

Development Advisory – 62 - Unit Costs
January 9, 2023
Public Facilities Manual Update (APPENDIX 26)

The city is proposing an update to Appendix 26 the Unit Cost List which is part of the Public Facilities Manual (PFM). To view the proposed changes, use the following link and select Development Advisory 62: http://www.cityofchesapeake.net/government/city-departments/departments/Department-of-Development-and-Permits/01dev_advisory_archive.htm

The Unit Cost List is used to determine bond amounts required for subdivision agreements, right-of-way permits, etc. The current Cost List has not been updated since 2019. Due to the length of time since last update, all items have been increased by a factor of **20%**. These updates reflect the estimates from several local contractors who perform construction in the area. The impact to the development/contractor community will be the increase in bond amounts and the increase in inspection fees (which is a percentage based on the total bond amount).

The total fixed site inspection fee standard will increase by a factor of 20%. This factor reflects not only the increase in the overall percentage, but also the increase in cost percentages received from several local contractors who perform like construction. This will transition the fixed site inspection standard from the original \$10,000.00 cost of construction sub-total to a \$12,000.00 cost of construction sub-total. The mobilization fee will also be increased from 1% to 2.5% of the construction value.

Our timetable is as follows: deadline for comments is **February 1, 2023**, to incorporate any changes. The effective date of PFM change will be **February 15, 2023**.

All permits issued prior to the effective PFM change date will be bonded using existing Unit Costs from 2019. Permits issued after the effective PFM change date will be bonded using the proposed Unit Costs. Should you have any questions contact Somer Dimaya at 757-382-8298 or at sdimaya@cityofchesapeake.net.