



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item:	Approval of Resolution 2018-89 - Authorizing a waiver of the bidding process and authorizing the City Administrator to enter into an independent contractor agreement with First Inspection Services, Inc. for plumbing plan review and inspection services.		
Presenter & Title:	David DeGroot, Director of Community Development Eric Nelson, Building Commissioner		
Date:	September 4, 2018		
<i>Please Check Appropriate Box:</i>			
X	Committee of the Whole Meeting		Special Committee of the Whole Meeting
	City Council Meeting		Special City Council Meeting
	Public Hearing		Other -
Estimated Cost: \$94,000		Budgeted? X Yes ____ No	
<i>If "Other Funding," please explain how the item will be funded:</i>			
Executive Summary:			
The City of Geneva is required by state law to provide professional review and inspections services for all new and or modified plumbing systems within the corporate limits. Since 2013, the City has worked alongside First Inspection Services, Inc. (FISI) in providing quality residential, commercial and industrial plumbing inspections. Over the course of these past several years, staff and contractors alike have enjoyed a professional and productive working relationship with FISI, thereby helping to maintain the quality of service expected by our residents. It is with this in mind that we are requesting that a new contract be approved between the City and First Inspection Services, Inc. for this as well as the 2019/2020 fiscal year. It is our belief that this consistency of service will benefit all as we work together to protect the health and safety of our community. FISI has provided us with an updated fee schedule and inspection hours. Notable changes from previous years is an increase in fees for general inspections/re-inspections, increasing from \$55.00 to \$60.00 each. Plumbing consultations, water heater inspections, same day inspections, single-family construction/multi-family plan			

reviews will remain the same. Inspection hours have expanded from 7:00 a.m. – 12:00 noon Monday through Friday to 8:00 a.m.-5:00 p.m. Monday through Friday, excluding City Holidays. All cost associated with plumbing inspections and plan review fees are passed on to the permit applicant.

Title 10-1-6 N of the Geneva City Code gives the city the authority to charge an Administrative Fee of 10% of the cost charged by an independent consultant (independent contractor). This additional fee is intended to cover city staff time for the permit intake, data entry, permit review coordination, inspection scheduling, collecting of re-inspection fees and the issuance of final approvals/certificates of occupancy.

This item was unanimously recommended for approval by the Committee of the Whole on August 27th.

Attachments: *(please list)*

Resolution 2018-89

Independent Contractor Agreement

Voting Requirements:

This motion requires 7 affirmative votes for passage. Section 1-8A-2A of the City Code requiring a vote of 2/3 of the alderman holding office to waive competitive bidding requirements.

The Mayor may vote on three occasions: (a) when the vote of the aldermen or trustees has resulted in a tie; (b) when one half of the aldermen or trustees elected have voted in favor of an ordinance, resolution, or motion even though there is no tie votes; or (c) when a vote greater than a majority of the corporate authorities is required by state statute or local ordinance to adopt an ordinance, resolution, or motion.

Recommendation / Suggested Action: *(how item should be listed on agenda)*

Approval of Resolution 2018-89 - Authorizing a waiver of the bidding process and authorizing the City Administrator to enter into an independent contractor agreement with First Inspection Services, Inc. for plumbing plan review and inspection services.

RESOLUTION NO. 2018-89

A RESOLUTION AUTHORIZING EXECUTION OF
AN INDEPENDENT CONTRACTOR AGREEMENT FOR PLUMBING PLAN REVIEW
AND INSPECTION SERVICES

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GENEVA, KANE COUNTY, ILLINOIS, as follows:

SECTION 1: That the City Administrator is hereby authorized to execute, on behalf of the City of Geneva, an independent contractor agreement, in the form attached hereto as Exhibit "A", relating to the provision of plumbing plan review and inspection services with First Inspection Services, Inc. of Batavia, Illinois.

SECTION 2: That the city council waive competitive bidding requirements for this contract.

SECTION 3: This Resolution shall become effective from and after its passage as in accordance with law.

PASSED by the City Council of the City of Geneva, Kane County, Illinois, this ____ day of September, 2018.

AYES: ____ NAYS: ____ ABSENT: ____ ABSTAINING: ____ HOLDING OFFICE: ____

Approved by me this ____ day of September, 2018.

Mayor

ATTEST:

City Clerk

INDEPENDENT
CONTRACTOR AGREEMENT BETWEEN CITY OF
GENEVA AND FIRST INSPECTION SERVICES,
INC. FOR PLUMBING INSPECTION AND PLAN
REVIEW SERVICES

This Independent Contractor Agreement (Agreement) is between City of Geneva, an Illinois municipal corporation (hereinafter referred to as “Geneva” or “City”) and First Inspection Services, Inc. (hereinafter referred to as “Contractor”). In consideration for the mutual promises set forth below, the parties agree as follows:

1. **Business.** The Contractor is engaged in the independent business and occupation of providing plumbing inspection and plan review services. The Contractor possesses knowledge and skill in the following:
 - a. Acceptable plumbing practices and the working qualities of various plumbing materials
 - b. All applicable state, federal and local ordinances, laws, rules and regulations pertaining to plumbing installations, including the Illinois State Plumbing Code
2. **Services.** The Contractor agrees to provide the following services under this Agreement during the Contract Term, which shall commence on August 20, 2018:
 - a. Review of plumbing permit plans and specifications for compliance with the Illinois State Plumbing Code, as amended
 - b. Performance of field inspections to check for conformance plumbing work with approved permit plans
 - c. Preparation of the estimated amounts to be charged for plumbing plan reviews and inspections, and submission of estimates when completed plan reviews are delivered to the City
 - d. Interpretation and enforcement of the Illinois State Plumbing code, as amended, and explanation of code violations to property owners and contractors
 - e. Consultation with the Building Commissioner regarding the application and interpretation of State of Illinois Plumbing Code, as amended
 - f. Assistance to contractors and the general public on requirements set forth by the Illinois State Plumbing Code, as amended
 - g. Submission of plumbing inspection results in writing, and maintenance of permanent records on inspection results

- h. Completion of plumbing plan reviews in accordance with the following schedule:
 - i. Single Family and Multi Family plan reviews – 5 Business days
 - ii. Commercial and Industrial plan reviews – 10 Business days

3. **Independent Contractor.** The Contractor acknowledges and agrees that the services provided will be provided as an independent contractor and not as an agent or employee of the City. The Contractor shall be available to perform regularly scheduled plumbing inspections during the hours of 8:00 a.m. through 5:00 p.m. Monday through Friday. The Contractor shall also be available to perform inspections outside of regularly scheduled hours after 5:00 p.m. and before 8:00 a.m. Monday through Friday, Saturdays, all day on Sundays and Holidays, and may charge a premium rate for the inspections performed during these days and times, as set forth in Section 5 herein. The Contractor shall perform services using methods and techniques that will best accomplish the services to be provided under this Agreement. However, the Contractor warrants that such methods and techniques shall be in accordance with ethical and reputable business practices, and that the Contractor has the requisite expertise, ability and skill to render the service required by this Agreement.
4. **Conflicts.** Nothing in this Agreement is intended to preclude the Contractor from performing services for other entities and individuals. However, the Contractor agrees not to engage in any activity that conflicts with the City's business interests or interferes with the independent exercise of the Contractor's judgment in the best interests of the City.

5. Compensation

- a. For the services to be rendered under Paragraph 2 above, the City will compensate the Contractor as follows:

- i. Daily Inspection Hours:

8:00 A.M. to 5:00 P.M. Monday through Friday - Excluding City observed Holidays.

No minimum number of inspections per day. Inspections will be scheduled in two-hour windows starting at 8:00 A.M. and ending at 3:00 P.M.

24-hour appointment lead time - (by 5:00 P.M. day previous to inspection schedule)

- ii. Inspection Fees:

\$45.00 per water heater inspection.

\$60.00 per inspection.

\$60.00 per re-inspection.

\$50.00 per on site consultation.

\$85.00 same day inspection.

\$85.00 premium rate inspection. *Delnor Campus

Emergency inspections scheduled Monday-Friday or same day between 6:00 A.M. and 8:00 A.M. or 5:00 P.M. and 7:00 P.M. will be billed at \$180.00. Any inspections outside the stated time frame will be billed out at \$280.00.

iii. Plan Review fees:

- a. Single Family Construction (new construction and remodel) - \$75.00 base fee plus \$2.00 for each fixture or waste outlet.
- b. Two-family and Multi-Family Construction (new construction or remodel) - \$85.00 base fee plus \$3.00 for each fixture or waste outlet.
- c. Commercial / Industrial Construction \$75.00 base fee with \$20.00 per each fixture or waste outlet.
- d. Re-review of plans - A re-review fee shall consist only of the changes as specified by the plumbing review "Requirements for Approval" - Residential \$60.00 and Commercial \$60.00.

6. **Taxes.** Neither federal, state, nor local payroll taxes of any kind or state disability insurance will be paid or withheld on behalf of the Contractor. The Contractor will not be treated as an employee with respect to the services performed under this Agreement for federal or state tax purposes. The Contractor understands that if it is not a corporation, he may be liable for self-employment (social security) tax to be paid as required by law.
7. **Benefits.** Because the Contractor is engaged in his own independently established business, the Contractor is not eligible for, and shall not participate in, any employee fringe benefit plan provided by Geneva to its employees, including but not limited to sick pay, vacation pay, group medical and dental coverage, pension and profit-sharing. No workers' compensation insurance will be provided by Geneva for the Contractor or any of its employees.
8. **Insurance.** The Contractor shall obtain insurance and provide certificates of insurance evidencing the following types and limits of insurance. The insurance coverage and certificates of insurance shall specifically address each of the requirements noted below from an insurance company that is acceptable to the City. The General Liability coverage shall name the City of Geneva as additional insured. All insurance noted below shall be primary and in no event may be considered contributory to any insurance purchased by the City. The required insurance shall not be canceled, reduced or materially changed without the Contractor providing the City thirty (30) days advance notice, via certified mail.
 - a. **Comprehensive General Liability** including Products Liability/Completed Operations insurance, in an amount not less than \$1,000,000/occurrence, \$2,000,000/policy limit, including Broad Form Contractual Liability insurance, in an amount not less than \$1,000,000/occurrence, \$2,000,000/policy limit.
 - b. **Automobile Liability** insurance in an amount not less than \$1,000,000 combined single limit. Said insurance is to be extended to cover hired and non-owned vehicles.

- c. **Workers' Compensation** insurance as required by state statute by an insurance company licensed to write worker's compensation in the State of Illinois with Employer's Liability coverage in an amount not less than \$500,000 each accident, \$500,000 disease – policy limit and \$500,000 disease – each employee.

Insurance Rating – All insurance policies required by this contract shall be underwritten by insurance companies with a minimum A. M. Best rating of A: VIII.

A certificate of insurance shall be submitted to the City as evidence of coverage for each policy indicating the City of Geneva named as an additional insured. The same full insurance coverage provided to the named insured, whether it is the contractor or a sub-contractor, shall be provided to the City without any limitations or endorsements that might limit or exclude coverage. If insurance is canceled for any reason whatsoever the City will be given not less than thirty (30) days prior written notice.

The Contractor shall not commence work under this Agreement until all insurance required under this section has been obtained and such insurance has been approved by the City. The Contractor Employee shall maintain all insurance required under paragraphs A through E of this Section for not less than one (1) year after completion of this Agreement. The Contractor shall provide copies of any or all insurance policies upon request by the City.

9. **Agency.** The Contractor has no authority to bind Geneva, to enter into any contracts or agreements on behalf of Geneva, or to represent that it has the authority to do so. This Agreement does not create a partnership, joint venture or loaned servant arrangement between the parties.
10. **Indemnification.** Geneva shall not be responsible for any action or failure to act by the Contractor. The Contractor agrees to indemnify and hold harmless Geneva, its officers, directors, employees, agents, assigns and successors against any claims, demands or liability related to or arising out of the Contractor's breach of any representation in this Agreement, failure to properly perform any obligations under this Agreement and for any violations of law.
11. **City of Geneva Property.** Upon termination of the Contractor's relationship with Geneva, the Contractor agrees to return all Geneva equipment to Geneva.
12. **Ownership and Use of Documents.** All documents and other materials produced by the Contractor in connection with the services rendered under this agreement shall be delivered to the City and shall become the property of the City.
13. **Statements.** The Contractor agrees to refrain from making any public or private statement about Geneva or its officers, Members or employees that would be injurious to Geneva's business or reputation or which would, directly or indirectly, interfere with the business of Geneva.
14. **Notices.** Notices to the City of Geneva shall be sent to the following address:

City of Geneva
 Attn. Eric Nelson, Building Commissioner
 109 James Street
 Geneva, Illinois 60134

Notices to the Contractor shall be sent to the following address:

First Inspection Services, Inc.
 912 Walnut Street
 Batavia, Illinois 60510

15. **Successors.** This Agreement shall be binding on and run to the benefit of the parties and their heirs, successors and assigns.
16. **Discrimination Prohibited.** The Contractor, with regard to the work performed by it under this agreement, shall not discriminate on the grounds of race, color, national origin, religion, creed, age, sex or the presence of any physical or sensory handicap in the performance of work duties.
17. **Applicable Law.** This Agreement shall be governed by and interpreted under Illinois law.
18. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable, that provision shall be severable, and the remaining provisions of this Agreement will be fully enforceable.
19. **Non-waiver.** The failure of either party at any time to require the performance by the other party of any provision of this Agreement shall in no way affect that party's right to subsequently enforce that provision.
20. **Survival.** The provisions of paragraph 11 of this Agreement shall survive the termination of the business relationship between the parties.
21. **Entire Agreement.** This Agreement embodies the entire agreement between the parties with respect to its subject matter, and it supersedes all prior agreements, whether written or oral. No amendment of this Agreement shall be effective unless in writing and signed by both parties.
22. **Term.** The term of this agreement shall run from September 4, 2018, to April 30, 2020. Either party may terminate this Agreement upon 60 days' written notice to the other.

DATED this _____ day of _____, 2018.

City of Geneva

Contractor

By _____
City Administrator

By _____

Attest:

City Clerk