

**POLICY STATEMENT OF THE CITY OF
LAWRENCE, KANSAS, ADOPTED CONCURRENTLY
WITH THE PASSAGE OF ORDINANCE NO. 8008**

- I. COST OF REGULATING BUILDING ACTIVITY.** For the calendar year 2006, the following expenses comprise the cost of services and benefits provided by the City in regulating Building activities:

1. NEIGHBORHOOD RESOURCES DEPARTMENT:

a. Full salaries and benefits, including health insurance, taxes and retirement contributions paid by the City for the following City employee positions:

- i. Plumbing Inspector;
- ii. Mechanical Inspector;
- iii. Structural Inspector;
- iv. Electrical Inspector;
- v. Inspections Supervisor;
- vi. Codes Enforcement Manager; and
- vii. One Secretary/Administrative Assistant/Receptionist.

b. One-half of salaries and benefits, including health insurance, taxes and retirement contributions paid by the City for the following City employee positions:

- i. Director of Neighborhood Resources;
- ii. One additional Secretary/Administrative Assistant/Receptionist.

c. Sixty-five percent of salary and benefits, including health insurance, taxes and retirement contributions paid by the City for the following City employee position:

Zoning Enforcement Officer-Site-Plan Review

d. Budgeted costs incurred for items in support of the employees identified above, including: utilities, office supplies, continuing education, janitorial expenses, phone expenses, parking expenses, internet connection, uniforms, communication devices, travel expenses, employee

meals, all allocated at 36% to reflect the fact that approximately 36% FTE of the Neighborhood Resources Department employees are engaged in the regulation of building activity;

e. Capital expenditures to the proportional extent that the capital expenditure directly supports the regulation of building activity, such capital expenditure is treated consistently as an expense made in 2006 or expenses incurred over the life of the pertinent capital asset, as the case may be, and the residual value of any asset being replaced as the result of such capital expenditure is deducted from such cost.

f. Shared rent for Neighborhood Resources Department and Fire Department allocated at 27.5% to reflect the amount of space used in the regulation of building activity.

2. FIRE DEPARTMENT:

a. Ten percent (10%) of the salary and benefits, including health insurance, taxes and retirement contributions, paid by the City for the Fire Marshall;

b. Twenty-five percent (25%) of the salary and benefits, including health insurance, taxes and retirement contributions, paid by the City for one Fire Inspection Officer;

c. Five percent (5%) of the salary and benefits, including health insurance, taxes and retirement contributions, paid by the City for one Firefighter Prevention Inspector;

d. Administrative overhead, support staff, and fire chief expense in the total amount of \$9,000, to reflect the approximate amount of administrative overhead (within the fire department) expended in the regulation of building activity.

3. OTHER OVERHEAD COSTS:

The city's overhead reasonably attributed to the regulation of building activity, allocated at a ratio of 9.05 (FTE employees engaged in the regulation of building activity) to the total number of FTE employees engaged by the city. The city's overhead attributed to the regulation of building activity shall include the pertinent expenses of the City's:

a. City Commission;

b. City Manager's Office;

- c. Administrative Services Department;
- d. Finance Department;
- e. Legal Services Department;
- f. Legal Services Municipal Court; and
- g. Information Systems Department;

to the extent those expenses are reasonably consistent with the city's 2005 cost allocations in determining the overhead expenses related to the regulation of building activity.

II. PRINCIPLES TO BE USED IN DETERMINING THE COST OF REGULATING BUILDING ACTIVITY. In determining the cost of regulating building activity in years following the year 2006, the City shall:

1. Apply the definition of Building Activity set forth in Ordinance No. 8008.
2. Consider and attempt reasonably to duplicate the cost allocation methodology used to determine the cost of regulating building activity in 2006;
3. Include none of the following costs and/or expenses:
 - a. Expenses of the Public Works Department or its successor;
 - b. Expenses of the City Engineer's Office or its successor;
 - c. Expenses of the Planning Department or its successor;
 - d. Expenses of the Utilities Department or its successor;
 - d. Expenses of such parts of the Neighborhood Resources Department or its successor that are not devoted to the regulation of building activities;
 - f. Expenses incurred by the City to regulate compliance with the city's zoning and planning ordinances, environmental ordinances, rental ordinances, or any other ordinance that is not part of the technical building requirements of the City's building, mechanical, plumbing, electrical, or fire codes, other than the percentage allocation of expenses for the Zoning Enforcement Officer-Site Plan Officer;
 - g. Expenses incurred in the regulation of an existing building, unless the cost is incurred as the direct result of the application for or the issuance of a new building permit for such building;


h. Expenses incurred by way of attorneys fees or other litigation costs;

4. Understand that from time to time the allocation of costs incurred by various City departments involved in the regulation of building activities may change;

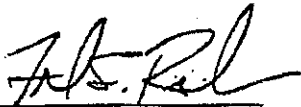
5. Consider comments and input from interested citizens and persons, whose comment shall be invited during the process of determining the cost of regulating building activity.

ADOPTED by the Governing Body of the City of Lawrence, Kansas, this 16th day of May, 2006.

APPROVED:


Mike Amyx, Mayor

ATTEST:


Frank Reeb, City Clerk