

DATE: May 8, 2023
TO: Committee of the Whole-CD
FROM: Scott Buening, Community and Economic Development Director
SUBJECT: Resolution 23-070-R: Approval of Plumbing Inspector Contract-Revised Fee Schedule

1. **Summary:** Resolution 23-070-R Approval of Plumbing Inspector Contract-Revised Fee Schedule.
2. **Background:** In 2013 and then again in 2018 the City approved a contract with First Inspection Services, Inc. (“FIS”) to do plumbing plan review and inspection services for the City. The City does not have a licensed plumber on staff, and so we are required to use a licensed plumber to conduct inspections on behalf of the City. FIS was originally a “branch” of Kraft Plumbing, but became an independent company after Kraft closed their plumbing business.

Since the 2018 contract, the rates for services have remained the same. They are now asking for an increase and restructuring of some of the fees that are being charged. The contract is a continuing contract until one party gives notification to terminate under the termination clause. The only item that is changing from the 2018 agreement is Exhibit B, which is the fee schedule.

Major fee changes include the following:

- Increase in inspection fee from \$60.00 to \$70.00
- On site consultations increase from \$50.00 to \$60.00 for residential, \$70.00 for commercial
- Add all food or drink establishments as premium rate inspections at \$85.00
- Eliminate “normal” inspection range of 3:00-5:00 PM daily (latest inspection is from 2:00- 4:00 PM)
- Plan review fee for commercial/industrial under 10,000 square feet increase from \$150.00 to \$200.00 base fee, add a per fixture fee of \$5.00 per fixture under 10 fixtures
- Plan review fee for commercial/industrial over 10,000 square feet increase from \$400.00 to \$500.00 base fee, add a per fixture fee of \$5.00 per fixture under 10 fixtures

Staff has been very satisfied with the work FIS has provided us, and we have received very few complaints about their services or fees. This increase in fees will cause a small increase in the permit fees charged applicants since the City fee schedule imposes a \$30 fee in addition to the actual cost charged to the City. Staff recommends approval Resolution 23-070-R which approves a revised contract with First Inspection Services, Inc.

3. **Alternatives, including no action if viable:**
 - Approve of Resolution 23-070-R Approval of Plumbing Inspector Contract-Revised Fee Schedule with First Inspection Services, Inc.
 - Do not Approve of Resolution, provide direction to staff on alternatives.

- **Pros:** Approving the contract will allow for continued service from FIS.

- **Cons:** Not approving the contract will necessitate the City procuring another plumbing contractor to do plan reviews and inspections at unknown costs.
 - **Budget Impact:** No negative budget impact, fees are passed through to those requesting services. The City would continue to collect the additional fee per inspection to cover our administrative costs.
 - **Staffing Impact:** No impact, FIS has their own staff to do the required work tasks.
4. **Timeline for actions:** FIS has asked for the new fee schedule to be implemented by June 1, 2023; we have asked for this to be deferred to July 1, 2023.
5. **Staff recommendation:** Staff recommends approval of Resolution 23-070-R Approval of Plumbing Inspector Contract with First Inspection Services, Inc.

Attachments:

1. Resolution 23-070-R.
2. Professional Services Agreement with revised fee schedule.
3. FIS cover letter dated April 28, 2023.
4. Resolution 18-83-R approving contract with FIS including fee schedule.

**CITY OF BATAVIA, ILLINOIS
RESOLUTION 23-070-R**

**APPROVING PLUMBING INSPECTOR CONTRACT-AMENDED
FEE SCHEDULE**

WHEREAS, in order to inspect plumbing work, it is necessary that the inspector have an Illinois State plumbing license; and

WHEREAS, the City entered into a contract with First Inspection Services, Inc. (“First”) in 2018 to provide plumbing plan reviews and inspections for the City; and

WHEREAS, the contract had a fee schedule and First is requires a revision to that schedule to reflect labor and overhead costs; and

WHEREAS, First has not had any fee increases in the five years since the 2018 contract was approved; and

WHEREAS, the City desires to retain an Illinois State plumbing licensed independent contractor to perform plumbing inspections; and

WHEREAS, First Inspections Services, Inc of Batavia, Illinois, is a local business that has the necessary qualifications, expertise and experience, and is recommended by the City Staff to continue to be retained as the independent contracted plumbing inspector;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BATAVIA AS FOLLOWS:

Section 1. That the Mayor and City Clerk are authorized to enter into the Contract with First Inspection Services, Inc attached hereto as Exhibit 1.

PRESENTED to the City Council of the City of Batavia, Illinois, on the ___ day of _____, 2023.

PASSED by the City Council of the City of Batavia, Illinois, on the ___ day of _____, 2023.

APPROVED by me as Mayor of said City of Batavia, Illinois, on the ___ day of ___, 2023.

Jeffery D. Schielke, Mayor

Ward	Aldermen	Ayes	Nays	Absent	Abstain	Aldermen	Ayes	Nays	Absent	Abstain
1	Baerren					Solfa				
2	Leman					Wolff				
3	Ajazi					Chanzit				
4	Malay					Connelly				
5	Uher					Beck				
6	Cerone					Lanci				
7	Vogelsinger					Miller				
Mayor Schielke										
VOTE:		Ayes	Nays	Absent	Abstentions					
Total holding office: Mayor and 14 aldermen										

ATTEST:

Kate Garrett, City Clerk

PROFESSIONAL SERVICES AGREEMENT FOR

Contract Plumbing Inspector

THIS AGREEMENT is entered into between the City of Batavia, a municipal corporation, hereinafter referred to as "the City", and First Inspection Services, Inc., hereinafter referred to as the "Contractor", in consideration of the mutual benefits, terms, and conditions hereinafter specified.

1. Services. Contractor shall perform permit review plumbing inspection and related services as needed by the City.
2. Payment. The Contractor shall be paid by the City for completed work and for services rendered under this agreement as follows:
 - a. Payment for the services provided by Contractor shall be made as provided on Exhibit "B" attached hereto and shall not exceed the amount set forth in Exhibit "B" without express written modification of the agreement signed by the City. Fee schedules may be modified by approval of the City Council without modification to this agreement.
 - b. The Contractor shall submit invoices to the City for payment, which invoices may be submitted one time per month for work completed to date. The Contractor must include the detail of the number of inspections performed, together with all other relevant paperwork to the Building Commissioner. Such payment requests will be checked by the City, and upon approval thereof, payment will be made to the Contractor in the amount approved.
 - c. Payment as provided in this section shall be full compensation for work performed as agreed to.
 - d. The Contractor's records and accounts pertaining to this agreement are to be kept available for inspection by representatives of the City and state for a period of three (3) years after final payments. Copies shall be made available upon request.
3. Ownership and Use of Documents. All documents, and other materials produced by the Contractor in connection with the services rendered under this agreement shall be delivered to the City and shall become the property of the City.
4. Compliance with laws. Contractor shall, in performing the services contemplated by this agreement, faithfully observe and comply with all federal, state, and local laws, ordinances and regulations, applicable to the services to be rendered under this agreement.

5. Hold Harmless Agreement (Contractual Liability). The Contractor agrees to indemnify and save harmless the City, including its elected or appointed officials, employees, and agents against any and all claims, loss, damage, injury, liability resulting directly or indirectly from the work covered by this contract or the equipment used in connection therewith, and court costs and attorney's fees incident thereto, including any claims made by employees of the Contractor or any of their subcontractors, as well as all other persons, resulting directly or indirectly from the work covered by this contract or the equipment used in connection therewith. The undertaking to indemnify and hold harmless in this Section shall apply to any and all claims whether resulting from the negligence or the intentional acts of the Contractor, or otherwise, provided, however, this undertaking shall not apply to any claim, damage, loss, or expense arising solely the acts or omissions of the City, its agents, or employees, including 1) the preparation of maps, plans, opinions, reports, surveys, designs, or specifications, and 2) supervisory, inspection, or engineering services.

6. Insurance. The Contractor shall obtain insurance and provide certificates of insurance evidencing the following types and limits of insurance. The insurance coverage and certificates of insurance shall specifically address each of the requirements noted below from an insurance company that is acceptable to the City. The General Liability coverage shall name the City of Batavia as additional insured. All insurance noted below shall be primary and in no event may be considered contributory to any insurance purchased by the City. The required insurance shall not be canceled, reduced, or materially changed without the Contractor providing the City thirty (30) days advance notice, via certified mail.

- A. **Comprehensive General Liability** including Products Liability / Completed Operations insurance, in an amount not less than \$1,000,000 / occurrence, \$2,000,000/policy limit, including Broad Form
- B. **Contractual Liability** insurance, in an amount not less than \$1,000,000 / occurrence, \$2,000,000/policy limit.
- B. **Automobile Liability** insurance in an amount not less than \$1,000,000 combined single limit. Said insurance is to be extended to cover hired and non-owned vehicles.
- C. **Umbrella or Excess Liability** coverage providing of Umbrella or Excess Liability coverage of at least \$2,000,000.
- D. **Workers' Compensation** insurance as required by state statute by an insurance company licensed to write worker's compensation in the State of Illinois with Employer's Liability coverage in an amount not less than \$500,000 each accident, \$500,000 disease – policy limit, and \$500,000 disease – each employee.
- E. **Unemployment Insurance** as required by state statute.

Insurance Rating – All insurance policies required by this contract shall be underwritten by insurance companies with a minimum A. M. Best rating of A:VIII.

A certificate of insurance shall be submitted to the City as evidence of coverage for each policy indicating the City of Batavia named as an additional insured. The same full insurance coverage provided to the named insured, whether it is the contractor or a sub-contractor, shall be provided to the City without any limitations or endorsements that might limit or exclude coverage. If insurance is canceled for any reason whatsoever the City will be given not less than thirty (30) days prior written notice.

The Contractor shall not commence work under this Agreement until the all insurance required under this section has been obtained and such insurance has been approved by the City. The Contractor Employee shall maintain all insurance required under paragraphs A through E of this Section for not less than one (1) year after termination of this Agreement. The Contractor shall provide copies of any or all insurance policies upon request by the City.

7. Independent Contractor. The Contractor and the City agree that the Contractor is an independent contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither Contractor nor any employee of Contractor shall be entitled to any benefits accorded City employees by virtue of the services provided under this agreement. The City shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state industrial insurance program, otherwise assuming the duties of an employer with respect to Contractor, or any employee of Contractor.
8. Discrimination Prohibited. The Contractor, with regard to the work performed by it under this agreement, shall not discriminate on the grounds of race, color, national origin, religion, creed, age, sex or the presence of any physical or sensory handicap in the performance of work duties.
9. Non-Waiver. Waiver by the City of any provision of this agreement at any time shall not constitute a waiver of the same or any other provision of this agreement at any other; and the City shall, at all times, maintain a right to require strict performance and enforcement of the provisions of this agreement.
10. Termination.
 - a. The City reserves the right to terminate this agreement at any time by giving thirty (30) days written notice to the Contractor.
 - b. The City reserves the right to terminate this agreement immediately for justifiable cause.
 - c. First Inspection Services, Inc. reserves the right to terminate this agreement at any time by giving thirty (30) days written notice to the City.

11. Notices. Notices shall be deemed given if sent by regular mail with US postage prepaid on the fourth day after mailing. Notices to the City of Batavia shall be sent to the following address:

City of Batavia
Attn. Building Commissioner
100 North Island Avenue
Batavia, IL 60510

Notices to Contractor shall be sent to the following address:

First Inspection Services, Inc.
912 Walnut Street
Batavia, IL 60510

12. Integrated Agreement. This Agreement together with attachments or addenda, represents the entire and integrated agreement between the City and the Contractor and supersedes all prior negotiations, representations, or agreements written or oral. This agreement may be amended only by written instrument signed by both City and Contractor.
13. This agreement is conditioned upon and subject to an acceptable background check of the Contractor by the City and, by signing of this agreement, the Contractor consents to a background check to be performed by the City.

DATED this _____ day of _____, 2023.

City of Batavia

Contractor

By _____
City Administrator

By _____

Attest/Authenticated:

City Clerk

Approved as to Form:

City Attorney

First Inspection Services, Inc.

912 Walnut Street

Batavia, IL 60510

John Kraft Phone: (630) 897-6145 Pete Kraft Phone: (630) 360-0864

E-mail: firstinspectionsservices@gmail.com

April 28, 2023

Fee schedule and inspection hours – Batavia

Daily Inspection hours:

8:00 A.M. to 4:00 P.M. Monday through Friday – Excluding Holidays

No minimum number of inspections per day

Fees:

\$70.00 per inspection

\$60.00 re-inspection fee

\$60.00 on site consultation – residential

\$70.00 on site consultation - commercial

\$85.00 same day inspections

\$85.00 premium rate inspections

*Medical, Dental Offices

*Commercial Buildings larger than 10,000 sq. ft.

*Food, Drinking, Tap/Taste Establishments Licensed by Kane County
Health Department

Emergency inspections Monday – Friday scheduled or same day between 6:00 a.m. and 8:00 a.m. or 5:00 p.m. and 7:00 p.m. will be billed at:

\$180.00

All inspections outside the stated time frames will be billed at:

\$280.00 (1 on site visit)

All after hour inspections based upon inspector approval and availability. Inspection rate is for one prearranged inspection/site visit. Any additional inspections/site visits required in time window of same day will be billed at \$85.00 per inspection.

City to coordinate inspections as listed below:

A.M. 8:00 to 10:00

9:00 to 11:00

10:00 to 12:00

P.M. 12:00 to 2:00

1:00 to 3:00

2:00 to 4:00

24 hour appointment lead time – (by 5:00 p.m. day previous to inspection schedule)

*First Inspection Services will observe the same Holiday schedule as the City.

Plan Review Fees:

- a. Single Family Construction (new construction and remodel) \$75.00 base fee plus \$2.00 for each fixture or waste outlet.
- b. Two-Family and Multi-Family Construction (new construction and remodel) \$85.00 base fee plus \$3.00 for each fixture or waste outlet.
- c. Commercial/Industrial Construction 10,000 sq. ft. and under, \$200.00 base fee, plus \$5.00 for each fixture or waste outlet.
- d. Commercial/Industrial Construction over 10,000 sq. ft., \$500.00 base fee with \$5.00 for each fixture or waste outlet.
- e. Unique, specialized building projects may result in a higher plan review fee and will be addressed individually.
- f. Re-review of plans – A re-review fee shall consist only of the changes as specified by the plumbing review “Requirements for Approval.”
 - Residential - \$ 60.00
 - Commercial - \$120.00
- g. Re-review of plans – Plans submitted and reviewed with plumbing alterations other than “Requirements for Approval” will be charged as a new review per the fee schedule.

First Inspection Services, Inc.

912 Walnut Street

Batavia, IL 60510

John Kraft Phone: (630) 897-6145 Pete Kraft Phone: (630) 360-0864

E-mail: firstinspectionsservices@gmail.com

4/28/2023

Batavia

Projects exempt form new fee schedule

1. Completion of Lennar/Prairie Commons
2. Permit #20212350 – Winding Creek sanitary and water taps
3. Lead Service Replacement Federal/Public Works Project
4. Winding Creek single family homes permitted prior to increase

First Inspection Services, Inc.

1241 Danforth Dr.
Batavia, IL 60510

April 28, 2023

Mr. Scott Buening,
Director of Community Development City of Batavia


Beginning in May, 2013 we have enjoyed a great relationship with the City of Batavia Community Development personnel. We believe we share the same values and high standards of customer service as the City of Batavia.

During our ten years of inspecting, our fees have only been increased one time. We have reviewed our fees and adjusted them to compensate for the overhead costs since our last increase five years ago.

Please find the enclosed revised fee schedule that First Inspection Services, Inc. will implement effective June 1, 2023.

We hope for the continued support by the City of Batavia on working as the Certified Plumbing Inspectors for the community.

Respectfully,

Peter Kraft  _____

John Kraft  _____

Cc: Jeff Albertson

**CITY OF BATAVIA, ILLINOIS
RESOLUTION 18-83-R**

APPROVING PLUMBING INSPECTOR CONTRACT

WHEREAS, in order to inspect plumbing work, it is necessary that the inspector have an Illinois State plumbing license; and

WHEREAS, the City entered into a contract with First Inspection Services, Inc. (“First”) in 2013 to provide plumbing plan reviews and inspections for the City; and

WHEREAS, the contract was originally for a one-year term, however services have satisfactorily been provided since that time; and

WHEREAS, First has not had any fee increases in the five years since the contract was approved; and

WHEREAS, the City desires to retain an Illinois State plumbing licensed independent contractor to perform plumbing inspections; and

WHEREAS, First Inspections Services, Inc of Batavia, Illinois, is a local business that has the necessary qualifications, expertise and experience, and is recommended by the City Staff to continue to be retained as the independent contracted plumbing inspector;

CITY OF BATAVIA, ILLINOIS RESOLUTION 18-83-R

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BATAVIA AS FOLLOWS:

Section 1. That the Mayor and City Clerk are authorized to enter into the Contract with First Inspection Services, Inc attached hereto as Exhibit 1.

PRESENTED to the City Council of the City of Batavia, Illinois, on the 16th day of July, 2018.

PASSED by the City Council of the City of Batavia, Illinois, on the 16th day of July, 2018.

APPROVED by me as Mayor of said City of Batavia, Illinois, on the 16th day of July, 2018.


 Jeffrey D. Schielke, Mayor

Ward	Aldermen	Ayes	Nays	Absent	Abstain	Aldermen	Ayes	Nays	Absent	Abstain
1	O'Brien			X		Salvati	X			
2	Callahan	X				Wolff	X			
3	Meitzler	X				Chanzit	X			
4	Malay			X		Stark	X			
5	Uher	X				Thelin Atac			X	
6	Cerone			X		Russotto			X	
7	McFadden	X				Brown	X			
Mayor Schielke										
VOTE:		9 Ayes	0 Nays	5 Absent	0 Abstention(s) counted as _____					
Total holding office: Mayor and 14 aldermen										

ATTEST:


 Ellen Posledni, City Clerk