

**DEVELOPMENT REVIEW AND PERMIT PROCESS ADVISORY COMMITTEE**  
**(DRPPAC)**

The Indian River County (IRC) Development Review and Permit Process Advisory Committee (DRPPAC) met at **9:00 a.m. on Wednesday, October 17, 2018**, in the County Administration Building, Building B, 1800 27<sup>th</sup> Street, Vero Beach, Florida. You may hear an audio of the meeting; review the agenda and the Minutes on the IRC website – <http://www.ircgov.com/Boards/DRPPAC/2018.htm>.

Present were: **Chairperson Debb Robinson**, District 1; **Vice-Chairman Joe Paladin**, District 2; **Christopher Murphy**, Member-at-Large; **John Wesley Mills**, District 3; **Robert Banov**, District 4; **Bruce Redus**, District 4; **Chuck Mechling**, District 5; **Greg Burke**, Member-at-Large; **Raymond Sheltra**, Member-at-Large; and **Stephen Melchiori**, Alternate.

Absent were: **Robin Raiff**, District 1; **Carter Taylor**, District 2; (both unexcused); and **John Blum**, District 5 (excused).

Others Present were: **Jason Brown**, County Administrator; **Bill DeBaal**, Deputy County Attorney; **Stan Boling**, Director, Community Development; **Rich Szpyrka**, Director, Public Works; **Vincent Burke**, Director, Utilities; **John McCoy**, Chief, Community Development; **Dave Johnson**, Fire Marshall; **Patrick Murphy**, Current Development Planner; **Ryan Sweeney**, Senior Planner; **Misty L. Pursel**, Commissioner Assistant and Recording Secretary; and **Mark**, Site Construction Superintendent, Laurel Homes.

**Call to Order and Welcome**

Chairman Robinson called the meeting to order at 9:07 a.m., at which time it was determined there was a quorum present.

**Additions and Deletions to the Agenda**

There were none.

**Approval of the Minutes of September 19, 2018**

**ON MOTION BY Mr. Mechling, SECONDED by Mr. Burke, the Committee voted unanimously (10-0) to approve the minutes of September 19, 2018, as presented.**

**Old Business**

- a) Consideration of Updated Development Application Review Fees and Public Works Fees

Mr. Stan Boling, Community Development Director, mentioned feedback about the process changes was positive and the new process going well. He reminded the committee members of the open door policy with staff and encouraged continued interaction for process improvements even after the Committee sunsets.

Mr. Boling summarized his Memorandum dated October 9, 2018, regarding Consideration of Updated Development Application Review Fees, Long Range Planning Fees, and Public Works Fees, a copy of same is on file in the Commission Office.

Mr. Boling pointed out the three (3) main areas for the Committee's consideration:

- Attachment 1 - 2018 Initial Draft Fee Schedule
- Attachment 2 - 2004 Public Works Fee Schedule & Proposed 2018 Fee Schedule
- Attachment 6 – 2 018 Long Range Section Initial Draft Fee Schedule

Mr. Chuck Mechling, District 5 Representative, said after having the opportunity to speak with staff about the aforementioned schedules, although the suggested fees were a big expense, he believed the fees were justified and thought the industry needed to pay its fair share in the current market. He mentioned his desire to explore the concept involving the 125 percent on the maintenance at the end for a one-year time period, possibly being reduced to 120 percent (a 5 percent drop). He also reminded the Committee it had been a number of years since any adjustments to the fee schedules.

Mr. Joe Paladin, District 2 Representative, expressed his opinion the fee schedules being reviewed were an improvement from what was in place and was in support of the changes.

Chairperson Robinson, District 1 Representative, spoke to two issues:

(1) The Building Department was an enterprise fund where the intent was the fees covered 100 percent of the costs for the Building Department. She continued wherein a vacant single-family residential used almost zero services from the County; such as police, fire, schools, etc., however, generated a significant amount of taxes every year. She shared she felt the development community was paying double since having been charged significantly on one side for staff time and then paying taxes on the other side, but not getting any services.

(2) Public Works inspection fees were being based upon a percentage of the cost. She opined fees should be based upon time, making the fees measurable. She continued there was no control for how much it would cost for staff, given staff time was preset with staff salaries, overhead, benefits, etc.; providing a set fee. Chairperson Robinson relayed there was control over how much time was expended in the process and expressed concern with the amount of inspections, costs of inspections and re-inspections, as well as the time factor in Public Works and Engineering. She stated she was against any type of fees related to percentage of the cost of the project; fees should be related to the cost of the actual job.

Mr. Stephen Melchiori, Alternate Representative, questioned why there was a fee to pay for a County Inspector, who had no liability, no responsibility, when the developer's engineer of record certified everything and placed their license on the line ensuring everything was what it should be. He did not understand why he was paying twice for the same inspection work being done twice.

Chairperson Robinson introduced Mark, site construction superintendent for Laurel Homes to briefly talk about how inspections were handled in the past, versus how inspections were currently being conducted. Mark stated the current inspection process not only increased the cost of the project, but slowed the process down considerably.

Chairperson Robinson asked if the current inspection process was affordable and in a cost benefit analysis, what percentage of the issues became a problem in effect to require the current level of inspection. She pointed out the level of Public Works inspections was what increased the proposed fees so dramatically.

Mr. Rich Szpyrka, Director of Public Works stated the County maintained the level of inspection standards required by the Florida Department of Transportation.

Chairperson Robinson asked why were both the County inspector and the project engineer required to be present. Mr. Szpyrka responded without verification detailing the developer's engineer inspecting what was required, the County inspector was responsible to certify adherence to the proper site construction standards.

Mr. Greg Burke, Member-at-Large Representative, said if an inspector was at the job site every day, at a significant cost; yet, a civil engineer, who was not present every day at the job site was required to certify the completion of the inspections, and he believed the applicant's site inspector should be the responsible party and not the civil engineer certifying inspections.

Mr. Melchiori complained he was paying two people to accomplish the same thing; wherein one person had no liability and the other person was being paid to certify the work.

Chairperson Robinson stated she could not support any kind of fees based on percentage of construction and could not support tripling the cost. She continued because Public Works was not an enterprise fund, the lots approved were generating a significant amount of taxes, while not utilizing any of the services and that amount was more than the balance, she did not support the level of increase.

Mr. Bruce Redus, District 4 Representative, stated the County was performing at a level not seen before as it seemed the review process was faster. He pointed out the County was not retrieving 100 percent of the cost as in an enterprise fund-type operation and subsidizing for a certain percentage of staff costs. He mentioned the fees were making it possible for the performance level and services.

Mr. Mechling mentioned he thought there were two issues: (1) "Paying the Freight" with fees; and (2) procedure for field inspections. He proposed extending the Committee's sunset date for two additional meetings; given there were two meetings cancelled over the summer months, providing the opportunity to discuss more topics.

Mr. Mechling stated he agreed with Chairperson Robinson; however, believed the fee structure methodology was a fair and equitable concept, pointing out there had not been any fee increases since 2004.

Mr. Boling said concept-wise, this meeting was the third meeting wherein discussions took place regarding basing fees on staff's actual costs and not including overhead, and by factoring in streamlining changes, recognizing less staff time for some of the reviews; although there would be additional fees for extra reviews for an incomplete application, etc. He stated fees had to be tied to something and this Committee agreed it would be tied to a more efficient process and to staff time, both for application reviews and Public Works site inspections.

Mr. Boling explained development was a long-term product affecting many citizens, so the need for County inspections were essential. He posed questions such as, how much oversight was needed? What did the public expect? And what was delivered in the end?

Mr. Jason Brown, County Administrator commented there had been a lot of discussion and wondered if there was a middle ground with inspection fees. He pointed out when all the other fees were calculated, there was no inspection time included in those fees. He continued last year staff had been added, without increasing the fees last year.

Mr. Brown responded to Chairperson Robinson's comment regarding vacant single-family residential using almost zero services from the County; such as police, fire, schools, etc., however, generated a significant amount of taxes every year, was in the control of the State of Florida. Mr. Brown mentioned when the tax bill payment becomes due, it typically was a year and a half to two years later, generally with the lots in ownership of new residents by then.

Mr. Mechling supported the concept of an adjustment to the fee schedule from 2004, to be fair and equitable.

A short discussion ensued regarding affordable housing and housing that was affordable in Indian River County.

Mr. Burke suggested going back to the previous three models discussed in a prior Committee meeting, the data included should show the costs for inspections. He reported with dollars values based on the size of the project, there would be a certain number of inspections to be performed at that cost, and any re-inspection would incur additional costs. He suggested a compromise of halfway with the percentage of construction costs.

Mr. Bill DeBaal, Deputy County Attorney, asked how much did an average field inspection cost when factoring in the time, gas and the truck, depreciation on the truck, staff benefits, etc.

Mr. Szyrka responded he could provide the details; however, the attempt was to provide for some of the basic cost of inspections. Chairperson Robinson said those fees were irrelevant unless Public Works were to be set up to be an Enterprise Fund.

Mr. Mechling proposed lowering the percentage amount with a review of that percentage in a year or two.

Chairperson Robinson stated again she did not want to see fees based upon a percentage; but an inspection fee cost of where it was and halfway to where the County would like it to be.

Mr. Paladin suggested a compromise to have the percentage amount phased in over a period of time.

Chairperson Robinson said the problem with phasing over a period time was the building industry floated with the economy; whereas, the County's industry remained the same.

Mr. Paladin agreed with Chairperson Robinson that the fees should not be based on a certain percentage.

Mr. Brown reminded the Committee the primary building permit fees were based upon a percentage basis (.42 per thousand dollars of home value) and those fees had not been debated for a long time; appearing as though the percentage basis worked.

Chairperson Robinson said when terms of real dollars and the impact that had on the community and on the industry, then it was the Commissioners who had to be responsible for that decision, whatever it was.

Mr. Boling spoke to inspection fees, wherein the main focus of the County was always complying with state and federal requirements. He said Mr. Szyrka had his protocols to follow to ensure compliance with proper site construction standards.

Mr. Szyrka noted when all was done by the builder, the County was responsible and wanted to be comfortable with the completed project as compliance-met. He stated Public Works did not collect much in the way of inspection fees, as it was an attempt to lessen the burden from the current funding source, the taxpayer.

Mr. Burke asked if there was a better way to express the percentage. Mr. Szyrka responded either hourly or percentage.

Chairperson Robinson wished it recognized a significant amount of the "taxpayer burden" was in fact subdivisions bringing a tremendous amount of tax dollars and do not utilize any services for it. She surmised the inspection fee was another revenue stream so taxes would not need to be raised. She continued since Public Works was not a Enterprise Fund, but part of the General Fund, it was a part of the services received from taxes – a benefit the building industry deserved.

Mr. Boling commented there was not much of an economic incentive for developers to hold onto vacant lots.

Mr. Brown attempted to dispel notions of the "ever increasing budgets of the County" by explaining during the downturn, the County cut 270 full-time positions from the County budget, not including constitutional officers i.e., Sheriff, Elections, etc., ending with the property tax revenue decreasing from 100 Million Dollars to 69 Million Dollars, during which time, County services were not cut, with the exception of the beach lifeguards. He continued during the

downturn, the County opened a new fire station, which was already under construction, and opened a 30,000 square foot library (Brackett Library). He pointed out the County was currently back to the same property tax level in 2006, at the peak; however, the County had more people to serve, with inflation added. He also pointed out since the downturn, the County had opened three (3) additional fire stations, the cost of Save the Lagoon initiative and Save Blue Cypress Lake initiative, as well as other smaller initiatives, while catching up on past deferments; while at the same tax roll level as in 2006 and collecting the same tax dollars in 2006.

Mr. Mechling gave as an example of why he was in favor of requesting two additional committee meetings, was to include discussion regarding a public benefit concept, such as bringing in tax dollars from building projects. He stated he felt in some of the existing rules, a little more flexibility as to what concepts were when defined, he would rather pay for the additional services to be able to have some other "amenities" such as the cost of maintenance bonds at the end phase, would help balance the costs.

Mr. Christopher Murphy, Member-at-Large Representative, spoke to the proposed one percent (1%) fee structure for off-site improvements and said it was good for County staff's involvement with off-site improvements. He shared an idea to index the fee by the length of the local roadway and size of the pond, saying all subdivisions have a certain (unknown) common ratio of lots to roadway to pond; all interconnected. He continued by indexing the fee to the length of roadway, the bigger subdivision would require more roadway and would be more to inspect.

Chairperson Robinson referred to Attachment 5, wherein the example was based on the 1% on a 36-lot subdivision on 23.62 acres; with a public works fee of \$9,561. She pointed out as far as the fees; excluding engineering, most line items were almost doubled. She further pointed out the number ended up being less because it was not as big a number to begin with; however, it was still almost doubling.

Mr. John Wesley Mills, District 3 Representative agreed in some ways with Chairperson Robinson and wished to point out a lot of the day-to-day, mom-and-pop commercial site plans fall under the minor site plan application and in his experience, a minor site plan was very similar to a major site plan as far as the review effort. He noted recently, every change through the major or minor site plan application process, during construction, was funneled through an administrative approval (AA), with \$400 fee. He perceived lately everything was being funneled to make that change through major site plan to an AA.

Mr. Mills provided an example utilizing a fee structure from the City of Vero Beach wherein changes would typically fall under a code compliance letter with a cost of \$50, rather than another \$400 fee. He also referenced in Brevard County, when a small modification was made, a resubmittal to whoever was the project representative would be made and the change incorporated.

Mr. Boling said one of the "judgment calls" staff made, as a typical practice, especially with a small project, was the project engineer advises of changes as they happen, waiting until the end to prepare one AA for all final modifications to the approved site plan, as opposed to handling each change with separate AA. He said communicating with staff to ensure

acceptance was always welcomed and available; it depended how much changes-in-progress the project engineer was comfortable with.

Mr. Mills asked if there was another way for a minor modification rather than going through the AA process for some of the minor changes through site planning.

Mr. John McCoy concurred changes were inevitable, for whatever reason. He stated communications with the applicant generally and typically found that combining some of the minor changes were more efficient. He continued it had occurred through review of the physical plans and a more thorough vetting of the anticipated change(s) may pose the question to the project engineer and/or client whether to proceed with the available feedback then, or to pick up it all up at the end.

Mr. Boling offered to review the City of Vero Beach's code compliance fee which could be added to the County's zoning confirmation letter category.

Mr. Boling responded to Mr. Mills inquiry of whether the referenced code compliance practice take the place of an AA, saying it would be a different level of confidence for the project engineer and at the end, County staff wanted a record drawing; the site plan as modified.

Chairperson Robinson referenced Attachment 2; wherein a typo was evident when reflecting \$250 per acre, up to 20 acres; should reflect \$250 per 20 additional acre increments; not per acre. Mr. Boling confirmed that change would be made.

Chairperson Robinson asked what was involved from a staff perspective to issue a right-of-way permit. Mr. Szyrka said it depended on what was being done; however, it would involve a review of the construction plans to ensure compliance with County Code. He confirmed when reviewing plans for a subdivision, the review was broken down to two inspections: by reviewing subdivision improvements and review of the improvements over County lands. He agreed to review further to reduce the fee.

Chairperson Robinson noted on Attachment 5, most fees, with the exception of engineering, had increased by approximately 30 percent; wherein previous fee schedules included engineering inspections. She asked the Committee Members if they were comfortable with the 30 percent increase and excluding engineering fees for a "simple" right-of-way permit.

The consensus of the Committee Members was the increase in the application review fee structure set forth in the agenda packet; not including proposed Public Works' inspection fees was reasonable.

Chairperson Robinson asked the Committee Members to review the Public Works application review fees, excluding the inspection fees; wherein she expressed the proposed inspection fee increase was too much to absorb "in one bite" and cost prohibitive and reiterated her disdain with using percentages versus seeing hard numbers. She continued at

the end of the day the Board of County Commissioners needed to see the impact of what was being approved and be accountable for the end result of raising the cost of a lot for the homeowner.

Mr. Paladin agreed one cannot be responsible for a number that was not known; one can only be responsible if the final number was known. He suggested the Public Works inspection fees had not been justified and perhaps phasing in the increase over a period of time.

Mr. Melchiori reiterated his disdain with paying two people to do the same thing.

Chairperson Robinson stated if the County chose to provide that many inspections, she did not believe the builder could afford it.

Mr. Szpyrka said he was following the rules of the proper standards to ensure compliance with the Florida Department of Transportation Standards.

Mr. Mills asked if there was a process to put into place where the engineers were providing some type of extra level of documents to the County in order to reduce the amount of resources the County had to dedicate to a project. Mr. Szpyrka responded he could look into possibly requiring at the beginning of the job, not the end, a contract from the developer ensuring an engineer would be present three times a week, four hours a day, or two hours a day for a decent level of inspection.

A brief discussion of the members ensued regarding issues with inspections and master lot drainage plans.

Mr. Boling questioned what the Committee can support in terms of public works inspections.

Mr. Mechling also questioned the timing of the payment and whether the payment could be phased in over a certain time table.

Chairperson Robinson suggested the inspection fees be paid at the end of the project, prior to the Certificate of Completion (COC).

Mr. Szpyrka noted he was amenable to changing the time frame toward the end.

Mr. Brown suggested the Public Works inspection fees be paid before the COC, with a three-year phase in; half of a percent for a year, then three quarters of a percent for a year, then in the third year, one percent.

Chairperson Robinson suggested to begin the implementation process, a list of inspections required with associated costs be provided; with the understanding inspection fees did not cover 100% of the cost.

A brief discussion of the members ensued regarding the engineer of record's responsibility in certifying construction plans.



Chairperson Robinson stated she could not recall if the County had ever pulled an engineer's license or bonds pulled. Mr. Szpyrka gave example of a roadway failing after construction, four or five years later, when the developers gone and the County having to repair the damage. He continued he was not comfortable with signing off on any engineer's inspection on a County road right-of-way, or any County infrastructure.

Mr. Robert Banov, District 4 Representative, stated he would rather argue fees and maintain the inspection process, citing experience with a improperly installed drainage pipe in his subdivision that became a problem after 10 years.

**ON MOTION BY Mr. Paladin, SECONDED by Mr. Murphy, it was recommended to accept the thirty percent (30%) increase to the individual fee structure, excluding Public Works inspection fees.**

**UNDER DISCUSSION**, Mr. Mechling referred to Attachment 6, wherein the fees were rolled into the numbers and asked about land use designation amendment. Mr. Boling responded it would, as example, be for expanding the urban service area, when changing from residential to commercial; land use changes. He further explained attempts to simplify the charge was to remove the acreage portion, because acreage did not change staff review times much.

**THE CHAIRMAN CALLED FOR THE QUESTION**, and the Motion passed unanimously (10-0).

**ON MOTION by Mr. Paladin, SECONDED by Mr. Mechling, it was recommended the fee structure not be based on a percentage; but on dollar amounts associated with the specific inspection and that cost be reduced by a third of the current schedule of fees.**

**UNDER DISCUSSION**, Chairperson Robinson clarified re-inspections would be an extra fee and separate from the initial inspection fee.

Mr. Mechling suggested reviewing how other counties set up their fee structure and perhaps the County could utilize some of the information already discussed and planned.

Mr. Melchiori suggested the Public Works inspection fees be based upon per lot or unit, or square foot of pavement to quantify a number.

Mr. Szpyrka agreed with Mr. Melchiori's concept for the Public Works fees to be based per lot or unit, because it would be easier to track.

**THE CHAIRMAN CALLED FOR THE QUESTION**, and the Motion died (3-7 opposed).

**ON MOTION BY Mr. Paladin, SECONDED by Mr. Burke, the Committee voted 9-1 (Mr. Melchiori opposed); for the fee structure to be based upon \$100 per lot for Public Works inspections for a single-family residential.**

**ON MOTION BY Mr. Paladin, SECONDED by Mr. Redus, the Committee voted 9-1 (Mr. Melchiori opposed); for the fee structure be based upon \$1,000 per acre for Public Works inspections for commercial.**

**ON MOTION BY Mr. Paladin, SECONDED by Mr. Redus, the Committee voted 8-2 (Mr. Melchiori and Mr. Mechling opposed); for the fee structure be based upon \$75 per unit for Public Works inspections for multi-family.**

### **Other Matters**

Chairperson Robinson asked for specific DRPPAC discussion items Committee Members wished to continue should the Board of County Commissioners (Board) approve more committee meetings.

Mr. Banov suggested further discussions on the Review and Inspection Process with the Building Department; wherein Chairperson Robinson suggested Mr. Banov begin initial discussion with the Building Department regarding specific items and a follow up with Mr. Boling for further consideration and direction.

Chairperson Robinson added item: to establish a process whereby anything staff brings to the Board would include a cost benefit analysis so when the Board voted on the issue, it had an idea how much money it would cost and how it affects the general public.

Mr. Mechling said his variety of items included (1) extended the meeting dates for DRPPAC for two additional meetings; (2) the planned development process and the benefit to the public; (3) landscaping considerations (current agenda item, not addressed); and (4) a concept of an ongoing committee; similar to the Professional Services Advisory Committee (PSAC), sunsetted in 2010, for circumstances such as discussions on major changes, accomplishing a type of bridge between government and the industry wherein a group could discuss and implement a process, as needed.

Mr. Paladin requested continued discussions on littoral zone slope requirements, as he was not present at the September DRPPAC meeting and believed the issue warranted additional discussion and input regarding a possible compromise for slope requirements.