CITY OF RIDGELAND, MISSISSIPPI

POLICY FOR CONSTRUCTION COST REPORTING

Commercial and Industrial Building Permits

1. PURPOSE

The purpose of this policy is to establish a consistent process for collecting construction cost information associated with significant commercial and industrial development projects within the City of Ridgeland. The information will assist in maintaining consistency between the City's building permit records and the Madison County Tax Assessor's Office.

This policy is intended to provide useful construction valuation information while maintaining an efficient and business-friendly permitting process and recognizing the commercially sensitive nature of construction pricing information.

2. APPLICABILITY

This policy shall apply to commercial and industrial building permit applications with an estimated construction value of **$2,000,000 or greater**.

All residential construction and any commercial or industrial projects with an estimated construction value below $2,000,000 shall not be subject to the supplemental reporting requirements established by this policy.

3. REQUIRED CONSTRUCTION COST INFORMATION

Applicants subject to this policy shall submit the City's Commercial & Industrial Construction Cost Reporting Form as part of the building permit application process.

The form shall identify the project, owner or applicant, contractor, total estimated construction cost, and basis of the estimate.

The reported total shall include the estimated cost of building construction, site improvements, and other construction associated with the project. **All improvements shown on the permit plans shall be included.**

Construction costs shall be reported using the following consolidated categories based on the traditional CSI MasterFormat 16-Division system:

1. General Requirements — Division 1
2. Site Construction — Division 2
3. Building Structure and Exterior — Divisions 3–8
4. Interior Construction and Finishes — Divisions 9–12

5. Special Construction and Conveying Systems — Divisions 13–14
6. Mechanical and Plumbing — Division 15
7. Electrical — Division 16
8. Other Real Property Construction — Not otherwise classified

The applicant shall provide a total estimated real property construction cost.

The CSI MasterFormat 1995 Edition, included with the City's reporting form, shall serve as a reference for identifying the construction activities associated with each division.

4. ALTERNATIVE COST DOCUMENTATION

In lieu of completing the Construction Cost Summary, applicants may submit existing documentation that reasonably identifies the major components of construction cost.

Acceptable documentation may include a contractor's cost estimate, construction cost summary, Schedule of Values, Guaranteed Maximum Price schedule, or similar documentation that provides sufficient information in the opinion of the Building Official.

Applicants shall not be required to disclose individual subcontractor bids, unit prices, labor rates, material unit costs, overhead, profit, or other detailed proprietary pricing information.

The City shall accept reasonable alternative documentation without requiring the applicant to reorganize otherwise sufficient construction cost information into a different format.

5. OWNER-FURNISHED AND PERSONAL PROPERTY

Contractors shall not be required to report the value of owner-furnished machinery, equipment, furniture, inventory, information technology equipment, or other personal property outside the contractor's scope of work.

When personal property is included within the contractor's scope and construction cost, the applicant shall identify its estimated value when reasonably known.

The City shall not be responsible for determining whether individual construction components constitute real or personal property for ad valorem taxation purposes. Such determinations remain within the authority of the appropriate taxing officials.

Nothing in this policy shall restrict the Madison County Tax Assessor from requesting additional information directly from property owners or other responsible parties as authorized by law.

6. CERTIFICATION

The reporting form shall be signed by the applicant or an authorized representative certifying that the information provided represents the best construction cost information reasonably available at the time of the building permit application.

The City shall not be responsible for independently verifying individual cost allocations or determining the final taxable value of the improvements. However, if the Building Official determines that additional information is necessary to verify the reported construction values, the applicant may be required to provide such information as a condition of permit approval.

7. PUBLIC RECORDS AND CONFIDENTIAL BUSINESS INFORMATION

Construction cost and pricing information submitted pursuant to this policy may contain confidential, proprietary, or commercially sensitive business information.

The City shall maintain such information in accordance with the Mississippi Public Records Act, Miss. Code Ann. § 25-61-1 et seq., and other applicable law.

In the event the City receives a public records request seeking information submitted pursuant to this policy, the City will endeavor, when reasonably practicable, to provide notice to the applicant or contractor prior to disclosure so that the applicant or contractor may identify and assert any exemption, protection, or other legal basis for withholding the requested information.

Nothing in this policy shall be construed as a determination that any particular information is exempt from disclosure, as a guarantee that notice will be provided, or as creating a duty, right, claim, or cause of action arising from the City's failure to provide notice.

Disclosure shall ultimately be governed by applicable law.

8. ADMINISTRATION AND COORDINATION

The City's Community Development Division shall administer the reporting requirements as part of the commercial and industrial building permit application process.

Submitted information shall be maintained with the applicable building permit records and made available to the Madison County Tax Assessor's Office in accordance with applicable law.

The City shall use the adopted reporting form and associated CSI reference document to promote consistency in the information collected.

9. PERMIT PROCESSING

The reporting requirements established by this policy shall be administered in a manner that avoids unnecessary delays in the issuance of building permits.

Minor discrepancies in construction cost allocations, questions regarding individual CSI classifications, or matters relating solely to ad valorem tax classification shall not, by themselves, prevent issuance of an otherwise complete and approvable building permit.

The City may request clarification when reasonably necessary to establish the total estimated construction cost or determine whether the required reporting information has been provided.

10. ADMINISTRATIVE EXCEPTIONS AND BOARD REVIEW

An applicant, property owner, or contractor who believes that compliance with the construction cost reporting requirements would result in the disclosure of confidential or proprietary business information, adversely affect ongoing business negotiations, or otherwise present circumstances warranting special consideration may submit a written request for an exception to the Mayor and Board of Aldermen.

The Mayor and Board of Aldermen may, upon consideration of the circumstances presented, authorize an exception, modification, or alternative method of compliance with the reporting requirements established by this policy.

When such a request involves matters concerning the location, relocation, or expansion of a business or industry, the Mayor and Board of Aldermen may consider the matter in executive session to the extent authorized by Miss. Code Ann. § 25-41-7(4)(j), subject to the requirements of the Mississippi Open Meetings Act.

Any exception granted under this section shall be limited to the City's supplemental reporting requirements and shall not relieve the applicant or property owner of any independent reporting obligation imposed by applicable law or the Madison County Tax Assessor.

11. EFFECTIVE DATE

This policy shall become effective on _____ and shall apply to building permit applications submitted on or after that date.

The City of Ridgeland Commercial & Industrial Construction Cost Reporting Form, including its accompanying CSI MasterFormat 1995 Edition reference, is hereby incorporated as the administrative form for implementing this policy.