

Staff Report

Ordinance increasing plumbing permit fees charged by SPRWS

The Board of Water Commissioners is proposing increases in plumbing permit fees that would make them equal to those charged by the City of Saint Paul. The greatest increase results from eliminating the lower base fee for residential dwellings. Analysis has revealed that costs addressed by the base fee are similar for residential and commercial properties.

	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	<u>Percentage Increase</u>
1. Interior piping				
Base fee residential (one-and two-family dwellings)	\$ 45	\$ 76	\$ 31	69%
Base fee commercial (all other)	\$ 65	\$ 76	\$ 11	17%
Each new fixture installed	\$ 5	\$ 6	\$ 1	20%
2. Underground piping				
Two-inch and smaller	\$ 80	\$ 90	\$ 10	13%
Four-inch and larger	\$ 190	\$ 210	\$ 20	11%
3. Service connection cut-off <u>disconnect at property line</u>	\$ 80	\$ 80	\$ 0	0%

Typical Residential

Interior	\$ 45	\$ 76	\$ 31	
Underground	\$ 80	\$ 90	\$ 10	
<u>Fixtures (8)</u>	\$ 40	\$ 48	\$ 8	
Total	\$ 165	\$ 214	\$ 49	30%

Typical Commercial

Interior	\$ 65	\$ 76	\$ 11	
Underground	\$ 190	\$ 210	\$ 20	
<u>Fixtures (21)</u>	\$ 105	\$ 126	\$ 21	
Total	\$ 360	\$ 412	\$ 52	14%

The current plumbing permit fees have been in effect since January 2004. Costs associated with the permitting process have exceeded revenue from permit fees since 2006, with the most recent gap of 2010 being \$75,000, due largely to low levels of construction activity. The proposed increases are not projected to completely eliminate shortfalls at the current rate of construction activity, but increased activity and recent work leveling within the department are expected to significantly reduce or close the gap in the future.

Total costs include the cost of permit processing, physical inspections, communication service, transportation and payments to City of St. Paul for use of its permitting software (AMANDA).

See attached Board of Water Commissioners Resolution No. 7136