



## Legislation Text

**M2017-127**

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**File #: 17-1143, Version: 1**

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**City Council Meeting Date:** December 5, 2017

**To:** Mayor and City Council

**From:** Ben Martig, City Administrator

Consider Approval of Northfield Historical Society Contract.

**Action Requested:**

The Northfield City Council approves a three-year contract with the Northfield Historical Society at \$29,000 per year.

**Summary Report:**

The City Council made a motion at the November 21 meeting to fund the Northfield Historical Society at \$29,000 per year. Staff had requested the item be postponed to allow for an amendment to the service contract. The Council approved a motion to postpone to December 5. Staff has added an amended contract at \$29,000 per year and added an additional general service clause "Continue to provide the community with engaging programs and exhibits that serves the local population and encourages a broader appreciation of the town and its history." No additional specific service provisions were added after a review.

Cathy Osterman, Northfield Historical Society, provided a presentation on the Northfield Historical Society activities at the September 19, 2017 City Council meeting. The current contract for services with the Northfield Historical Society is attached. The existing contract expires on December 31, 2017. Staff has met with Ms. Osterman and discussed work plans and the proposals presented. Staff has worked on the scope of services with a focus on City projects and getting the old City of Northfield minute books and one-of-a-kind handwritten City documents digitized, transcribed and preserved.

**Financial Impacts:**

The current 2018 and 2019 budget has \$25,800 included for funding the Northfield Historical Society. If approved, staff will increase the budget for the Northfield Historical Society by \$3,200 for 2018 and 2019 and make an offsetting expense reduction within the "General Government" of the General Fund for each year. No amendment will be necessary within the proposed budget by keeping the amendments within this area and offsetting.

The funding dating back to 2014 is as follows:

- 2014 - \$19,656
- 2015-2017 - \$25,792/year

**Alternative Options:**

The Northfield Historical Society's presentation on September 19, 2017 included requested funding for 2018-

2020 (3-year contract) options as follows:

- Proposal A = \$29,000 per year
- Proposal B = \$45,000 per year

Staff had previously provided an option recommending \$25,800 which would be an alternative and provided as an attachment.

**Tentative Timelines:**

The current contract for services expires on December 31, 2017.

## CONSULTANT SERVICE CONTRACT

This Contract, made this 5<sup>th</sup> day of December, 2017, by and between the CITY OF NORTHFIELD, a Minnesota municipal corporation (the "CITY") 801 Washington Street, Northfield, MN 55057, and the NORTHFIELD HISTORICAL SOCIETY, a nonprofit corporation organized under the laws of the state of Minnesota, 408 Division St, Northfield, MN 55057 ("CONSULTANT"), (collectively the "Parties").

WHEREAS, the CITY requires certain services to assist the CITY in providing local history programing, maintaining a local history center and in archiving local and certain City historical records (the "Project"); and

WHEREAS, CONSULTANT agrees to furnish the various professional services required by the CITY.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

### SECTION I – CONSULTANT'S SERVICES AND RESPONSIBILITIES

- A. **Scope of Services.** CONSULTANT agrees to perform various Project services as detailed in Exhibit 1, Scope of Services, attached hereto and incorporated herein by reference.
- B. **Changes to Scope of Services/Additional Services.** Upon mutual agreement of the parties hereto pursuant to Section VI, Paragraph G of this Contract, a change to the scope of services detailed in Exhibit 1, attached hereto, may be authorized. In the event that such a change to the scope of services detailed in Exhibit 1, attached hereto, requires additional services by CONSULTANT, CONSULTANT shall be entitled to additional compensation consistent with Section III of this Contract. CONSULTANT shall give written notice to the CITY of any additional services prior to furnishing such additional services. The CITY may request an estimate of additional cost from CONSULTANT, and upon receipt of the request, CONSULTANT shall furnish such cost estimate in writing, prior to the CITY's authorization of the changed scope of services.
- C. **Standard of Care.** Services provided by CONSULTANT or its subcontractors and/or sub-consultants under this Contract will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of CONSULTANT's profession or trade.
- D. **Insurance.**
  1. CONSULTANT agrees to maintain, at CONSULTANT's expense, statutory worker's compensation coverage.

2. CONSULTANT agrees to procure and maintain, at CONSULTANT's expense, commercial general liability insurance and business automobile liability insurance coverage insuring CONSULTANT against claims for bodily injury, death or property damage arising out of CONSULTANT's general business activities (including automobile use). The policy(ies) shall name CITY as an additional insured for the services provided under this Contract and shall provide that CONSULTANT's coverage shall be primary and noncontributory in the event of a loss. The following insurance policies are required, including the minimum coverages and limits of liability specified below, or as specified in the applicable insurance certificate(s), or as required by law, whichever is greater:

Employer's Liability	\$500,000 each accident \$500,000 disease policy limit \$500,000 disease each employee
Commercial General Liability	\$1,000,000 property damage and bodily injury per occurrence \$2,000,000 annual aggregate
Comprehensive Automobile Liability	\$1,000,000 per occurrence combined single limit for Bodily Injury and Property Damage (shall include coverage for all owned, hired and non-owned vehicles)

3. True, accurate and current certificates of insurance, showing evidence of the required insurance coverages, are hereby provided to the CITY by CONSULTANT and are attached hereto as Exhibit 2.
4. CONSULTANT's policies shall be primary insurance to any other valid and collectible insurance available to CITY with respect to any claim arising out of CONSULTANT's performance under this contract.
5. CONSULTANT is responsible for payment of Contract related insurance premiums and deductibles.

## SECTION II – THE CITY'S RESPONSIBILITIES

- A. The CITY shall promptly compensate CONSULTANT as services are performed to the satisfaction of the CITY's City Clerk, in accordance with Section III of this Contract.
- B. The CITY shall provide access to any and all previously acquired information relevant to the scope of services detailed in Exhibit 1, attached hereto, in its custody to CONSULTANT for its use, at CONSULTANT's request.

- C. The City Clerk shall serve as the liaison person to act as the CITY's representative with respect to services to be rendered under this Contract. Said representative shall have the authority to transmit instructions, receive instructions, receive information, interpret and define the CITY's policies with respect to the Project and CONSULTANT's services.

Such person shall be the primary contact person between the CITY and CONSULTANT with respect to the services from CONSULTANT under this Contract. The CITY reserves the right to substitute the authorized contact person at any time and shall notify CONSULTANT thereof.

### SECTION III – CONSIDERATION

- A. **Fees.** The CITY will compensate CONSULTANT as detailed in Exhibit 3, Schedule of Fees, which is attached hereto and incorporated herein by reference, for CONSULTANT's performance of services under this Contract.
- B. If the CITY fails to make any payment due CONSULTANT for services performed to the satisfaction of the City Clerk as detailed in Exhibit 3, CONSULTANT, without waiving any claim or right against the CITY and without incurring liability whatsoever to the CITY, suspend services due under this Contract until CONSULTANT has been paid in full all amounts due for services, expenses and charges.

### SECTION IV – TERM AND TERMINATION

- A. **Term.** This Contract shall be in effect until such time as the Project is completed, but in no event later than December 31, 2020, or as otherwise provided in this Contract, whichever comes first.
- B. **Termination.** This Contract may be terminated by either party for any reason or for convenience by either party upon thirty (30) days written notice. In the event of termination, CITY shall be obligated to CONSULTANT for payment of amounts due and owing including payment for services performed or furnished to the date and time of termination, computed in accordance with Section III of this Contract.
- C. **Default.** If CONSULTANT fails to satisfy any of the provisions of this Contract, or so fails to perform and/or administer the services detailed in Exhibit 1, attached hereto, pursuant to the requirements of Section I of this Contract, in such a manner as to endanger the performance of the Contract or the services provided hereunder, this shall constitute default. Unless CONSULTANT's default is excused by CITY, CITY may, upon written notice, immediately cancel this Contract or exercise any other rights or remedies available to CITY under this Contract or law. In the event of CONSULTANT's default, CONSULTANT shall be liable to CITY for any and all costs, disbursements, attorney and consultant fees reasonably incurred by CITY in enforcing this Contract.

- D. **Suspension of Work.** If any work performed by CONSULTANT is abandoned or suspended in whole or in part by the CITY, CONSULTANT shall be paid for any services performed to the satisfaction of the CITY Planning & Community Development Director prior to CONSULTANT's receipt of written notice from the CITY of such abandonment or suspension, but in no event shall the total of CITY's payments to CONSULTANT under this Contract be required to exceed a percentage of the total contract price (calculated by either the Contract price or the maximum price set forth in Exhibit 3, attached hereto) equivalent to the percentage of the scope of services completed by CONSULTANT to the satisfaction of the CITY Planning & Community Development Director as determined by the CITY.

#### SECTION V – INDEMNIFICATION

- A. CONSULTANT shall indemnify, protect, save, hold harmless and insure the CITY, and its respective officers, directors, employees and members and agents, from and against any and all claims and demands for, or litigation with respect to, all damages which may arise out of or be caused by CONSULTANT or its agents, employees, contractors, subcontractors, or sub-consultants with respect to CONSULTANT's performance of its obligations under this Contract. CONSULTANT shall defend the CITY against the foregoing, or litigation in connection with the foregoing, at CONSULTANT's expense, with counsel reasonably acceptable to the CITY. The CITY, at its expense, shall have the right to participate in the defense of any Claims or litigation and shall have the right to approve any settlement, which approval shall not be unreasonably withheld. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by the negligence or willful misconduct of the CITY. All indemnification obligations shall survive termination, expiration or cancellation of this Contract. CONSULTANT agrees, that in order to protect itself and CITY under the indemnity provisions set forth above, it will at all times during the term of this Contract keep in force policies of insurances required in the Paragraph entitled, "Insurance." Nothing in this Contract shall be construed to waive any immunities or limitations to which CITY is entitled under Minn. Stat. Chapter 466 or otherwise.
- B. Nothing contained in this Contract shall create a contractual relationship with or a cause of action in favor of a third party against the CITY or CONSULTANT. CONSULTANT's services under this Contract are being performed solely for the CITY's benefit, and no other entity shall have any claim against CONSULTANT because of this Contract or the performance or nonperformance of services provided hereunder.

#### SECTION VI – GENERAL TERMS

- A. **Voluntary and Knowing Action.** The PARTIES, by executing this Contract, state that they have carefully read this Contract and understand fully the contents thereof; that in executing this Contract they voluntarily accept all terms described in this Contract without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.

B. **Authorized Signatories.** The PARTIES each represent and warrant to the other that (1) the persons signing this Contract are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Contract against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

C. **Notices.** The PARTIES' representatives for notification for all purposes are:

**THE CITY:**

City Administrator

801 Washington Street

Northfield, MN 55057

Phone: (507) 645-3009

**CONSULTANT:**

Director

Northfield Historical Society

408 Division Street

Northfield MN 55057

Phone: 507-645-9268

D. **Independent Contractor Status.** CONSULTANT, at all times and for all purposes hereunder, shall be an independent contractor and is not an employee of the CITY for any purpose. No statement contained in this Contract shall be construed so as to find CONSULTANT to be an employee of the CITY, and CONSULTANT shall not be entitled to any of the rights, privileges, or benefits of employees of the CITY, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims.

CONSULTANT acknowledges that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due CONSULTANT, and that it is CONSULTANT's sole obligation to comply with the applicable provisions of all Federal and State tax laws.

CONSULTANT shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services identified herein.

CONSULTANT is responsible for hiring sufficient workers to perform the services/duties required by this Contract, withholding their taxes and paying all other employment tax obligations on their behalf.

E. **Subcontracting.** CONSULTANT shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior written approval of the CITY. CONSULTANT shall be responsible for the performance of all subcontractors

and/or sub-consultants.

- F. **Assignment.** This Contract may not be assigned by either Party without the written consent of the other Party.
- G. **Modifications/Amendment.** Any alterations, variations, modifications, amendments or waivers of the provisions of this Contract shall only be valid when they have been reduced to writing, and signed by authorized representative of the CITY and CONSULTANT.
- H. **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, CONSULTANT agrees that the CITY, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of CONSULTANT and involve transactions relating to this Contract.
- CONSULTANT agrees to maintain these records for a period of six years from the date of termination of this Contract.
- I. **Force Majeure.** The PARTIES shall each be excused from performance under this Contract while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, raw materials or supplies, interruption of utilities or power, and any act of government, except acts by the City Council, or military authority. In the event either party is rendered unable wholly or in part by force majeure to carry out its obligations under this Contract then the party affected by force majeure shall give written notice with explanation to the other party immediately.
- J. **Compliance with Laws.** CONSULTANT shall abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Contract or to the facilities, programs and staff for which CONSULTANT is responsible.
- K. **Covenant Against Contingent Fee.** CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for CONSULTANT to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from award or making of this Contract.
- L. **Covenant Against Vendor Interest.** CONSULTANT warrants that it is not employed by any vendor of equipment or service provider that could result in a commission, percentage, brokerage, or contingent fee as a result of CONSULTANT's association with the CITY.



- M. **Non-Discrimination.** The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Contract as if fully set forth herein.
- N. **Interest City Officials.** No elected official, officer, or employee of the CITY shall during his or her tenure or employment and for one year thereafter, have any interest, direct or indirect, in this Contract or the proceeds thereof.
- O. **Governing Law.** This Contract shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Contract without regard to its choice of law or conflict of laws principles.
- P. **Data Practices.** The PARTIES acknowledge that this Contract is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- Q. **No Waiver.** Any Party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Contract or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that Party's right to assert or rely upon the terms and conditions of this Contract. Any express waiver of a term of this Contract shall not be binding and effective unless made in writing and properly executed by the waiving Party.
- R. **Patented Devices, Materials and Processes.** If this Contract requires, or the CONSULTANT desires, the use of any design, device, material or process covered by letters, patent or copyright, trademark or trade name, CONSULTANT shall provide for such use by suitable legal agreement with the patentee or owner and a copy of said agreement shall be filed with CITY. If no such agreement is made or filed as noted, CONSULTANT shall indemnify and hold harmless CITY from any and all claims for infringement by reason of the use of any such patented designed, device, material or process, or any trademark or trade name or copyright in connection with the services agreed to be performed under the Contract, and shall indemnify and defend CITY for any costs, liability, expenses and attorney's fees that result from any such infringement.
- S. **Mechanic's Liens.** CONSULTANT hereby covenants and agrees that CONSULTANT will not permit or allow any mechanic's or materialman's liens to be placed on the City's interest in any Property that is the subject of the Project during the term hereof. Notwithstanding the previous sentence, however, in the event any such lien shall be so placed on CITY's interest, CONSULTANT shall take all steps necessary to see that it is removed within thirty (30) days of its being filed; provided, however, that CONSULTANT may contest any such lien provided CONSULTANT first posts a surety bond, in favor of and insuring CITY, in an amount equal to 125% of the amount of any such lien.

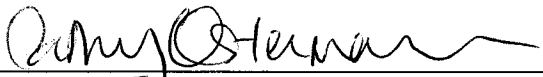
- T. **Severability.** The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Contract to the extent of its invalidity or unenforceability, and this Contract shall be construed and enforced as if the Contract did not contain that particular provision to the extent of its invalidity or unenforceability.
- U. **Entire Contract.** These terms and conditions constitute the entire Contract between the PARTIES regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Contract.
- V. **Headings and Captions.** Headings and captions contained in this Contract are for convenience only and are not intended to alter any of the provisions of this Contract and shall not be used for the interpretation of the validity of the Contract or any provision hereof.
- W. **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by any Party or PARTIES, and any undischarged obligations of the CITY and CONSULTANT arising prior to the expiration of this Contract (whether by completion or earlier termination), shall survive such expiration.
- X. **Execution.** This Contract may be executed simultaneously in two or more counterparts that, when taken together, shall be deemed an original and constitute one and the same document. The signature of any Party to the counterpart shall be deemed a signature to the Contract, and may be appended to, any other counterpart. Facsimile and email transmissions of executed signature pages shall be deemed as originals and sufficient to bind the executing Party.

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SECTION VII - SIGNATURES


IN WITNESS WHEREOF, the PARTIES have hereunto executed this document the day and year first above written.

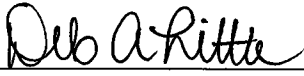
CONSULTANT: NORTHFIELD HISTORICAL SOCIETY

By:  Date: 12/27/2017  
Title: Executive Director  
Print Name: Cathy Osterman

By: \_\_\_\_\_ Date: \_\_\_\_\_  
(Signature)  
Title: \_\_\_\_\_  
Print Name: \_\_\_\_\_

CITY OF NORTHFIELD:

By:  Date: 12-5-17  
Rhonda Pownell, Its Mayor

By:  Date: 12/5/2017  
Deb Little, Its City Clerk

## EXHIBIT 1

### SCOPE OF SERVICES

Subject to the terms of this Contract, CONSULTANT shall perform the following services as its contractual obligation to the CITY:

1. Provide proper care for the objects and records held by CONSULTANT, including those provided by CITY.
  - a. Determine the long-term preservation needs of acquired items, including those provided by CITY.
  - b. Provide preventative conservation to objects and records using museum-quality acid free materials and non-invasive conservation methods.
  - c. Provide needed care and accessibility to the collection, especially for items newly transferred by CITY.
2. Provide proper storage facilities for the objects and records held by CONSULTANT, including those provided by CITY.
  - a. Create and maintain a digital storage system to hold master media files within the CITY collection.
  - b. Increase the accessibility of CITY records continuing to be held by CITY.
  - c. Digitize handwritten books and provide metadata and transcription (3/year).
    - i. 5 City Council minute books;
    - ii. 1 Charter and Ordinance book;
    - iii. 1 Planning Commission book; and
    - iv. Old City Charter.
3. Expand the accessibility of CITY collection through digitization of audio/ visual materials.
  - a. Digitize a minimum of 100 VHS tapes/year, creating a new master file and a 'for use' file in a current format. Starting with first priority of the City Council tapes.
  - b. Upload appropriate digital files to the Northfield History Collaborative site.
  - c. Complete metadata for uploaded files.
4. Provide digital copies and links to other websites of all CITY Collection materials.
5. Respond to research requests and provide information on the history of the Northfield area for City of Northfield residents, staff and elected and appointed officials.
6. Continue to provide the community with engaging programs and exhibits that serves the local population and encourages a broader appreciation of the town and its history.

The CONSULTANT will report to the City Council– each year of the Contract in June or July. The CONSULTANT will submit a written report before each of the respective City Council meetings at which they will provide verbal presentations to the City Council reporting their scope of service activities under this Contract. The CONSULTANT will also submit a year -to -date financial report with its written report or as a supplement thereto for the respective yearly City Council meetings.

**EXHIBIT 2**

**CERTIFICATES OF REQUIRED INSURANCE COVERAGES**

*[Certificates of Insurance attached hereto]*

### EXHIBIT 3

#### SCHEDULE OF FEES

Subject to the limitations set forth in this Exhibit, the CITY will pay CONSULTANT a flat fee of \$29,000 per year ("Contract price") for CONSULTANT's services, including expenses, under this Contract.

The CITY will make two installment payments each year of the Contract to CONSULTANT, in the following manner:

1. First Installment. The first installment of \$14,500 shall be paid on or before January 15; and
2. Second Installment. The second installment of \$14,500 shall follow the completion of each of CONSULTANT's mid-year reports to the City Council in July and be paid on or before August 15.

The CITY's responsibility to make the payments described above shall be contingent upon CONSULTANT first demonstrating, to the CITY's satisfaction, progress in:

1. Accomplishing its responsibilities listed in Exhibit 1;
2. Providing written and verbal reports on such progress to the CITY, in a form satisfactory to the CITY, prior to the second disbursement outlined above.