

Pikes Peak Regional Building Department

2880 International Circle
Colorado Springs, Colorado 80910

ADVISORY BOARD MINUTES

August 15, 2018

12:30 p.m.

MEMBERS PRESENT: Chairman Darin Tiffany, Engineer
Tom McDonald, Building A or B Contractor
Jim Nakai, Architect
Richard Applegate, City of Fountain
Chris Quinn, Town of Green Mountain Falls
David Wilson, Town of Palmer Lake

MEMBERS ABSENT: Vince Colarelli, Citizen-at-Large
Edward Pine, Building A, B or C Contractor
Robert Todd, City of Manitou Springs

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

PROCEEDINGS:

Work Session

1. CALL TO ORDER

Chairman Tiffany called the Work Session of the Advisory Board Meeting to order at 12:32 p.m.

a) Further Review of Resolution of Intent for Participation with External Organizations

Jina Koulchitzka stated during the July Advisory Board meeting, a draft of the Resolution of Intent for Participation with External Organizations was discussed with the Advisory Board members. She stated it was still in a draft form, as a work product, and certain revisions had been made to the document since previously presented to this Board. Specifically, some of the criteria had been revised, as follows: “The external organizations must have an active 501(c)(3) exempt from Federal income tax determination letter from the Internal Revenue Service.” The second revision was to the third bullet in the criteria which states: “The funding request must: (i) be directly related to the construction industry in El Paso County; or (ii) be directly related to construction activity in El Paso County; or (iii) promote the education, knowledge and awareness of the construction industry in El Paso County; or (iv) improve the administration,

implementation and enforcement of the adopted codes and standards in El Paso County.” Ms. Koulchitzka stated there was another revision on the second page of the document, which was specific to the last bullet under disqualifiers, which states: “Fund research projects or studies outside of El Paso County.”

Chris Quinn stated there were parts of Green Mountain Falls that were not in El Paso County, so he asked were those areas not qualified under the Resolution of Intent; Roger Lovell stated the Town of Green Mountain Falls properties, as serviced by RBD, do fall within El Paso County. Some discussion was had as to whether the Resolution of Intent was specific or not to the jurisdictions which are parties to that certain 2004 intergovernmental agreement, which does not include the City of Woodland Park as a party and a serviced municipality. Ms. Koulchitzka reminded the Board that the City of Woodland Park is serviced via a separate intergovernmental agreement, and that the Resolution of Intent, as it currently reads, is very specific to El Paso County and does not include Teller County in its jurisdictional criteria. As a result, any requests affecting Teller County would not be considered under this Resolution of Intent, if approved. Ms. Koulchitzka further stated reduction of fees was exempt from this resolution. She asked the Advisory Board Committee members if they had any further comments or revisions to this document that they would like to be taken to the Building Commission, and the Committee members expressed their approval of this document as presented and already discussed today.

b) Review of 2019 Budget

Ryan Johanson presented a summary of the 2019 Budget. He stated the revenue was projected to be \$16,287,450; and expenses were projected at \$17,384,262, partially due to the need to hire additional employees, so RBD anticipates a reduction of fund balance of \$1,096,812. He stated RBD is considering a Temporary Permit Fee Reduction to continue into 2019, so long as funds are available. He stated RBD staff also considers continuing the Licensing Rewards Program through 2019, so long as funds are available. Roger Lovell stated this pertains to the renewal fees for the licenses; it gives contractors an incentive to perform in accordance with Code reducing staff resources and the number of Administratively Closed permits. He stated the contractors have to be active for a period of three years in order to be eligible for this License Rewards Program.

Mr. Johanson stated RBD plans to add four additional staff members; RBD further plans for an increase in health insurance costs; and on July 1st, PERA costs will go up by .75%. He stated RBD staff plans to add one additional roofing inspector, one plumbing inspector, one plan reviewer, and one IT database programmer. Roger stated these positions will be added on an “as needed” basis.

Tom McDonald asked RBD staff if there was any potential for RBD to offer free roof inspections for assessment purposes. Roger Lovell stated RBD does not have the staff to offer that service, and doing so would be competing with the private sector that offers

that service. So, the answer was: no.

David Wilson complimented RBD staff and requested that while the economy was good, that RBD staff be rewarded for the good work they were doing. Mr. Lovell stated he appreciated Mr. Wilson's comments. He stated RBD staff had to look forward in order to minimize potential layoffs when and if a downturn in the construction economy occurs.

2. **ADJOURN**

The work session adjourned at 1:06 p.m.

Regular Advisory Board Meeting (would start at the conclusion of the work session and not any earlier than 1:00 p.m.)

1. **CALL TO ORDER**

Chairman Tiffany called the Regular Session of the Advisory Board Meeting to order at 1:07 p.m.

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

A motion was made by Chris Quinn to **APPROVE** the June 20, 2018 Advisory Board Minutes as written, seconded by Jim Nakai; the motion carried unanimously.

3. **CONSIDERATION OF THE JULY 18, 2018 MINUTES**

A motion was made by David Wilson to **APPROVE** the July 18, 2018 Advisory Board Minutes as written, seconded by Jim Nakai; the motion carried unanimously.

4. **NEW BUSINESS**

a) 2018 Amended Budget

Roger Lovell stated revisions have been made since the 2018 Amended Budget was presented in July. He stated RBD had seen a 22% increase in residential plan submittals, a 46% increase in commercial plan submittals, a 20% increase in new single family permits, a 46% increase in commercial permits, a 15% increase in building inspections, an 11% increase in electrical inspections, a 14% increase in mechanical inspections, and a 9% increase in plumbing inspections. He stated RBD anticipates 30,000 reroof permits, and has already issued 9,600 of those reroof permits to date. Mr. Lovell reminded the Board that RBD is "paid" for work in advance and must maintain the "liability" to conduct inspections throughout the life of the project, regardless of how long it takes to complete such. He stated due to the increased workload, RBD employees were working a great deal of overtime. He stated this Amended Budget proposes an increase of 14.5

employee staff positions, and 7.5 of those positions have already been filled, leaving 7 open positions to be filled on an “as needed” basis..

He stated a permit fee reduction was implemented as of August 1st for a 25% temporary permit fee reduction on valuation based permits through December 31, 2018. It was estimated that this reduction would provide a savings of \$1,500,000 to the construction industry through the remainder of the year. Additionally, this budget extends the Licensing Rewards Program which allows for licensed contractors that meet specific performance guidelines to renew their license at no fee for the remainder of the year, resulting in a savings of \$300,000 to those contractors.

A motion was made by Tom McDonald to **APPROVE** the 2018 Amended Budget, seconded by Jim Nakai; the motion carried unanimously.

5. PUBLIC COMMENTS

There were no Public Comments.

6. BUILDING OFFICIAL REPORTS

a) Financial Statement

Ryan Johanson presented the financial statement for the month of July 2018. He said the current operating cash balance was \$11,436,211. He said the cash balance was 79% as a percent of budget. Mr. Johanson said the current month revenue was \$1,964,860, and the year-to-date revenue was \$10,855,048. He said the expenditures were \$1,125,328, which resulted in a gain of \$839,532 for the month of July, and the year-to-date expenditures were \$8,748,362, which resulted in a year-to-date gain of \$2,106,686. Mr. Johanson stated the Licensing Rewards Program had been very successful, and RBD gave discounts for license renewals in the amount of \$18,925 in July, and \$143,725 year-to-date.

b) Building Report

Matt Matzen presented the Building Report for the month of July 2018. He said there were 329 single-family houses permitted in July, which was 15.09 percent more than this time last year; and 55 commercial building permits. He stated there were 4 apartment buildings permitted in July, for a total of 62 apartment units. Mr. Matzen said the total valuation of permits issued in July was \$263,425,751, which was 36.34 percent less than this same time last year; and the total valuation of permits issued to date in 2018 was \$1,959,905,380, which was an increase of 3.57 percent over this same time last year. He said in addition to the apartment buildings, there were 5 permits in July with a valuation over \$3 million. He stated the front counter was averaging 420 phone calls per day and 107 walk-in customers per day. Mr. Matzen said there have been 146 single-family home

permits to date in August.

c) Plan Report

Jay Eenhuis presented the Plan Review Report for the month of July 2018. He said there were 364 single family plans, which was a 17 percent increase from July 2017; 47 new commercial plans, which was an increase of 88 percent; and a total of 944 plans for the month of July, which was an increase of 34 percent compared to July 2017. Year to date, 6,351 plans were submitted, an increase of 28 percent from the first seven months of 2017. He stated there were 104 Commercial Plans submitted electronically in July 2018, or an 89 percent increase compared to July 2017; and 129 Residential Plans submitted electronically, which was an increase of 90 percent; for a total of 396 E-Plans in July 2018, a 37 percent increase from July 2017. Year to date, approximately 44 percent of all plans submitted had been submitted electronically. Mr. Eenhuis stated the Plan Review Department performed 1,281 Solo Reviews in July, and 1,305 Walk-through reviews, for a total of 3,642 logged reviews for July 2018, and 24,828 logged reviews year-to-date, which was an increase of 16 percent from the previous year.

d) Inspection Report

John Welton presented the Inspection Report for the month of July 2018. He said the inspectors in all departments did a total of 25,849 inspections in July, with a total of 56 field inspectors. He said each inspector averaged 22.1 inspections per day, and the average available time per inspection was 15.9 minutes. Mr. Welton stated RBD had hired two new roofing inspectors and one electrical inspector. He stated with the increase in complex commercial projects, RBD field inspectors were doing very time consuming inspections, and the additional staff had made that possible.

7. UNFINISHED BUSINESS

There was no Unfinished Business to discuss.

8. EXECUTIVE SESSION REQUESTS

There were no Executive Session Requests.

Darin Tiffany suggested giving the Building Official Reports on a quarterly basis. Ryan Johanson stated the IGA stated that the financial statements should be reviewed at least once a month. Jina Koulchitzka stated the financial reports must be prepared on a monthly basis for submission to the Building Commission for which this Board is the advisory body, therefore requiring a monthly review. David Wilson stated RBD staff had done a good job in keeping the reports short and concise

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9. **ADJOURN**

The meeting adjourned at 1:34 p.m.

Respectfully submitted,

Roger N. Lovell
Regional Building Official

RNL/lfg