

Pikes Peak Regional Building Department

2880 International Circle
Colorado Springs, Colorado 80910

REGIONAL BUILDING COMMISSION MINUTES

August 29, 2018

9:00 a.m.

MEMBERS PRESENT: Chairman Tyler Stevens, Green Mountain Falls Trustee
Mark Waller, El Paso County Commissioner
Tom Strand, Colorado Springs City Council

MEMBERS ABSENT:

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:

Linda Gardner, Secretary/Executive Administrative Assistant, stated, due to unforeseen circumstances, the Building Commission Meeting was postponed until 10:00 a.m. The Building Commission meeting will reconvene at 10:00 a.m.

Work Session (No motions shall be entertained for a vote during the work session).

1. CALL TO ORDER

Chairman Tyler Stevens called the Work Session to order at 10:01 a.m.

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

Jina Koulchitzka stated during both the July Advisory Board work session meeting, the July Regional Building Commission work session meeting, and the most recent August work session meeting of the Advisory Board, a draft of the Resolution of Intent for Participation with External Organizations was presented for review and discussion with the Advisory Board and Regional Building Commission 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 Commission. 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.”

Ms. Koulchitzka stated during the August Advisory Board Meeting, Chris Quinn, Board of Trustee member of the Town of Green Mountain Falls, commented that there were parts of Green Mountain Falls that were not in El Paso County, so he asked if those qualified or not under the Resolution of Intent. Roger Lovell had answered that the Town of Green Mountain Falls properties, as serviced by RBD, did 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 services municipality. Ms. Koulchitzka had reminded the Board that the City of Woodland Park was serviced via a separate intergovernmental agreement, and that the Resolution of Intent, as it currently reads, was very specific to El Paso County and did 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. As a result, the issue for discussion before the Commission was whether or not the jurisdictional criteria in the Resolution of Intent should be expanded to include all jurisdictions serviced by RBD, and, if not, why not.

Ms. Koulchitzka further stated reduction of fees was exempt from this resolution.

Tyler Stevens stated the first bullet should be cleaned up with regard to the 501(c)(3) criteria. Ms. Koulchitzka stated the language was taken directly out a determination letter issued by the IRS, so she would recommend that the language remain as-is. As a result, all bullet revisions were approved by the Commission.

Tom Strand stated he sent this document to the other City Council members and requested their comments. Council members Gaebler, Murray and Pico commented on the Resolution of Intent, and if a response was needed to their comments, such had been provided. Commissioner Waller stated he would like to get the Resolution of Intent to the El Paso County Commissioners, as well as the smaller municipalities.

Ms. Koulchitzka stated this document would be placed on the regular agendas for the Advisory Board and Regional Building Commission in September.

b) Review of 2019 Budget

Roger Lovell presented a summary of the 2019 Budget. He stated there were several goals that RBD staff would like to achieve with the 2019 Budget; primarily to focus on service, and this Budget provides for the addition of up to four staff members, bringing the total number of employees up to 124 full time employees. He stated these positions would be filled on an as needed basis. Mr. Lovell stated PERA and health insurance costs were

increasing in the coming year, and those additional costs were reflected in the 2019 Budget. He stated RBD would also be considering a modest cost of living increase for its employees, as it is critical that RBD retains quality employees so it could maintain a quality workforce.

Mr. Lovell stated RBD was also going to focus on community engagement through a number of new programs targeted at educating the community on what it was that RBD does and how to better navigate the permit submittal process. He stated RBD was a resource to all citizens and business owners, but only a handful of people utilize the benefit that RBD could provide; so RBD plans to get out there in the community to educate those people on how RBD could be of assistance, especially when it comes to a natural disaster. He stated part of that would be the addition of a Public Information Officer that would help in this regard.

Mr. Lovell 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, as well as the continuation of the Temporary Permit Fee Reduction Program into 2019, so long as funds were available. He stated RBD staff was also considering continuing the Licensing Rewards Program through 2019, so long as funds were available. Mr. 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 and in good standing for a period of three years in order to be eligible for this License Rewards Program.

Mark Waller asked if the revenue forecast included the recent hail storms permits. Mr. Lovell answered in the affirmative but further stated the difficulty was in determining when the permits were going to come in, i.e. 2018 or 2019. He stated RBD does not budget in advance for revenue from natural disasters, but there was a portion of the hail storms revenue included in the 2019 Budget.

Mr. Lovell stated RBD anticipates hiring another IT programmer. He advised that RBD's IT Department also facilitates the jurisdictions serviced by RBD, including the County and the City of Colorado Springs. He stated RBD was getting to be much more efficient with electronic plan reviews and electronic permits.

Mr. Lovell stated RBD was doing a fee comparison study within the State of Colorado with regard to its plan review and permit fees, and RBD was by far, much lower than other municipalities in the State of Colorado. He stated on a national level, RBD's fees were also much lower than other municipalities with a similar size as El Paso County. He stated RBD undergoes an ISO audit every three years to determine the efficiency of RBD staff. He stated RBD historically does not score well with regard to staffing levels, because RBD was able to conduct a higher number of inspections and plan reviews through new technology.

Jina Koulchitzka stated RBD was currently scheduled on the Colorado Springs City Council's Agenda on October 22, 2018 for a work session for presentation of the 2019 Budget, and November 13, 2018 for a regular session, and RBD would like to present the 2019 Budget to the Board of County Commissioners in October as well. She asked the Commission if they were ready to put the 2019 Budget on the September Agenda for both the Advisory Board and the Regional Building Commission for a final vote, and the Commission responded affirmatively.

2. **ADJOURN**

The Work Session adjourned at 10:43 a.m.

Regular Building Commission Meeting (will start at the conclusion of the work session and not any earlier than 9:30 a.m.)

1. **CALL TO ORDER**

The Regular Session of the Building Commission Meeting was called to order at 10:44 a.m.

2. **CONSIDERATION OF JULY 25, 2018 MINUTES**

A motion was made by Tom Strand to **APPROVE** the July 25, 2018 Building Commission Minutes as written, seconded by Mark Waller; the motion carried unanimously.

3. **PUBLIC COMMENT ON ITEMS NOT SCHEDULED ON THE AGENDA**

There were no Public Comments.

4. **NEW BUSINESS**

a) Resolution Approving 2018 Amended Budget

Jina Koulchitzka stated during both the July Advisory Board work session meeting, the July Regional Building Commission work session meeting, and the most recent August regular meeting of the Advisory Board, a draft of the 2018 Amended Budget was discussed with the Board and Commission members. The Advisory Board, during its August meeting, voted to recommend approval of the 2018 Amended Budget to the Regional Building Commission. She stated RBD had revised the 2018 Amended Budget, as to be presented by the Building Official, Roger Lovell.

Roger Lovell stated revisions had 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 had already issued 9,600 of those reroof permits to date. Mr. Lovell reminded the Commission that RBD was “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 during the first six months of 2018, RBD staff worked 1,109 hours of overtime.

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 criteria to renew their license at no fee for the remainder of the year, resulting in an estimated savings of \$300,000 to those contractors.

Mr. Lovell stated the 2018 Amended Budget, as presented, anticipates revenue of \$15,840,000 which represents an increase of \$1,317,000 (or 9.1%) over the 2018 base Budget of \$14,523,000. He stated this Budget anticipates expenses of \$16,469,242, representing an increase of \$1,946,242 (or 13.4%) over the 2018 base Budget of \$14,523,000. He said, as presented, expenses were higher than revenue resulting in a fund balance decrease of \$629,242.

A motion was made by Mark Waller to **APPROVE** the 2018 Amended Budget, seconded by Tom Strand; the motion carried unanimously.

b) Alternate Commission member(s)

Jina Koulchitzka stated with regard to the alternate Commission member(s) discussion, such was voted by this Commission during its June 27th regular meeting to be placed on the regular agenda for discussion. The issue was triggered by certain number of absences during RBD related Advisory Board meetings, as noted by the Commission, and certain upcoming unavailability to attend Commission meetings. Further, certain third parties had taken interest in the issue of alternate Commission member(s), including, but not limited to a possible change to the representation on this Commission; as an alternative to such a conversation, this Commission had agreed to discuss alternate Commission member(s) and whether such needed to be considered.

Tom Strand stated he was a member on other boards and have found that alternate board members have been very helpful. He stated he believed this Commission was different in that it was a higher level. He stated his thought was that it was not necessary. Mark Waller asked if having alternate Commission member(s) would have to be an amendment

to the IGA, and Ms. Koulchitzka responded “no,” only an amendment to the Bylaws. Mr. Waller stated unless the alternate(s) was/were actively engaged in this business, they would not be “up to speed” on the issues being discussed. He stated he does not see a need for alternate Commission member(s). Tyler Stevens stated he does not support alternate Commission member(s).

Mr. Koulchitzka stated RBD staff had been able to work with the Regional Building Commission to reschedule meetings, as needed. Tyler Stevens stated the consensus from the Commission was that alternate Commission member(s) were not necessary at this time. Ms. Koulchitzka stated RBD does have alternate authority in the Code for the advisory boards and committees.

Ms. Koulchitzka stated the Code required board members to attend 75 percent of the committee meetings, unless good cause could be shown for their absence from the meetings. Tom Strand and Tyler Stevens suggested that this be reminded to the committee/ board members in future meetings.

5. ADVISORY BOARD REPORT

Jina Koulchitzka gave the Advisory Board Report. She stated the items presented to the Advisory Board were very similar to the Agenda before the Commission today. She stated the Advisory Board did approve the 2018 Amended Budget. She stated Mayor Pro Tem Kelly Elliott had just filled the vacancy on the Advisory Board representing the Town of Monument.

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 450 phone calls per day and 118 walk-in customers per day. Mr. Matzen said there have been 276, single-family home permits to date in August.

c) Plan Review 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. FUTURE AGENDA ITEM REQUESTS

- a) Pursuant to C.R.S. §§ 24-6-402(4)(b) and (f)(1), the attorney for Pikes Peak Regional Building Department is requesting to reschedule and continue the previously approved (as of June 27, 2018) Executive Session with the Regional Building Commission regarding a personnel matter relating to the Regional Building Official's review and evaluation by the Commission to next month's agenda (September 26, 2018).

- b) Future Regular Session Agenda Item Rescheduling and Continuing from September 26, 2018, to October 24, 2018: Resolution concerning Regional Building Official's salary.
- c) Tom Strand stated he would like to add an agenda item to the September 26, 2018 meeting, i.e. a request for funding that would deal with a request for approximately \$250,000 in 2018 from the Salvation Army, which was a 501(c)(3) organization; the request was for capital improvements to one of their buildings to house the homeless population. He stated the Salvation Army approached him regarding their lack of funds for this improvement. He stated this would double their "low barrier" population housing in our community. Mr. Strand stated the City recently passed an ordinance that prohibits camping along the City's water ways, but it must have "beds" available for those same people they are requesting to leave their camp sites. He stated the request would come from the Salvation Army by either Captain Kauffman and/or Terry Brace. He stated this was a request from the Salvation Army and not from the City of Colorado Springs. Mr. Strand stated the majority of his nine-member City Council are in favor of this donation. He stated there was money from HUD in the amount of \$250,000 that would be donated, and he believes the County would be requested to donate \$200,000.

Roger Lovell stated he had not received this request, and it must be looked at closely. Jina Koulchitzka stated this request would have to be brought before the Advisory Board prior to bringing it before the Commission.

- d) Tyler Stevens stated he would like to add an agenda item for advisement on negotiations as an executive session.

9. EXECUTIVE SESSION REQUESTS

There were no Executive Session Requests.

10. ADJOURN

The meeting adjourned at 12:03 p.m.

Respectfully submitted,

Roger N. Lovell
Regional Building Official
RNL/llg

NOTES:

PPRBD meeting agendas and minutes, as well as archived records, are available free of charge on PPRBD's website at <https://www.pprbd.org/Information/Boards>. Audio copies of the record may be purchased by contacting PPRBD at (719) 327-2989.