

# FISCAL NOTE

**Bill #:** SB0369

**Title:** Third party inspections if architect and contractor are related

**Primary**

**Sponsor:** Bill Glaser

**Status:** As Introduced

\_\_\_\_\_  
Sponsor signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chuck Swysgood, Budget Director

\_\_\_\_\_  
Date

## Fiscal Summary

**Expenditures:**

<b><u>FY2002</u></b>	<b><u>FY2003</u></b>
<b><u>Difference</u></b>	<b><u>Difference</u></b>

Unable to be determined

**Revenue:**

0

0

**Net Impact on General Fund Balance:**

**Unable to be determined**

**Yes**

**No**

X

Significant Local Gov. Impact

**Yes**

**No**

X

Technical Concerns

X

Included in the Executive Budget

X

Significant Long-Term Impacts

X

Dedicated Revenue Form Attached

X

Family Impact Form Attached

## Fiscal Analysis

1. The fiscal impact is difficult to quantify into a specific dollar amount, except on a project-by-project basis. On public works projects the impact is determined to be at least an additional 2% of the construction cost. This is due to the fact that the architect/engineer originally hired will have some responsibility to answer the contractor's questions regarding the design, review shop drawings/submittals, negotiate change orders, and perform other functions (with the exception of the inspections). There will be an additional expense of hiring the third party to perform the inspections.