



January 14, 2020

Council Meeting of January 21, 2020
Subject: Mechanical Inspection Services Contract
Renewal

The Honorable Mayor
and
Members of the City Council

Ladies and Gentlemen:

The City Council is requested to renew the mechanical inspection services contract with Michael Reagan, CDS Consulting, with amendments.

Adoption of the attached resolution will authorize the contract renewal with CDS Consulting for a contract term beginning January 22, 2020 and continuing until January 31, 2023.

Respectfully submitted,

Mark C. Meyers
City Administrator

MCM/RG

Attachment

Administration/City Clerk (231) 798-4391	Assessing Division (231) 799-6806	Building Division (231) 799-6801	Finance/Treasurer (231) 799-6805	Fire Prevention (231) 799-6809	Fire Department (231) 798-2255
Parks/Recreation (231) 799-6802	Planning/Zoning (231) 799-6800	Police Department (231) 733-2691	Public Works (231) 799-6803	Streets Division (231) 798-2156	Water/Sewer (231) 799-6804

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the contract renewal, with amendments, to CDS Consulting LLC (Michael Reagan) an Independent Contractor, for mechanical inspection services, for a term beginning January 21, 2020 and ending January 31, 2023.

At a regular meeting of the City Council of the City of Norton Shores, held at the Norton Shores Branch Library, 705 Seminole Road, on the 21st day of January 2020, the foregoing resolution was moved for adoption by Council Member _____. The motion was supported by Council Member _____.

Ayes:

Nays:

Resolution declared adopted.

Shelly Stibitz, City Clerk



Internal Memo

January 14, 2020

To: Mark Meyers, City Administrator
From: Robert Gagnon, Fire Chief
Subject: Mechanical Inspection Services

I would like to inform you that the mechanical inspection services contract with Michael Reagan, CDS Consulting LLC has expired. Staff has spoken to Mr. Reagan and he wishes to renew his contract if approved by City Council.

I've spoken to Building Division staff and they are recommending the contract with CDS Consulting LLC be renewed with the following amendments.

The current contract covers mechanical inspection services along with providing coverage in the absence of the Building Official for an additional \$367 Bi-Weekly or \$9,542 Annually.

With the recent approval to add a full-time Building Inspector, staff believes that coverage by CDS Consulting LLC will no longer be needed. Therefore, I recommend City Council consider renewing the contract with CDS Consulting LLC for mechanical inspection services only.

I would be available to discuss this with you at your convenience.

PROFESSIONAL SERVICES/INDEPENDENT CONTRACTOR AGREEMENT
REGARDING MECHANICAL INSPECTION SERVICES

THIS AGREEMENT, made this **January 21, 2020** by and between the City of Norton Shores (“City”), a Michigan Municipal Corporation located at 4814 Henry Street and CDS Consulting LLC (Michael Reagan), Independent Contractor (“IC”).

WHEREAS, the City needs to retain an individual to provide mechanical inspection services, and,

WHEREAS, Michael Reagan has the training and certification needed to provide the services required by the City.

NOW THEREFORE,

It is hereby covenanted and agreed:

A. Services: The “IC” shall provide all mechanical inspection services requested by the City.

The “IC” will maintain all Public Act 54 certifications as it relates to his responsibilities as a mechanical inspector and applicable plan reviews.

The “IC” shall in the performance of the services required by this Independent Contractor agreement shall adhere to the Norton Shores mission, values, philosophy, and policy statement adapted by its City council.

The “IC” will record billable hours and provide whatever level of detail is requested by the City’s Fire Chief or his designee. All services provided herein will be performed with diligence, care and devotion.

The “IC” shall arrange for and provide coverage of his duties if unavailable due to health or vacation.

B. Compensation: The City of Norton Shores will compensate the “IC” in the following manner:

1. For the mechanical inspection services provided the “IC” shall receive 70% of all inspection fees charged. In addition, he shall receive \$40.00 for special inspections, \$36.00 for re-inspection or additional inspections, and any other additional time to be charged at the rate of \$36.00 per hour. Payment for the amounts for mechanical inspection services shall be paid monthly within 7 days of the City’s receipt of the detailed work record itemizing the location by address of the services provided.

2. The “IC” shall not be entitled to any benefits which are afforded to full-time employees.
3. Unemployment benefits are not available.
4. The “IC” will not be reimbursed for out-of-pocket expenses.

C. Independent Contractor: It is the intent of this agreement that Michael Reagan be treated as an Independent Contractor, or an individual who is carrying on an independent business who has a contract to do this work with the City without the City having any control over the means or method by which the Independent Contractor does his work. The City cares only that the work is accomplished according to the applicable codes. It is expressly understood that this contract defines the relationship between the City and Michael Reagan as an Independent Contractor. Both parties understand that the law requires that an “economic reality” analysis be used to determine whether an individual is an employee or an Independent Contractor. Therefore, for purposes of this agreement the parties agree that the economic realities are that:

1. The City has no control over the duties of Michael Reagan.
2. That although he is being paid money, these sums are not to be deemed wages and the City will not withhold FICA, social security or other payroll “taxes”. The City will file IRS form 1099 at the end of each calendar year involved during this agreement.
3. This agreement does not allow for any form of discipline. The contract may be terminated should either party be dissatisfied upon 45 days written notice.
4. That while important, the performance of the responsibilities of the “IC” is not integral to the rule of the work of the City.

D. Term: This agreement is effective when signed and shall remain in effect, until **January 31, 2023**, unless terminated with cause, or 45 days after the written agreement of the parties to terminate this agreement.

E. Entire Agreement: This agreement constitutes the full understanding between the parties and contains the entire agreement between them with respect to the subject matter and supersedes any and all other agreements, oral or written, between the parties with respect to any subject matter contained herein. Furthermore, all policy statements, manuals or documents issued by Norton Shores will be interpreted in a manner consistent with this agreement.

F. Indemnification: Each party will indemnify and hold the other harmless from and against the claims, demands, costs, expense, liabilities and losses, including reasonable attorney’s fees that may arise against the other as a consequence of any alleged malfeasance, intentional acts or negligence by such party, its employees, agents, representatives or contractors.

G. Amendments: Any amendments to this agreement are effective only if appended in written form and signed by contractor and the Mayor of Norton Shores or his designee.

WITNESSES

CITY OF NORTON SHORES

Gary Nelund, Mayor

Shelly Stibitz, Clerk

Michael Reagan, an individual
Independent Contractor