

FINANCE COMMITTEE

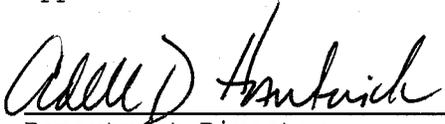
11-0273R

RESOLUTION APPROVING AGREEMENT WITH WLSSD FOR THE  
COLLECTION OF CAPACITY AVAILABILITY FEES.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to execute an agreement, substantially the same as that on file in the office of the city clerk as Public Document No. \_\_\_\_\_, with WLSSD for the collection of its capacity availability fee in exchange for payment of a commission to be deposited in Fund 110-132-1304-4359 (General, Planning and Construction Srvs, Construction Srvs and Inspection).

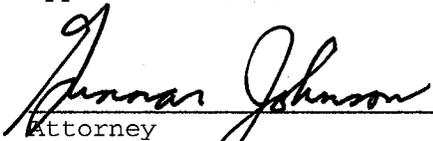
Approved:

  
\_\_\_\_\_  
Department Director

Approved for presentation to council:

  
\_\_\_\_\_  
Chief Administrative Officer

Approved as to form:

  
\_\_\_\_\_  
Attorney

Approved:

  
\_\_\_\_\_  
Auditor

FIN/ATTY GBJ:cjk 5/13/2011

STATEMENT OF PURPOSE: This resolution authorizes an agreement with WLSSD for the collection of its capacity availability fee. Persons subject to this fee are also required to obtain a plumbing permit from the city. This agreement allows city employees to collect the WLSSD fee with the plumbing permit. In exchange, the city receives a four percent commission. The city has collected the fee since 2005.

## CONTRACT FOR FEE COLLECTION

Parties to this Agreement are CITY OF DULUTH, a home rule charter city (City), and WESTERN LAKE SUPERIOR SANITARY DISTRICT, a body corporate and politic created by Laws of Minnesota, Chapter 458D (WLSSD).

The parties acknowledge the following:

- A. Each collects fees authorized by law, including the WLSSD Capacity Availability Fee and City permit fee(s).
- B. Each cooperates with the other in various projects and activities.
- C. Each wishes to continue its good business relationship with the other.
- D. A person subject to WLSSD's Capacity Availability Fee (CAF) would also have to apply for a City plumbing permit.
- E. It is convenient for a citizen to pay both the City permit fee(s) and the CAF at the same location.

In consideration of their mutual promises, the parties agree as follows:

1. This Agreement is in addition to, and does not replace, any other agreements between the parties.
2. City shall collect the CAF on behalf of WLSSD from individuals who come to the City's Building Safety office to apply for a plumbing permit, building permit or permit for change of use. The City's employee or agent shall inform each applicant of the CAF due, the amount, and the acceptable method of payment. Each applicant will be informed that the CAF is not a fee charged by the City.. The CAF will be included in the total payment made payable to the City. City shall record in a log the CAF amount received on behalf of WLSSD. Monthly, the City shall transmit to WLSSD's representative a copy of the log along with the CAF amount due to WLSSD, less five percent (4%) retained by the City as its commission. Should any person refuse to give to City payment for a CAF which is owed, City shall report the identity of the individual or business, the time, the amount, and the circumstances to WLSSD on a form approved by WLSSD. If the City employee or agent cannot answer inquiries from an applicant, he or she shall refer the applicant to a person designated by WLSSD for that purpose.

3. WLSSD shall:
  - a. designate one or more individuals to receive the CAF payments given to City and to be City's contact for purpose of administering this Agreement.
  - b. furnish to City, for distribution to an applicant or other interested person, an adequate supply of written materials that explain the CAF fees, emphasize that the CAF is not a fee charged by the City, and contain a fee schedule, which materials can be given to an applicant or other interested person.
  - c. provide adequate training and reference material to City staff, so that City can carry out this Agreement, and inform the public that the CAF is not imposed by the City.
  - d. provide sufficient forms upon which to record money received by City and transferred to WLSSD.
4. Each party to this Agreement is responsible as set out in law for the acts of its own agents and employees. An employee of one party is not the agent or employee of the other. The parties do not intend to create any third party beneficiary to this Agreement.
5. The term of this Agreement is five years, commencing January 1, 2011 and ending Midnight, December 31, 2015. Either party may terminate this Agreement by giving 60 days written notice to the other. Any notice is sufficient if delivered by mail or in person to WLSSD at 2626 Courtland Street, Duluth, MN, 55806 or to City at Room 410 City Hall, 411 West First Street, Duluth, MN, 55802. Any amendment to this Agreement must be in writing, dated, and duly executed by officials with authority to do so.
6. City shall not be liable for loss that results from miscalculation of an amount due or from mistake or inadvertence that is not intentional or grossly negligent.
7. This Agreement is governed by the Laws of Minnesota.

Dated: \_\_\_\_\_

CITY OF DULUTH

WESTERN LAKE SUPERIOR  
SANITARY DISTRICT

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Its Board Chairman

Attest: \_\_\_\_\_  
City Clerk

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

\_\_\_\_\_  
City Attorney