



Fee Schedule Revisions Update:

1. Identifying fee related activities- 90%
2. Review the services, define the "deliverables"- 25%
3. Establish cost of services- 50%
4. Assemble fee schedule- 10%
5. Comparison to other jurisdictions- 80%



**City Council Work Session
October 16, 2017**



Identify Activities requiring fees

Identify all items, tasks, or work requiring permits, inspections or other activities and group them where appropriate to minimize number of different fees. The 2015 International Codes will be one of the resources consulted.



City Council Work Session
October 16, 2017



Activity/Service

General/Administrative Fees

Replication of Plans
Hourly Inspection Rate
 After Hour Minimum
 Re-inspection
 Misc. Inspection
Minimum Plan Review Fee
Additional Plan Review Fee

Standard Plan Revision

Hourly Plan Review Rate

Expedited Plan Review Fee

Deferred Submittal Review

Commercial
Residential

Commercial Plan Revision (after issuance)

Residential Plan Revision (after issuance)

Revised Permit

Investigative Fee (Work performed without permit)

Certificate of Completion – Commercial Shell

Certificate of Occupancy – Commercial

Certificate of Occupancy – Tenant Improvement

Change of Occupancy

Temporary Certificate of Occupancy

Occupancy Verification

Outside Consultation Services

Stamping of Additional Set of Plans

Written Documentation of Code Compliance (per request)

Demolition

One/Two Family Residential

Residential Accessory

Commercial/Non-residential

Activity/Service

Manufactured Home/Factory Built Buildings

Manufactured Home (MH) Set (Set by State)

MH A/C Installation

MH Zoning Review Fee

MH Awning to existing MH

MH Remodeling

Factory Built Building (FBB) Residential (set by State)

FBB Commercial (set by State)

Temporary Sales Trailer Set (same as MH)

Temporary Sales Trailer Plan Review

MH Exterior Stucco (engineering is required)

Commercial (Industrial)

New Commercial Building

Commercial Building Shell Only

Commercial Building Foundation only

Tenant Improvement (TI) – Vanilla/Minor work

Tenant Improvement/Shell Buildout (TI)

Commercial Roof Replacement

Commercial Remodel- Interior

Commercial Addition

Commercial Remodel- Exterior

Commercial Exterior Stucco- not originally stucco

Commercial Accessory

Public/Semi-Public Swimming Pool

Public/Semi-Public Spa

Sign Permit-no electrical

Sign Permit- with electrical

*Type 1-Commercial Kitchen Ventilation and Exhaust System

Activity/Service

One and Two Family Residential

New Residential 1 or 2 Family

Residential Addition- conditioned space

Residential Interior Remodel

Res. Accessory Dwelling (Guest House)

Patio Cover/Arizona Room- unconditioned (65% glass)

Patio/Porch Roof Only (no walls)

Residential Accessory- unenclosed (ramada, carport)

Res. Accessory-enclosed 241 sq. ft. or larger (detached garage/other)

Accessory structure (over 120 sq. ft. less than 241 sq. ft.) (no MEP)

Accessory structure (over 120 sq. ft. less than 241 sq. ft.) (with any MEP)

Residential Swimming Pool- inground

Residential Swimming Pool- above ground

Residential Spa- inground

Residential Roof replacement

Residential Building Relocation- new foundation

Residential Exterior Stucco- not originally stucco

Residential Window Replacement

Park Models

Park Model Set- permanent connections

Park Model -patio cover/arizona room- unconditioned

Park Model Addition- conditioned

Park Model- Awning to existing

Park Model Remodel

Park Model Exterior Stucco (engineering is required)

Miscellaneous

Construction Trailer

Walls – themed, retaining, perimeter and privacy

Fences – block, wood, wrought iron, chain-link, other privacy, etc.

Technology Fee

Defining Deliverables

Review the services required for each of the permitting, inspection and other activities including; application processing, plan review, number and type of inspections, certificates of occupancy, expedited or special services, etc.

Defining Deliverables

- One and Two Family Service Breakdown Spreadsheet

General Activity	Sub Activity		Activity (Deliverable) Details	Responsible Staff	Activity Duration (hrs)
Application Processing				Permit Technician	1.00
	Counter Activities				
		1	Check submitted documents		
		2	Verify contractor or owner build		
		3	Create new property record		

General Activity	Sub Activity	Activity (Deliverable) Details	Responsible Staff	Activity Duration (hrs)
Application Processing			Permit Technician	1.00
	Counter Activities			
	1	Check submitted documents		
	2	Verify contractor or owner build		
	3	Create new property record		
	4	Collect payment		
	5	Routing / sign-offs - zoning, building, sewer/septic		
	6	Track Review Status		
	7	Issue Permit - print permit and inspection card		
	8	Track Inspection Status		
	9	Issue Certificate of Completion		
Plan Reviews - Zoning, Building, Flood				
	Zoning Review		Planner	1.25
	1	Verify zoning		
	2	Check setbacks		
	3	Check heights		
	4	Check if in flood zone		
	5	Access		
	6	Addressing		
	Building Review	BASE PERMIT	Bldg Plan Reviewer	3.00
	1	Foundation (post-tension, slab, crawl)		
	2	Anchoring/hold downs		
	3	Braced wall/connections		
	4	Roof framing (trusses)		
	5	Headers/beams		
	6	Weather barrier/flashing/exterior		
	7	Garage to house separation		
	8	Energy - building envelope elements		

General Activity	Sub Activity	Activity (Deliverable) Details	Responsible Staff	Activity Duration (hrs)
		9 Safety glazing		
		10 Mechanical - A/C locations; manuals		
		a) SJD - calculations, etc		
		b) venting and fresh air		
		11 Plumbing - site built showers		
		a) fixture spacing, plumbing venting - islands, etc.		
		12 Electrical - service, smoke detectors		
	Building Review	<u>ADDS</u>	Bldg Plan Reviewer	
	A	2nd floor		1.00
		i) Floor design, additional bracing, connections,		
		ii) stairs, additional HVAC		
	B	Occupied roof top		1.00
		i) Floor / roof structural, stairs, roofing		
	C	Basement		1.00
		i) walls, floor, water proofing, etc.		
	D	Deferred trusses and trusses over 60 ft. in length		1.50
	E	Gas piping - sizing		1.00
	Flood		City Engineer	
Inspections		BASE PERMIT		10.50
		1 Temp electrical power		
		2 Underground plumbing		
		a) size, slope		
		b) forms - setbacks		
		c) 10' water column		
		3 Slab - pre pour		
		a) anchors/connectors		
		b) post-tension		
		c) termite treatment		

General Activity	Sub Activity	Activity (Deliverable) Details	Responsible Staff	Activity Duration (hrs)
		<ul style="list-style-type: none"> 4 Exterior sheathing /roof nailing <ul style="list-style-type: none"> a) braced wall locations & nailing b) roof sheathing nailing 5 Rough frame inspection <ul style="list-style-type: none"> a) headers/beams b) truss/rafter holddowns c) attic access d) emergency egress openings e) all required connections complete f) exterior weather barrier/flashing g) weather barrier - felt, tyvek, etc. h) window flashing i) safety glazing locations j) window "U", "V" and SHGC 6 Lathe and wire; exterior finish install 7 Water/Sewer connections cleanouts 8 MEP rough-ins <ul style="list-style-type: none"> a) EL <ul style="list-style-type: none"> i) wire sizing/fastening ii) box fill iii) receptacle spacing iv) smoke detector location v) panel - service - temp power vi) required lights b) ME <ul style="list-style-type: none"> i) a/c location/wiring ii) duct sizing/routing iii) mechanical /ventilation iv) condensate drainage v) work space c) PL 		

General Activity	Sub Activity	Activity (Deliverable) Details	Responsible Staff	Activity Duration (hrs)
		<ul style="list-style-type: none"> i) drains/venting ii) built in showers iii) water supply iv) gas piping d) General - draft/fre stopping 		
		9 Insulation		
		<ul style="list-style-type: none"> a) verify thickness for plans/rescheck b) check quality of install c) check sealing d) check prep for blown-in 		
		10 Final		
		<ul style="list-style-type: none"> a) completeness per code/plans b) documentation - energy code c) all equipment operational i) water heater ii) A/C iii) smoke detectors iv) all water fixtures v) all ventilation working vi) garage door d) EL - all wiring landed holes filled; gfci's tamper resistant and afci's in place and working e) final insulation - attic, etc. 		
	Inspections	Adds <ul style="list-style-type: none"> a) crawl foundations i) footer inspections ii) crawl/stem wall a) venting b) anchor bolts c) access 		3.0

General Activity	Sub Activity	Activity (Deliverable) Details	Responsible Staff	Activity Duration (hrs)
		iii) floor framing		
		a) sill anchorage		
		b) termite treatment		
		c) vapor barrier		
		d) insulation		
		iv) crawl space		
		b) basement		3.0
		i) footer - set backs		
		ii) basement wall forms rebar; forms support		
		iii) underground plumbing		
		iv) exterior wall water proofing drainage		
		v) slab pre-pour		
		c) 2nd floor		1.4
		d) occupied rooftop		1.0

Defining Cost

There are multiple cost associated with having a Building Division. Some are direct cost and some are indirect. In establishing fees the direct cost will be reflected in the Deliverables and Service cost. One hour of Inspector time will be based on inspector salary and related cost.

Indirect cost will be a flat amount or percentage added to the direct cost of an action/service. One model is to take the total number of permits projected to be issued in the year and divide that into the indirect cost total which will yield a per permit share of cost.

Defining Cost

For example if annual indirect cost are \$60,000.00 and we project to issue 600 permits-

$$\$60,000.00/600 = \$100.00$$

Each permit will then include \$100.00 in addition to the direct calculated cost for the service related to that activity.

Defining Cost

- Direct Cost-
 - Personnel- Employee salaries and benefits.
 - Equipment- vehicles, safety, tools
 - Resources- code books, reference manuals
 - Training- codes, review, inspection, management, customer service
 - Building/Offices- utility cost, maintenance, furniture
 - Technology- software, hardware, cellular, cameras, tablets, etc.

Defining Cost

- Indirect Cost-
 - Development Services Staff
 - City Attorney Services
 - City Management Services
 - Human Resources Services
 - IT Service
 - Finance Services

Cost List

	Description	year	hourly	percent to cover
Personnel				
	Building Inspector	\$81,812.13	\$39.18	100
	Plan Reviewer	\$91,440.00	\$43.97	100
	Permit Technician	\$59,418.22	\$28.46	80
	Permit Technician (clerical Assist)	\$33,853.12	\$16.22	80
	Building and Safety Manager	\$114,843.56	\$55.00	60
Equipment				
	Inspection Vehicle	\$7,000.00		100 5 yr replacement
	Inspection Vehicle	\$7,000.00		50
	Safety Equipment- glasses, steel toe boots, hi-vis vest, hard hats	\$1,000.00		100
	Inspection tools- digital measuring handheld device, tape measures, levels, measuring wheels	\$1,500.00		100
Resources				
	code books or on-line fees	\$1,200.00		100
Training				
	Plan Review	\$2,000.00		100
	Inspection	\$2,000.00		100
	Building Official	\$2,000.00		60
Building				
	electric, maintenance, etc.			
	furniture			
Permitting Software-cloud based, subscription service				
Plan Review Software-submittal, mark-up, resubmittal, approval				
Computers- desktops				replace every 4 years
Monitors- 2-3 per desk; large 30-40 inch for review				replace every 4 years
Cameras- desk for remote meetings				
Cell Phones				
Tablets- for inspection and accessing database while in field				
Headsets- for permit techs, plan reviewer				

Setting Fees

- Once “deliverables” and “cost” have been established and fees begin to take shape some questions arise:
 - For 1 and 2 family homes does a flat fee for specific size ranges make more sense than a variable fee.
 - Example there is not a significant amount of time difference to inspect a 1,500 sq. ft. vs. a 2,000 sq. ft. home. Could these have the same fee?
 - Currently the valuation is linked to the square footage so the fee is higher for a larger house.

Comparables

We have assembled, where available, data on the activities and fees charged by the following Cities and Agency:

1. Avondale
2. Buckeye
3. Casa Grande
4. Goodyear
5. Marana
6. Mesa
7. Oro Valley
8. Queen Creek
9. Office of Manufactured Housing

Comparables

Comparison Table Spreadsheet

Fees	Apache Junction	Avondale	Buckeye	Casa Grande	Goodyear	Marana
Year last Updated	2006	2016	2013	2017	2015	2014
Valuation Table Used	unknown yr.	?	2011		most current	
Technology Fee				Yes (\$400 max)		
Replication of Plans	.19 per lineal ft + \$50.00	\$50.00 + cost	\$110.00 + cost		\$100.00 + cost	

Comparison Table

Fees	Apache Junction	Avondale	Buckeye	Casa Grande	Goodyear	Marana	Maricopa	Mesa	Oro Valley	Queen Creek	Office of Manufactured Housing
Year last Updated	2006	2016	2013	2017	2015	2014	2014	2015	2005	2017	2017
Valuation Table Used	unknown yr	?	2011		most current		2014	current	very old	adopted each yr	n/a
Technology Fee				Yes (\$400 max)			\$10.00?	4% max \$800.00			
Replication of Plans	.19 per lineal ft + \$50.00	\$50.00 + cost	\$110.00 + cost		\$100.00 + cost					\$90 per pla or cost	
Hourly Inspection Rate	\$60.00	\$100.00	\$100.00	\$75.00	\$100.00	\$75.00	\$100.00	\$90.00	\$60.00	\$75.00	\$82.00
After hours minimum	4 hrs	4 hrs	4 hrs	2 hrs	4 hrs	2 hrs	\$150.00/2 hrs	\$110/2 hrs min	2 hrs	2 hrs	
Reinspection	\$60.00	\$100.00	\$150.00	\$50.00	\$100.00/hr	\$75.00	\$100.00/hr	\$110.00	\$60.00/hr, min 2 hrs	\$75.00	
Hourly Plan Review Rate	\$60.00	\$100.00			\$100.00		\$100.00	\$110.00	\$60.00		
misc plan review										\$40.00/sheet	
Is Expedited Review offered	Not Currently	Yes	Yes	Yes	Yes	Yes		Yes			Yes
Cost for expedited review		2X plan rvw fee	2x orig fee	200%	2x plan rvw fee	2x plan rvw fee		2x total pmt fee			\$269/1st hr; \$238.00 each add. Hr
Plan Review Fee percentage	65%	65%	65%	65%			65%		65%	65%	
Min. plan review fee	\$25.00				\$35.00	\$50.00	\$50.00				\$150/1st hour
Additional Plan Review	\$60.00 per hr	\$100/hr	\$100/hr after 2nd		\$100/hr after 2nd	\$50.00/hr after 2nd	\$100/hr after 2nd	\$110.00/hr after 3rd/ min 2 hrs	\$60.00/hr	15% of applicable fee after 2nd	\$119.00/hr
Deferred submittals comm.		\$180.00/per submittal	\$200	\$150.00	\$175.00		\$100.00/hr	\$500.00			
Deferred submittals res		\$180.00/per submittal	\$150.00	\$75.00	\$175.00	\$200.00 (excludes spr, hood, alarms)	\$100.00/hr			\$180.00	
Standard Plan Revision	\$60.00		\$250.00								
Comm Plan Revision (after issuance)	\$60.00 per hr (1 min)			\$150.00		\$50.00/hr	\$100.00/hr	\$110.00/hr min 2 hrs	\$60.00/hr	\$180.00	
Res Plan Revision (after issuance)	\$60.00 per hr (1 min)			\$75.00	\$35.00	\$50.00/hr	\$100.00/hr	\$110.00/hr min 2 hrs	\$60.00/hr	\$180.00	
Revised permit			\$55.00				\$100.00/hr				
Third Party Plan Review				125% cost	100%		125%				
EL over 400 Amp	\$99.00 + \$37.60				\$100.00						
Permit Cancellation			\$75.00								
Stamping of Additional Set			\$20.00		\$50.00						
Work w/out permit	2x permit fee	Fees Doubled									
Investigative fee-work without permit	cost of permit		100% of perm fee	200% of bldg perm	100%		100%	100%		100%	
Outsource review	actual cost	actual cost									
Res Addition	BOV		BOV/\$20.00 sf								
Manufactured Home Set	\$200		\$350.00		\$50.00 (hook up)	\$350.00/(per state)	\$300.00			\$280.00	\$350.00 (IGA)
MH AC	\$61										
(MH zoning review)	\$50.00										
FBB Res	\$400.00										\$450.00 per story
FBB Comm	\$2.00 per lineal ft per story					per state	\$4.50/lf				\$4.50 lf
Patios, Decks, Ramada's, etc.	BOV/\$16.60 sf		BOV/\$7.00 sf								
Remodel Fee	BOV		BOV								
Walls-themed, retaining, perimeter and privacy	\$7.00 lf		BOV								
Fences-block/other privacy, wrought iron, chain-link, etc	\$7.00 lf		\$100.00							any fence that can block H2O \$198.00	
Roof replacement SFR	no fee		\$150.00		\$50.00						
Roof Replacement Comm	BOV		BOV							\$150.00	
Park Model	\$311.28 w/ac			\$300.00				\$212.00		\$150.00	
Awnings	Included with set							\$212.00			

Comparison Table

Fees	Apache Junction	Avondale	Buckeye	Casa Grande	Goodyear	Marana	Maricopa	Mesa	Oro Valley	Queen Creek	Office of Manufactured Housing
A/C, LP, Heat pump	\$61.28							\$212.00			
Comm, Bldg shell	80/20?			80%	80% BV						
TI- vanilla			BOV/\$20.00 sf								
TI-Office			BOV/\$20.00 sf								
TI-Restaurant			BOV/\$40.00 sf								
TI- Medical			BOV/\$50.00 sf								
Foundation only, comm	Add 25% of PR fee			10%	35% BV			10% bldg fee/no mep			
Foundation only, comm w/MEP								12.5% bldg pmt fee		20%	
Phased Interior				20%							
SFR C of O	C of Compl. No charge		\$100.00		\$25.00						
Cert of Completion- Comm Shell	\$100.00	\$100.00	\$100.00								
Cofo Comm Bldg	\$100.00	\$100.00	100		\$50.00						
Cofo Tenant Improvement	\$50.00	\$50.00	100		\$25.00						
Change of Occupancy	\$50.00	\$50.00	200					\$500.00/min			
Temporary Cof O			\$200.00/60 days	\$200.00			\$300.00				
Partial CofO				\$200.00			\$300.00	\$500.00			
Occupancy Permit?											
Written Documentation of Code Compliance, per request		\$330.00									
Occupancy Verification										\$75.00/hr 2 hr min	
Sign Permit	BOV		BOV								
Sign Electrical	BOV	\$40.00									
SFR Demo	\$100.00	\$100.00	\$200.00		\$100.00	\$50.00 +\$50.00/util	\$150.00	\$110.00		\$100.00	
Demo SFR Acc	\$25.00		\$100.00	\$100.00	\$25.00	\$50.00				\$100.00	
Demo Commercial	\$100.00		\$200.00	\$200.00	\$200.00	\$50.00 +\$50.00/util	\$300.00	\$110.00		\$200.00	
Building Moving			\$3,000.00					\$110.00		\$100.00	
Swimming Pool In-ground SFR	\$350.00/250.00 stand plan on file	\$510.00	\$500.00	\$250.00	\$150.00			\$330.00		\$225.00	
Comm Pool			BOV	\$1,000.00	\$250.00						
Stucco SFR	\$9.00 per sq ft?		\$200.00								
Stucco Comm			BOV								
Window Replacement			\$100.00								
Construction Trailer			\$310.00			\$244.00		\$110.00		\$200.00	
Unique fees		4th plan rev. 50% of 1st									
Annual renewal "master"		\$100.00									
Unclassified or Unspecified Service	\$60.00 per hr		\$100.00/hr								
Building Board of Appeals, Per Appeal			\$1,100.00	\$100.00				\$220.00		\$250.00	
Building Code Modifications, per request			\$500.00					\$250.00 (1hr)/add hrs		\$180/Res;	
Building Code Studies, per hour			\$225.00					\$110.00	\$100.00	\$360/Comm	
Written policy issue response					\$50.00 ea			\$90.00		\$250.00	
Re-review of denied permit application			50%								
Annual Facilities- single site								\$800.00		\$500/yr	
Annual Facilities- scattered sites								\$350.00 per site		\$250 per site	
Permit by Inspection								+ 20% of permit fee			
Hood Fire Suppression (fire)			\$225.00								
Combo MEP Res				\$120.00							
Combo MEP Comm				\$300.00							
Res EL				\$60.00	\$36.00 base				\$23.50 base		
Comm EL				\$120.00	\$36.00 base						
up to 200 AMP EL service	\$48.00		\$200.00								

Comparison Table

[illegible]

Comparables

Only Oro Valley has an older fee schedule than Apache Junction.

We have contacted other city building departments to compare the permitting fees on a base model single family home.

No City is lower than us in valuation or fees. In general we are a thousand dollars below the permitting cost of adjacent Cities.

Fee comparison

City	Apache Junction Current	Apache Junction with Inflation	Avondale	Casa Grande	Goodyear	Queen Creek
valuation	\$154,640.00	\$255,000.00		\$254,754.00	\$259,852.00	\$254,754.00
Permit Fee	\$1,632.00	\$2,332.00	\$2,255.00	\$3,258.07	\$2,688.00	\$2,112.00
Plan Review Fee	\$1,060.80	\$1,515.80	\$1,465.75	\$1,210.14	\$1,747.20	\$1,372.80
Total Fee	\$2,692.80	\$3,847.80	\$3,720.75	\$4,568.21	\$4,435.20	\$3,484.80
difference		-1,155.00	-1,027.95	-1,875.40	-1742.40	-792.00

Fees based on: 2000 sq. ft. living area, 400 sq. ft. garage and 200 sq. ft. of covered patio.

Summary

- We believe a thorough and well documented analysis will provide a defensible fee schedule that will support a highly rated and high functioning building department, and will make future fee analysis very simple.
- Defining the deliverables serves two functions- it provides scoping for the work being done for a fee, and it highlights for our customers what is being reviewed or inspected.
- If low fees led to higher levels of construction activity we should be extremely busy. Fees have a very limited impact on builders and developers decisions to build in certain areas.

Questions??/Discussion