

MEMORANDUM

TO: Sunfish Lake Mayor, Councilmembers
FROM: Timothy J. Kuntz, City Attorney
DATE: December 30, 2022
RE: Contract for Transitional Services Agreement with Iago Consulting, LLC
January 3, 2023 Council Meeting – Agenda Item 8(b)

Section 1. Background. Attached is a Resolution and Contract between the City of Sunfish Lake and Iago Consulting, LLC for Transitional Services.

The duration of the contract is for a three (3) month period from January through March, 2023.

Services will be provided by Catherine Iago through her consulting company, Iago Consulting, LLC.

The transitional services are essentially to provide assistance to the new City Clerk/Administrator in order for her to understand the processes and duties of the new position.

The compensation was based upon the following calculation:

- The current gross-monthly payment made to Iago Consulting, LLC is \$580.82/month.
- The total gross-monthly payment made to Catherine Iago for Clerk services is \$1,355.35.
- The gross total monthly payments are \$1,936.17 (\$580.82 + \$1,355.35)
- The expectation is that 15 hour/week or 60 hours/month will be provided by the Consultant performing transitional services. The monthly amount of $\$1,936.17 \div 60 \text{ hours per month} = \32.27 (say \$32.00/hour)

Section 2. Council Action. The Council is asked to approve the attached Resolution at the January 3, 2023 Council meeting.

Attachment

**TRANSITIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF SUNFISH LAKE AND IAGO CONSULTING, LLC**

THIS TRANSITIONAL SERVICES AGREEMENT (“Agreement”) is entered into and effective this 3rd day of January 2023, by and between Iago Consulting, LLC (“Consultant”) and the City of Sunfish Lake, a Minnesota municipal corporation (“City”). Subject to the conditions and terms of this Agreement and in reliance upon the representations, warranties and covenants of the parties herein contained, the parties hereby agree as follows:

ARTICLE 1
RECITALS

WHEREAS, the City is a statutory city operating under Optional Plan A form of government pursuant to Chapter 412 of Minnesota Statutes;

WHEREAS, Catherine Iago is the former City Clerk and former Administrator, who has now resigned from such positions; Catherine Iago is the sole owner of Iago Consulting, LLC.;

WHEREAS, it is appropriate that the new City Clerk/Administrator receive assistance from Consultant with regard to transitional services that would assist the new Clerk/Administrator in the Clerk/Administrator position;

WHEREAS, the Council and Consultant believe that such transitional services can be limited to the timeframe from January 2023 through March 2023 and that the hours spent for such transitional services can be limited to no more than 60 hours per month;

WHEREAS, Consultant is willing to provide such transitional services;

WHEREAS, by this Agreement, the City hires Consultant to provide transitional services as described below.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

ARTICLE 2
TRANSITIONAL SERVICES

2.1 TRANSITIONAL SERVICES. The City hereby hires Consultant as an Independent Contractor to perform Transitional Services at the request of the City during the time period from January 2023 through March 2023. Catherine Iago shall perform the Transitional Services on behalf of the Consultant.

2.2 DEFINITION OF TRANSITIONAL SERVICES. For purposes of this Agreement, Transitional Services means the following, duties, services and activities:

- a.) Providing assistance to the new City Clerk/Administrator in order for her to understand the specific duties and requirements of the position;

- b.) Identifying file contents and the background to the file;
- c.) Identifying current practices and procedures in the operation of the City business;
- d.) Transferring City property;
- e.) Transferring City files;
- f.) Identifying expectations with respect to preparation of Minutes, drafting of the City newsletter and preparation of Resolutions;
- g.) Answering questions and inquiries concerning job responsibilities and the scope of work.

2.3 COMPENSATION. Consultant shall be compensated as an Independent Contractor at the rate of \$32.00/hour payable on a monthly basis at the end of each month.

2.4 IRS FORM 1099. The City shall provide to Consultant an IRS Form-1099 with respect to the consideration paid to Consultant for Transitional Services. Consultant, not the City, is responsible to pay all State and Federal taxes on the amounts it receives from the City.

2.5 HOURS PER MONTH. Consultant shall devote whatever time is needed to perform the Transitional Services, provided such time shall not exceed 60 hours per month, unless the City, through its Council, authorizes additional time.

2.6 SCHEDULE. Consultant is responsible for setting the work schedule and hours such that the Transitional Services are performed in a timely and diligent manner.

2.7 STATUS OF INDEPENDENT CONTRACTOR. Nothing contained in this Agreement shall be deemed an Employer/Employee relationship between the City and Consultant. At all times, Consultant shall act as an Independent Contractor and shall exercise independent control over the means and manner in which it performs the Transitional Services. Consultant shall be responsible for the performance and completion of the Transitional Services and shall be solely responsible for setting the work hours and schedules necessary to complete the Transitional Services set forth herein.

ARTICLE 3 **MISCELLANEOUS**

3.1 ASSIGNMENT. This Agreement may not be assigned by any of the parties.

3.2 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. Any action arising out of this Agreement shall be venued in Dakota County, Minnesota.

3.3 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

3.4 HEADINGS. The subject headings of the paragraphs and subparagraphs and sections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of their provisions.

3.5 ACKNOWLEDGEMENT OF REASONABLENESS. The parties agree that the provisions in this Agreement are fair and reasonable.

3.6 ENTIRE AGREEMENT. The text herein shall constitute the entire agreement between the parties hereto and shall supersede all prior oral or written agreements.

3.7 BINDING EFFECT. This Agreement shall be binding upon the parties.

3.8 WAIVER. The waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any other or subsequent breach whether like or different in nature.

3.9 SEVERABILITY. If any provision or portion thereof contained in this Agreement shall be held unconstitutional, invalid, or unenforceable, the remainder of this Agreement shall be deemed severable, shall not be affected, and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement, the day and year first set forth above.

CITY OF SUNFISH LAKE

By: _____
Dan O'Leary
Its: Mayor

ATTEST:

Christy Wilcox, City Clerk

IAGO CONSULTING, LLC

Catherine Iago
Its President

**CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 23-__

**RESOLUTION APPROVING TRANSITIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF SUNFISH LAKE AND IAGO CONSULTING, LLC**

WHEREAS, Catherine Iago has resigned as City Clerk;

WHEREAS, Iago Consulting, LLC has resigned as City Administrator;

WHEREAS, the City Council has appointed Christy Wilcox as City Clerk/Administrator;

WHEREAS, it is appropriate that during the first three months (January, February and March) of 2023, the new City Clerk/Administrator have the opportunity to consult with Iago Consulting, LLC in order to be properly oriented to the position and to better understand the duties and requirements of the position;

WHEREAS, Iago Consulting, LLC can provide the transitional services.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS:

- 1.) The attached Transitional Services Agreement between the City of Sunfish Lake and Iago Consulting, LLC is hereby approved;
- 2.) The Mayor and City Clerk are hereby authorized to execute such document.

Passed this 3rd day of January 2023.

CITY OF SUNFISH LAKE

Dan O'Leary, Mayor

ATTEST:

Christy Wilcox, City Clerk