

CONTRACTOR SERVICE CONTRACT

This Contract, made this 1st day of January, 2022, by and between the CITY OF NORTHFIELD, a Minnesota municipal corporation, 801 Washington Street, Northfield, MN 55057 (“CITY”), and FARIBAULT PROPERTY MANAGEMENT LLC, a Minnesota Limited Liability Company, d/b/a G&H MANAGEMENT, 303 NE 1ST AVENUE, SUITE 110, FARIBAULT, MN 55021 (“CONTRACTOR”); (collectively the “PARTIES”).

WHEREAS, CITY requires certain services in conjunction with operation of the Northfield Community Resource Center (the “NCRC”, “Facility” or “Building”), located at 1651 Jefferson Parkway, Northfield, MN 55057.

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

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

SECTION I – CONTRACTOR'S SERVICES AND RESPONSIBILITIES

- A. **Scope of Services.** CONTRACTOR agrees to perform various Facility services as detailed in Exhibit 1, Scope of Services, attached hereto and incorporated herein by reference (the “services”).
- B. **Changes to Scope of Services/Additional Services.** Upon mutual agreement of the parties hereto pursuant to Section VI, Paragraph H 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 CONTRACTOR, CONTRACTOR shall be entitled to additional compensation consistent with Section III of this Contract. CONTRACTOR shall give notice to CITY of any additional services prior to furnishing such additional services. CITY may request an estimate of additional cost from CONTRACTOR, and upon receipt of the request, CONTRACTOR shall furnish such cost estimate, prior to CITY’s authorization of the changed scope of services.
- C. **Changed Conditions.** If CONTRACTOR determines that any services it has been directed or requested to perform by CITY are beyond the scope of services detailed in Exhibit 1, attached hereto, or that, due to changed conditions or changes in the method or manner of administration of the Project, CONTRACTOR’s effort required to perform its services under this Contract exceeds the estimate which formed the basis for CONTRACTOR’s compensation, CONTRACTOR shall promptly notify CITY of that fact. Upon mutual agreement of the parties hereto pursuant to Section VI, Paragraph H of this Contract, additional compensation for such services, and/or an extension of time for completion thereof, may be authorized. In the absence of such a mutual agreement, amounts of compensation and time for completion shall be equitably adjusted, provided that CONTRACTOR first provides notice to CITY as required by this Paragraph and CITY has not terminated this Contract pursuant to Section IV, Paragraph B.

- D. **Standard of Care.** Services provided by CONTRACTOR 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 CONTRACTOR's profession. CONTRACTOR shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by CONTRACTOR's breach of this standard of care. CONTRACTOR shall put forth reasonable efforts to complete its duties in a timely manner. CONTRACTOR shall not be responsible for delays caused by factors beyond its control or that could not be reasonably foreseen at the time of execution of this Contract. CONTRACTOR shall be responsible for costs, delays or damages arising from unreasonable delays in the performance of its duties.
- E. **Guarantee.** CONTRACTOR further agrees to guarantee all materials and parts supplied under this Contract against inferiority as to specifications, such guarantee to be unconditional.
- F. **Insurance.** CONTRACTOR shall not commence work under this Contract until CONTRACTOR has obtained all insurance required herein and such insurance has been approved by CITY, nor shall the CONTRACTOR allow any subcontractor to commence work on a subcontract until such subcontractor has obtained like insurance covering as to worker's compensation, liability, and automobile insurance. All this insurance coverage shall be maintained throughout the life of this Contract.
1. CONTRACTOR agrees to procure and maintain, at CONTRACTOR's expense, statutory Worker's Compensation coverage. Except as provided below, CONTRACTOR must provide Workers' Compensation insurance for all its employees. If Minnesota Statutes, section 176.041 exempts CONTRACTOR from Workers' Compensation insurance or if the CONTRACTOR has no employees in the City, CONTRACTOR must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes CONTRACTOR from the Minnesota Workers' Compensation requirements. If during the course of the Contract the CONTRACTOR becomes eligible for Workers' Compensation, the CONTRACTOR must comply with the Workers' Compensation insurance requirements herein and provide CITY with a certificate of insurance.
 2. CONTRACTOR agrees to procure and maintain, at CONTRACTOR's expense, Commercial General Liability ("CGL") and business automobile liability insurance coverage insuring CONTRACTOR against claims for bodily injury or death, or for damage to property, including loss of use, which may arise out of operations by CONTRACTOR or by any subcontractor or by anyone employed by any of them or by anyone for whose acts any of them may be liable (including automobile use). The following coverages shall, at a minimum, be included in the CGL insurance: Premises and Operations Bodily Injury and Property Damage, Personal and Advertising Injury, Blanket Contractual Liability, and Products and Ongoing and Completed Operations Liability. The required automobile liability

coverage must include coverage for “any auto” which extends coverage to owned autos, non-owned autos, and hired autos. Such insurance shall include, but not be limited to, minimum coverages and limits of liability specified in this Paragraph, or required by law. CITY shall have additional insured status and be listed by name on an endorsement attached to such policy(ies) for the services provided under this Contract and shall provide that CONTRACTOR’s coverage shall be primary and noncontributory in the event of a loss.

3. CONTRACTOR agrees to procure and maintain, at CONTRACTOR's expense, the following insurance policies, 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:

Worker’s Compensation	Statutory Limits
Employer’s Liability	\$500,000 bodily injury by accident \$500,000 bodily injury by disease aggregate \$500,000 bodily injury by disease per employee
Commercial General Liability	\$2,000,000 property damage and bodily injury per occurrence \$4,000,000 annual aggregate \$2,000,000 annual aggregate Products – Completed Operations
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)
Umbrella or Excess Liability	\$1,000,000 Optional, combined to meet the Contractor Policy Limits above

4. True, accurate and current certificates of insurance, showing evidence of the required insurance coverages, are hereby provided to CITY by CONTRACTOR and are attached hereto as Exhibit 2.
5. Any insurance limits in excess of the minimum limits specified herein above shall be available to CITY.
6. CONTRACTOR’s insurance policies and certificate(s) shall not be cancelled without at least thirty (30) days’ advance written notice to CITY, or Ten (10)

days' prior written notice to CITY for nonpayment of premium.

7. CONTRACTOR's policies shall be primary insurance and noncontributory to any other valid and collectible insurance available to CITY with respect to any claim arising out of CONTRACTOR's performance under this Contract.
8. CONTRACTOR is responsible for payment of Contract related insurance premiums and deductibles. If CONTRACTOR is self-insured, a Certificate of Self-Insurance must be attached.
9. CONTRACTOR shall ensure that all subcontractors comply with the insurance provisions contained in this Contract and such insurance is maintained as specified.
10. CONTRACTOR's policies shall include legal defense fees in addition to its liability policy limits, with the exception of the professional liability insurance and technology errors and omissions insurance, if applicable.
11. All policies listed above, except professional liability insurance (or other coverage not reasonably available on an occurrence basis), shall be written on a per "occurrence" basis ("claims made" and "modified occurrence" forms are not acceptable) and shall apply on a "per project" basis.
12. CONTRACTOR shall obtain insurance policies from insurance companies having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota, or as approved by CITY.
13. Effect of Failure to Provide Insurance. If CONTRACTOR fails to provide the specified insurance, then CONTRACTOR will defend, indemnify and hold harmless CITY and CITY's officials, agents and employees from any loss, claim, liability and expense (including reasonable attorney's fees and expenses of litigation) to the extent necessary to afford the same protection as would have been provided by the specified insurance. Except to the extent prohibited by law, this indemnity applies regardless of any strict liability or negligence attributable to CITY (including sole negligence) and regardless of the extent to which the underlying occurrence (i.e., the event giving rise to a claim which would have been covered by the specified insurance) is attributable to the negligent or otherwise wrongful act or omission (including breach of contract) of CONTRACTOR, its subcontractors, agents, employees or delegates. CONTRACTOR agrees that this indemnity shall be construed and applied in favor of indemnification. CONTRACTOR also agrees that if applicable law limits or precludes any aspect of this indemnity, then the indemnity will be considered limited only to the extent necessary to comply with that applicable law. The stated indemnity continues until all applicable statutes of limitation have run.

If a claim arises within the scope of the stated indemnity, CITY may require CONTRACTOR to:

- a. Furnish and pay for a surety bond, satisfactory to CITY, guaranteeing performance of the indemnity obligation; or
- b. Furnish a written acceptance of tender of defense and indemnity from CONTRACTOR's insurance company.

CONTRACTOR will take the action required by CITY within fifteen (15) days of receiving notice from CITY.

14. Notwithstanding the foregoing, CITY reserves the right to immediately terminate this Contract if CONTRACTOR is not in compliance with the insurance requirements contained herein and retains all rights to pursue any legal remedies against CONTRACTOR.

SECTION II – CITY'S RESPONSIBILITIES

- A. CITY shall promptly compensate CONTRACTOR as services are performed to the satisfaction of the Facilities Manager, in accordance with Section III of this Contract.
- B. 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 CONTRACTOR for its use, at CONTRACTOR's request.
- C. CITY will, to the fullest extent possible, grant access to and make all provisions for entry upon both public and private property as necessary for CONTRACTOR's performance of the services detailed in Exhibit 1, attached hereto.
- D. Jayson Dwelle, CITY's Facilities Manager, shall serve as the liaison person to act as 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 CITY'S policies with respect to the Facility and CONTRACTOR's services. Such person shall be the primary contact person between CITY and CONTRACTOR with respect to the services from CONTRACTOR under this Contract. CITY reserves the right to substitute the authorized contact person at any time and shall notify CONTRACTOR thereof.

SECTION III – CONSIDERATION

- A. **Fees.** CITY will compensate CONTRACTOR as detailed in Exhibit 3, Compensation, which is attached hereto and incorporated herein by reference, for CONTRACTOR's performance of services under this Contract.
- B. If CITY fails to make any payment due CONTRACTOR for services performed to the satisfaction of the Facilities Manager and expenses within thirty days after the date of CONTRACTOR's invoice, CONTRACTOR may, after giving seven days written notice to CITY, and without waiving any claim or right against CITY and without incurring liability whatsoever to CITY, suspend services due under this Contract until CONTRACTOR has been paid in full all amounts due for services, expenses and charges.

SECTION IV – TERM AND TERMINATION

- A. **Term.** This Contract shall commence effective January 1, 2022 and terminate December 31, 2023, unless sooner terminated as otherwise provided in this Contract.
- B. **Termination.** This Contract may be terminated by either party for any reason or for convenience by either party upon sixty (60) days written notice. In the event of termination, CITY shall be obligated to CONTRACTOR 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 CONTRACTOR fails to perform any of the provisions of this Contract or so fails to administer the services detailed in Exhibit 1, attached hereto, in such a manner as to endanger the performance of the Contract, this shall constitute default. Unless CONTRACTOR'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 CONTRACTOR's default, CONTRACTOR shall be liable to CITY for any and all costs, disbursements, attorneys and consultant fees reasonably incurred by CITY in enforcing this Contract.
- D. **Suspension of Work.** If any work performed by CONTRACTOR is abandoned or suspended in whole or in part by CITY, CONTRACTOR shall be paid for any services performed to the satisfaction of the Facilities Manager prior to CONTRACTOR's receipt of written notice from CITY of such abandonment or suspension, but in no event shall the total of CITY's payments to CONTRACTOR under this Contract be required to exceed the services completed by CONTRACTOR to the satisfaction of the Facilities Manager as determined by CITY.

SECTION V – INDEMNIFICATION

- A. CONTRACTOR shall indemnify, protect, save, and hold harmless CITY, and its respective officers, directors, employees and members and agents, from and against any claims, liability, damages, costs, judgments, or expenses, including reasonable attorney's fees, to the extent attributable or caused by the negligent or otherwise wrongful acts or

omissions, including breach of a specific contractual duty, of the CONTRACTOR or the CONTRACTOR's independent contractors, subcontractors, agents, employees, vendors or delegates with respect to this Contract or the Facility. CONTRACTOR agrees to take all precautions necessary to protect the public against injury, and to keep danger signals out at night and at such other times and such places as public safety may require. CONTRACTOR agrees that CONTRACTOR shall be solely responsible for; a) supervising, directing, controlling, and having authority over any CONTRACTOR work, b) the means, methods, techniques, sequences, or procedures of construction selected or used, c) the safety precautions and programs incident thereto, d) for security and safety at the site, and e) for any failure to comply with laws and regulations applicable to the CONTRACTOR's furnishing and performing of its work or services. CONTRACTOR shall defend CITY against the foregoing, or litigation in connection with the foregoing, at CONTRACTOR's expense, with counsel reasonably acceptable to CITY, except that for professional liability claims, if applicable, CONTRACTOR shall have no upfront duty to defend CITY, but shall reimburse defense costs to CITY to the same extent of CONTRACTOR's indemnity obligation herein. 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 or resulting from the negligence or willful misconduct of CITY. All indemnification obligations shall survive termination, expiration or cancellation of this Contract. CONTRACTOR 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. CITY shall indemnify protect, save, and hold harmless CONTRACTOR, and its respective officers, directors, employees and members and agents, from and against any claims, liability, damages, costs, judgments, or expenses, including reasonable attorney's fees, to the extent attributable or caused by the negligent or otherwise wrongful act or omission of CITY or its agents, employees, contractors or subcontractors with respect to CITY's performance of its obligations under this Contract. CITY shall defend CONTRACTOR against the foregoing, or litigation in connection with the foregoing, at CITY's expense. CONTRACTOR, at its expense, shall have the right to participate in the defense of any Claims or litigation. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of CONTRACTOR. All indemnification obligations shall survive termination, expiration or cancellation of this Contract.
- C. Nothing contained in this Contract shall create a contractual relationship with or a cause of action in favor of a third party against CITY or CONTRACTOR. CONTRACTOR's services under this Contract are being performed solely for CITY's benefit, and no other entity shall have any claim against CONTRACTOR 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 hereof; 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 hereby.
- 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.** All notices and other communications required or permitted under this Contract shall be in writing, and hand delivered or sent by registered or certified mail, return-receipt requested, postage prepaid, or by overnight delivery service and shall be effective upon receipt at the following addresses or as either PARTY shall have notified the other PARTY. The PARTIES' representatives for notification for all purposes are:

CITY:

Jayson Dwelle
Facilities Manager
801 Washington St
Northfield, MN 55057
Phone: 507-645-3034
Email: Jayson.dwelle@ci.northfield.mn.us

CONTRACTOR:

FARIBAULT PROPERTY MANAGEMENT LLC.
Chris Ekern
303 Ne 1st Avenue, Suite 110
Faribault, MN 55021
Phone: _____
Email: _____

- D. **Independent Contractor Status.** CONTRACTOR, at all times and for all purposes hereunder, shall be an independent contractor and is not an employee of CITY for any purpose. No statement contained in this Contract shall be construed so as to find CONTRACTOR to be an employee of CITY, and CONTRACTOR shall not be entitled to any of the rights, privileges, or benefits of employees of CITY, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims. CONTRACTOR acknowledges that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due CONTRACTOR, and that it is CONTRACTOR's sole obligation to comply with the applicable provisions of all Federal and State tax laws.

CONTRACTOR shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide services identified herein. CONTRACTOR 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. **Acceptance of Deliverables.** Each deliverable shall be subject to a verification of acceptability by CITY to ensure such deliverable satisfies stated requirements. The acceptability of any deliverable will be based on CITY's satisfaction or non-satisfaction with the deliverable based on requirements of this Contract. If any deliverable is not acceptable, CITY will notify CONTRACTOR specifying reasons in reasonable detail, and CONTRACTOR will, at no additional cost, conform the deliverable to stated requirements of this Contract.
- F. **Subcontracting.** CONTRACTOR shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior written approval of CITY. CONTRACTOR shall be responsible for the performance of all subcontractors and/or sub-consultants. As required by Minn. Stat. § 471.425, CONTRACTOR must pay all subcontractors, less any retainage, within 10 calendar days of CONTRACTOR's receipt of payment from CITY for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).
- G. **Assignment.** This Contract may not be assigned by either Party without the written consent of the other Party.
- H. **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 CITY and CONTRACTOR.
- I. **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, CONTRACTOR agrees that 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 CONTRACTOR and involve transactions relating to this Contract. CONTRACTOR agrees to maintain these records for a period of six years from the date of termination of this Contract.
- J. **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 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.

- K. **Compliance with Laws.** CONTRACTOR 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 CONTRACTOR is responsible.
- L. **Covenant Against Contingent Fee.** CONTRACTOR warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for CONTRACTOR 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.
- M. **Covenant Against Vendor Interest.** CONTRACTOR 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 CONTRACTOR's association with CITY.
- N. **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.
- O. **Interest by City Officials.** No elected official, officer, or employee of 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.
- P. **Work Product.** All materials such as reports, exhibits, models, graphics, computer files, maps, charts, and supporting documentation produced under work authorized by this Contract ("Materials") shall become the property of CITY upon completion of the work. CITY may use the information for the Project for which they were prepared. Such use by CITY shall not relieve any liability on the part of CONTRACTOR. Notwithstanding any of the foregoing to the contrary; (a) CONTRACTOR may reuse standard details of its Materials in the normal course of its business; and (b) CITY understands that the Materials have been prepared for a specific project, and are not intended to be reused for other purposes. If CITY reuses the Materials for any other purpose, CITY waives any claims against CONTRACTOR arising from such reuse and agrees to defend and indemnify CONTRACTOR from any claims arising from such reuse.
- Q. **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.

- R. **Data Practices.** The PARTIES acknowledge that this Contract is subject to the requirements of Minnesota's Government Data Practices Act (Act), Minnesota Statutes, Section 13.01 *et seq.* CONTRACTOR agrees to abide by the applicable provisions of the Act, HIPAA requirements and all other applicable state or federal rules, regulations or orders pertaining to privacy or confidentiality. CONTRACTOR understands that all of the data created, collected, received, stored, used, maintained or disseminated by CONTRACTOR in performing those functions that the CITY would perform is subject to the requirements of the Act, and CONTRACTOR must comply with those requirements as if it were a government entity. This does not create a duty on the part of CONTRACTOR to provide the public with access to public data if the public data is available from the CITY, except as required by the terms of this Contract.
- S. **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.
- T. **Data Disclosure.** Under Minn. Stat. § 270C.65, Subd. 3 and other applicable law, CONTRACTOR consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to CITY, to federal and state agencies and state personnel involved in the payment of CITY obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring CONTRACTOR to file state tax returns, pay delinquent state tax liabilities, if any, or pay other CITY liabilities.
- U. **Patented Devices, Materials and Processes.** If this Contract requires, or CONTRACTOR desires, the use of any design, device, material or process covered by letters, patent or copyright, trademark or trade name, CONTRACTOR 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, CONTRACTOR 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.
- V. **Mechanic's Liens.** CONTRACTOR hereby covenants and agrees that CONTRACTOR will not permit or allow any mechanic's or materialman's liens to be placed on CITY's interest in the 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, CONTRACTOR shall take all steps necessary to see that it is removed within thirty (30) days of its being filed; provided, however, that CONTRACTOR may contest any such lien provided CONTRACTOR first posts a surety bond, in favor of and insuring CITY, in an amount equal to 125% of the amount of any

such lien.

- W. **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.
- X. **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.
- Y. **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.
- Z. **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by any Party or PARTIES, and any undischarged obligations of CITY and CONTRACTOR arising prior to the expiration of this Contract (whether by completion or earlier termination), shall survive such expiration.
- AA. **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.

CONTRACTOR:

FARIBAULT PROPERTY MANAGEMENT LLC
d/b/a G&H MANAGEMENT

By: _____
(Signature)

Title: _____

Print Name: _____

Date: _____

By: _____
(Signature)

Title: _____

Print Name: _____

Date: _____

CITY OF NORTHFIELD:

By: _____
Rhonda Pownell, Its Mayor

Date: _____

By: _____
Lynette Peterson, Its City Clerk

Date: _____

EXHIBIT 1

SCOPE OF SERVICES

Subject to the terms of this Contract, CONTRACTOR shall perform the following services:

Routine Maintenance and Tasks

- Inspect grounds and building for repairs and complete as needed
- Check all areas for burnt out lights, damaged/stained ceiling tiles, floor tiles, bathroom fixtures, and other needed repairs
- Respond to work orders and maintenance requests in a timely manner. Make necessary repairs as capable and arrange for 3rd party repairs if necessary.
- Check mechanical rooms and vacancies for heat during winter months.
- During winter months, ensure walkways and entrances are kept clear of snow and ice.
- Supervise and coordinate activities of 3rd party contractors engaged in maintaining and repairing physical structures and utility systems of buildings and maintaining grounds
- Advise City on all maintenance and repair concerns or problems
- Perform monthly preventative maintenance inspections of plumbing, electrical, HVAC, emergency exit lighting and eye wash stations.

Pool and Spa Maintenance

- Maintenance staff must have State of Minnesota, Certified Pool Operator (CPO) or Aquatics Facility Operator (AFO), certification.
- Complete daily chemical testing of the pool and hot tub as required by the State of Minnesota
- Complete or supervise weekly hot tub cleaning.
- Complete or arrange and supervise monthly cleaning of the pool
- Complete or arrange and supervise 3rd party contractors to perform scheduled maintenance of the pool filtration system
- Complete minor repairs and preventative maintenance to mechanical of the pool area.
- Supervise and direct 3rd party contractors engaged in repairing and maintaining components of the pool and spa area.

HVAC and Climate Control System

- Monitor temperature in the building and consult with tenants regarding temperature settings
- Perform regular preventative maintenance of the HVAC systems. Including belt and filter replacement
- Arrange and Direct 3rd party licensed contractors for repairs, maintenance, updating and testing of HVAC and climate control systems.

Fire Protection and Security System

- Monitor automated building controls for Fire Protection and Security Systems throughout building.
- Respond to after-hours alarms and emergency calls as needed.
- Direct and supervise 3rd party contractors engaged in maintaining, updating and testing building fire protection, security system, sprinkler system and any other life safety systems.

Elevator services

- Perform regular testing on the elevator to verify full functionality
- Direct and supervise 3rd party vendors engaged in maintaining, updating, and testing of the elevator.

Service Requests

- Receive and respond to service requests through City of Northfield provided maintenance software
- Prioritize requests and respond in a timely manner
- Monthly review of service requests with City of Northfield staff.

Capital Improvements

- Attend biannual meeting with City of Northfield staff to discuss capital improvement requirements for all building systems.

Hours of Service

- CONTRACTOR shall provide on-site maintenance staff for twenty (20) hours per week. The standard hours will be from 8am to 12:00pm for services as described in EXHIBIT 1. The CONTRACTOR will also be on-call and respond to after-hours emergencies for the building.

EXHIBIT 2

CERTIFICATES OF REQUIRED INSURANCE COVERAGES

[Certificates of Insurance attached hereto]

EXHIBIT 3

COMPENSATION

Subject to the limitations set forth in this Exhibit, CITY will compensate CONTRACTOR in accordance with the schedule of fees below for the time spent in performance of services under this Contract, provided that under no circumstances shall CONTRACTOR's total charges to CITY, including expenses, exceed Three Thousand Nine Hundred Dollars per month (\$3900/month) ("maximum price"). Any additional services required in excess of the scope of services as provided in Exhibit 1, shall be billed by the CONTRACTOR to the CITY, at an hourly rate of Forty-Five Dollars per hour (\$45/hour). Such charges in excess of the maximum price must be authorized in writing by the Director of Public Works/ Engineer before they are incurred by CITY.

CITY will make periodic payment to CONTRACTOR upon billing at intervals not more often than monthly at the rates specified in the schedule of fees included herein, provided that no bill/invoice submitted to CITY shall exceed a percentage of the maximum price equivalent to the percentage of the scope of services completed by CONTRACTOR to the satisfaction of the Facilities Manager as determined by CITY.