



Municipal Services District

Planning & Development Services

TO: Deputy Mayor Kanter

FROM: Trent Sorenson, MSD Chief Building Official

DATE: May 27, 2022

RE: Rio Tinto Solar Farm Permit Fee Adjustment

Rio Tinto has submitted a building permit application for a 5,000-kilowatt solar farm project at their mine, which is currently under review by the MSD building department. This is the first phase of a project that we understand may involve future phases. This project will generate power to be used by Rio Tinto itself. The permit fee requirements for solar projects are described in the table below, which is an excerpt from the most recent Fee Schedule adopted by the County. The component of the fee schedule when developed contemplated primarily residential and commercial buildings, not a solar farm.

Services	Fee Activity Detail	Fee
Solar	Base Permit Cost (charged with KWA fee)	\$70.00
	KWA (Additional Permit Cost per kwa being produced)	\$30.00
	Plan Check	\$100.00
	Battery Storage System per battery	\$2.00
	Other fees may apply depending on extent of information to check	

Using the fee schedule as is, a higher than anticipated fee is calculated for this project as follows in Calculation A:

Calculation A: Building permit fee based on KWAs would be \$150,070 (\$70 base fee and \$30 per KWA of a 5,000 KWA system) with an additional \$100 plan check fee based on the current language, for a total fee of \$150,170.

An alternative would be to calculate the building permit fee based on the project valuation. While the fee schedule elsewhere does indicate building permit fees are based on building valuation, that valuation is typically determined based on the per square footage of the project and the valuation tables in the schedule. However, in the case of a solar project, separate fees apply as indicated in the table provided above. The fee based on project valuation is calculated as follows in Calculation B:

Calculation B: Building permit fee based on valuation would be \$39,932.87 (based on their declared valuation of \$8,422,637, which cost is to build and install the system only). The plan check fee for commercial projects per





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the fee schedule is 65% of the building permit fee. Therefore, the plan check fee would be an additional \$25,956.36. The grand total is \$65,889.23.

The combined solar fees as currently adopted seem reasonable for typical residential and commercial projects, but appear to be excessive for large solar farm type projects. This proposed adjustment to the fee for this specific project (solar farm) would be more reasonable for the scope of the project proposed and the work being done. As we make adjustments to the fee schedule for 2023, we intend to recommend clarifying language that allows project permit fees, both building and solar, to be calculated based on valuation in certain unique circumstances (not by the per square foot valuations or by the solar fee table as currently constituted). This first phase of the solar farm at Rio Tinto has been fast tracked and the permit is about ready to be issued, and unfortunately cannot wait for the fees to be adjusted in next year's schedule. In the meantime, and in anticipation of these potential changes, we recommend that Calculation B would be more appropriate than the higher fee of indicated by Calculation A for this project.

Salt Lake County Ordinance section 3.42.073 provides that the mayor's office may recommend that the council waive or adjust fees upon good cause shown to contribute to the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of county residents. Consistent with this ordinance, and to facilitate a more reasonable fee that encourages pursuit of this environmentally beneficial project, we recommend an adjustment of the fee corresponding to Calculation B.

Thank you,

A handwritten signature in black ink, appearing to read "Trent Sorensen".

Trent Sorensen
Chief Building Official
Greater Salt Lake Municipal Services District.



Greater Salt Lake Municipal Services District
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