

CITY OF MINNETRISTA



WORK SESSION AGENDA ITEM

Subject: Building Inspection Reciprocal Services Agreement

Prepared By: Jasper Kruggel, City Administrator
David Abel, Community Development Director

Meeting Date: September 15, 2025

Issue: The City of Minnetrista and the City of Victoria have both expressed interest at a staff level to renew a previously used reciprocal services agreement between the two cities related to building inspection services and plan review, and staff seek direction on how to proceed from City Council.

Overview: The cities of Minnetrista and Victoria previously engaged in a reciprocal services agreement for building inspection services and plan review as recently as 2015. Staff are seeking input from City Council on renewing this agreement with updated numbers for fees based on current staff cost.

Staff are anticipating a reduction in revenue from new home permits in 2026, and this agreement may allow some of Minnetrista's staff to be utilized in Victoria as needed. This could potentially result in additional revenue based on our current preliminary revenue estimates for 2026. Also, the reciprocal services agreement developed in 2015 helps with unforeseen coverage issues that may arise in small departments like ours.

The 2015 agreement has been attached for your review.

Recommended City Council Action: Staff are recommending proceeding with updating the 2015 agreement, circulating with the City of Victoria, and bringing a refined agreement back to City Council for future consideration.

Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

RESOLUTION NO. 15-13

**A RESOLUTION APPROVING BUILDING INSPECTION RECIPROCAL SERVICES
AGREEMENT WITH THE CITY OF MINNETRISTA**

WHEREAS, the City of Victoria is an authorized and empowered community to provide building inspection services as a means of ensuring proper health, welfare, and safety for its residents, businesses, and property owners within the community;

WHEREAS, the City of Minnetrista also provides building inspection services within its jurisdictional boundaries;

WHEREAS, both communities desire to enter into a joint agreement for reciprocal building inspection services that could be activated as necessary by either community depending upon an individual community's building inspection needs;

WHEREAS, the Building Inspection Reciprocal Services Agreement outlines the scope of services, fees, general terms and conditions and provides exhibits specifying certain terms of the agreement in greater detail that are viewed to mutually benefit each community;

NOW, THEREFORE, BE IT RESOLVED, that the Victoria City Council approves the Building Inspection Reciprocal Services Agreement with the City of Minnetrista and considers said agreement

Adopted this 23rd day of **March, 2015** by the Victoria City Council.

Tom O'Connor, Mayor _____ AYE

Lani Basa _____ AYE

Jim Crowley _____ AYE

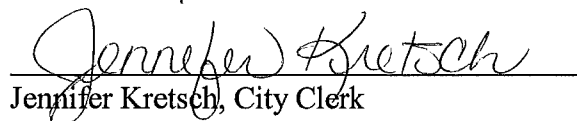
Joe Pavelko _____ AYE

Tom Strigel _____ AYE

ATTEST:

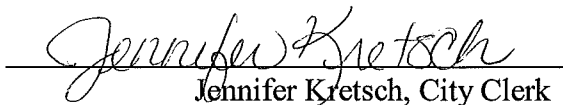


Tom O'Connor, Mayor


Jennifer Kretsch, City Clerk

CERTIFICATION

The undersigned, being the duly qualified and acting Clerk of the City of Victoria, hereby certifies the foregoing Resolution No. 15-13 is a true and correct copy of a resolution presented to and adopted by the Council of the City of Victoria at a duly authorized meeting thereof held on the 23rd day of March, 2015 as shown by the minutes of the aforesaid meeting in possession of the undersigned.


Jennifer Kretsch, City Clerk

(Seal)

Building Inspection Reciprocal Services Agreement

This Agreement (the "Agreement") is made as of March 24, 2015, by and between the city of Minnetrista, a Minnesota municipal corporation ("Minnetrista") and the city of Victoria, a Minnesota municipal corporation ("Victoria").

Recitals

- A. Both Minnetrista and Victoria are authorized and empowered to provide for building inspection services to ensure the public health, welfare and safety are provided to residents, businesses, and property owners of their respective communities.
- B. Due to the limited staffing of each city's building inspections department, both Minnetrista and Victoria have concluded that the public's interest will be best served if the two cities contract with one another to assist with the provision of building inspection services on an as needed and reciprocal basis.
- C. Minnetrista and Victoria both currently have their own employees performing building inspections.
- D. The parties desire to enter into an agreement setting forth the terms by which each city will provide the other with reciprocal building inspection services on an as needed basis.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties hereto agree as follows:

1. SCOPE OF SERVICES

- 1.1 This Agreement shall become effective on March 24, 2015, or upon approval and signature of both parties, whichever date is later.
- 1.2 Each city agrees to provide building inspection services to the other as set forth in Attachment 1 to this Agreement ("Services") on an as needed basis. All employees providing Services to either city shall be certified as a building inspector in accordance with applicable laws and regulations.
- 1.3 Each city shall designate its own building official as provided for in Minnesota Rules who shall then name the necessary employee(s) of the other city as designee(s) able to provide Services as outlined in this Agreement.
- 1.4 Except as otherwise specifically set forth herein, Services shall include the duties and functions set forth in Attachment 1 to this Agreement, in compliance with local, state and federal laws, rules and regulations.
- 1.5 Under this Agreement, all applicable permit and inspection fees and operational charges shall be received by the city in which the property receiving Services is located.
- 1.6 The employees of either city performing the Services in the other city shall not be required to attend regular city council meetings, but shall be available to attend a city council or other

meeting upon reasonable notice given from the city receiving Services in the event that Services provided will be discussed.

- 1.7 Each city shall make a request to the other to receive Services when needed and there shall be no duty on either city to provide Services until requested by the other. Requests for Services from the other city shall be given the same priority as Services rendered to the city providing Services based on the type and urgency of the required Services. Notwithstanding anything herein to the contrary, there shall be no obligation to provide requested Services if the city receiving the request cannot reasonably provide the requested Services due to workload, employee scheduling or other business reasons. If a city cannot provide Services in a timely manner, it shall notify the other city as soon as reasonably possible. The Service Hourly Rate set forth in Attachment 2 of this Agreement shall be applicable for these Services.
- 1.8 In the event a correction order, interpretation, or citation is necessary, and the Services are being provided by a designee under this Agreement, the designee shall confer with the requesting city about the need for additional steps, and it shall be the duty of the requesting city to direct the issuance of such orders, interpretations, or citations in accordance with city code, which may result in the designee administering those functions.
- 1.9 Upon completion of the requested inspection, the city providing Services shall forward the original inspection records to the city requesting the Services. All such records shall be kept on file by the requesting city pursuant to state law. All such original records shall remain the exclusive property of the requesting city.
- 1.10 Enforcement and prosecution of any applicable building code requirements by way of judicial action for either criminal or civil sanction shall remain the exclusive responsibility of the requesting city. The providing city shall reasonably cooperate with the requesting city in any enforcement procedures.

2. FEES

- 2.1 The requesting city shall pay the providing city according to the Service Hourly Rate set forth in Attachment 2 of this Agreement, including any overtime which results from providing the requested Services. Service Hourly Rates shall be charged and paid at a one hour minimum. Invoices shall be submitted monthly by the providing city to the requesting city. Payments shall be due from the requesting city upon receipt of the invoice and subsequent approval by the requesting city council.
- 2.2 The rates set forth in Attachment 2 to this Agreement may be adjusted upon written request made by either city and subject to approval by both city councils.

3. GENERAL TERMS AND CONDITIONS

- 3.1 Any employee assigned by either city to perform its obligations under this Agreement shall remain the exclusive employee of the providing city. Neither city shall assume any liability for the direct payment of any salary, wage, workers compensations, income tax withholding, or any other type of compensation to any employee of the other for performing any inspection or any other Services performed pursuant to this Agreement.

- 3.2 Both cities and their officers, agents, and employees shall cooperate with and assist the other city in the orderly performance of Services to be provided for herein.
- 3.3 All inspections shall be made on forms utilized and maintained at the requesting city's offices.
- 3.4 The books, records, documents, and accounting procedures of both cities relevant to this Agreement are subject to examination by the other city and either the legislative or state auditor as appropriate, pursuant to Minnesota Statutes.
- 3.5 This Agreement represents the entire agreement between Minnetrista and Victoria and supersedes and cancels any and all prior agreements or proposals, written or oral, between the parties relating to the subject matter hereof. Any amendments, addenda, alterations, or modifications to the terms and conditions of this Agreement shall be in writing and signed by both parties.
- 3.6 Both parties agree to comply with all applicable state, federal and local laws, rules and regulations.
- 3.7 This Agreement may be terminated by either party at any time, for any reason, following 90 days' written notice to the other party.
- 3.8 Minnetrista agrees to defend, indemnify and hold harmless Victoria, and its officials, agents and employees from and against all claims, actions, damages, losses and expenses arising out of or resulting from Minnetrista's performance of the duties required under this Agreement.
- 3.9 Victoria agrees to defend, indemnify and hold harmless Minnetrista, and its officials, agents and employees from and against all claims, actions, damages, losses and expenses arising out of or resulting from Victoria's performance of the duties required under this Agreement.
- 3.10 Nothing herein shall be deemed a waiver by either party of the limitations on liability set forth in Minnesota Statutes, Chapter 466. The two cities shall be considered a single governmental unit for purposes of determining the total liability of the two cities under Minnesota Statutes, Chapter 466.
- 3.11 It is agreed that nothing contained in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the persons employed by one city as the agent, representative or employee of the other city for any purpose or in any manner whatsoever.
- 3.12 All notices required by this Agreement shall be in written form and shall be deemed delivered upon its receipt by the City Administrator/Manager. Notice may be made by personal delivery, email, mail or facsimile.
- 3.13 In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

3.14 Nothing herein shall be deemed to preclude either city from entering into a similar agreement for Services with another city or with a private entity providing building inspection services.

3.15 This Agreement may be simultaneously executed in any number of counterparts, all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have set forth their hands on the day and year first written above.

CITY OF MINNETRISTA

By: _____

Lisa Whalen, Mayor

By: _____

Joan Sandquist, Deputy City Clerk

CITY OF VICTORIA

By: _____

Tom O'Connor, Mayor

By: _____

Laurie Hokkanen, City Manager

ATTACHMENT 1

Each city shall provide the following services to the other under this Agreement:

- Performs the duties and responsibilities of building official and/or building inspector as an official designee as required by the state building code.
- Reviews building permit applications and ensures that they are accurate, complete and in compliance with city codes and requirements.
- Reviews detailed and complex building plans and specifications for compliance with city and state codes and regulations; approves plans for construction or identifies areas not complying with regulatory requirements.
- Performs inspections on all classifications of buildings and structures during construction, and upon completion, for conformity with approved plans and adopted building codes.
- Issues oral and/or written orders for correction of faulty, improper or illegal construction.
- Prepares reports of inspection results and code enforcement activities.
- Issues certificates of occupancy for buildings inspected and constructed in compliance with city and state codes.

ATTACHMENT 2

Service Hourly Rates

The requesting city shall pay the providing city at a rate of \$60.00 per hour.

Overtime shall be provided by the requesting city at a rate of \$90.00 per hour.

Mileage costs incurred by the city providing Services shall be paid by the city requesting Services at a rate set by the Internal Revenue Service.

There shall be a one hour minimum charge for Services. Services provided in a single trip to the requesting city that exceeds one hour in duration shall be paid in half hour increments.