

**CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

AGREEMENT FOR BUILDING OFFICIAL SERVICES

This Agreement for Building Official Services (the “Agreement”) is entered into on this 13th day of June, 2023, by and between the City of Ramsey, a Minnesota municipality, 7550 Sunwood Dr. NW, Ramsey, MN 55303 (the “Jurisdiction”) and Rum River Ventures, LLC DBA Rum River Consultants, a Minnesota limited liability company, 23306 Cree Street NW, Suite 103, St. Francis, Minnesota 55070 (the “Contractor”).

RECITALS

WHEREAS, the Jurisdiction is in need of professional services to fulfill the needs of their building inspection services pursuant to Minn. Stat. § 326B.133; and

WHEREAS, the Contractor has substantial experience as a Building Official and providing building department inspection services implementing the State Building Code and is otherwise qualified to assist the Jurisdiction on an as needed basis for the same; and

WHEREAS, the Jurisdiction desires to contract with the Contractor to act as a Building Official and/or provide building inspection services for the Jurisdiction; and

WHEREAS, the Contractor is engaged in an independent business and has complied with all federal, state, and local laws regarding business permits and licensing of any kind that may be required to carry out said business and the tasks as set forth in this Agreement; and

WHEREAS, the Contractor is an independent contractor and may be engaged to perform the same or similar activities for other municipalities during the Term of this Agreement and the Contractor shall not work solely on behalf of the Jurisdiction.

NOW, THEREFORE, for the reasons set forth above, and in consideration of the mutual promises and covenants made herein, it is agreed as follows:

1. **Services.** The Contractor shall provide services to the Jurisdiction on an as requested basis for the prices set forth on Exhibit A attached hereto (the “Services”). The Contractor shall perform the Services in the capacity of a Certified Building Official, at the direction of the City Administrator, Community Development Director and/or Building Official, under Minn. Stat. §326B.133, in accordance with the Minnesota State Building Code, applicable Jurisdiction

Ordinances, and applicable Minnesota law. The Jurisdiction understands that all transportation expenses incurred in the course of performing the Services shall be the responsibility of the Contractor. The Contractor reserves the right to change the prices and services offered in Exhibit A. The Contractor shall provide the Jurisdiction sixty (60) days written notice in advance of any such proposed changes. The Jurisdiction agrees that in the course of performing the Services, the Contractor is acting as a public official on the Jurisdiction's behalf.

2. **Term.** This Agreement shall commence on the date first written above and be renewed automatically each calendar year (collectively referred to herein as the "Term"), unless otherwise terminated as provided herein. With the execution of this Agreement, it is the intention of the Contractor and the Jurisdiction to review this Agreement annually.

3. **Performance.** The Contractor shall complete the performance of building inspection services in accord with the conditions described in this Agreement. If any additional work outside the scope of building inspection services is contemplated, the Jurisdiction and the Contractor will mutually agree to the parameters of the additional work and anticipated costs as well as timeframe for completion. The Contractor shall maintain licenses by the State of Minnesota as a Certified Building Official and by the Minnesota Pollution Control Agency as a Certified Inspector for on-site septic systems. The Contractor shall perform the Services in a manner consistent with that of a reasonable and prudent Building Official. If any work is requested outside of the scope of the Services set forth in Exhibit A, such work shall not commence until the Contractor and the Jurisdiction agree to the terms, scope, price, and other details in writing (including via electronic mail). Such additional work shall still be subject to the terms and conditions of this Agreement.

4. **Indemnification, Hold Harmless, and Defend.** Any and all claims that arise or may arise against the Contractor, its agents, servants, or employees as a consequence of any act of malice and without good faith on the part of the Contractor or its agents, servants, or employees while engaged in the performance of the Agreement shall in no way be the obligation or responsibility of the Jurisdiction. The Contractor shall indemnify, hold harmless, and defend the Jurisdiction, its officers, agents, and employees against any and all liability, loss, costs, damages, expenses, claims, or actions, including reasonable attorney fees which the Jurisdiction, its officers, agents, or employees may hereafter sustain, incur, or be required to pay, arising out of services performed under this Agreement or by reason of any act of malice and without good faith of the Contractor, its agents, servants, or employees, in the execution, performance, or failure to adequately perform the Contractor's obligations pursuant to this Agreement.

This Agreement to hold harmless and indemnify shall not apply to any claim arising out of a situation where the Contractor has previously notified the Jurisdiction in writing of a failure by an owner or permit applicant to comply with the appropriate Code and the Jurisdiction fails to enforce the Code.

Nothing in this Agreement shall constitute a waiver by the Jurisdiction or the Contractor of any statutory limits or immunities from liability, including but not limited to MN Rules 1300.0110, Subpart 9 and Minnesota Statute §466.04.

5. **Independent Contractor.** The Contractor shall perform the Services as an independent contractor of the Jurisdiction, and not as an employee. No withholdings or deductions shall be made from payments due to the Contractor. The Contractor shall not be eligible for benefits, workers compensation, or unemployment benefits. To the extent allowable by law, the Contractor may subcontract the performance of certain administrative or other duties under the Agreement.

6. **Insurance.** During the entire term of this Agreement, the Contractor shall maintain the following insurances and will provide the Jurisdiction with evidence of the same upon request: (1) Commercial general liability insurance coverage with a policy limit of at least \$1,500,000 per occurrence; (2) Business automobile liability coverage with a total liability limits of at least \$1,500,000; and (3) Workers' compensation insurance. If the Contractor is not required by law to carry workers' compensation insurance, in place of proof of workers' compensation insurance, the Contractor may provide a written statement of exemption specifying the particular provision of Minn. Stat. §176.041 that exempts the Contractor from having to carry such coverage. If the Contractor is required by law to carry workers' compensation insurance, the Contractor shall, at the time of execution of this Agreement, furnish evidence satisfactory to the Jurisdiction that the Contractor maintains insurance coverage pursuant to the terms of this Agreement. Jurisdiction shall be named as an additional insured on the commercial general liability insurance policy, providing proof of the same to Jurisdiction upon request.

7. **Warranty of Workmanship and Timely Completion.** The Contractor warrants that all work completed for and within the Jurisdiction shall be done in a workmanlike and timely manner in accordance with applicable industry standards. If at any time, the Jurisdiction is in receipt of complaints or comments regarding inadequate performance, the Jurisdiction is to inform the Contractor in writing as soon as practical and allow the Contractor the ability to address and answer to said complaint or comment.

8. **Amendments.** Any alterations, variations, modifications, or changes of any provisions of this Agreement shall only be valid when they have been reduced to writing and signed by the Jurisdiction and the Contractor.

9. **Regulatory Compliance.** The Contractor shall abide by all federal, state, and local laws, statutes, ordinances, rules, and regulations now in effect or hereinafter adopted pertaining to this Agreement or to the facilities, programs, and staff for which the Contractor is responsible. The Contractor shall procure, at the Contractor's expense, all licenses, or other rights required for the provision of the Services. Any violation of federal, state, or local laws, statutes, ordinances, rules, or

regulations, as well as loss of any applicable license, permit, or certification by the Contractor shall constitute a material breach of this Agreement, regardless of the reason and whether or not intentional, and shall entitle the Jurisdiction to terminate this Agreement effective as of the date of such violation, failure, or loss.

10. **Data Practices Compliance.** The Contractor will have access to data collected or maintained by the Jurisdiction to the extent necessary to perform the Contractor's obligations under this Agreement. The Contractor agrees to maintain all data obtained from the Jurisdiction in the same manner as the Jurisdiction is required under the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. The Contractor will not release or disclose the contents of data classified as not public to any person except at the written direction of the Jurisdiction. Upon termination of this Agreement, the Contractor agrees to return all data pertaining to the Jurisdiction within thirty (30) days of Agreement termination.

11. **Termination.** Either party may terminate this Agreement by providing sixty (60) days written notice to the other party. In the event of a material breach by either party, the Agreement may be terminated with ten (10) days written notice to the other party. In the event the Jurisdiction elects to terminate based upon an alleged material breach of the Agreement by the Contractor, the Contractor shall have ten (10) days (or the least amount of time reasonably necessary if longer than ten (10) days) to cure the breach.

12. **Billing and Payment.** Invoices shall be submitted periodically (customarily on a monthly basis) and are due and payable within thirty-five (35) days of receipt by the Jurisdiction. Past due balances may accrue interest at a rate of 1.0% per month (or the maximum rate of interest permitted by law, if less).

13. **Choice of Law and Venue.** This Agreement is being executed in and is intended to be performed in the State of Minnesota and shall be construed and enforced in accordance with Minnesota law. The parties hereto consent and agree that any legal action arising from or related to the Agreement shall be located in Anoka County District Court, State of Minnesota.

14. **Severability.** The provisions of this Agreement shall be deemed severable. If any part of this Agreement is rendered void, invalid, or otherwise unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement.

15. **Merger.** The Parties acknowledge and represent that no promise or representation not contained in this Agreement has been made to them and acknowledge and represent that this Agreement contains the entire understanding between the Parties and contains all terms and conditions between them.

16. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. For purposes of this Agreement, the use of email, or other electronic medium shall have the same force and effect as an original signature.

IN WITNESS WHEREOF, the Parties hereto have signed and executed this Agreement, both in duplicate, on the day and year first above written.

JURISDICTION

Mayor

ATTEST:

City Clerk

CONTRACTOR

Andy J. Schreder, Owner

Exhibit A Services

A. Inspection Services and Additional Requested Work.

- a. On-call and as needed general building inspection services during normal business hours will be billed at a rate of \$95.00 per hour at the direction of the City Administrator, Community Development Director and/or Building Official. This cost is applicable to all existing projects prior to the start of this contract. The Contractor reserves the right to charge additional hourly fees as needed to become familiar with projects. Inspection-related time will include necessary review of the project file, including travel time to the various inspection(s) that particular day while within the jurisdiction limits.
- b. Contractor will review the construction plans and ensure that all necessary reviews and inspections are performed at a rate of 75% of the plan review fees as adopted by the Jurisdiction (“Plan Review Fees”) and 75% of the permit fee as calculated by the Jurisdiction’s current fee schedule (“Permit Fee”). This pertains to all new work that is delegated to the Contractor in its entirety. Under these terms, the Contractor will be responsible for all inspections until completion.
- c. Response to emergency situations outside of normal business hours (Monday through Friday, 8:00 am to 4:30 pm) to evaluate building integrity and allowances to reoccupy will be done at the direction of the City Administrator, Community Development Director and/or Building Official at an hourly rate of \$125.00 with a 2-hour minimum.

B. Residential and Commercial Building Plan Review Services. The Contractor may provide residential and commercial building plan review services. If requested, the Contractor is authorized to bill the jurisdiction 75% of the total cost of the Plan Review Fees. This also pertains to prior received/issued permits that require additional Plan Review services due to their significant size or scope of project.

C. Minimum Permit and Plan Review Fees.

- a. A minimum fee of \$100.00 shall be payable to the Contractor for a permit of any type where the Contractor involvement is required.
- b. Where plan review is performed on any permit, a minimum plan review fee of \$50.00 shall be payable to the Contractor.

D. Plumbing Plan Review Services. The Contractor is authorized and responsible to act in the

capacity of “administrative authority” as defined in the Minnesota State Plumbing Code 4714.0203 for plumbing plan review for commercial construction and remodel work as found in Minnesota Rules 1300.0215, Subp. 6 and Minnesota Statute 326B.43, Subp. 2. The Contractor is authorized to bill the jurisdiction 85% of plumbing plan review fees.

- E. **Fire Sprinkler/Alarm Plan Review Services.** The Contractor is authorized and responsible to act in the capacity of “administrative authority” as defined in MN Statute 299F.011 for plan review and inspection services for new and remodel commercial work related to fire sprinkler and alarm systems. Permits are required as specified by Section 105 of the MN State Fire Code. The Contractor is authorized to bill the jurisdiction 85% of fire sprinkler and alarm system plan review fees.

- F. **Transportation Costs.** The Contractor shall provide transportation to meetings and site inspections within the Jurisdiction at no additional cost in situations where the Contractor has received a percentage of the permit fee. When projects are billed at an hourly rate, transportation costs will include travel time to the various inspection(s) while within the jurisdiction limits.

- G. **Septic Systems.** The Contractor may provide system design review and inspection services for residential and commercial septic systems.
 - a. New residential septic systems, the Contractor is authorized to bill the jurisdiction at a rate of \$250.00.
 - b. Alteration and repair services for residential septic systems will be billed at a rate of \$200.00.
 - c. The Contractor is authorized to bill the jurisdiction for review and inspection services for new commercial and alteration/repair commercial septic systems, in accordance with Minnesota Statute 326B.153, Subdivision 1. The minimum fee for all new commercial septic systems will be \$250.00.
 - d. The Contractor will receive 15% of permit fees captured on all advanced septic systems.

- H. **State Delegation.**
 - a. The Contractor may provide Plan review for Public Buildings and State Licensed Facilities per MN Statute 326B.103 at a rate of 85% of the plan review fees collected in accordance with the Jurisdiction’s adopted fee schedule.

- b. The Contractor may provide Fire Sprinkler/Alarm plan review and other Fire inspection services for Public Buildings and State Licensed Facilities at a rate of 85% of the plan review fees collected in accordance with the Jurisdiction's adopted fee schedule and 85% of the permit fees collected in accordance with the Jurisdiction's adopted fee schedule.
 - c. The Contractor may provide Mechanical Plan Review and Inspections for Public Buildings and State Licensed Facilities at a rate of 85% of the plan review fees collected in accordance with the Jurisdiction's adopted fee schedule and 85% of the permit fees collected in accordance with the Jurisdiction's adopted fee schedule.
- I. **Other Services Not Identified.** If the Contractor is requested for a service not identified in "Exhibit A", the rate charged is \$95.00 per hour.