

**AGREEMENT FOR  
ADMINISTRATIVE SERVICES  
BETWEEN  
THE CITY OF NOWTHEN, MINNESOTA AND  
THE CITY OF ST. FRANCIS, MINNESOTA**

This agreement (“Agreement”) is made and entered into this \_\_\_\_ day of November, 2021 by and between the City of St. Francis, a Minnesota municipal corporation (“St. Francis”) and the City of Nowthen, a Minnesota municipal corporation (“Nowthen”). The Cities will collectively be referred to as the Parties.

**WHEREAS**, Nowthen’s City Clerk-Treasurer has submitted her resignation effective October 28, 2021; and

**WHEREAS**, Nowthen is in the process of retaining an interim City Administrator and/or a new City Clerk-Treasurer; and

**WHEREAS**, Nowthen has requested St. Francis’ assistance with City administrative duties during this transition period; and

**WHEREAS**, St. Francis has a City Administrator and Finance Director (collectively “Administration Officials”); and

**WHEREAS**, St. Francis and Nowthen 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 Administration Officials provide interim Administrative Services to Nowthen in addition to their duties for St. Francis; and

**WHEREAS**, this Agreement will detail the terms of that shared service.

**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 Nowthen to purchase Administrative Services from St. Francis.
2. **SERVICES TO BE PROVIDED.** The Administration Officials will provide the following services for Nowthen:

- a. **City Administrator and Finance Director.** Administration Officials will perform the job duties of Nowthen’s City Clerk-Treasurer. Further, St. Francis’ City Administrator shall be appointed Nowthen’s City Clerk-Treasurer and St. Francis’ Finance Director shall be appointed Nowthen’s Deputy City Clerk-Treasurer during the term of this Agreement.
  - b. **Nowthen Administrative Services.** Administration Officials, as required, will also perform Nowthen Administration duties outlined on attached Exhibit A which is incorporated herein by reference as well as all other legally permissible and proper duties and functions relating to the job duties of Nowthen’s City Clerk-Treasurer, collectively referred to as “Nowthen Administration”.
3. **COVENANT OF DILIGENCE AND GOOD FAITH.** Administration Officials agree to perform their respective duties and job responsibilities diligently, in good faith, and to the best of their ability. Administration Officials further agree to be loyal to the City of Nowthen and to support its mission and goals.
- a. **Subject to the Authority of the Nowthen City Council.** As the interim Nowthen City Clerk-Treasurer, Administration Officials are subject to the authority of the Nowthen City Council in matters relating to Nowthen Administration.
  - b. **Hours worked at each City.** The Parties acknowledge that the Administration Officials shall divide their time between St. Francis and Nowthen to allocate 8 hours each per week to the City of Nowthen.
  - c. **Time Commitment.** Due to the unique nature of the administration management function, it is understood and agreed that in order to properly perform the job required, the Administration Officials may have to expend additional time beyond the normal work day to perform the Nowthen Administration services.
  - d. **Attendance at Nowthen Meetings.** Regular attendance is an essential function of the job. Administration Officials are expected to work 8 hours each per week to perform their respective job duties and to meet the professional expectations of the job.
  - e. **Compliance with Industry Standards.** The parties understand and agree the City of St. Francis will endeavor to reasonably provide the services indicated above in accord with industry standards.

4. **TERM.** The term of this Agreement shall be from the date first above stated through December 10, 2021 or until such time as this Agreement is terminated pursuant to paragraph 10.
5. **COMPENSATION.** St. Francis shall be paid the total sum of \$1,760 per week for Nowthen Administration services. St. Francis shall invoice and Nowthen shall pay the bill in monthly installments due after the next available Council Meeting.
6. **EMPLOYMENT STATUS.** City Administrator and Finance Director are employees of St. Francis and will remain employees 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 Nowthen employees will accrue to the City Officials 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 St. Francis as required by law.
7. **INSURANCE AND LIABILITY.**

**Insurance.** While attending to Nowthen matters, the City Officials will be insured by Nowthen under its liability insurance coverages including commercial general liability not less than the limitations of liability under Minnesota Statute, Section 466.04, as it may be amended from time to time, or a successor statute. St. Francis will also carry similar insurance on the Administration Officials.

- a. **Liability of St. Francis.** St. Francis agrees to defend and indemnify Nowthen and its employees, officials, volunteers and agents from and against all claims, actions, damages, losses and expenses arising out of the City Officials' performance or failure to perform their duties under this Agreement except where such claim, action, damage, loss and expense is attributable to a specific direction from Nowthen or its employees, officials, agents or representatives.
- b. **Liability of Nowthen.** Nowthen 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 Administration Officials' performance or failure to perform their duties under this Agreement where such claim, action, damage, loss and expense is attributable to a specific direction from Nowthen or its employees, officials, agents or representatives.

**WARRANTIES.** In performing services under this Agreement, St. Francis warrants and represents that the Administration Officials will exercise that degree of skill and care that a professional City Administrator and Finance Director would exercise under the same or similar circumstances.

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 Nowthen, and shall continue in that order until one names remains.
- b. **Litigation.** If the dispute is not resolved within 30 days after the end of medication 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 by providing ten (10) days written prior notice to the other Party. Cause is not required for such termination. Payment for services rendered will be through the date of termination as identified in the written notification. However, notwithstanding any other provision of this Agreement, Nowthen may immediately terminate this Agreement for cause at any time if either of the City Officials commit a “Major Offence” as outlined in Section 11 of the St. Francis Personnel Policy or if Nowthen is able to secure the services of either an interim City Administrator or new City Clerk-Treasurer.

In the event of termination, Nowthen shall be refunded pro rata any pre-paid Administrative Services Management Fees, alternatively, St. Francis

shall be paid on a pro rata basis for any services rendered prior to the date of termination.

- b. **Extension.** This Agreement may be extended beyond the time designated in Paragraph 4 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 Nowthen and will be collected and maintained in a manner as deemed appropriate by Nowthen. Records Availability and Retention: The books, records, documents, and accounting procedures and practices of the Fire Officials and St. Francis staff relevant to this Agreement are subject to examination by Nowthen or its designated representative and either the Legislative Auditor or State Auditor as appropriate. The City Officials 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 Nowthen  
Jeff Pilon, Mayor

8188 199<sup>th</sup> Avenue NW  
Nowthen, MN 55330

- 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 wavier 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 a 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 Nowthen. However, nothing in this subparagraph shall prevent St. Francis from providing Nowthen with a substitute for the incumbent Administration Officials in the event of the Administration Officials' absence or separation.
- 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 NOWTHEN**

**CITY OF ST. FRANCIS**

\_\_\_\_\_  
Jeff Pilon  
Mayor

\_\_\_\_\_  
Steve Feldman  
Mayor

\_\_\_\_\_  
Clerk-Treasurer

\_\_\_\_\_  
City Administrator