiration or termination of this agreement, without the express written consent of Inspectron. In the event the City hires such Inspectron employee(s) (with or without express written consent of Inspectron); the City shall notify Inspectron and pay a fee of ten (10%) percent of the employee's 1st year annual salary with the City. Such payment shall be due upon the commencement of employment with the City.

10. **Termination.** This Agreement may be terminated by either party without cause upon forty-five (45) days written notice. Such termination shall not affect the rights and obligations of the parties accrued prior to the termination date or rights under paragraphs 3 and 4 above.

11. **Assignability.** This Agreement is not assignable by either party without the prior written consent of the non-assigning party.

12. **Law.** This Agreement shall be governed by the law of the State of Minnesota. The parties agree that the venue of any legal action arising under this Agreement shall be Anoka County, Minnesota. The parties further agree that in the event either party brings an action against the other to enforce any condition or covenant of this Agreement the prevailing party shall be entitled to recover its court costs and reasonable attorney fees in the judgment rendered in such action.

13. **Severability.** If any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall be construed and enforced as if it had been more narrowly drawn so as to be legal, valid or enforceable. Such illegality, invalidity or unenforceability shall not have effect upon or impair the enforceability of any other provision of this Agreement.

14. **Indemnification.** Any and all claims that arise or may arise against Inspectron, its agents, servants or employees as a consequence of any act or omission on the part of Inspectron or its agents, servants, or employees while engaged in the performance of this Agreement shall in no way be the obligation or responsibility of the City. Inspectron shall indemnify, hold harmless and defend the City, its officers and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including

attorney's fees which the City, its officers or employees may hereafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of Inspectron, its agents, servants or employees, in the execution, performance, or failure to adequately perform Inspectron's obligations pursuant to this Agreement.

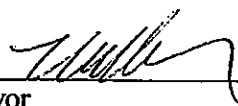
Inspectron shall further indemnify the City against all liability and loss in connection with, and shall assume full responsibility for, payment of all federal, state and local taxes or contributions imposed or required under employment insurance, social security and income tax laws, with respect to Inspectron employees engaged in performance of this Agreement.

15. Entire Agreement. This Agreement constitutes the entire agreement between the parties. This Agreement may be amended only by written agreement of both the City and Inspectron.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first written above.

City

Inspectron, Inc.

By: 
Its: Mayor

By: 
Its: President.

ATTEST:

By: 
Its: City Administrator

"Exhibit A"

INSPECTRON INC.

**Proposal for Building Inspection and Related Services for
City of Ramsey**

**Attention:
Mick Kaehler, Building Official
7550 Sunwood Drive NW
Ramsey, MN 55303**

November 13, 2009

Proposal to City of Ramsey MN

Scope of Services

Inspectron, Inc. proposes to provide part time building inspection and related services to the City of Ramsey. This service is intended to include inspecting properties and enforcing the Minnesota State Building Code under the direction of the City Building Official. This service will be provided for both residential and commercial projects.

Building Inspection

Inspectron Inc. will inspect properties and enforce the Minnesota State Building Code under the direction of the City Building Official.

Plumbing Code

Inspectron Inc. will provide enforcement and administration of the Minnesota State Plumbing Code and plumbing plan review services.

Rental Housing Inspection

Inspectron Inc. will be responsible for inspecting and enforcing the City's Rental Housing Ordinance, including but not limited to inspecting rental housing for license renewal, responding to complaint inspections and performing administrative tasks associated with the enforcement of the Rental Housing Ordinance.

Additional Duties:

Work regarding the above referenced codes and ordinances involves responsibility for plan review, scheduling, and inspection of residential and commercial buildings and other structures in regard to conformity with code requirements and technical standards, any administrative work in support of those duties assigned herein and enforcement. Work also involves determining building permit valuations for inspected construction projects and providing the City with Code revisions that are either desirable or required. These duties also include complaint investigations, hazardous building inspections and assistance with the prosecution of building code and hazardous building violations.

Other Services

Inspectron Inc. is also willing and able to provide the following services at the request of the City:

On-site Sewage Disposal Systems

Inspectron Inc. will provide On-site Sewage Disposal System review and inspections with its staff of MPCA certified inspectors. This would include review of new system designs, inspection of new and replacement installations and compliance inspections as necessary. All system installations will be documented with a record as built form.

Zoning Enforcement Scope of Services

At the request of the City, Inspectron Inc. will also enforce junk and other public nuisance complaints through thorough investigation, notification and assistance to the City Attorney with prosecution as necessary. Inspectron will provide fair and consistent nuisance enforcement that will include written inspection reports and necessary correspondence to the violator. Violation citations will be issued for all non-responsive, uncooperative violators.

Terms

Inspectron will have personnel available as needed 15-20 hours per week to cover the inspection services outlined in the Scope of Services. This schedule can be increased as necessary to meet the needs of the City.

Inspectron, Inc. will provide effective, efficient and expedient service by utilizing its team of inspectors and plan review staff for inspections and plan reviews. A designated inspector will be assigned but the full staff of Inspectron Inc. will be available. Ron Wasmund will serve as the Project Manager.

Inspectron, Inc. will provide the services listed in the Scope of Services at the hourly rate of \$50.00/per hour. Services will be billed to the City on a monthly basis.

Inspectron, Inc. will provide the services listed in the Onsite Sewage Disposal Systems Scope of Work at the hourly rate of \$50.00/per hour. Services will be billed to the City on a monthly basis.

Inspectron, Inc. will provide the services listed in the Zoning Enforcement Scope of Services at the hourly rate of \$65.00/per hour and will be added to the monthly invoice.

All communication, tools and insurance costs will be the direct responsibility of Inspectron, Inc. A Certificate of Insurance indicating all required insurance will be provided upon execution of a service agreement.

Inspections requested outside of normal business hours, M-F 8:00 a.m. to 4:30 p.m. will be billed \$75.00 per hour. A 1-hour minimum will apply.

Statement of Understanding

We/I have read the City's Request for Proposal (RFP) for part-time consulting services and fully understand its intent. We/I certify that we have adequate personnel, equipment and facilities to provide the City's requested services. We/I have thoroughly examined the RFP requirements, and our proposed fees cover all the services that we have indicated we can provide.

Respectfully Submitted,

Ron Wasmund
President
Inspectron Inc.