



Board Summary Report

To: Board of Directors

From: Lanae Raymond, WQ & Special Projects Program Manager

Date: August 16, 2012

Re: Adoption of Revised Fee Schedule: GESC Annual Fee for General Park Construction Projects, and Additional Fee for Extended Hours of Inspection

Board Meeting Date: August 22, 2012

Purpose and Recommendation

A new type of GESC Annual Permit has been developed, specifically for *General Park and Metro District Construction* (under 1 acre), and as such, requires an amendment to the existing Fee Schedule. SEMSWA staff have reviewed the fees charged in the last five years for similar type projects completed by the various Park and Recreation Districts, and General Metro Districts, and have determined a **\$5000** annual fee for unlimited multiple projects is in line with what historically has been charged on a yearly basis.

Additionally, a Fee is proposed for covering inspections that required extended hours, including weekends and after hours.

Background

SEMSWA has adopted the *GESC Permitting Policy* that has identified a streamlined approach to GESC permitting for certain activities identified as fitting under an 'Annual Permit' designation. SEMSWA staff have been following the evolution of Recreation and Metro District projects and identified several construction activities that can be handled appropriately under an Annual Permit.

Additionally, there has been a request for extended hours of inspections into evening and weekend timeframes.

Discussion

SEMSWA issues Annual GESC permits for sites with construction activities designated as similar, repetitive, and performed with a frequency that allows a consistent approach to Best Management Practices (BMPs) that can be presented on a "typical" detail. This "typical" detail with accompanying GESC Considerations Fact Sheets are anticipated to minimize unnecessary efforts of owners, design engineers, contractors, and SEMSWA staff for project plan/report preparation, review and approval that can be managed with an abbreviated process like the Annual Permit. An Annual Permit Guidance Document further clarifies this permit classification to assist in determining the appropriateness of the Park or

Metro District land disturbance activity to this streamlined permit approach, and an SOP specific to the projects anticipated during Park and Metro District construction efforts has been prepared. Based on the number of projects this streamlined approach could be applicable to, analyzing the fees previously paid by Park and Metro Districts for projects of these types, and the resources expended on these types of projects to review, permit and inspect, an annual fee of \$5,000 for unlimited projects was determined to be an equitable balance between SEMSWA resources to meet permit requirements and the cost to the Park and Metro Districts to prepare individual plans for each project versus utilizing the 'typical' detail for plan submittal.

Requests by Contractors for extended hours of inspections has placed a burden on scheduling inspections in a timely and equitable manner, impacting evening and weekend time. In order to make sure that these extended hours of inspections requests truly meet the immediate needs of the development project, Staff is proposing a fee that may be charged for these inspections at a rate we have used to calculate the cost of a typical inspection, \$80/hour, with a 2-hour minimum charge. There will be some latitude in charging the fee if there are extenuating circumstances that indicate a mutually beneficial outcome of an evening or weekend inspection, or if customer service goals would trump resource impacts. The Construction Inspections Manager will make the final determination on the fee.

Alternative

The Board may choose not to allow a streamlined process for permitting in the SEMSWA Service Area, and maintain the existing process of individual plans in place at this time.

The Board may determine that extended hours of inspections are typical in the course of doing SEMSWA business and that a fee is not required.

Fiscal Impacts

Staff believes that revenues associated with the Annual Permit process for park/recreation projects, will be either neutral or show a small increase based on an analysis of permitting fees now and with an annual process. Staff believes the resources saved by not individually permitting each individual activity is significant.

Staff believes that revenues associated with the extended hours of inspections fees will be negligible in the course of a development project, but that resources may be better planned internally and valued externally.

Concurrence

Discussions with the SEMSWA Attorney and Executive Director indicate concurrence with adopting a revised Fee Schedule for an Annual GESC Permit as outlined in the *GESC Permitting Policy*. Discussions with the Executive Director and Finance Director indicate concurrence with adopting an Extended Hours Inspection Fee.