



AGENDA

Special Meeting
via Audio Conference Call
(425) 436-6322 Access Code 1057366
of the Kalamazoo Area Building Authority Board of Directors
September 22, 2020
2:00 PM

1. Call to Order
2. Approval of the Agenda
3. Citizen Comments on Agenda and Non-Agenda Items
Policy: A citizen shall state his/her name and address and may speak only one time, for no more than three (3) minutes. This time may not be given to another citizen to extend their time. During this time, you will be making statements, without discussion from the Board, but you are welcome to make an appointment with the Building Official or Board Chair to discuss your comments further. (Approved by KABA Board on November 9, 2017)
4. Business
 - a. Ratification of the attached interim contract to allow KABA to perform services for the prospective member Village of Richland until such time as all Member Units have voted to approve their entry of the Village into KABA. This will include authorizing a KABA officer to sign the attached contract.
5. Board Member Comments
6. Adjournment

**CONTRACT FOR TEMPORARY TRANSFER OF FUNCTIONS AND
RESPONSIBILITIES**

FROM THE
VILLAGE OF RICHLAND
(a Michigan Municipal Corporation)

TO THE
KALAMAZOO AREA BUILDING AUTHORITY
(A Joint Construction Code Authority established pursuant to Section 7 of the
Urban Cooperation Act)

This agreement for the temporary transfer of functions and responsibilities is entered into the 22nd day of September 2020 between Village of Richland, a Michigan Municipal Corporation (the "Contracting Unit"), and the Kalamazoo Area Building Authority ("KABA") for the provisions of certain services as outlined herein pursuant to the following terms and conditions.

RECITALS

WHEREAS The Contracting Unit is a Michigan municipal corporation which currently provides services to its citizens including services related to the issuance of building permits, building inspections and other services related to the enforcement and administration of the Michigan State Construction Code, pursuant to the Stille-Derossett-Hale Single State Construction Code Act, 1972 P.A. 230, as amended (hereinafter the Michigan Construction Code Act; AND,

WHEREAS KABA is an Joint Construction Code authority established pursuant to Section 7 of the Urban Cooperation Act and which provides services to two or more municipalities in Kalamazoo County Michigan; AND,

WHEREAS KABA provides services related to the enforcement and administration of the Construction Code Act; AND,

WHEREAS The Contracting Unit intends to join KABA but is awaiting approval by all current member units, but desires to utilize the services of KABA in the interim; AND,

WHEREAS KABA is willing to provide services on a temporary contract basis in accordance with the terms and conditions set forth herein; AND,

WHEREAS The People of the State of Michigan, through Section 28 Article VII of the State Constitution of 1963, have required the Michigan Legislature to authorize two or more counties, townships, cities, villages, or districts to among other things: (1) enter into contracts, including with the State, for the joint administration of functions or powers; (2) share costs and responsibilities; (3) transfer functions or responsibilities; (4) cooperate; and (5) lend their credit in connection with any publicly owned undertaking.

WHEREAS the Michigan Legislature has implemented Section 5 of Article III of the State Constitution of 1963 and Section 28 of Article IV of the State Constitution of 1963 by enacting (Ex Sess) PA 8, MCL 124.531 to 124.536 Intergovernmental Transfers of Functions and Responsibilities Act ("ITFRA"); AND,

WHEREAS KABA and Contract Unit are political subdivisions as defined pursuant to MCL 124.531(b) of ITFRA; AND

WHEREFORE The Parties agree as follows:

Definitions

"Parties" refers collectively to KABA and the Contracting Unit.

Substantive Terms

I. Transferred Functions

Following the effective date of this Agreement the responsibility for the following functions shall be transferred from the Contracting Unit to KABA for the duration of the initial term of this Agreement and any renewal terms agreed to in writing by the Parties.

- A. The administration of permit applications for all commercial and residential building projects within the Contracting Unit's jurisdiction .
- B. The building, electrical, and HVAC inspection of all permitted building projects within the Contracting Unit's Jurisdiction.
- C. Enforcement of building code violations within the Contracting Unit's jurisdiction in accordance with the Michigan Construction Code Act including but not limited to MCL 125.1508b.
- D. Any other power, right, obligation, function, or responsibility which may be performed or contracted to be performed in accordance with the Michigan Construction Code Act including but not limited to the administrative functions outlined in MCL 125.1509 and/or functions outlined in MCL 125.1508b.
- E. Any other functions that the parties agree to in a written amendment to this Agreement.

The above described functions shall be referred to collectively herein as ("Transferred Functions")

II. Compensation

KABA shall receive compensation as follows:

- A. KABA shall charge and collect a fee equal to the permitting fee currently authorized by KABA. These fees shall be retained by KABA to offset the costs of performing the Transferred Functions during the term of this Agreement.

III. Date and Term

The effective date of this contract shall begin on September 22, 2020, and shall continue for a period of 90 days or until the Contracting Unit is admitted as a member unit of KABA ("Term of Operation"), unless otherwise terminated in accordance with paragraph VIII.

IV. Management

During the Term of Operation KABA shall employ and/or contract with qualified administrative staff, inspectors and other staff within its discretion who shall provide the Transferred Functions pursuant to this Agreement. In no event shall Contracting Unit be responsible for the provision of compensation, benefit or other employment obligations for the employees performing the Transferred Functions. The responsibility, authority, and right to manage and direct services pursuant to this Agreement shall rest with KABA during the effective term of this Agreement. There is no "joint system" contemplated by this Agreement and the Contracting Unit will not be expected to contribute any employees to the performance of the Transferred Functions.

Supervision of the Building Official shall vest exclusively with the KABA board of Directors and there shall be no joint board or commission as otherwise allowed pursuant to MCL 124.535.

V. Provision of Offices, equipment and other personal property

Except as described in Paragraph VII of this Agreement, KABA shall be responsible for the provision of all equipment, supplies, forms and office space necessary for the performance of the Transferred Functions during the Term of Operation.

VI. Financing

There shall be no capital contributions, financing or other monetary contribution by the Parties other than the compensation paid as set forth in Paragraph II of this Agreement.

VII. Other Legal Financial and Administrative Arrangements

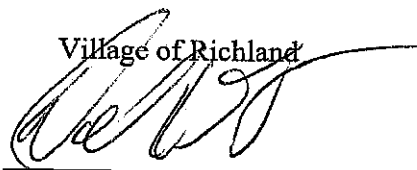
- A. During the Term of Operation KABA shall be responsible for completion of any Transferred Functions it initiates. To the extent that there are continuing functions initiated by the Contracting Unit prior to the effective date of this Agreement, KABA may complete or assist the Contracting Unit in completing such services however all liability and management of those projects shall remain with the Contracting Unit through their completions.
- B. To the extent that any enforcement proceeding or other necessary legal actions arising out of the ordinary performance of the Transferred Functions occur, the Contracting Unit shall pay the costs and legal fees associated with same. Legal services anticipated under this paragraph do not include representation for civil claims brought against KABA arising from its negligent performance of the Transferred Functions nor does it include claims made by KABA employees relating in any way to their employment.
- C. The parties will each maintain separate insurance policies to insure against those liabilities which may arise from the performance or provision of the Transferred Functions. The amounts and scope of coverage for such insurance shall be determined by the respective parties and their governing boards.

VIII. Termination

The parties agree that the intent of this Agreement is to permit the Contracting Unit to use the KABA services as its own until a determination is made on its membership with KABA. Therefore the parties agree that this contract may be terminated without cause upon 60 days' written notice to the other party. In the event that the Contracting Member is accepted for membership as a participating unit of KABA this contract will automatically terminate upon the effective date the Contracting Unit becomes a member. The parties recognize that this term modifies the statutory provisions set forth in MCL 124.536 and hereby agree to accept this modification as a condition of entering into this Agreement.

Kalamazoo Area Building Authority

Village of Richland



David Greer