



DURHAM CITY-COUNTY INSPECTIONS DEPARTMENT



Date: April 7, 2014

To: Thomas J. Bonfield, City Manager
Through: William E. (Gene) Bradham, City-County Inspections Director
Keith Chadwell, Deputy City Manager
From: Roy Brockwell, City-County Inspections Assistant Director
Subject: Proposed Fee Ordinance Amendments for the City-County Inspections Department

Executive Summary

The City-County Inspections Department is requesting an ordinance amendment to revise Chapter 4 of the Fee Schedule to reflect new categories of fees for items currently not included in the fee schedule, remove certain fees no longer necessary, change the wording of certain categories for clarity only, and to increase fees on a few specific categories.

One of the new items in this proposal is a re-review fee for the plans review process. This would be similar to the re-inspection fee for field inspections. When an applicant does not correct all of the items pointed out in a plans review, a progressive fee will be charged. The purpose is to encourage accurate and complete information when revised plans are submitted, thereby improving the efficiency of the process.

A second new item is charging a re-inspection fee for the first re-inspection on Heating, Ventilation, and Air-Conditioning (HVAC) unit replacements. This is to encourage contractors to perform the work completely and accurately the first time, thereby improving the efficiency of the inspections process and eliminating the need for homeowners to be at home for a re-inspection.

The few items that have an actual fee increase for the permits are necessary to recover the cost associated with the time to perform those inspections.

The cost for permits for new single family and new commercial permits are not changing with this proposal.

Recommendation

Consider and adopt the attached fee ordinance revisions.

Background

The City-County Inspections Department is requesting revisions to the existing Fee Schedule in order to properly reflect new items that are not in the current fee schedule, and to balance the cost of service for permit fees on specific permits. The last comprehensive fee increase was in July 2011 (the increase prior to the 2011 increase occurred in 2000). This is not a comprehensive increase but is for specific items that are either not in the current fee schedule or need an increase to reflect the

cost to perform the required inspections. The cost for permits for new single family and new commercial permits are not changing with this proposal. Also, in order to improve efficiency, re-review fees are being requested for plans review. Currently, our plans review staff time is not being used efficiently when we have to review plans numerous times because the applicant does not correct all of the items that are pointed out on the first and subsequent reviews.

On HVAC replacements, our inspectors have to arrange for the homeowner to be present for the inspection. When the contractor does not have this relatively simple item correct, it causes the inspector to make a return trip and often results in the homeowner having to get off work to meet the inspector. Revising the ordinance to allow for a re-inspection fee on the first re-inspection would encourage the contractors to make an extra effort to have the replacement inspection pass on the first inspection.

The proposed new fees that are currently not in the fee schedule are for 1) changing the impervious limits on an existing permit, 2) plans re-review fee, 3) solar panels for electrical permits, 4) fuel lines for mechanical permits, 5) cost per trip for plumbing sewer/water when, due to the length of the lines, more than 2 trips are required, and 6) residential sprinkler permits.

The proposed increases in fees for permits are for 1) new multi-family (apartments) heating/air conditioning equipment, 2) replacement heating/air conditioning equipment for multi-family (apartments), 3) the maximum cap for commercial up-fit for mechanical permits, 4) hoods for commercial mechanical permits, and 5) the minimum fee for a mechanical permit.

There is a proposed increase to the stocking and partial occupancy approval letters. This is used by the contractors to stock a building prior to Certificate of Occupancy, or to occupy only part of the building that is permitted. These require additional inspections above those allocated in the permits. These approval letters are requested on less than 2% of the total permits issued.

All changes associated with these actions are outlined in red in the attached fee ordinance.

Issues and Analysis

The requested changes are limited to a few specific items and do not affect the fees for new single family and new commercial permits. A review of the peer cities indicates that our fees are in line with these cities.

Alternatives

The choice could be to “not approve” the proposed fee ordinance revisions.

Financial Impact

The projected increase in revenue would be approximately \$15,000 per year.

SDBE Summary

This item has no known SDBE impact.

Attachments

- Ordinance to Revise Chapter 4 of the Fee Schedule