



MNSPECT

HELPING YOU COMPLY WITH THE CODE

235 First Street West • Waconia, MN 55387-1302



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MNSPECT MINUTE
July 2015

Inspection Personnel:

- Scott Qualle, Designated Building Official
- Ty Turnquist, Operations Director, Senior Commercial Plans Examiner
- Tom Richardson, Relationship Manager
- Dean Mau, Senior Fire Plans Examiner
- Nick Qualle, Senior Residential Plans Examiner/ Field Inspector
- Dale Engelmann, Senior Plumbing Plans Examiner/Plumbing Inspector
- Derek Qualle, Rental/Field Inspector
- Thomas Krause, Field Inspector
- Barry Riesch, Residential Plans Examiner
- Tracy Montgomery, Office Manager
- Wendy Morrissey, Administrative Assistant
- Brandy Blauert, Operations Assistant

Welcome Tom (yes, another Tom) – our new Relationship Manager!

All You Want To Know About the State Surcharge...and More!

If you have ever obtained a building permit, you may have noticed a “State Surcharge Fee.” The State of Minnesota imposes this fee to defray the costs of administering Section 326B.101 to 326B.194 of the Minnesota State Statutes. 326B.101 states: “The State Building Code governs the construction, reconstruction, alteration, repair, and use of buildings and other structures to which the code is applicable. The commissioner shall administer and amend a state code of building construction which will provide basic and uniform performance standards, establish reasonable safeguards for health, safety, welfare, comfort, and security of the residents of this state and provide for the use of modern methods, devices, materials, and techniques which will in part tend to lower construction costs. The construction of buildings should be permitted at the least possible cost consistent with recognized standards of health and safety.”

You may be aware that the State of Minnesota recently adopted the 2012 International Residential Code and the 2012 International Building Code – both adopted with revisions. As you can imagine, this would be a costly project! This is just one example of what the state surcharge fees are used for. As with the regulation of any government program, there are employee, administrative, legal, and enforcement expenses.

The state surcharge fee is determined in two different ways:

- If the permit fee is based on a flat fee, the state surcharge has been \$5.00 since July 1, 2010. The good news is that starting July 1, 2015, this fee will be reduced to \$1.00!
- If the permit fee is based on the valuation of the project, the state surcharge is .00005 of the valuation. If, by chance, you are doing a project with a valuation greater than \$1,000,000, there are special calculation rules and you should refer to Minnesota Statute 326B.148 Subdivision 1. Computation.

Municipalities are required to collect the surcharges and submit a report and the fees to the State. The State allows a municipality, as the “collection agency” of these fees, to retain a portion of the fees as follows: “Each municipality having a population greater than 20,000 people shall prepare and submit to the commissioner once a month a report of fees and surcharges on fees collected during the previous month but shall retain the greater of two percent or that amount collected up to \$25 to apply against the administrative expenses the municipality incurs in collecting the surcharges. All other municipalities shall submit the report and surcharges on fees once a quarter but shall retain the greater of four percent or that amount collected up to \$25 to apply against the administrative expenses the municipalities incur in collecting the surcharges.”

Anything else you would like to know about the state surcharge? Call us at 952-442-7520.

SPOTLIGHT



TOM RICHARDSON

Tom is our new Relationship Manager. He will be responsible for helping maintain client satisfaction and developing

strong relationships with existing and new clients. Tom has 30 plus years of experience in business and relationship development. A quote from Tom: “I enjoy meeting and working with City and Township officials, area business leaders, and industry experts to discuss new ideas and how to improve the manner in which building inspections and code enforcement can best serve home and building owners, and contractors.”

Tom has multiple hobbies including golfing, boating and volunteer activities. One of his greatest passions is serving as the July 4th Fireworks Commissioner for St. Cloud. He has served in this position for 11 seasons and still strives to make each fireworks display end with a bigger bang than the year before. Of course, his true passion is his family: his son, daughter-in-law, and granddaughter. He is eager to meet his future grandson later this year. If you want to meet Tom, give us a call and we will get it scheduled!

WISHING YOU A HAPPY AND SAFE 4TH OF JULY