
MEMORANDUM



TO: City Council
FROM: Shawna – City Clerk
SUBJECT: **Building Permit refund request**
DATE: February 10, 2022

In April 2021, Charlene with Peak Exteriors pulled 33 permits to reroof the Townhomes in Meadowview Estates. Staff spent a considerable amount of time numbering and making 4 copies for each permit (original goes in the property file, copy for customer, copy to Finance, copy for Planning and zoning, and one to the building inspector).

I received a call from Charlene last week requesting a refund as the insurance company did not approve the work.

Our Fee Schedule states under Building permit refunds that the “City retains the Plan Check fee”. In the case of a reroof permit, it is a flat rate fee and there is no plan check fee.

The bottom of the Building permit where the applicant signs reads as such:

This permit shall expire if work authorized by this permit is not commenced within 180 days from the date of this permit, or if the work is suspended for a period of 180 days.

Enforcement and administration of the Minnesota State Building code is a public service and is limited in nature. This building permit and the subsequent building inspections are not to be construed or relied upon as any type of warranty, guarantee, or representation on the part of the City that the plans, construction, or finished product are in conformance with the provisions of the Minnesota State Building Code or other applicable construction standards. Further, the City assumes no responsibility or liability for damages of any nature allegedly arising out of the issuance of this permit or subsequent inspections.

Approval of this permit does not authorize the breaking of any law, resolution, or code.

ACKNOWLEDGMENT AND SIGNATURE:

The undersigned hereby agrees that, In case such permit is granted, that all work which shall be done and all materials which shall be used shall comply with the plans and specifications herewith submitted and with all the ordinances of said City of Princeton applicable thereto.

Last year, the flat rate fee for a Reroof was ~~\$50~~, **\$60** plus a \$1 surcharge that was already paid to the state.

The Council asked for staff time spent on these permits.

Shawna, approximately 1 hour to number and make copies, label, distribute, and scan copies of each permit.

#of copies made 132, at \$.25 each, which would be \$33.00

Mary Lou – approximately 1 hour to enter all the permit information into the spreadsheet

Finance – approximately 1 1/2 hours to write up receipt, everything entered per permit, and then process the surcharge report.

Metro West Inspections does still charge us their fee (32% of the permit fee) for expired permits, so we will be paying them \$19.20 per permit, for a total of \$633.60.

If a refund is issued, Finance stated it will be approximately another 1 ½ hours of staff time to enter them as a vendor, and enter all of the permits and amounts.

Using the “labor” rate of \$45 per hour under Public Works, staff time was 5 hours, so \$225

Total payment received for the 33 permits: \$2,013.00

Surcharges paid to the state:	-\$ 33.00
Copies made	-\$ 33.00
Expired permit fee paid to Metro West	-\$633.60
<u>Staff Time processing permits</u>	<u>-\$225.00</u>
	\$1089.00

Recommendation

Staff recommends the City retains 75% of the building permit fees

- if we deduct all of the above costs before calculating the 75% - \$816.75 refund
- if we only deduct the surcharge costs before calculating the 75% - \$1,460.25 refund