



HOUSE BILL 3492
DISCUSSION
AUGUST 29, 2023

- Amy Burlarley-Hyland, PE
- Director of Public Works

WHAT WE WILL COVER

Summary of House Bill 3492

Process Used to Determine New Fees

Sample Projects

Staff Recommendation

Feedback

HOUSE BILL 3492



No longer allows for fees for development to be set as a percentage of the construction cost.



Actual Cost

Fee that would be charged by independent third party

Hourly rate for direct time of City Staff

Actual cost assessed to City by a third party



Takes Effect September 1 2023



Fees and hourly rates for City staff must be published on the City's website.

METHODOLOGY

Determined the actual hourly cost of staff involved in plan review and construction inspection

Determined how much time it takes staff to review plans and inspect construction

Developed a tool to calculate fees based on the above

Compared the results on our new tool to past projects

Compared our rates to those of local consultants

WHAT'S AN ENGINEER TO DO....

- **Create a spreadsheet**
 - 83 lines of data
 - One for each item that we expect to review, supervise and inspect during construction
 - Utilities
 - Roads
 - Traffic items
 - 37 columns
 - Capture time it takes to perform every task
 - Capture costs for all City staff involved in the process
 - Development and Traffic Engineers
 - Inspectors and administrative staff

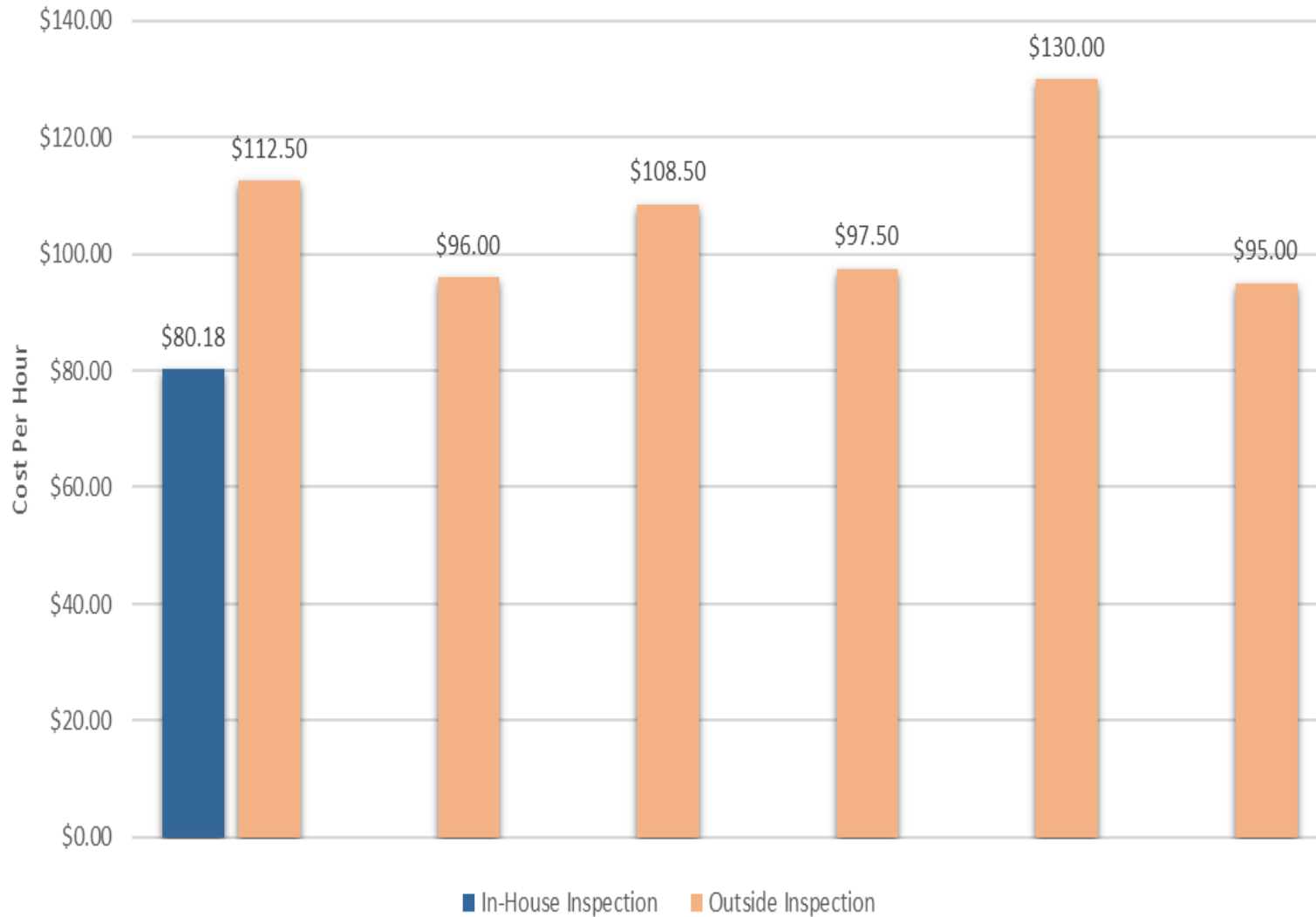
LINE ITEM EXAMPLES

	Quantity	Review Fee Rate	Review Fee	Inspection Fee Rate	Inspection Fee	Total Fee
Stormwater Inlet	1 Each	\$10.87	\$10.87	\$439.15	\$439.15	\$450.00
Drainage Pipe	100 LF	\$0.05	\$5.00	\$2.41	\$241.00	\$246.00

FEE COMPARISON

Permit Type	Stated Construction Cost	PW Unit Cost Construction Estimate	Current Fee per 2023 Schedule	% Cost Recovery	% of Stated Cost	% of PW Unit Cost	Proposed Total Fee	% Cost Recovery	% of Stated Cost	% of PW Unit Cost	Difference Proposed vs Current
New Residential Water Tap		\$3,100	\$681	121.8%	NA	22.0%	\$559.38	100.0%	NA	18.0%	-\$121.87
New Commercial 100 ft Lot (100 ft SW, 1 drive approach, new sewer MH, water tap, fire tap, hydrant, 2 street cuts)		\$62,550	\$2,912	54.2%	NA	4.7%	\$5,369.37	100.0%	NA	8.6%	\$2,457.37
Medium Subdivision (72 0.2-0.5 acre residential lots, 24 acres)	\$2,154,639	\$3,211,630	\$86,186	93.5%	4.0%	2.7%	\$92,205.27	100.0%	4.3%	2.9%	\$6,019.41
Large Subdivision (299 0.12 acre residential lots 59 acres)	\$4,085,350	\$8,604,235	\$163,414	65.2%	4.0%	1.9%	\$250,679.47	100.0%	6.1%	2.9%	\$87,265.47

In-House VS Consultant Inspection Costs



*INSPECTION
COSTS*

STAFF RECOMMENDATION

Utilize

- Utilize full cost recovery of City staff as determined by the tool developed

Continue

- Continue to refine the model and revise as needed

Submit

- Submit revisions if identified at a future Council Meeting

CONSIDERATIONS



Council has the option to adopt a fee at any cost recovery level. (Staff is recommending 100% cost recovery.)



If no action is taken prior to September 1, 2023, no fees can be charged.



Fee can be set and revised/modified at a future meeting

QUESTIONS??

THANK YOU

