

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Approve Agreement with Goodhue County for State Building Code Administration

DATE: December 29, 2014

BACKGROUND

Goodhue County, through its Land Use Management Building Permits and Inspections staff, administers the MN State Building Code for the city of Cannon Falls. Goodhue County is requesting execution of the proposed agreement for 2015. This has been a very successful arrangement to-date.

REQUESTED COUNCIL ACTION

Approve a motion to approve the agreement with Goodhue County to administer the MN State Building Code for the city of Cannon Falls for 2015, and authorize the execution thereof.

Attachment(s): Proposed 2015 Agreement

The County Building Official and staff are part of the Land Use Management Department and administer the Minnesota State Building Code in the unincorporated townships and for some of the cities of the County. Below is a summary of Code Administration in the municipalities.

- ✓ Permit applications are received by the City. The City approves an application to local requirements, generally the Zoning Code, Zoning Ordinance, or City Code.
- ✓ Once the local approvals are in place, the application, together with other submittals (construction drawings, site plan, and so on) are forwarded to the County for Building Code reviews by the Building Official and staff.
- ✓ As per the Building Code, the building official determines building permit valuations. Permit values are based on the structure size, construction type, occupancy or use, and available industry-standard construction valuation data.
- ✓ Permit fees are in accordance with the County Fee Schedule. The total permit fee is the sum of the general permit fee, the plan review fee, and a state surcharge.
- ✓ City compensation to the County is based on a percentage (80%/20%) of the general permit fee and is detailed in the joint-powers agreement. The County therefore is compensated by the permit fees, not by levy dollars.
- ✓ After the County permit records and the corresponding City permit records are reviewed and reconciled, the County completes and files required quarterly reports and submits surcharge payments to the state.
- ✓ The *average* “turn-around” time for review and approval of residential City permit applications is five to ten working days after receipt of all of the required/requested submittals. Non-residential applications may require additional review time.
- ✓ The County receives requests for required construction inspections. Inspection requests to the County are typically scheduled for the next working day.
- ✓ Code information and handouts are available through the County Web site, by fax, by mail, or by e-mail upon request to the office of the Building Official.
- ✓ Citizen inquiries and building code questions are welcomed by the office of the Building Official.

We strive to foster and to maintain cooperative attitudes and positive relationships regarding building code administration. Our working relationships with contractors, subcontractors, homeowners, others in the industry, and other governmental entities are typically characterized by collaboration, respect, and professionalism.

The Building Official and staff are please to provide additional details, attend a meeting of your city officials, or respond to your questions.

Thank you for helping us work with your community!

2015 Agreement State Building Code Administration

This agreement is made and entered into this ____ day of _____, 20____, by and between the County of Goodhue, hereinafter referred to as the "County," and the **City of Cannon Falls**, hereinafter referred to as the "City."

Witnesseth

WHEREAS, the City is desirous of contracting with the County for the performance of the hereinafter described State Building Code administration and duties within its boundaries by the Land Use Management Department of the County; and

WHEREAS, the County is agreeable and desirous of rendering such State Building Code administration services on the terms and the conditions hereinafter set forth; and

WHEREAS, such contracts are authorized and provided by Section 471.59 of the Minnesota State Statutes;

NOW, THEREFORE, pursuant to the terms of the aforesaid Statute and any amendments and revisions subsequent thereto, and in consideration of the mutual promises contained herein, it is mutually agreed between the County and the City as follows:

Article I

The County agrees to provide, through the Land Use Management Department of Goodhue County, State Building Code administration services within the boundaries of the City to the extent and in the manner hereinafter set forth.

1. Except as otherwise specifically set forth herein, such State Building Code administration services shall only encompass duties and functions of the type coming within the jurisdiction of and customarily rendered by a Building Official under law, and shall not include services normally provided by the State of Minnesota such as issuance of electrical permits and electrical inspections or any miscellaneous city ordinances.
 2. The standard of performance, the method of providing State Building Code administration services, and other matters incident to the performance of the services under this Agreement, including personnel to be employed, shall be determined by the Director of the Land Use Management Department of the County.
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3. The City shall, by ordinance, adopt the latest Minnesota Building Code and all referenced documents contained within.
4. Under this Agreement, the City Clerk will receive all applications for building permits within the City as required by existing laws, codes, and ordinances.
5. All applications for permits, which require a conditional use permit, a variance to existing ordinances, or other local approval or action, shall be referred to the Governing Body of the City, together with recommendations as appropriate, for action by the Governing Body.
6. Following City approval per all local rules, regulations and ordinances, the permit application and related submittals shall be forward to the Building Official of the County, who shall examine all such applications and appropriate submittals to determine compliance with the State Building Code.
7. Under this Agreement, the Building Official, or designee, of the County will provide plan review services as necessary in all instances where such plan review is mandatory by existing laws, codes, or ordinances.
8. The Building Official, or designee, of the County shall provide all job-site inspections of projects under permits as required by the State Building Code, as well as all such special inspections as shall be deemed necessary in order to insure compliance with existing laws, and upon completion of each project shall issue a Certificate of Occupancy where required.
9. The City Clerk shall collect, receipt for, disburse, and maintain records of all fees and charges collected incident to the administration of the State Building Code contained herein, according to the Schedule of Fees and Charges agreed to by both parties.

Article II

The parties hereto further agree that the schedule of fees and charges contained herein shall apply to all permits and services performed under the provisions of this Agreement.

1. Fees and charges shall be due and payable upon permit approval, and shall be collected by the City Clerk from the applicant for said permit.
2.
 - A) The Building Official may authorize refunding of any fee which was erroneously paid or collected.
 - B) The Building Official may authorize refunding of not more than 80% of the permit fee paid when no work has been done under a permit issued in accordance with the State Building Code.
 - C) The Building Official may authorize refunding of not more than 80% of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done.

3. The base Building Permit Fee shall be determined by the Goodhue County Fee Schedule.
4. When the Building Official requires a plan or other data, a Plan Review Fee shall be incurred and paid with the permit fee. Said Plan Review Fee shall be 40% of the base Building Permit Fee for residential occupancies. The Plan Review Fee for all non-residential occupancies shall be 65% of the base Building Permit Fee.
5. The building permit valuation shall be determined by the Building Official.
6. A) Where work for which a permit is required is started, or proceeded with, prior to obtaining said permit, a special investigation shall be made before a permit may be issued for such work.

B) An investigation fee as referenced in the County Fee Schedule shall be collected and is in addition to the required permit fees, but it may not exceed the permit fee.
7. The fees and charges listed herein are exclusive of fees and charges required by the State of Minnesota pertaining to electrical permits and inspections.
8. At the discretion of the Building Official, an additional charge in accordance with the Goodhue County Fee Schedule may be required in such instances where repeated violations of the Building Codes and Ordinances make necessary an excessive number of reinspections in order to insure compliance with the provision of said codes and ordinances. Such charges shall be payable by the permittee prior to the issuance of the Certificate of Occupancy.

Article III

The parties hereto further agree as follows:

1. The City agrees that in payment for the State Building Code administration services contained herein, the City shall remit quarterly to the County out of the fees and charges collected pursuant to this agreement during the previous quarter, eighty percent (80%) of all building permit fees and penalties, and one hundred percent (100%) of all plan review fees and all building permit surcharges required by law to be remitted to the State of Minnesota.
2. The Building Official of the County shall account for and forward to the State of Minnesota, all building permit surcharge monies required by law.
3. The City shall not assume, under this agreement, any liability for the direct payment of any salary, wage, or other compensation to any County employee performing State Building Code administration service to the City.

4. Except as otherwise specified herein, the City shall not, under this Agreement, be obligated to, or responsible for, or liable for compensation or indemnity to, any County employee performing State Building Code administration services to the City for injury or sickness arising out of said employment, and the County agrees to hold harmless the City against any such claim.

Article IV

The parties hereto, the County and the City, further agree as follow:

1. The City, its officers, agents, and employees, will cooperate with and assist the County in the orderly performance of services listed herein.
2. The County, its officers, its agents, and its employees, shall not assume to be liable for any intentional or negligent act of the City, or of any officer, agent, or employee of the City; and the City agrees to hold the County, its officers, its agents, and its employees harmless from any intentional or negligent act of the City, or of any officer, agent, or employee of the City; and the City agrees to defend the County, its officers, its agents, or its employees, from any claim for damages resulting from the negligent act of the City, or of any officer, agent or employee of the City.
3. The City, its officers, its agents, and its employees, shall not assume to be liable for any intentional or negligent act of the County or of any officer, agent, or employee of the County; and the County agrees to hold the City, its officers, its agents, and its employees, harmless from any intentional or negligent act of the County, or of any officer, agent, or employee of the County; and the County agrees to defend the City, its officers, its agents or its employees, from any claim for damages resulting from the negligent, or intentional act of the County, or of any officer, agent or employee of the County.
4. The City's and County's duty to indemnify and hold harmless the other is subject to the limitations, immunities and defenses available to municipalities in Minnesota Statutes Chapter 466 and any other applicable law.
5. Unless sooner terminated as provided for herein, this Agreement shall be effective upon the date specified in the Agreement and shall be for a period of one (1) year.
6. This agreement shall be self-renewing for additional one-year periods. At the option of the City, the Agreement may be terminated with no less than a ninety-day notice in writing to the Board of Commissioners of Goodhue County, Minnesota. Should the County desire to terminate the Agreement they shall provide no less than ninety days notice in writing to the Governing Body of the City. The County shall annually review and adjust as necessary fees and charges to insure that such charges and fees do not exceed the actual cost of providing the service. Any change to the fees and charges shall be reflected in the County Fee Schedule.

7. It is understood that this Agreement contains the entire agreement between the County and the City and that no statement, promises, or inducements, made by any party hereto, or officer, agent, or employee of either party hereto which is not contained in this written Agreement shall be valid or binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed hereon. It is expressly understood between the parties hereto, that this understanding will be considered in interpreting the provisions of this Agreement, that upon notice given by any party hereto, later negotiations may be undertaken for the purpose of revising, adding to, or striking, any provision or provisions of this Agreement which appear unworkable or insufficient to perfect, maintain, and insure that the purpose of this Agreement, and any change to the original provisions of this Agreement, mutually acceptable shall be written and attached to this Agreement. As provided above, any such revision, addition, or deletion, will only apply to the provision revised, added, or deleted, and the remainder of this Agreement shall remain in full force and effect.
8. The effective date of this Agreement is January 1, 2015, and its expiration date is December 31, 2015, at which time it shall be automatically renewed unless terminated or altered by operation of law or by terms of the Agreement.

Attest

For the City of Cannon Falls, Minnesota:

City Administrator

Mayor

Date

Date

For Goodhue County, Minnesota:

County Administrator

County Board Chair

Date

Date