



Meeting Name: Town Council Meeting
Meeting Date: September 13, 2023
Prepared By: Len Rubin/David Dyess
Item Title: Building Official Contract Services Second Amendment

DISCUSSION:

In Resolution 2023-13, Staff recommended a reduction in building fees being collected. The reduction is needed to maintain a balance between revenue and expenses within the building fund as required by state law. When the Town issued its Request for Proposals for Building Official services, the 3% permit fee was the basis of the bid response percentage. To equalize the funding for the Building Official Services Contract, Staff is recommending the execution of a Second Amendment to the Contract to provide for an increase in the percentage given to the contracted provider. With the new permit fee and new percentage ratio, the Town will maintain its revenue to cover its expenses and the Building Official Services will maintain the revenue as if the Town were collecting the original 3% that was bid upon. The Contract, as amended in 2022, expires on September 30, 2024.

	Permit Fees Proposed	Building Official Percent of Fees
Tier 1	<\$5000 = \$100	40.0%
Tier 2	>\$5000<\$1M - 2.0%	60.0%
Tier 3	>\$1M< 3.0M - 1.75%	60.0%
Tier 4	>3.0M 1.5%	70.0%

RECOMMENDATION:

Staff recommends approval of the Second Amendment to the Contract