

Pikes Peak Regional Building Department

2880 International Circle
Colorado Springs, Colorado 80910

ADVISORY BOARD MINUTES

July 18, 2018

12:30 p.m.

MEMBERS PRESENT: Chairman Darin Tiffany, Engineer
Vince Colarelli, Citizen-at-Large
Edward Pine, Building A, B or C Contractor
Chris Quinn, Town of Green Mountain Falls
Robert Todd, City of Manitou Springs
David Wilson, Town of Palmer Lake

MEMBERS ABSENT: Tom McDonald, Building A or B Contractor
Jim Nakai, Architect
Richard Applegate, City of Fountain

OTHERS PRESENT: Roger Lovell, Regional Building Official
Virginia Koulchitzka, Regional Building Counsel
Jay Eenhuis, Deputy Building Official – Plans
John Welton, Deputy Building Official - Inspections
Mindy Stuemke, Front Counter Supervisor
Ryan Johanson, Director of Finance
Linda Gardner, Executive Administrative Assistant

PROCEEDINGS:

Work Session

1. CALL TO ORDER

Chairman Darin Tiffany called the meeting to order at 12:30 p.m.

a) Review of 2018 Amended Budget

Roger Lovell stated RBD staff would like to discuss the 2018 Amended Budget during the meeting today, and it would be brought back before this Committee during the August 15, 2018 Advisory Board meeting for final approval.

Jay Eenhuis stated in 2015 there were 12 employees in the Plan Review Department, which does include Enumerations and Flood Plain, but does not include himself; in 2016 and 2017 there were 13 employees; and currently there were 14 employees in Plan Review. He stated this was a 16.7% increase in staffing since 2015. He stated there had been a 29% increase in plan review volume for the first half of the year for 2018; and a 60% increase since the first half of the year in 2015. Mr. Eenhuis stated this shows that the Plan Review Department is reviewing significantly more plans than in 2015, but staff had only been increased by 16.7%. He stated the total review hours logged have

increased 25% during the first six months of 2018, compared to this same time period in 2017; and 31% to this same time period in 2015. He stated the goal was to cut down on the time that RBD had the plans, so they could move on to the other entities more expediently. Mr. Eenhuis stated RBD was encouraging electronic plan reviews, but there were some jurisdictions, small businesses, and homeowners that do not have the ability to submit plans electronically. He stated RBD's Plan Review Department has been able to keep up with the additional workload through the use of new technology. He stated the Amended Budget shows an addition of two employees for the Plan Review Department.

Jina Koulchitzka stated RBD's goal was to remain sustainable in the future, no matter the market or economic conditions, and be in a position to continue to provide the same service at the same speed as it had done historically. She stated RBD, as a government entity, had certain requirements that it needs to follow when a position was open for purposes of posting and making such available to any applicant.

Matt Matzen stated the Front Counter had issued a total of 11,379 permits this year, which was approximately 1,625 permits per month. He stated there have been 15,503 walk-in customers year-to-date, which was approximately 115 per day; and the phone volume was averaging 390 calls per day. He stated there have been 2,202 combined commercial and residential CO's issued year-to-date. Mr. Matzen stated the recent hail storm would result in an increase for all exterior permits, i.e. reroofs, siding, stucco, and decks.

Rebecca Mulder stated the Licensing Department covers the licensing requirements for all 7 jurisdictions, and Woodland Park. She stated the Licensing Department averaged 22 walk-in customers per day; 78 phone calls per day; and currently there were 5,405 active contractor licensees or registered contractors in RBD's jurisdiction. She stated to date in 2018 there have been 506 license applications. She stated RBD was now offering an electronic license application submittal process. Mrs. Mulder stated the hail storms do bring in additional roofing license applications. She stated RBD had two non-compliance officers that investigate complaints and issued stop work orders/Certificates of Non-Compliance (CNC). She stated they averaged 107 CNC's per month. She stated her department also monitors the contractor complaints, and have issued 44 contractor complaints year-to-date.

John Welton stated in 2017 there were 141,681 total inspections during the first 6 months of 2017; and 143,161 total inspections during the first 6 months in 2018. He stated the average daily total inspections (without reroof inspections) was 945 in 2017, and 1,065 for the same time period in 2018 (without reroof inspections). He stated during the first 6 months of 2018, RBD's inspectors have driven a total of 515,992 miles. Mr. Welton stated RBD would like to hire additional inspectors in all departments, with the exception of elevators.

Dan Huyvaert appeared and stated RBD's IT Department had two distinct areas, i.e., the IT Help Desk Requests infrastructure maintenance and equipment, and the second being software development. He stated his department built RBD's public website, as well as the Building Department Assistant Program (BDA) in house. He stated his staff averaged 405 internal service requests per month from RBD staff; and averaged 178 assistance requests from RBD's website users per month. Mr. Huyvaert stated his department services and maintains 75+ cellular phones, 65+ tablet PC's, 70+ desktop PC's, 5 on premise servers, and 3 storage systems and backup. He stated on the software side, IT had 20+ in-house custom applications, 4 Cloud applications, provides software for El Paso County Development and Planning, Teller County Building Department and Woodland Park, and has millions of lines of programming and database code to maintain. He stated RBD had recently rebuilt its website to make it more user friendly; 80% of inspection requests were taken through the website, and 70% of permits issued were purchased online.

Roger Lovell stated the activity during the first six months of 2018 had been well in excess of that anticipated, which had created the need for additional staff. He stated when the 2018 Budget was written, RBD staff did not anticipate natural disasters. He said this budget provides for up to 26 positions, which would be hired on an "as needed" basis.

Mr. Lovell stated the Amended Budget revenue amounts to \$16,340,000, which represents an increase of \$1,817,000 or 12.5% from the Fiscal Year 2018 Budget and a decrease of \$330,886 or 2.0% from the Fiscal Year 2017 Budget. He stated the projected increase in the 2018 revenue was due to two key factors, i.e., the 2018 Budget projected economic growth in the construction industry to be on pace with 2017, but the first two quarters of 2018 have demonstrated growth well in excess of what the region experienced in 2017; and secondly, the 2018 Budget did not forecast revenue resulting from significant natural disasters. Mr. Lovell stated the City of Fountain experienced a substantial hail event in June of 2018, which may result in up to 20,000 reroof permits, 3,500 of which RBD had already issued. He stated both of these factors (i.e., growth and the effects of natural disasters) have a significant impact on the revenue as well as workload and Department expenses. He stated this Amended Budget accounts for both of these key factors as well as other related factors.

Mr. Lovell stated this Amended Budget anticipates the construction of 4,000 single family homes in 2018, which was an increase of 600 homes from the original 2018 estimates. He said commercial activity was expected to remain strong and close to the same level as in 2017. He said RBD expected multi-family unit construction to outpace 2017 with close to 1,300 dwelling unit permits so far this year.

Mr. Lovell stated RBD was also anticipating approval of a 25% temporary fee reduction that would be effective August 1st through the end of the year, which should generate approximately \$1.5 million in revenue that goes directly back into the industry. He said

in addition, the Contractors Rewards Program should generate approximately \$300,000 that also goes directly back into the industry. He stated with this Amended Budget, it was anticipated that RBD's cash as a percent of the Budget would be 47%.

Chris Quinn left the meeting at 1:39 p.m. and a quorum was maintained.

Ryan Johanson stated with the increase of personnel, there were also increases for training, vehicles, insurance, cell phones, tablets, wearing apparel, etc. He asked the Committee members to submit any comments they may have to RBD staff, so their concerns could be addressed during the next couple of weeks, and this Amended Budget would be brought before this Committee for final approval in August.

b) Resolution of Intent for Participation with External Organizations

Roger Lovell stated this Resolution was at the request of outside agencies or organizations. He stated once a decision was made on each request, that recommendation would be heard by the Building Commission. He stated in 2017, Children's Hospital was a recipient of a donation. Mr. Lovell stated this Resolution of Intent was driven significantly by the Colorado Springs City Council. Vince Colarelli stated he supports RBD's efforts to put this new policy together. Roger Lovell asked the Committee members to submit any comments they may have to RBD staff, so their concerns could be addressed during the next couple weeks and stated this Resolution would be brought back before this Committee in August for final approval.

2. **ADJOURN**

The Work Session adjourned at 2:06 p.m.

Regular Advisory Board Meeting (would start at the conclusion of the work session and not any earlier than 1:15 p.m.)

1. **CALL TO ORDER**

Chairman Darin Tiffany called the meeting to order at 2:08 p.m.

Break from 2:31 p.m. to 2:33 P.M.

2. **CONSIDERATION OF THE JUNE 20, 2018 MINUTES**

This Item was **POSTPONED** for 30 days due to lack of a quorum.

Vince Colarelli left the meeting at 2:10 p.m., and a quorum was no longer maintained.

3. **NEW BUSINESS**

Item 3a was heard out of order after Item 3b.

a) Colorado Springs Chamber and EDC Presentation

Dirk Draper, President and CEO, and Vincent Persichetti, Director of Cybersecurity Programs, Colorado Springs Chamber and EDC, appeared and Mr. Draper stated Colorado Springs was expanding the frontier of cybersecurity. He stated the Department of Defense granted approximately \$900,000 to Pikes Peak Community College for a 3-piece scope: (1) Doing an inventory of our separating service members, which was approximately 3,000 per month; (2) developing a strategic plan in cybersecurity; and (3) setting up a website for this industry specifically. He stated this website was currently in a soft launch.

Mr. Draper stated there were 15 action items that revolve around the work force in this community, which range from establishing a coordinating committees to familairize specializations and working with the National Cyber Center. He stated there was not one single place where the cybersecurity companies operate; they were throughout the region. He stated there were 128 companies operating in Colorado Springs.

Mr. Draper stated there were 3,000 employees, or 1.5% of the workforce, working the local cyber workforce; and they anticipate 7,000 employees in 2022. He stated the annual salary was approximately \$104,000.

Mr. Draper stated Colorado Springs had some great assets, and we were well poised as a community to capitalize on this, and we want to make sure that we do so. He stated the military was a very important part of our community and the more we could diversify the economy, the healthier we were and the more insulated we were from changes in their spending or their programs through the years. He stated it captures our highly skilled workforce, but offers opportunities for people that were not highly skilled as well. Mr. Draper stated we now have five NSA-certified schools in this community, and Colorado Springs stands out in pier cities in that regard.

Mr. Draper stated he believed this was the most promising, evolving industry in his three years with the Chamber and EDC.

Item 3b was heard out of order after Item 1.

b) Temporary Permit Fee Reductions

A motion was made by Edward Pine to **APPROVE** the Temporary Permit Fee Reductions of 25% from August 1st through the end of 2018, seconded by Vince Colarelli; the motion carried unanimously.

4. **PUBLIC COMMENTS**

There were no Public Comments.

5. **BUILDING OFFICIAL REPORTS**

a) Financial Statement

b) Building Report

c) Plan Report

d) Inspection Report

The Building Official Reports were **POSTPONED** for 30 days.

6. **UNFINISHED BUSINESS**

There was no Unfinished Business to discuss.

7. **EXECUTIVE SESSION REQUESTS**

There were no Executive Session Requests.

8. **ADJOURN**

The meeting adjourned at 2:35 p.m.

Respectfully submitted,

Roger N. Lovell
Regional Building Official
RNL/llg