

ADMINISTRATIVE SERVICES AGREEMENT

This agreement, entered into this 22nd day of November, 2010 between Meeker County Housing and Redevelopment Authority (MCHRA) and the Kandiyohi County Housing and Redevelopment Authority (KCHRA), describes the terms and conditions by which services shall be provided to the MCHRA by the KCHRA.

I. Scope of Services:

On behalf of the MCHRA, carry out all business of the MCHRA as prescribed by the MCHRA Board of Commissioners, Minnesota State Statutes, funding source requirements and all other related federal, state, and local laws and regulations. This includes:

A. Program/Project Administration

1. Oversee the overall administration of the Housing Choice Voucher Program and ensure the program operates within HUD rules, the annual contributions contract and other relevant federal and state laws and regulations.
2. Overall management of the 17 unit apartment complex in Dassel, four single family homes in Grove City and four single family homes in Cosmos. Duties will include lease-up, rent collection, maintenance, coordinating property improvements, monitoring and troubleshooting, lease enforcement/termination, and project fiscal management.

B. Fiscal/Other Administrative Responsibility

1. Oversee the overall financial management of the MCHRA by working closely with the Board of Commissioners, HUD, and fee auditors. The MCHRA has several bank accounts as required by funding sources.
2. Prepare an annual budget for approval by the board.
3. Operate per the approved budget and prepare revised budgets as necessary.
4. Process accounts payable and prepare checks for Board approval and signature.
5. Oversee accounts receivable processes. Ensure adequate bank security pledges for MCHRA deposits are maintained and responsible for bank account oversight and reconciliation.
6. Prepare HUD 5-year and annual plans.
7. Communicate potential problems to the Board and offer viable solutions.
8. Schedule Board meetings, with the assistance of the Board chair prepare Agendas and materials (including program/project reports, fiscal reports, resolutions, minutes), and attend Board meetings.
9. Maintain all records of the MCHRA per laws and regulations.
10. Coordinate an annual audit in accordance with all applicable federal and state standards and distribute audit reports as required by HUD and the Board of Commissioners.
11. Maintain program compliance with Public Housing Program and Section 8 Voucher program.
12. Coordinate and supervise caretaking and maintenance services for the Dassel, Cosmos and Grove City public housing units.
13. The KCHRA will use its own computer hardware and software programs for maintaining the MCHRA's financial records, Housing Choice Voucher Program applicant/participant/landlord records, apartment and single-family home records and other relevant documents.
14. Maintain a presence in the Dassel apartment complex office to be visible and accessible to the residents and accomplish work.

II. Compensation:

The MCHRA agrees to compensate the KCHRA for the above services as follows:

- A. **Housing Choice Voucher Program Fee:** 100% of the HUD administrative fee the MCHRA receives for the Housing Choice Voucher Program minus \$1,500 per year (12/01 – 11/30) to allow for other organizational costs.

The fee includes the following costs:

- The KCHRA staff time/mileage (program staff, fiscal staff and Executive Director)
- Computer hardware/software
- Office supplies/equipment
- Telephone, fax, and internet
- Postage

The fee does not include the following costs:

- Audits
- Board Stipends and mileage
- MCHRA Insurance
- Bank fees

- B. **Public Housing Program Fee:** \$3,500 per month.

The fee includes the following costs:

- The KCHRA staff time/mileage (program staff, fiscal staff and Executive Director)
- Sub-contractor if needed (i.e. caretaking, maintenance)
- Computer hardware/software
- Office supplies/equipment
- Telephone, fax and internet
- Postage

The fee does not include the following costs:

- Audits
- Board Stipends and mileage
- MCHRA Insurance
- Bank fees
- PILOT
- Debt Service
- Lawn care/snow removal
- Apartment Advertising
- MCHRA legal fees
- Skilled labor for maintenance/repair (plumbers, electricians, etc.)
- Any repair or replacement needs in the public housing units (appliances, landscaping, and materials)
- Resident Council costs
- Storage costs for abandoned property
- Utility and Garbage Services
- Extermination
- Protective Services
- Fees for storing apartment contents when abandoned

The fees paid KCHRA will cover the MCHRA's current programs/projects as of the date this Agreement is signed. Any new ventures pursued by the MCHRA would require a renegotiation of fees and amendment to the Agreement.

III. Term:

The term of this Agreement is December 1, 2010 to December 31, 2011. However, either party may terminate this agreement for any reason upon sixty (60) day advance written notice. In the event either party terminates this Agreement before its expiration, any fees owed to KCHRA will be prorated through the last day of service.

IV. Independent Contractor: Both the KCHRA and the MCHRA acknowledge and agree that KCHRA is an independent contractor and not an employee of the MCHRA. Any employee or subcontractor who may perform services for the MCHRA in connection with this Agreement is also not an employee of the MCHRA. KCHRA acknowledges that any general instruction they receive from the MCHRA has no effect on the independent status of the KCHRA.

V. Insurance: KCHRA will maintain adequate insurance to protect themselves and the MCHRA from claims and liability for all work performed by KCHRA and its respective employees or agents under this agreement. The minimum accepted coverage is \$500,000 per Claimant and \$1,500,000 per occurrence (See attached MCIT coverage document)

VI. Hold Harmless: The MCHRA agrees to indemnify, save and hold harmless and defend the KCHRA, its employees, board members, and agents from any and all claims, demands, action or causes or any nature arising out of or by reason of the execution of the services provided for herewith. KCHRA will hold harmless and indemnify the MCHRA, its officers, employees, and agents, against any an all claims, losses, liabilities, damages, costs and expenses for claims as a result of any damages arising out of KCHRA's performance under this agreement. This Agreement to indemnify and hold harmless does not constitute a waiver of limitations on liability provided under Minn. Stat. § 466.04.

VII. Immunities: By entering into this Agreement, neither MCHRA nor KCHRA waive entitlement to any immunities under statute or common law.

VIII. Assignment: KCHRA may not assign this Agreement or procure the services of another individual or company to provide services under this Agreement without first obtaining the express written consent of the MCHRA Board of Commissioners.

IX. Entire Agreement, Amendments: This Agreement constitutes the entire Agreement between the parties, and no other agreement prior to or contemporaneous with this Agreement shall be effective, except as expressly set forth or incorporated herein. Any amendment to this Agreement is not effective unless it is in writing and executed by both parties.

X. Data Practices. KCHRA agrees to comply with the Minnesota Government Data Practices Act and all other applicable state and federal laws relating to data privacy or confidentiality. KCHRA will report to MCHRA any requests from third parties for information relating to this Agreement. KCHRA agrees to hold MCHRA, its officers, and employees harmless from any claims resulting from the KCHRA's unlawful disclosure or use of data protected under state and federal laws.

XI. Execution in Counterparts. This Agreement may be executed in counterparts by the parties.

XII. Severability. Should any part or portion of this Agreement be deemed illegal or nonbinding by a court of law, the remainder of the Agreement shall remain in effect.

In Witness Whereof, the parties hereto have caused this agreement to be duly executed.

Kandiyohi County Housing and Redevelopment Authority

By: *Richard Roll*

Its: Board Chair

Meeker County Housing and Redevelopment Authority

By: *Wallace M Strand*

Its: HRA Board Chair