#### CITY OF SAND CITY

**RESOLUTION SC 20 - 48 , 2020** 

#### RESOLUTION OF THE CITY COUNCIL OF SAND CITY AUTHORIZING A TIME EXTENSION OF THE BUILDING INSPECTION AND PLAN CHECK SERVICES AGREEMENT WITH THE CITY OF MONTEREY TO JUNE 30, 2021

**WHEREAS**, the City of Sand City requires part-time and periodic building inspection and plan check services for development and public safety within Sand City; and

**WHEREAS**, the City of Monterey has provided reliable high quality professional building inspection and plan check services on an as-needed basis to the City since 1994; and

WHEREAS, the service agreement adopted in 2011 by both the City of Sand City and the City of Monterey for plan check and inspection services (the "Service Agreement"), attached hereto and incorporated herein as "Resolution Exhibit A", will expire, following its last extension, on June 30, 2020; whereby continuation of those services thereafter requires a time extension of said Service Agreement; and

**WHEREAS**, Paragraph 3 of the Service Agreement allows for consecutive one (1) year, or less, time extensions of this Service Agreement by written mutual agreement of both parties; and

**WHEREAS**, the City has chosen to extend the Service Agreement to (and include) June 30, 2021, coinciding with the 2020-2021 fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Sand City the following:

- 1. The City of Monterey is hereby selected to continue serving as Sand City's building inspection and plan check provider in accordance with the Service Agreement terms attached hereto and incorporated herein as "Resolution Exhibit A" and the amendment terms of said Service Agreement as outlined in "Resolution Exhibit B", with key points of that Service Agreement reiterated or amended as follows:
  - A. Plan check service will be provided on an as-needed basis and charged to the City of Sand City at seventy-five percent (75%) of the building permit plan check fees collected, with a minimum of \$106.00, for an applicable project.
  - B. The hourly rate for administrative services and building inspections (building-related services exclusive of plan checks) will increase to one hundred and four (\$104) per hour (this includes vehicle costs). The minimum plan check fee shall increase to one-hundred and six (\$106) and plan revision fees shall increase to one-hundred and four (\$104) per hour. The Building Official hourly rate shall increase to one-hundred eighty-six (\$186) per hour. All fees/amounts owed by Sand City per the service agreement shall be payable to the City of Monterey.

- C. The City of Monterey will work with Sand City staff and permit applicants to coordinate and schedule inspection times as conveniently as possible.
- D. The City of Monterey will work with Sand City staff to organize the City's building administration services within the City Community Development Department functions.
- E. The City of Monterey will assist the City of Sand City in administering Housing grant related programs as may be applicable from time-to-time.
- F. For projects with a valuation greater than one-million dollars (\$1,000,000), the building permit fee structure must be agreed upon in writing by both parties in advance of performance of any work by the City of Monterey to ensure full cost recovery for both parties.
- 2. The City Manager for Sand City is hereby authorized to execute a time extension and amendments, as listed on "Resolution Exhibit B", of the Service Agreement for Building Inspection and Plan Check services with the City of Monterey to (and including) June 30, 2021.
- 3. The City of Monterey services approved for/by the Service Agreement shall be under the general supervision of the City Manager of Sand City.
- 4. Furthermore, it is hereby recognized and acknowledged that the individuals listed as the 'City Managers' under Paragraph 14 of the Service Agreement are no longer employed with either the City of Monterey or Sand City, and that Aaron Blair is the current City Administrator/Manager for Sand City and Hans Uslar is the current City Manager for the City of Monterey.

**PASSED AND ADOPTED** by the City Council of Sand City this  $\frac{7^{th}}{2}$  day of July, 2020, by the following vote:

AYES: Council Member Blackwelder, Hawthorne, Sofer, Cruz, Carbone

NOES: None ABSENT: None ABSTAIN: None

APPROVED:

ATTEST:

Connie Horca, Acting City Clerk

nn Carbone, Mayor

## **RESOLUTION EXHIBIT A**

## AGREEMENT FOR BUILDING INSPECTION AND PLAN REVIEW SERVICES

## City of Monterey and City of Sand City

THIS AGREEMENT for Building Inspection and Plan Review Services is made and entered into this 18th day of August, 2011, by and between the City of Monterey (hereinafter "Monterey"), a municipal corporation, as the service provider, and the City of Sand City, a municipal corporation (hereinafter "Sand City").

WHEREAS, Sand City desires to utilize the City of Monterey for plan review services, inspections of buildings related to approved plans and all applicable building-related codes, and administrative assistance related to these services, as outlined in detail in the attached Exhibit A; and

WHEREAS, Monterey is willing and qualified to provide such services to Sand City upon the terms and conditions set forth herein; and

WHEREAS, California Government Code section 54981 provides the City Councils of Monterey and Sand City with the authority to contract for performance of municipal services by the former within the territory of the later; and

WHEREAS, the City of Monterey authorized this agreement on June 7, 2011 by the passage of Resolution No. 11-073; and

WHEREAS, the City of Sand City authorized this agreement on [June 7, 2011] by the passage of Resolution No. [SC 11-57].

NOW, THEREFORE, in consideration of the recitals and the mutual obligations of the parties as herein expressed, Monterey and Sand City agree as follows:

- SERVICES TO BE PROVIDED. The City of Sand City hereby engages Monterey to perform, and Monterey hereby agrees to perform, the services described in Exhibit A in conformity with the terms of this Agreement.
- 1.01. FINAL DECISION AUTHORITY. Sand City's City Manager, or designee, shall have final decision authority over the results of the services performed on behalf of Sand City, and all work performed by Monterey shall be to the satisfaction of Sand City's City Manager or designee. In instances where a dispute arises over the City Manager or designee's determination, Sand City's City Manager or designee shall render a final decision.
  - 1.02. DUTIES OF MONTEREY AND SAND CITY. See Exhibit A.
- 1.03. EXTRA WORK. Monterey shall not perform extra work without written authorization from Sand City's City Manager or designee. Any extra work so authorized shall be within the general scope of work set forth in this Agreement.

PAYMENTS BY SAND CTTY. Sand City shall pay Monterey in accordance with the
payment provisions set forth in Exhibit A, subject to the limitations set forth in this agreement.
Fees are generally based on percentage of fees collected by the City of Sand City.

## TERM OF AGREEMENT.

- 3.01. INITIAL TERM. The term of this Agreement shall be from August 18, 2011 through August 17, 2012, unless sooner terminated pursuant to the terms set forth in section 8 herein.
- 3.02. EXTENSIONS. This Agreement may be extended by consecutive one (1) year periods, or for shorter extension periods as agreed to by the parties, by written mutual agreement of both parties' City Managers specifying the renewal and end dates. At the time of any extension, or at any other time during the term of the Agreement, the labor rates schedule (Exhibit A) may be adjusted by written agreement between the City Managers of each party. Should either party decide not to extend the Agreement beyond the initial (1) year or subsequent (1) year terms, notice of such decision shall be provided to the other party no later than 12 months before the expiration date of the Agreement.
  - ADDITIONAL PROVISIONS/EXHIBITS. The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement.

## Exhibit A Scope of Services/Payment Provisions

## 5. PERFORMANCE STANDARDS.

- 5.01. Monterey warrants that Monterey and Monterey's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed (if applicable) to perform the work and deliver the services required under this Agreement, and that they are not employees of Sand City.
- 5.02. Monterey, its agents, employees and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 5.03. Monterey shall furnish all personnel necessary to carry out the specific services set forth in Exhibit A herein, except as otherwise specified in this Agreement. Monterey shall not use Sand City's premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.
- 5.04. Monterey shall perform all services set forth in Exhibit A in a timely manner consistent with the time Monterey would perform similar services within its own jurisdiction whenever possible; however, Monterey projects shall be given priority over Sand City projects if scheduling conflicts arise and Monterey shall not be liable for any delays in performing Sand City's work if such delays are caused by such scheduling conflicts.

#### 6. EXCLUSIONS

- a. All discretionary reviews including, but not limited to: California Environmental Quality Act; National Environmental Protection Act; Clean Water Act: National Pollutant Discharge Elimination System Storm Water Post-Construction or local codes and regulations.
- b. Review of project submittals for compliance with conditions of approval.
- c. Inspection of projects to determine if conditions of approval have been met.

### PAYMENT CONDITIONS.

- 7.01. Payment for Monterey's services under this Agreement shall be made by Sand City upon the monthly submission to Sand City by Monterey of an invoice for services rendered by Monterey in the preceding month. Payment shall be made within thirty (30) days after receipt of such invoice. An additional two percent (2%) will be paid as a late payment carrying charge for each thirty days of delinquency thereafter. Any disputed invoices shall be brought to Monterey's attention within ten (10) days of receipt or invoices will be deemed acceptable.
- 7.02. Sand City and Monterey acknowledge that there may be partially completed projects at both the beginning and the end of term of this Agreement or any extensions thereof. There will therefore be cases when applicant fees have been paid to Sand City prior to the beginning of the term of this Agreement but the project is completed during the term of this Agreement, resulting in Monterey providing services on a project during the term of this Agreement but not receiving a percentage of the fees paid to Sand City for that project. There will also be cases when applicant fees are paid to Sand City during the term of this Agreement or any extensions thereof, but the project is not completed during the term of the Agreement or any extensions thereof, resulting in Monterey receiving a percentage of the fees for that project but not completing the services on that project. Sand City and Monterey agree that the payments to Monterey as provided in Exhibit A shall be deemed fair compensation for the work provided by Monterey during the term of this Agreement, regardless of the partially completed projects at the beginning and the end of the term of this Agreement or any extensions thereof.
- 7.03. Monterey shall receive payment for work performed pursuant to the payment provisions set forth in Exhibit A, regardless of whether Sand City elects to charge fees. For projects subject to waivers of fees, Sand City shall calculate the amount of fees otherwise due, and pay Monterey accordingly.
- 7.04. Monterey shall not receive reimbursement for travel expenses unless set forth in Exhibit A herein.

### 8. TERMINATION.

8.01. During the term of this Agreement, either party may terminate the Agreement for any reason by giving written notice of termination to the other party at least sixty (60) days prior to the effective date of termination. In the event of an adverse claim or litigation involving either party and related to the services of this Agreement, this Agreement may be terminated by either party

giving written notice at least thirty (30) days prior to the effective date of termination. Any termination notice shall set forth the effective date of termination.

- 8.02. Sand City may cancel and terminate this Agreement for good cause effective immediately upon written notice to Monterey. "Good cause" includes the failure of Monterey to perform the required services at the time and in the manner provided under this Agreement. If Sand City terminates this Agreement for good cause, Sand City may be relieved of the payment of any consideration to Monterey, and Sand City may proceed with the work in any manner which Sand City deems proper. The cost to Sand City shall be deducted from any sum due the Monterey under this Agreement.
- 8.03. Monterey may cancel and terminate this Agreement for good cause effective immediately upon written notice to Sand City. "Good cause" includes but is not limited to failure of Sand City to pay Monterey at the time and in the manner provided under this Agreement or other failure of Sand City to fulfill its responsibilities set forth in Exhibit A herein. Termination of this Agreement pursuant to this section shall not be construed to limit Monterey's right to obtain, by any means available at law, the amount Sand City still owes Monterey.

#### IMMUNITY.

As it is mandated by the California Building Code and Uniform Administrative Code, the Building Official is directed through employees or deputies to perform certain tasks as described in said Codes and, when acting in accordance with said Codes, is afforded certain protection from liability.

As Sand City's authorized representative, Monterey shall be recognized as having rights to any immunities it is entitled to. In no event shall any duties contained in Exhibit A, or otherwise herein, negate any legal protections or immunities available to the parties under state or federal law. Monterey's liability, including, without limitation, that referenced in Section 10 herein, shall be limited to an amount not to exceed the fee earned for each project.

### 10. INDEMNIFICATION.

- 10.01. Each party shall indemnify, defend and hold harmless the other party, to the extent allowed by law and in proportion to fault, against any and all third-party liability for claims, demands, costs or judgments (direct, indirect, incidental or consequential) involving bodily injury, personal injury, death, property damage or other costs and expenses (including reasonable attorneys fees, costs and expenses) arising or resulting from the acts or omissions of its own officers, agents, employees or representatives carried out pursuant to the obligations of this Agreement.
- 10.02. Each party will protect, defend, indemnify and hold harmless the other party (including their officials, employees and agents as the same may be constituted now and from time to time hereafter) from and against any and all liabilities, losses, damages, expenses or costs, whatsoever (including reasonable attorneys' fees, costs and expenses), which may arise against or be incurred by the other party as a result of or in connection with any actual or alleged breach of this Agreement by either party.
- 10.03. These indemnity provisions shall survive the termination or expiration of this Agreement. Further, each party will be liable to the other party for attorneys' fees, costs and

expenses, and all other costs and expenses whatsoever, which are incurred by the other party in enforcing these indemnity provisions.

#### 11. INSURANCE.

- 11.01 Each party shall maintain in effect, at its own cost and expense, the following insurance coverage provided either through a bonafide program of self-insurance, commercial insurance policies, or any combination thereof as follows:
- 11.02 Commercial General Liability or Public Liability with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Each party shall prove that is self insured to the limits specified or have its insurance policy endorsed to name the other party additionally insured.
  - a. Auto Liability including owned, leased, non-owned, and hired automobiles, with a combined single limit of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

b. If a party employs others in the performance of this Agreement, that party shall maintain Workers' Compensation in accordance with California Labor Code section 3700 with a minimum of \$1,000,000 per occurrence for employer's liability, for the duration of time that such workers are employed.

c. Each party shall maintain in effect throughout the term of this agreement all risk property insurance, excluding earthquake and flood, on all permanent property of an insurable nature in an amount sufficient to cover at least 100% of the replacement costs of said property.

## 11.03 All insurance required by this Agreement shall:

- a. be placed (1) with companies admitted to transact insurance business in the State of California and with a current A.M. Best rating of no less than A:VI or with carriers with a current A.M. Best rating of no less than A:VII; or (2) disclosed self-insurance with limits acceptable to the other party
- b. provide that each party's insurance is primary and non-contributing insurance to any insurance or self-insurance maintained by the other party and that the insurance of the other party shall not be called upon to contribute to a loss covered by a party's insurance.
- subsequent to execution of this Agreement, each party shall file certificates of insurance with the other party evidencing that the required insurance is in effect.
- 12. NON-DISCRIMINATION. During the performance of this Agreement, Monterey, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Monterey's employment practices or in the furnishing of services to recipients. Monterey shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. Monterey and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit

discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

- 13. INDEPENDENT CONTRACTOR. In the performance of work, duties, and obligations under this Agreement, Monterey is at all times acting and performing as an independent contractor and not as an employee of Sand City. No offer or obligation of permanent employment with Sand City or particular Sand City department or agency is intended in any manner, and Monterey shall not become entitled by virtue of this Agreement to receive from Sand City any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits.
- 14. NOTICES. Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to Sand City's and Monterey's contract administrators at the addresses listed below:

FOR SAND CITY: Steve Matarazzo City Manager City of Sand City  Name and Title 1 Sylvan Park Sand City, CA 93955  Address	FOR MONTEREY: Fred Meurer City Manager City of Monterey Name and Title 580 Pacific Street Monterey, CA 93940 Address
831-394-3054	831-646-3760
Phone	Phone

### 15. MISCELLANEOUS PROVISIONS.

- 15.01. Conflict of Interest. Monterey represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 15.02. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by Sand City and Monterey.
- 15.03. <u>Waiver.</u> Any waiver of any terms and conditions of this Agreement must be in writing and signed by Sand City and Monterey. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04. Contractor. The term "Monterey" as used in this Agreement includes Monterey's officers, agents, and employees acting on Monterey's behalf in the performance of this Agreement.

- dispute. Monterey and Sand City hereby agree to make good faith efforts to resolve disputes as quickly as possible. In the event any dispute arising from or related to this Agreement results in litigation or arbitration, the prevailing party shall be entitled to recover all reasonable costs incurred, including court costs, attorney fees, expenses for expert witnesses (whether or not called to testify), expenses for accountants or appraisers (whether or not called to testify), and other related expenses. Recovery of these expenses shall be as additional costs awarded to the prevailing party, and shall not require initiation of a separate legal proceeding.
- 15.06. <u>Assignment and Subcontracting</u>. The Monterey shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of Sand City. None of the services covered by this Agreement shall be subcontracted without the prior written approval of Sand City. Notwithstanding any such subcontract, Monterey shall continue to be liable for the performance of all requirements of this Agreement.
- 15.07. <u>Successors and Assigns</u>. This Agreement and the rights, privileges, duties, and obligations of Sand City and Monterey under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09. <u>Headings</u>. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10. <u>Time is of the Essence</u>. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12. <u>Non-exclusive Agreement</u>. This Agreement is non-exclusive and both Sand City and Monterey expressly reserve the right to contract with other entities for the same or similar services.
- 15.13. Construction of Agreement. Sand City and Monterey agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15. <u>Authority.</u> Any individual executing this Agreement on behalf of Sand City or the Monterey represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

- 15.16. <u>Integration</u>. This Agreement, including the exhibits and any documents incorporated by reference, represent the entire Agreement between Sand City and the Monterey with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between Sand City and the Monterey as of the effective date of this Agreement, which is the date that Sand City signs the Agreement.
- 15.17 <u>Interpretation of Conflicting Provisions</u>. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.
- invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability and indemnities shall survive termination of the Contract for any cause. If a part of this Contract is valid, all valid parts that are severable from the invalid part remain in effect. If a part of this Contract is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

IN WITNESS WHEREOF, Sand City and Monterey have executed this Agreement as of the day and year written on the first page herein.

CITY OF MONTEREY

By ZIZZELLE

Approved as to form:

Monterey City Attorney

CITY OF SAND CITY

City Manager

Approved as to form:

Monterey Risk Manager

# EXHIBIT A SCOPE OF SERVICES/PAYMENT PROVISIONS

## I City of Monterey to Provide the Following:

#### A. Plan Review Services:

- Plan review services under the direction of ICC certified plan reviewers.
- Provide plan review for conformance to regulations contained in Sand City's adopted codes.
- Provide applicant or designee with a list of plan check correction comments to achieve conformance with Sand City's adopted codes.
- Expedited plan review will be available with prior approval (additional fees will be charged to the applicant).
- Provide all necessary liaisons with applicant or designee with regard to plan check comments.
- Perform review of revisions to plans that have been previously approved for permit issuance.
- Plan check turnaround times as follows, unless different turnaround times are agreed to by both City Managers:
  - ♦ 20 working days new commercial building
  - ♦ 15 working days new SFD, major remodel
  - ♦ 10 working days minor projects
  - ♦ 5 working days revisions or plan changes
  - ♦ Rechecks are half the original plan check time

#### B. Inspection Services:

- Building inspection services with 24-hour lead time (inspection requests received before 2:00pm will be scheduled for the next business day. Requests received after 2:00 pm will be scheduled the following business day). All inspectors will be ICC certified.
- Provide inspection of buildings to ensure compliance with the approved plans and all applicable codes.
- Emergency response 24/7. All responders will be ICC certified inspectors. A list of inspectors within 20-minutes response time will be provided to dispatch for after hours response.
- ♦ After hours, weekends and holiday emergency inspections available with 72-hour minimum notice and prior approval (additional fees will be required).
- Respond and report as required to Building Code violations.
- Residential Property Inspection Reports.

### C. Staff Functions to Include

- Plans Examiners
- Building Inspectors
- ♦ Administrative assistance on an as-needed basis

#### City of Sand City to Provide the Following: п

### A. Plan Review Services:

♦ An amount equal to 75% of the plan review fees collected. All fees to be established by the City of Sand City. There will be a minimum plan review fee of \$84.00. Revision fees will be based on \$84.00 per hour. Expedited plan review will be 90% of the fees collected.

## B. Building Inspection Services:

♦ Inspection fees are based on \$81.00 per hour.

+ Any after hour inspection requests will be charged at \$122.00 per hour with a two-hour minimum (72-hour minimum lead time).



## 5th AMENDMENT TO AGREEMENT BETWEEN CITY OF SAND CITY AND CITY OF MONTEREY FOR BUILDING AND PLAN REVIEW SERVICES

The Agreement between City of Sand City and City of Monterey for Building and Plan Review Services entered into on August 6, 2013, by and amended July 7, 2020, by and between City of Sand City (hereinafter "Sand City") and CITY OF MONTEREY (hereinafter "City"), is hereby amended as follows:

- The minimum plan review fee under Exhibit A, Part II, shall be increased from \$105.00 to \$106.00.
- 2. The Revision fee under Exhibit A, Part II, shall be increased from \$103.00 to \$104.00 per hour.
- 3. The Inspection fee under Exhibit A, Part II, shall be increased from \$103.00 to **\$104.00** per hour.
- 4. Addition of Building Official rate of \$186.00 per hour.
- 5. The Agreement, as amended on July 7, 2020, is hereby extended for an additional one (1) year to July 1, 2021, under Part 3 (3.02 Extensions) of this Agreement.
- 6. For projects that have a valuation greater than \$1,000,000, the Building permit fee structure must be agreed upon in writing in advance of performance of any work by City of Monterey to ensure full cost recovery for the parties.
- 7. All other terms and conditions of the Agreement shall remain unchanged.

  This Amendment is entered into this Tth day of July, 2020 in Monterey, California.

  CITY OF MONTEREY

  CITY OF SAND CITY

By: \_\_\_\_\_\_ By: \_\_\_\_\_ Aaron Blain, City Manager

T00002-CA (v. 2.0 - 03/03/2015)

