

To: Mayor and Members of Council

November 28, 2011

Re: Professional Building Inspections, Inc. Rate Increase

Background

Professional Building Inspections Inc. has recently given notice that they will be increasing their fee schedule effective January 1, 2012. (Attachment "A") Their basic inspection will increase from \$120.00 to \$140.00 per inspection on new residential buildings. This is about a 17% increase. The cost of commercial inspections will increase from \$150.00 to \$180.00 per inspection.

In 2009 Council approved a 30% increase in our permit fee schedule. The purpose of this report is to obtain Council approval to adjust the Town's permit fee schedule to reflect the increase in PBI fees.

Discussion

In correspondence dated November 1, 2011 PBI advised they were increasing their fees effective January 1, 2012. It was stated that the increase was necessary in order to meet rising expenses. Attachment "B" compares the 2009 fees to suggested 2012 fees.

Budget Implications

None

Conclusion

PBI will be increasing their fees for services commencing January 1, 2012. It is necessary for the Town to adjust its rates accordingly. The administration is proposing that 30% be applied to the PBI fee schedule to establish the Town's rate. The 30% increase is justified based on the costs incurred by the Town in the administrative process and tracking process of building permits.

In order to create a new Town permit fee it will be necessary to amend Bylaw 443-05.

(A Bylaw Respecting Buildings) once Council agrees to the fee increase.

Recommendation

That Council approves the 2012 fee schedule for building inspections based on the rate increase from Professional Building Inspections Inc.

That Council introduce and give three readings to the amendment of Bylaw 443-05 Respecting Buildings.

Respectfully submitted,



for Shauna Bzdel,
Town Manager

**TOWN OF WHITE CITY
BYLAW NO.**

**A BYLAW OF THE TOWN OF WHITE CITY TO AMEND BYLAW NO.
443-05 RESPECTING BUILDINGS.**

The Council of the Town of White City in the Province of
Saskatchewan enacts as follows:

That Bylaw No. 443-05 be amended as follows:

1. That Schedule "A" to Bylaw No. 443-05 be replaced with
Schedule A to Bylaw , as attached.

Mayor

(S E A L)

Town Manager

INTRODUCED AND READ A FIRST TIME THIS DAY OF
READ A SECOND TIME THIS DAY OF
READ A THIRD TIME AND ADOPTED THIS DAY OF

TOWN OF WHITE CITY

BYLAW

BUILDING PERMIT FEE SCHEDULE – SCHEDULE “A”

The following is the building permit fee schedule for the erection, placement, construction, alteration, repair, renovation, or re-construction of a dwelling and all other buildings, as referred to in Section 5(6) of Bylaw 443-05. All fees cover inspection, administration costs, and plan review.

1. NEW BUILDINGS (ONE AND 2 UNIT DWELLINGS):

- | | |
|---|---------|
| a) Minimum Charge – Principal Building | \$1,692 |
| Additional charge for each additional
50 m2 over 139 m2 | \$ 182. |
| \$600. is a refundable portion of the permit (as per agreement for Refundable
Portion of Building Permits Bylaw No. 451-05). | |

2. ADDITIONAL/RENOVATIONS TO EXISTING ONE AND TWO UNIT
DWELLINGS:

- | | |
|---|--------|
| a) Living Space Addition | \$728. |
| b) Attached Garages | \$546. |
| c) Accessory Buildings | \$182. |
| d) Decks | \$182. |
| e) Basement Development/Non Structural Renovations
and insulated garages | \$364. |
| f) Structural Renovations | \$728. |
| g) Re-Inspection | \$182. |

3. COMMERCIAL/INDUSTRIAL/INSTITUTIONAL (All Other Buildings):

Minimum charges:

- | | |
|---|--------------------------|
| i) All Buildings | \$5.85/\$1,000 (Maximum) |
| a) Principal Buildings (5 Inspections) | \$1170. |
| b) Accessory Buildings (4 Inspections) | \$936. |
| c) Additions (3 Inspections) | \$702. |
| d) Renovations (2 Inspections) | \$468. |
| e) Accessory Buildings/Renovations (1 Inspection) | \$234. |

4. STRUCTURES TO BE MOVED FROM WITHIN OR OUTSIDE THE
TOWN OF WHITE CITY

- | | |
|-------------------------|---|
| a) Pre-Move Inspection | \$546. plus \$1./km travel time, if applicable |
| b) Post-Move Inspection | \$546.(fees under Section 1, 2, and 3
apply) |

5. The permit fees shall increase by 30% if construction begins prior to the permit being issued.

Schedule A To Bylaw –

Inspection Fees & Charges

PBI charges an all inclusive inspection fee of \$840 for a five part inspection program on new residential buildings under construction that are one or two family dwellings and do not exceed 139 m² of finished area. Buildings greater than 139 m² of finished area are charged \$140. per each additional 50 m² or part thereof. Non-residential buildings, and residential buildings that are not one or two family dwellings or that are larger than 600 m², would be charged at \$4.50 per \$1,000 construction cost. The number of inspections required is dependent upon the size, usage (restaurant, school, etc.), and method of construction (prefab, wood, concrete block, etc.). PCI would assess the number of inspections required at the time of the drawing review prior to issuance of a permit. This number is typically between 5 and 15 inspections.

	<u>PBI Fee</u>	<u>Fees for Municipality</u>
1. New Residential Buildings		
i) Developed living space	\$840.00	\$1092.00
ii) Undeveloped basements	incl.	
iii) Attached garages	incl.	
iv) Additional fee/50 m ²	\$ 140.00	\$182.00
2. Addition/Renovations to Existing Residential Buildings		
i) Living space addition (4 insp.)	\$560.00	\$728.00
ii) Attached garage (3 insp.)	\$420.00	\$546.00
iii) Accessory Bldg. or Deck (1 insp.)	\$140.00	\$182.00
iv) Basement development and insulated garages (2 insp.)	\$280.00	\$364.00
v) Renovations (2 insp.)	\$280.00	\$364.00

Notes:

- If extra or non-scheduled inspections are required, an additional \$140.00 will be charged.
- If applicable for you jurisdiction, travel fees will apply.
- GST is payable and not included in these rates.

3. Commercial/Industrial/Institutional

i) All buildings *	\$4.50/\$1,000	\$5.85/\$1,000
ii) Minimum charges:		
-principal buildings (5 insp.)	\$900.00	\$1170.00
-accessory buildings (1 insp.)	\$180.00	\$234.00
-additions (3 insp.)	\$540.00	\$702.00
-renovations (2 insp.)	\$360.00	\$468.00

Notes:

- *These rates are considered maximum fees. If it is deemed that fewer than the typical number of inspections are required, then a lesser fee will be charged.
- Any re-inspections required due to infractions are \$180.00
- GST is payable and not included in these rates.

4. Houses to be Moved from Within or Outside of your Jurisdiction

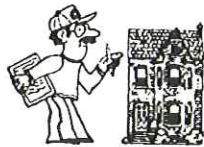
i) Pre-move inspection	\$420.00	\$ Billed direct by PBI
ii) Post-move inspection	\$420.00	\$546.00

Notes:

- Travel cost to do a pre-move inspection will be assessed at \$1.00/km.
- GST is payable and not included in these rates.

5. Fees effective January 1, 2012

All fees are payable to: Professional Building Inspections, Inc.



**Professional
Building
Inspections, Inc.**

64 Great Plains Road, Emerald Park, SK S4L 1C3
Ph: 306-536-1799 Fax: 306-781-2112

November 1, 2011

Notice of Rate Increase

Dear Council:

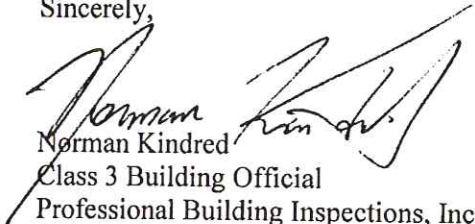
Although housing and employment costs continue to rise, we have honoured our commitment to refrain from a price increase until the end of 2011. In order to meet rising expenses while still maintaining good value for our clients we will be raising our inspection fees for new permits **effective January 1, 2012**, as follows:

- **Our basic inspection fee will increase from \$120.00 to \$140.00** on all single residential dwellings, including duplexes, as well as for additions, renovations, garages, decks, basement development, RTM's, and mobile homes. **Our new fee of \$840.00** for a home up to 139 m² (1,500 sq. ft.) is still great value considering the "cost of construction" approach common in many Saskatchewan jurisdictions can be approximately *double* that. For instance, based on a fee at \$4.50/\$1,000:
Cost of Construction: 1,500 ft² x \$270/ft² (average) = \$405,000
Permit Fee: \$405,000 x \$4.50 /\$1,000 = \$1,822.50
Our 'flat-fee' system provides ease of calculation and, as shown, establishes a much lower permit fee. **Note: Permits opened before December 31, 2011 will still be charged at the old rates**; however, "Extra" inspection fees for permits opened before Dec 31/11 will only be charged at the old rates until December 31, 2012.
- The \$4.50/\$1,000 cost of construction fee for commercial, industrial, institutional, and residential development that houses three or more families will remain the same. The *minimum* charges, however, will increase from \$150.00 to \$180.00 per inspection unit.
- Travel fees, if applicable, will increase as outlined on Schedule A.

We revisit our fees periodically to ensure they reflect current costs; however, for your peace of mind, we will try to maintain these new rates until December 31, 2013.

A revised "Schedule A" itemizing our new inspection rates has been included. Please record your rates under "Fees for Municipality" and fax a copy to 306-781-2112 or mail to: **64 Great Plains Road, Emerald Park, SK S4L 1C3**. Please feel free to contact Cheryl, our Office Administrator, if you have any questions or concerns regarding the above.

Sincerely,



Norman Kindred

Class 3 Building Official

Professional Building Inspections, Inc.

PBI Comparison for fees and charges

Item	Suggested			
	2009 PBI Fee	2012 PBI Fee	2009 Town Fee 30%	2012 Town Fee 30%
New Res. Building - 6 inspections	\$ 720.00	\$ 840.00	\$ 936.00	\$ 1,092.00
Add Fees/50 m2	\$ 120.00	\$ 140.00	\$ 156.00	\$ 182.00
Additions - 4 inspections	\$ 480.00	\$ 560.00	\$ 624.00	\$ 728.00
Attached Garages - 3 inspections	\$ 360.00	\$ 420.00	\$ 468.00	\$ 546.00
Accessory Bldg & Decks - 1 inspection	\$ 120.00	\$ 140.00	\$ 156.00	\$ 182.00
Basement Dev. - 2 inspections	\$ 240.00	\$ 280.00	\$ 312.00	\$ 364.00
Renovations - 2 inspections	\$ 240.00	\$ 280.00	\$ 312.00	\$ 364.00
Commercial/Industrial/Institutional				
All Buildings				
principal building - 5 inspections	4.50/\$1000	4.50/1000	5.85/1000	5.85/1000
accessory building - 1 inspection	\$ 750.00	\$ 900.00	\$ 975.00	\$ 1,170.00
additions - 3 inspections	\$ 150.00	\$ 180.00	\$ 195.00	\$ 234.00
renovations - 2 inspections	\$ 450.00	\$ 540.00	\$ 585.00	\$ 702.00
	\$ 300.00	\$ 360.00	\$ 390.00	\$ 468.00
Houses moved within or out	\$ 360.00	\$ 420.00	\$ 468.00	\$ 546.00